

29 October 2021

Senate Standing Committees on Economics
Economics Legislation Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Co: economics.sen@aph.gov.au

Dear Committee Members,

Corporations Amendment (Meetings and Documents) Bill 2021

DocuSign welcomes the opportunity to make a submission to the Committee's inquiry on the Corporations Amendment (Meetings and Documents) Bill 2021.

DocuSign is a global public company that helps businesses, governments and individuals around the world connect and automate how they prepare, sign, act on and manage electronic documents.

We have been doing this for nearly two decades, and today have more than one million customers and over a billion users electronically signing with our agreement cloud platform across 180 countries.

We closely work with private industry and the public sector around the world regarding innovative ways for them to use digital services, such as DocuSign eSignature, which is part of our agreement cloud platform, to efficiently operate and effectively serve their customers and constituents.

DocuSign has globally advised governments on drafting and implementing critically important regulations and legislation regarding digital transformation. For many years in Australia, we have been advising and advocating at a Commonwealth and State Government level for the reform of electronic document execution to further increase the clarity and certainty pertaining to the usage of electronic documents and signatures.

While DocuSign welcomes the recent reintroduction of temporary measures that allow electronic execution of company documents under Treasury Laws Amendment (2021 Measures No. 1) Act 2021, permanent reform is more important than ever.

We encourage members and senators of the Commonwealth Parliament to make permanent reform a high priority.

Permanent reform is extremely important to many Australian businesses as they are currently waiting to update their existing digital platforms to allow for the full electronic execution of documents.

As these updates take time and can be complex, businesses need to be certain that relevant laws are permanent before committing to major digital platform upgrades.

Timely and permanent changes to the Corporations Act 2001 (Cth) that allow for the electronic execution of documents will not only create certainty for these businesses but also allow:

- Documents to be executed more securely and reliably.
- Documents to be signed electronically in minutes, rather than days – documents can be immediately sent back to each of the signers from a computer, tablet or mobile device.
- The removal of manual tasks such as meeting face to face, printing, scanning, posting or couriering documents.
- Significant financial savings on hard costs such as paper, printing, photocopying, scanning and storing documents. Such considerable paper reduction also has a positive environmental impact.
- Documents to be completed from nearly anywhere, at any time and by anyone. This is meaningful for people living in rural and remote areas, small businesses and people with disabilities.
- Automatic storage and a robust court admissible audit trail for every document they sign.

In the past 12 months DocuSign has run more than 20 industry, small business, legal practice, and consumer consultations for thousands of individuals on the electronic execution of documents in Australia.

The feedback from all of these groups and individuals shows that non-regulatory requirements like processes, document workflows, or the availability of technology neutral platforms to execute documents are not seen as an issue. The fundamental issue that has been standing in the way of businesses fully realising the huge costs and time benefits associated with the electronic execution of documents, and updating their digital platforms, is confusion and uncertainty around government regulations.

To this end, we are conscious that the temporary measures included in the Treasury Laws Amendment (2021 Measures No. 1) Act 2021 will expire on 31 March 2022. We therefore implore members and senators of the Commonwealth Parliament to ensure the permanent reforms contained in this Bill (Corporations Amendment Meetings and Documents Bill 2021) pass the Parliament before the temporary regulations expire. If this Bill is delayed, we fear there will again be mass confusion and costs imposed on Australian businesses, their employees, and individuals.

We would also like to reiterate to the Committee that modern electronic signature platforms, such as DocuSign's eSignature platform, are safe and more secure than a wet signature for several reasons. These include:

- The clear identification of who is signing the document.
- Creation of a robust audit trail as court admissible evidence of the transaction.
- Protection of the integrity of documents through tamper evident functionality.
- Aligning to industry security and data privacy standards.
- The ability to be easily adapted to cover specific requirements / methods included in regulations e.g. matters such as consent or intent to sign electronically.

Such platforms also offer businesses multiple options to verify the signers' identities before they can access and sign a document.

Current platforms offer built-in identification options by:

- Capturing email and IP addresses used to sign.
- Social ID checks.
- SMS authentication.
- Phone call authentication.
- Federated ID / single sign on.
- Third party ID checks.
- Document verification / 100 Point ID check (through e.g. Australia Post ID).
- Incorporating audio visual witnessing and recordings (if deemed necessary) of a document being executed.

Unlike wet signatures, electronic signatures also come with an audit trail and proof of the transaction. The audit trail created by DocuSign eSignature includes the history of actions taken with the document, including identity of signers, senders, and witnesses, as well as details of when it was opened and signed by each party. If there is any dispute about the electronic document or signature, this audit trail provides court admissible evidence for enforceability.

Once the signing process is complete, all documents are digitally sealed using a public key infrastructure (PKI) certificate which ensures that the document and electronic signature is valid with tamper evident protections. Robust security measures also are used to ensure that the data and documents are protected, that privacy is ensured and that processes align to international compliance requirements and industry standards.

On top of this, the Corporations Amendment (Meetings and Documents) Bill 2021 does not seek to mandate the use of electronic execution of documents. While the benefits of electronic execution of documents are immense, businesses, their employees and individuals can still choose to execute a document via a traditional paper or 'wet signing' process.

DocuSign also feels that it is important to reiterate the immediate cost and productivity savings permanent reforms would deliver businesses.

Using the compliance impact figure included in the Corporations Amendment (Meetings and Documents) Bill 2021 Explanatory Memoranda, we estimate that when the temporary

Commonwealth regulations allowing electronic execution of company documents expired on 21 March 2021, though they were reintroduced on 14 August 2021, Australian businesses endured approx. \$182 million in extra costs by having to go back to traditional paper and 'wet signing' processes.

DocuSign's own global customer research shows that the benefits of electronic execution through DocuSign include an average savings of \$49 per document compared to traditional paper processes and 80% of all transactions being completed in less than 24 hours and 44% within 15 minutes.

In the Australian banking industry, regulations that require banks to have customers wet sign numerous complex forms, create a poor client experience (particularly in regional and rural areas) and result in a bank, on average, spending 60 days to fully execute a customer's documentation. Major consequences of these financial services processes include project delays 49% of the time, unnecessary costs 43% of the time and a poor customer experience 41% of the time.

Recent analysis by one of Australia's largest banks has shown that by utilising the DocuSign Agreement Cloud for commercial lending, a customer's loan is turned around 17 days quicker.

We trust the above outline is useful in outlining how the use of electronic execution of documents can safely and securely benefit Australian businesses.

We thank the Committee for the opportunity to outline our views in this submission and look forward to seeing permanent reforms put in place as soon as possible.

Should the Committee have any subsequent questions we would be more than happy to further assist with this inquiry.

Sincerely,



Doug Luftman

**Vice President & Deputy General Counsel, Product, Innovation Services and Government Affairs; Chief Privacy Officer
DocuSign, Inc.**

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Freeform Signing

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
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Certified Delivered	Security Checked	10/29/2021 8:38:13 PM
Signing Complete	Security Checked	10/29/2021 8:38:35 PM
Completed	Security Checked	10/29/2021 8:38:35 PM
Payment Events	Status	Timestamps