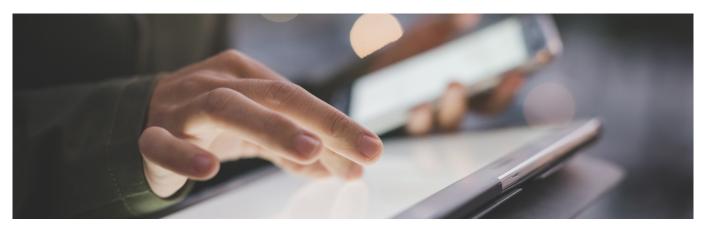


INFORMATION SHEET

NOVEMBER 2020

New lodgment option during the COVID-19 pandemic

The NSW Government is committed to keeping people safe during the evolving COVID-19 situation. This information sheet covers the new lodgment process that will be available from 11 May 2020 for Subscribers to the Electronic Lodgment Network known as PEXA.



Temporary lodgment process

For those who are concerned about maintaining social distancing or are affected by quarantine or self-isolation requirements, the Registrar General has approved a temporary lodgment process that will allow all remaining documents that aren't currently able to be lodged electronically, to be lodged electronically. This process, referred to in this document as "COVID-19 residual lodgment" will be released in two phases.

In simple terms, COVID-19 residual lodgment allows for paper documents to be sent through to NSW Land Registry Services (NSW LRS) via the PEXA workspace as a document in PDF format. NSW LRS will then treat the PDF version of the document as if it were lodged in paper over the counter.

COVID-19 residual lodgment is an optional alternative to the over-the-counter lodgment service. NSW LRS has also implemented a 'drop-and-go' service for in-person lodgment. More information on this service is available on the NSW LRS website.

It is important to note that COVID-19 residual lodgment will not have the same services as that of other electronic documents like a transfer or mortgage. For example, there won't be any lodgment verification or duty verification in the workspace. The practitioner must follow the process that currently applies in paper, such as completing and submitting a Notice of Sale (accessible via NSW LRS's eNOS page) where applicable and ensuring that the paper dealing is marked by Revenue NSW.

Phase 1

From 11 May 2020 Subscribers to PEXA will be able to lodge any land dealing via COVID-19 residual lodgment, provided the title is electronically tradeable. This includes dealings that are not currently available to be lodged electronically. The <u>Schedule of eDealings page</u> on our website lists all the dealings that are available to be lodged electronically.

Phase 2

From 25 May 2020 Subscribers to PEXA will be able to lodge all other documents that would ordinarily be lodged over the counter at NSW LRS, such as powers of attorney and deeds (but not plans or water access licences), including land dealings affecting titles which are not electronically tradeable.



Overview of COVID-19 residual lodgment

In order to be able to use COVID-19 residual lodgment you must be a subscriber to PEXA. This service is not offered on the Sympli platform.

Land dealings (from 11 May 2020)

The paper dealing should be completed in the same way as if it were to be lodged over the counter at NSW LRS, and duly executed in the usual manner in accordance with the Registrar General's Guidelines. Approved forms can be found on the NSW LRS website. Please also consider the guidance note on execution and witnessing of paper documents.

Once the approved form is completed the Subscriber opens a PEXA workspace and selects the corresponding dealing. The Subscriber then completes the workspace by inserting the correct land title reference and the name of the applicant and attaching the scanned or saved paper dealing form as a PDF attachment. The Subscriber then signs the electronic instrument and provides the necessary certifications. The details on the paper form must match the details in the workspace.

Non-land title dealings (from 25 May 2020)

The paper instrument should be completed in the same way as if it were to be lodged over the counter at NSW LRS. For example, to lodge a power of attorney the prescribed form is completed in the normal manner.

Once completed the Subscriber opens a PEXA workspace and selects the document known as "*Miscellaneous document*". The Subscriber then completes the workspace with a pre-defined "dummy" reference title, inserts the name of the applicant and attaches the scanned or saved power of attorney form as a PDF attachment.

Further information on COVID-19 residual lodgment will be available on the PEXA and NSW LRS websites.

Questions and answers

Can I lodge a dealing available electronically using COVID-19 residual lodgment?

All mainstream dealings must be lodged electronically via an ELNO. You may use COVID-19 residual lodgment if a waiver to the Conveyancing Rules applies to your transaction. As each residual document is made available electronically, the COVID-19 residual lodgment option will be switched off and can no longer be used for that dealing. Instead, the dealing may be lodged via the ELNO electronically using the electronic form or lodged physically in paper until such time as the dealing becomes a Required Dealing under the Conveyancing Rules.

Can my client electronically sign a dealing that is to be lodged in paper form?

Yes. An amendment to Version 5 of the Conveyancing Rules, known as the <u>Conveyancing Rules – (COVID-19 Pandemic) Amendment</u> allows for electronic signing of paper dealings during the COVID-19 pandemic. This applies whether the paper dealing is lodged under the temporary COVID-19 residual lodgment process, or at NSW LRS via its drop-and-go service. The Office of the Registrar General (ORG) has published a detailed <u>guidance note</u> on executing NSW paper land dealings during COVID-19 restrictions.

INFORMATION SHEET

How does my client have their signature witnessed?

The Electronic Transactions Amendment (COVID-19 Witnessing of Documents) Regulation 2020 allows for witnessing via audio visual link. Please refer to the above mentioned guidance note for more information.

Can I sign paper dealings or documents on behalf of my client?

No. Although a client authorisation must be obtained if the paper dealing is being lodged via PEXA, a paper dealing must be executed in accordance with the Registrar General's Guidelines as if it were to be lodged over the counter at NSW LRS.

Does the paper dealing need to be marked by Revenue NSW?

Yes. The requirement for the payment of duty and marking by Revenue NSW on the paper dealing does not change as a result of COVID-19 residual lodgment. For more information on the payment of duty during COVID-19, please visit the Revenue NSW page on electronic duties.



Other important considerations

While the COVID-19 residual lodgment process involves paper dealings, compliance with the NSW Participation Rules (PRs must continue to be followed. The Subscriber must continue to carry out the following obligations:

- 1. **PR 6.3.1:** The Subscriber must have a properly completed Client Authorisation (Representative) from the person they are representing. A Client Authorisation (Representative) can also be signed electronically. More detailed information about Client Authorisations can be found in <u>ARNECC Guidance Note #1</u>.
- 2. PR 6.5.2: The Subscriber must verify their client's identity by either applying the Verification of Identity Standard (see Schedule 8 of the PRs) or in some other way that constitutes the taking of reasonable steps. More detailed information about Verification of Identity can be found in ARNECC has released a statement on verifying identity during the COVID-19 pandemic that confirms it is up to the Subscriber to determine what constitutes reasonable steps in the circumstances. The statement provides the example of using video technology as part of the verification of identity process.
- 3. PR 6.4: The Subscriber must take reasonable steps to verify the right to deal of their client. The right to deal is the entitlement of the client to be a party to the conveyancing transaction.
 More detailed information about Right to Deal can be found in <u>ARNECC Guidance Note #4</u>.
- **4. PR 6.6:** The Subscriber must keep evidence supporting the conveyancing transaction for at least seven years. The evidence must be legible, stored safely and securely, and accessible.

 More detailed information about Supporting Evidence can be found in ARNECC Guidance Note #5.

Where can I find more information?

- Visit the <u>ORG website</u>
- Visit the <u>Schedule of eDealings page</u>
- Email <u>ORG-eConveyancing@customerservice.nsw.gov.au</u>
- Subscribe to ORG newsletters
- Contact <u>PEXA</u>
- Contact NSW LRS