

Enabling Digital Signatures in e-Invoicing

Companies are searching for ways to drive costs down, increase their efficiency and deliver prompt customer service, especially during these times of economic uncertainties.

Transitioning to a paperless environment that issues electronic invoices (e-Invoices) is simple and efficient way to achieve these goals. By eliminating the need to mail and archive paper invoices, e-Invoicing allows organizations to considerably reduce cost, administrative handling, improve customer service and reduce overall invoicing processing time.

New Tax Legislation Supporting e-Invoices

Electronic invoicing is made possible by new tax legislation that has passed or is currently being evaluated in most countries, which ensure that e-Invoices are enforceable by law. The European VAT directive from December 2001, with a compliance deadline of 2004, allows organizations to process, send and archive electronic invoices online, but only if the documents are digitally signed. ARX's CoSign® digital signature solution provides simple and trustworthy digital signatures that enable organizations to instantly complete the e-Invoicing process.

E-Archiving and E-Billing, PWC Publications 2003

"Studies have shown that companies can save up to 75% of their invoicing cost by switching to electronic invoicing"

CoSign Enables e-Invoicing

CoSign's digital signature technology allows organizations to digitally sign and process large numbers of invoices. The CoSign digital signature solution includes:

- » The CoSign hardware appliance for generating batch or online digital signatures in large quantities.
- » An e-Pad used to record a graphical image of the handwritten signature. This allows for each invoice or billing document to include a graphic signature in addition to the digital signature.

CoSign Features

- » Multi-Application Support -
 - CoSign works with any document format (e.g., Adobe Reader®, Microsoft® Word & Excel®, and many more).
 - Easy integration with virtually any application that generates electronic invoices and bills.
- » Data Authentication Capabilities - CoSign's digital signature technology seals the signed document, thereby allowing detection of any attempt to alter the document contents.
- » Batch or Online Signing Process - Electronic invoices can be digitally signed in batch mode for processing large quantities of invoices per month or as needed. Online digital signatures per invoice are also supported.

Reap the Rewards of e-Invoicing

By enabling organizations to issue e-Invoices and electronic bills, CoSign ensures significant benefits to organizations.

- » **Significant Cost Reduction** - Organizations cut operation costs associated with paper-invoice processing such as printing, handling, mailing, and physical archiving space and systems.
- » **Improve Accounts Receivables** - By eliminating the paper processing, companies achieve quicker turnaround of invoice issuing and ultimately enjoy enhanced collection and cash management.
- » **Minimizing Errors** - e-Invoices prevent the errors associated with manual invoice data entry and the re-keying of invoice data by clients, thereby assuring a more accurate platform for your financial management.

The Process of Implementing Digital Signatures with e-Invoices

- » Each organization 'signer' creates their graphical signature by using ARX's E-Pad. The graphical signature is stored together with the signer's signing key and certificate.
- » Invoices are created electronically by the organization's information systems and database.
- » The organization's invoices and bills are graphically and digitally signed using the CoSign digital signature solution in batch or online mode. The electronic signature process ensures data integrity of the invoice contents.
- » E-Invoices that include the electronic and graphical signature are sent to the customer electronically, or if necessary, can be printed with the graphical signature and sent to the customer by paper. The invoices and bills are archived electronically.
- » Customers or other personnel receiving the e-Invoice can verify the digital signature of the invoice in order to confirm both the validity of the data and the sender of the e-Invoice.

Summary

CoSign enables a simple transition to e-Invoicing that conforms with tax regulations worldwide. With CoSign, organizations streamline their invoicing processes, reduce costs, minimize invoice-processing time, and improve the level of service they offer to their customers.