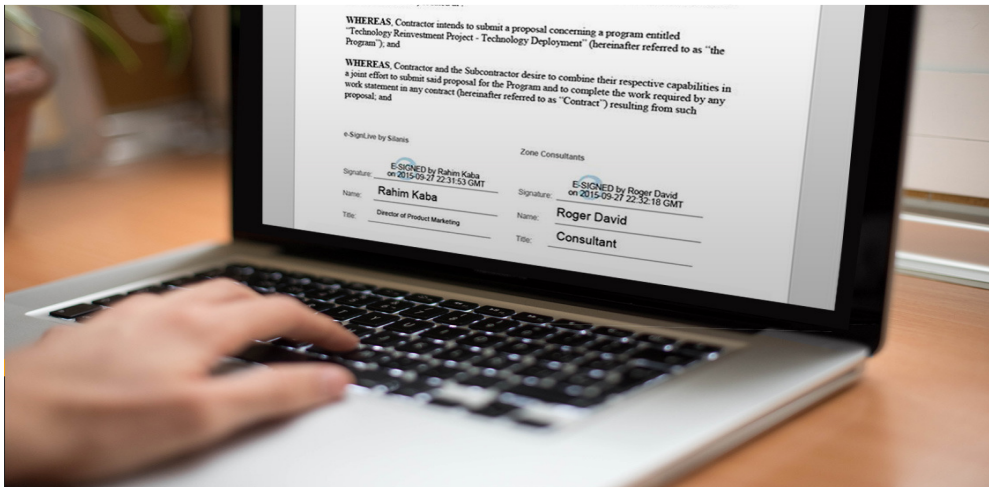


## Amendment To Israel's Electronic Signature Law



On February 28, 2018 the Israeli Knesset amended the - 2001 (the “**Electronic Signature Law**”). This is the first major amendment of the Electronic Signature Law since it was enacted in 2001, and the technological and practical uses of electronic signatures have developed and expanded since then. This amendment is intended to align the legal framework with commercial realities and to remove certain legal obstructions to the use of electronic signatures for various purposes.

**Prior** to the recent amendment, the Electronic Signature Law recognized the admissibility of only two types of electronic signatures, both of which were required to comply with stringent technological and bureaucratic standards:

1. Secure Electronic Signatures - An electronic signature is “secure” if it complies with the following requirements: (a) It is unique to the owner of the Signing Device (a Signing Device is defined as a “unique software, a unique object or unique information required for producing a Secure Electronic Signature”); (b) It allows apparent identification of the owner of the Signing Device; (c) It has been created using a Signing Device that is under the sole control of the owner of the Signing Device; and (d) It allows detection of any change to the Electronic Message following the signing.
2. Certified Electronic Signatures - An electronic signature is “certified” if (a) It complies with the requirements for a Secure Electronic Signature, described above, and (b) The Signing Device used to produce it has been verified by a registered certification authority, namely an authority that issues electronic certificates confirming that a certain Signing Device belongs to a certain person, and is registered in a registry existing under the Law

**Following the recent amendment**, the Electronic Signature Law expressly states that a signature will not be deemed inadmissible solely because it is an electronic signature – in other words, simple electronic signatures, such as copied and pasted PDF signatures or click-through consents, are now *prima facie* acceptable for evidentiary purposes.

**Note:** Simple electronic signatures have always been sufficient for contractual purposes. This amendment provides for their usage for evidentiary purposes.

Prior to the amendment, any signature that was required by law had to be either a manual signature, a Secure Electronic Signature or a Certified Electronic Signature. The amended Electronic Signature Law now allows the use of simple electronic signatures in almost all cases where a document is required to be signed, provided the type of signature used is adequate to fulfill, to a sufficient degree of certainty, the purposes of such requirement. The only remaining cases in which either a Secure Electronic Signature, a Certified Electronic Signature, or a manual signature, is still unequivocally required, are all inheritance-related matters.

The main practical significance of this amendment is that many sorts of documents, which in the past required either manual signatures or Certified Electronic Signatures, such as documents submitted to the Israel Tax Authority filed with the Registrar of Companies, can now be signed by a simple electronic signature, subject to the standard of sufficient certainty noted above. The response of the various regulatory authorities is yet to be seen, as is that of such entities as insurance companies. The new amendment also drastically reduces the list of documents that cannot, as a matter of law, be signed electronically. These are now mainly a holographic (handwritten) will. In addition, the new amendment states that where a contracting party has greater influence on determining the electronic signing method used to execute the contract, that party bears the burden of proving that the counter-party has in fact signed the contract.

**This document provides a general summary and is for information purposes only. It is not intended to be comprehensive nor does it constitute legal advice. If you are interested in obtaining further information please contact our office at:**

Schuman & Co. Law Offices  
Beit Bynet, 8 Hamarpe Street, P.O.Box 45392  
Har Hotzvim, Jerusalem 97774 Israel  
Tel: +972-2-581-3760, Fax: +972-2-581-5432  
Shalev@schumanlaw.co.il  
<http://www.schumanlaw.co.il/>