



THE LAW SOCIETY
OF NEW SOUTH WALES

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NEC in NSW Industry
Consultation
Land and Property Information
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Dear Sir / Madam

Certificate of Title Solution for Concurrent Electronic & Paper Conveyancing

I am writing to you at the request of the Law Society's Property Law Committee (Committee). The Committee is grateful for the opportunity to comment on the Consultation Paper released by Land and Property Information (LPI) *5# Certificate of Title Solution for Concurrent Electronic & Paper Conveyancing, The Proposed Solution for integrating Certificates of Title with concurrent electronic and paper processes for presentation of registry instruments for lodgment and registration in NSW.*

The Committee notes that the Consultation Paper builds on and adopts the recommendations arising from the prior series of extensive reports commissioned by LPI. The Committee supports the proposed solution, namely:

- an option for eligible control of the right to deal (CoRD) Holders to not have to receive, store and retrieve certificates of title as evidence of being the CoRD Holder for titles; and
- electronic consents prepared by or on behalf of CoRD Holders using an electronic lodgement network to consent to the registration of instruments in an accompanying electronic transaction or a designated paper transaction presented to a Land Registry, such as LPI.

The Committee notes that under the proposed solution, eligibility to opt out of a paper certificate of title will firstly be available only to a very limited class of CoRD Holders. This first group of eligible CoRD Holders comprises financial institutions regulated by the Australian Prudential Regulation Authority (APRA) that are also subscribers to an electronic lodgement network, together with Government agencies that are subscribers to an electronic lodgement network.

Whilst the Committee appreciates the basis upon which eligibility to opt out of a paper certificate of title will initially be limited, it encourages LPI to also consider

including in the first tranche of eligible CoRD Holders those organisations which are prudentially regulated by ASIC, such as regulated property trusts and superannuation funds. These CoRD Holders have a significant volume of land transactions where the title is unencumbered and would clearly benefit from the ability to opt out of holding a paper certificate of title.

The Committee also encourages LPI to continue to open up the classes of eligible CoRD Holders at a steady but timely pace.

The Committee supports the continued use of the Certificate Authentication Code and its integration within the electronic environment, given its success in fraud reduction.

The Committee is also pleased to note that the solution has been developed mindful of the likely phased entrance by legal practitioners into electronic conveyancing.

The Committee would welcome the opportunity for further consultation as the development of electronic conveyancing continues. If you have any questions in respect of this letter please contact Gabrielle Lea, Policy Lawyer, Property Law Committee by email: gabrielle.lea@lawsociety.com.au or by telephone: 9926 0375.

Yours sincerely


Justin Dowd
President