

Topic: Online Filing Security Measures
 Question by: Kevin Rayburn
 Jurisdiction: Tennessee
 Date: November 26, 2014

Jurisdiction	Question(s)
	If you have business entity online filing capabilities in your state (annual reports, amendments, ect), what authorization and security procedures have you put in place to prevent unauthorized and fraudulent fillings on entities? In other words, what do you have in place to keep unauthorized third parties from filing documents online on an entity?
Manitoba	
Corporations Canada	
Alabama	
Alaska	
Arizona	At this time, the Arizona Corporation Commission does not have security measures in place with the current online filing options (annual reports and name reservations). When we get a new system, we intend to have some level of password protection, and email notification to entities of filings.
Arkansas	
California	
Colorado	
Connecticut	Please see additional comments below
Delaware	
District of Columbia	In DC we require for account registration before accessing online services. We also have perjury statement on all web and paper forms. We do not utilize the pin numbers or another customized security tools. In the past 4 years of using our online services we have only had couple of cases where someone misfiled. We track folks based on their payment information if needed.
Florida	Currently Florida does not have anything in place. It has been discussed several times and we have yet come up with a good solution. Something to keep in mind, there is really nothing to prevent someone from filing a paper document that is fraudulent. We realize the online filings are a lot easier but they do have to us a credit card which can help when tracking who filed the document.
Georgia	

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Hawaii	Hawaii's online system is similar to Nevada's. Credit cards are required for online filings so that has helped any issues of fraud that have escalated to law enforcement. Like many, Hawaii's registry is ministerial by statute so we do not get involved in the substance of it and would not really have the authority to invoke an online or paper system that was more than ministerial in accepting and processing filings. Like a paper filing, an online filing requires a certification under penalty of perjury which would be subject to a charge of a Class C felony and could be pursued by law enforcement. In addition, there are private party civil remedies as well. Our registry would remain ministerial and would not be involved in either criminal or civil enforcement
Idaho	
Illinois	
Indiana	
Iowa	
Kansas	Kansas has the authority to allow customers to file a Certificate of Correction and/or Corrected Documents for erroneously filed documents. We don't get into the middle of who is or is not authorized to file. The filing fee is approximately the same as the original filing. We have had several divorce cases where the husband and wife battle back and forth on amendments. This ends in a judge's ruling. I think it is important to stay ministerial and remember what Florida said about paper filings. The same thing can happen whether it's paper or electronic.
Kentucky	
Louisiana	For filing amendments entities use their charter number to file online. This is the number associated with the entity when the original filing is made. For annual report filings the charter number and a renewal ID that we issue is used.. Like other states we have statements about filing a false public record on our documents.
Maine	
Maryland	
Massachusetts	In Massachusetts each entity is assigned a Customer ID and Pin Number to make online filings. Filers sign under the pains and penalties of perjury as well.
Michigan	
Minnesota	
Mississippi	
Missouri	

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Montana	<p>Montana only allows for corporation and limited liability company annual reports to be recorded online. This online site is managed by Montana Interactive (NIC affiliated). The filer agrees under penalty of false swearing that they have authority to file the annual report online by attesting to the information electronically.</p>
Nebraska	
Nevada	<p>Nevada has a single sign on which identifies the user of the system, but this does not preclude someone from filing on another entity, just as we cannot prevent someone from filing using a paper form. Online filings require a credit card or advance deposit account which may help identify the filer. We also have IP addresses if it gets to that. If someone really want to file fraudulently, they will find a way, whether electronically or on paper.</p> <p>Several years ago, Nevada implemented a Forged/Fraudulent filing process that allows an entity claiming a forged or fraudulent filing by an unrelated 3rd party to challenge the filing. If the complaint is found valid, the Secretary of State may reverse the filing in question through a filling officer statement. This is available for any commercial filing whether paper or electronic.</p> <p>It is also a category c felony to file a fraudulent document in the office of the SoS.</p>
New Hampshire	
New Jersey	
New Mexico	
New York	
North Carolina	<p>North Carolina is similar to Florida.</p>
North Dakota	
Ohio	<p>Ohio is similar to Massachusetts – there is an online user account and electronic pin used to make online filings, as well as a penalty of perjury statement, however, just like paper filings this does not mean someone won't file a document without proper authority.</p>
Oklahoma	
Oregon	
Pennsylvania	<p>See additional comments below</p>
Rhode Island	<p>Rhode Island is the same as Massachusetts.</p>

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South Carolina	
South Dakota	
Tennessee	
Texas	
Utah	In Utah it's just slightly more than if we do paper filings.....we have a login and access number (which changes from year to year) and the filer esigns under penalty of perjury.
Vermont	
Virginia	
Washington	<p>Washington has limited security measures for corporation and LLC entity annual reports. A letter is mailed with instructions to go to the website, and enter the entity ID and password contained in the letter. However, if the password is not available, it is simple and unrestricted to request a replacement.</p> <p>Original filings have no security measure, and all filings come with a standard perjury clause for the submitter/executor.</p> <p>With our new system we are looking to create a self-service account with self-managed log-in information including notifications when changes are made.</p>
West Virginia	
Wisconsin	
Wyoming	

Additional comments:

PENNSYLVANIA:

It is difficult, if not impossible to prevent a fraudulent filing if the intent to do so is present. We have had several situations in PA where someone has filed a document and another party has challenged their authority to do so. The Commonwealth does not become involved in these cases.

We recommend to the parties to obtain legal counsel and pursue the alleged wrong through the court system. Pennsylvania recently enacted some legislation that includes:

Affirmation of Truth-signing a document delivered to the department for filing is an affirmation under the penalties provided in 18 Pa.C.S section 4904 (relating to unsworn falsification to authorities) that the facts stated in the document are true in all material respects.

Affirmation of Authority-A person that signs a document delivered to the department for filing affirms as a fact that the person is authorized to sign the document.

The statute goes on to state:

"If a document that is delivered to the department for filing under this title and filed by the department contains inaccurate information at the time of delivery to the department, a person that suffers a loss by reliance on the information may recover damages for the loss from a person that signed the document or caused another to sign it on behalf of the person and knew at the time the document was delivered that the information was inaccurate."

To use PENN File, our online system, a user must first create an account using a user name and password. Our system just went live in October. With a subsequent release, a document filed in the name of a service company will trigger an automatic email to the service company to inform them that someone has submitted a document using their information. At this time, all online filings are required to be paid for using a credit card. When entering credit card information onto the online form, the system requires the user to include the card's CVV number.

CONNECTICUT:

In CT we do not apply any filters or password systems to attempt to block inappropriate parties from using the online system to e-file the range of entity filings (or UCC filings). This is by design. Connecticut has chosen to maintain a pure ministerial stance with regard to all filings. It would seem an impertinent "security" measure to enforce a system online that we cannot enforce with paper filings. It is true that anybody can file anything at any time on any entity on the CT record. HOWEVER, it is also true that fraudulent filing is illegal (punishable as a Misdemeanor with up to a year in prison and/or a monetary sanction) and that a party may be brought to justice for fraudulently executing a filing under penalty of false statement, or through civil justice by aggrieved parties.

Moreover, our online filing system actually adds a layer of security compared to fraudulent paper filings, in that a confirmation is automatically emailed to the email address of record when a document has been filed online. This alerts entities to the fact that filing activity has occurred so that they can react instantly if the filing is determined to be fraudulent.

That said, there is password protection built into the system for frequent filers who keep money on account, so the money is secure against random access even as the public record is not.

Full text of email:

Good Morning,

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Thanks!

Kevin Rayburn, Esq.

Assistant Director

Business Services Division

Office of Tennessee Secretary of State Tre Hargett

312 Rosa L. Parks Ave. - 6th Floor

Nashville, TN 37243

615-253-8800

615-770-7458 (fax)