

LEGAL CERTAINTY OF ELECTRONIC SIGNATURES



THE EUROPEAN eIDAS REGULATION

The eIDAS Regulation (Regulation on electronic identification and trust services/Regulation (EU) No 910/2014) aims to enhance trust in electronic transactions in the internal market of the EU. The regulation seeks to promote electronic interaction between citizens, businesses, and public authorities by providing a common European framework. eIDAS remedies the differences that existed in European countries in relation to laws on digital signatures.

The regulation seeks to make business operations paperless, faster, and more efficient through the use of electronic transactions and processes, and thereby increase electronic commerce.

This aim is to be achieved by creating consistent European regulations on electronic signatures, time stamps, and electronic seals, and a standardized framework for handling trust services. Electronic signatures, time stamps, and electronic seals from national trust services will all be accepted throughout the entire European area to which the eIDAS applies.

Key points of the eIDAS Regulation:

- The eIDAS Regulation came into force on July 1, 2016.
- It directly applies to all EU member states as well as to the European Economic Area.
- The provisions of the eIDAS Regulation take precedence over any national laws or regulations governing signatures.
- The eIDAS Regulation specifies different types of electronic signatures (standard, advanced, and qualified electronic signatures). These can be used depending on the application.
- The effectiveness of electronic signatures is not dependent on the use of a specific technology. Compliance with EU technical standards and the relevant provisions of the eIDAS Regulation for electronic signatures will minimize legal risks.

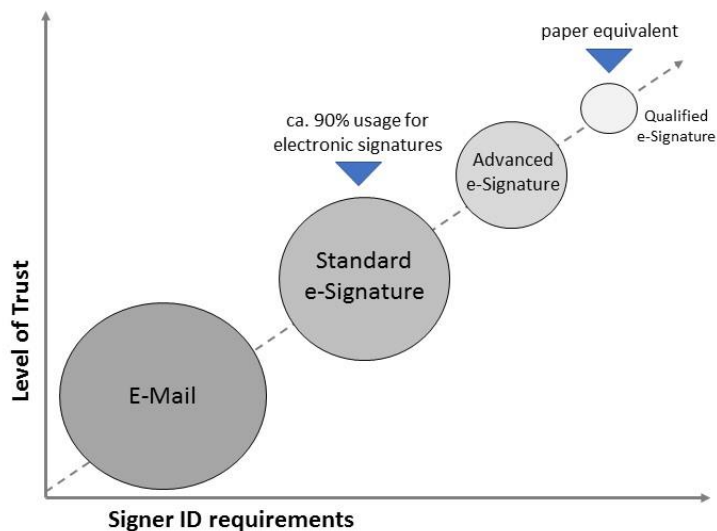
CLASSIFICATION OF ELECTRONIC SIGNATURES

The eIDAS Regulation classifies electronic signatures on the basis of trust and security. According to the regulation, an electronic signature can be defined as follows:

any data in electronic form which is attached to or logically associated with other data in electronic form and which is used by the signatory to sign.

It differentiates between the following types of electronic signature:

- *Standard electronic signature:* The writer of a message can be identified through a simple signature.
- *Advanced electronic signature:* In this case, the digital signatures come with a digital certificate, which acts as a digital signature key. It is unique to the signer and under the sole control of the signer.
- *Qualified electronic signature:* These are advanced electronic signatures that are created by a qualified signature creation device (QSCD) and based on a qualified certificate for electronic signatures.



ELECTRONIC SIGNATURES AT CHG-MERIDIAN

CHG-MERIDIAN is using the simple electronic signature. This is sufficient for a declaration of intent where no specific form has been prescribed. Form-free declarations of intent include:

- Offers
- Purchase orders
- Agreements
- Installation confirmations, order confirmations, any other confirmation of receipt
- Invoices
- Other documents such as minutes

A simple electronic signature does not suffice in cases where the written form is prescribed by statute (section 126 of the German Civil Code (BGB)), such as for dismissal under labor law, or the conclusion of a consumer loan agreement, surety or acknowledgement of debt.

The simple electronic signature is admissible as a form of evidence (*'Augenscheinbeweis'*). In this case, the onus to provide the evidence is on the party who is relying on the signature.

Signers receive a certificate of completion every time they sign a document, which serves as confirmation that the signature has been provided.

If you would like further information on the validity of electronic signatures, please refer to the following links:

www.chg-meridian.com/tools/DocuSign.html