



Legally-Binding Electronic Signatures with OnTask





With the passage of the ESIGN (Electronic Signatures in Global and National Commerce) Act in 2000, Congress helped legitimize contracts drafted and signed online by making them legally enforceable.

This act fundamentally changed the face of daily transactions for millions of organizations.

Since then, all 50 states have followed suit by enacting laws such as UETA (the United Electronic Transactions Act) to protect organizations, as well as consumers, in cases where federal statutes may not apply. The effects have been profound, helping give rise to businesses who operate almost strictly online, and generally making life easier for all parties involved in an agreement.

Organizations should be aware, however, that there are certain guidelines and best practices to follow when constructing and entering into online contracts. Several key factors need to be considered, including:

Authenticity:

Affirmation of the identity of the signatory (the other party in the agreement).

Consent:

The signatory has willfully entered into the agreement

Intent:

The signatory intends to be bound by the terms of the agreement.

Attribution:

The ability to specify a relevant individual from the other organization.

Security:

The agreement has been legitimized by the presence of a willful signature and measures assuring that the agreement cannot be altered afterwards.

Retention of pertinent records:

This entails creating an audit trail for the signature process, keeping all contract documents inaccessible by external parties, and assigning a custodian to oversee the agreements.

These procedures help limit an organization's liability in cases where an online agreement comes into question. But most business leaders, of course, aren't lawyers, and would prefer a trusted partner to handle these compliance requirements.

With OnTask's document automation platform, you can be confident that your electronic signatures are eSign Act and UETA compliant. To shed some more light on how OnTask addresses these guidelines, here are some commonly asked questions that we receive from our customers.

Q: How can can electronic signatures help us prove that the other party has willfully entered into a contract with us?

A: This deals with **authentication**, **attribution** and **consent** from the list above. OnTask validates a user's identity via email address authentication and IP address, both of which are stored in our database. Users indicate their consent to use the electronic signature process by clicking through the link in their email, scrolling the document and placing their signature.

Q: How we can be sure the other party won't be able to alter the agreement after the fact?

A: This centers on the issues of **intent** and **security**. OnTask uses an HSM (Hardware Security Module) to apply a digital certificate to the signed PDF document to secure it and ensure that it cannot be altered. The PDF is signed with the certificate once all signatures have been made, and



the signature is broken if the document is altered after that process. The validity of the certificate can be verified at any time by opening the PDF in Acrobat or similar PDF-viewing application and reviewing the signature information.

Q: How do we know we'll be able to access our archival contract information later?

A: To address **retention of pertinent records**, OnTask uses Amazon Web Services (AWS) and assigns all relevant data from an individual contract to a specific workflow ID which can be retrieved as needed. OnTask is also in compliance with SOC2 audit procedures from the American Institute of Certified Public Accountants (AICPA), established to protect the data and privacy of clients using cloud-based data platforms such as AWS, a trusted industry leader.

Q: Why are electronic signatures so important for us to implement?

A: eSigning is becoming the status quo in today's business environment, and it offers benefits for you as well:

**Speed:**

84 percent of electronic agreements are signed and returned within one business day. 15 percent, in fact, are completed within 15 minutes.

Simplicity:

Online agreements in writing remove grey areas and confusion over details.

Security:

Why depend on paper when a complete electronic audit trail is available?

Streamlining processes:

Electronic signatures don't just apply to your dealings with other businesses - they're also a huge help to your own employee onboarding and benefits selection. They're a great way to get rid of paper forms for good.

Convenience:

Sign anywhere, at any time: no more scanning, faxing, or waiting.

Get it right - and in writing

Electronic signatures aren't just a nicety for modern businesses - they're a basic necessity for organizations that regularly transact online. Take the first step toward streamlining and securing your digital transactions with electronic signatures. OnTask is a product of Accusoft - a leading provider of digital imaging and document processing over the past 25 years.

Contact us here and learn more about the difference OnTask electronic signatures can make for you.