

Compliance Brief: Sarbanes-Oxley Act

EfficiencyNOW! ControlNOW! MoneyNOW! ECMNOW!



Applicability

Introduced in 2002, the Sarbanes-Oxley Act (SOX) was designed to combat accounting fraud, improve financial disclosures and increase corporate responsibility. Any U.S. publicly-traded company who does not follow the laws outlined by SOX could face extreme penalties. It regulates the activities of executives and management as well as the accounting and auditing firms that provide services to nearly 20,000 public companies.

Public Company Impact

Under the SOX law, you must exercise tight **control** over financial reports and transactions, including document controls, disclosure methods and executives' approval. Penalties for submitting false information can range from \$1 million to \$5 million in fines and prison terms of up to 20 years. Therefore, you need to:

- Develop **efficient** reporting and disclosure methods for compliant practices.
- Maintain reliable internal **controls** for information security.
- Save **money** with cost-effective system monitoring and tracking to strengthen accountability.



“Companies have cumulatively spent billions on SOX thus far and are continuing this spending, according to AMR Research surveys. In the latest study, 42% of respondents reported that, despite the expense, the primary benefit of good governance, risk management and compliance practices is streamlining business processes.”

~PR Newswire

ECMNOW! Enables Sarbanes-Oxley Compliance

Public companies invest in Enterprise Content Management (ECM), because paper documents make it difficult to demonstrate **control** over the use and access of information. With **ECMNOW!**, you can reduce compliance costs while enabling operational **efficiency**. Use **ECMNOW!** to build confidence in your SOX compliance strategy.

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Enhance Efficiency for Report Disclosures

SOX Section 404 states that annual disclosures and quarterly updates must be provided to shareholders and the U.S. Securities and Exchange Commission. PaperVision® Enterprise and ImageSilo® simplify information disclosures and enhance **efficiency** for reporting processes.

- Offer unlimited online document distribution to securely and **efficiently** share financial reports with stockholders.
- Workflow enables companies to design, enforce and verify standard reporting procedures for **controlled** and effective results.

Increase Security for Reliable Internal Controls

You must establish a **controlled** information security strategy and demonstrate the adequacy and effectiveness of your policies and procedures. *ECMNOW!* provides comprehensive system settings that enforce strict security policies and procedures.

- Customize access to different files, including the ability to read, modify, delete or share documents.
- Improve auditing to maintain a record of all disclosures, so you can validate who received information, when and why.



Save Money While Demonstrating Compliance

Each system that contributes to financial reports and disclosures must be monitored and tracked with audit trails in order to comply with SOX regulations. Enhanced *ECMNOW!* technology eases the cost and burden of manually monitoring systems and provides simple reports to evaluate procedures, helping you save **money** for your business.

- Implement sophisticated, easy-to-use cloud ECM technology without a costly capital investment.
- Document the process flow of financial reports and record all system operations to avoid costly regulation fees for noncompliance.