



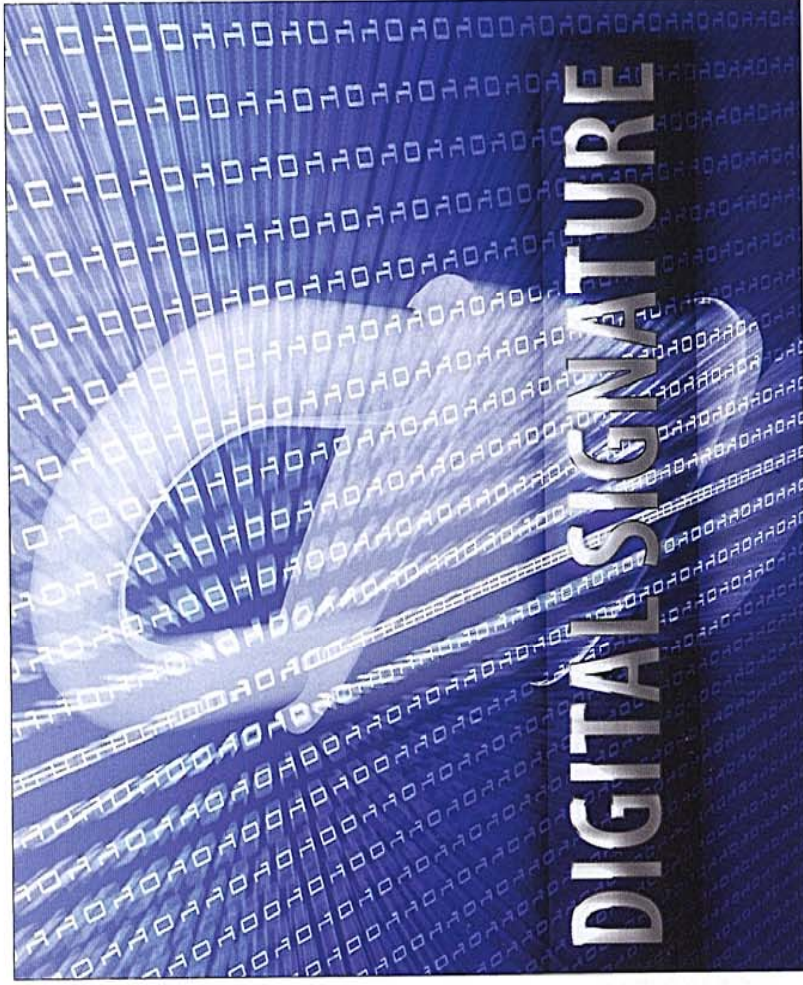
Sheldon Wasylenko,
IBAS Director

Embracing electronic signatures requires some thought

Well if the introduction and application of social media wasn't enough to make any one of us sit up and think about how this was going to affect our business, trying to understand how other developments such as SGI's eServices or how telematics will impact our operations certainly will. Such developments prompt us to figure out how all of this will affect our customers. It should come as no surprise that we see technology at the heart of many of these advancements.

It should also come as no surprise that many of these developments are centered around the widespread use of mobile technology. There is one other development that I want to make our readers aware of which has to do with electronic signatures, and I'm not necessarily referring to the physical signature pads we have at the motor licensing counter within our offices. Yes, those devices capture our signatures electronically, but I'm referring to signatures that need to be captured when you or one of your customers are not physically present within your office and you still need to obtain the equivalent of a traditional ink-based signature.

Many courts have looked at what constitutes a valid signature. In order for a person's signature to be accepted as valid and legitimate, there are several key elements that must be present. First is **identity**. Identity has to do with being able to authenticate the person and verify who they are as well as verify who he or she claims to be. The second element is **consent**. When seeking consent electronically, one must agree and be legally permitted to sign and execute the document he or she is signing. A third element that must be present is **disclosure**. When obtaining an electronic signature, there must be a mechanism by which the person signing can be made



“The use of electronic signatures will become more prevalent as more of what we buy and sell is done online.”

fully aware of the implications of what he or she is signing as well as any of the terms that may be attached to what is being signed. And, finally, the remaining element that must be present is the transaction **record**. Compiling and storing a transaction record has to do with being able to produce the evidentiary data that proves the existence of the transaction containing the signature and all the elements just described.

As more and more of our business is transacted electronically, we often agree to terms and conditions that are bypassed without giving it a second thought. For example, how many times have we scrolled down to the bottom of a screen

on our tablet or smartphone and simply tapped on the 'I Agree' button?

Clearly, when transacting insurance in any online setting we have to be mindful that we don't blindly implement solutions or practices that may compromise our ability of providing the kind of trusted advice our customers have come to expect.

The use of electronic signatures will become more prevalent as more of what we buy and sell is done online. How we integrate this into our business for the convenience and safety of our customers will require some thought but, as many of these new technologies are able to offer, there is some benefit to all stakeholders if implemented wisely. ♦