

Notice

To Lodging Parties

24 July 2014

No 175

Verification of Identity Policy

The Registrar-General's Verification of Identity Policy has been introduced as the first step to align policies across the paper and electronic lodgement mediums.

Whilst verifying the identity of clients is considered prudent conveyancing practice, it was necessary to introduce a policy to ensure consistent requirements across the two lodgement mediums, and to prepare industry for participation in National Electronic Conveyancing.

In the two months since the policy became mandatory, the Lands Titles Office has undertaken a review of its implementation. This review has highlighted some issues with the verification of identity statements which require clarification.

1. Verification of Identity Statement- Representative

It is important that the verification of identity statement required in paper aligns as closely as possible to the certification required for electronic conveyancing under the [Model Participation Rules](#), Schedule 3. The certification under the Model Participation Rules is made by the Subscriber representing the client who is a company, partnership or sole trader that can conduct a conveyancing transaction.

Similarly, in paper the statement must be made by the Representative responsible for representing the client in the transaction and consequently verifying that client's identity. It has become evident that the certifying party name and the name of the conveyancer or legal practitioner making the statement in relation to the verification of identity for that transacting party sometimes vary. This has made it difficult to tie back that the statement and document certifications are being made by employees from the same organisation that is representing the client.

In order to align with the requirements in electronic conveyancing the statement should be made under the legal entity name, being the conveyancing or legal practice company, partnership or sole trader name. The statement must then be signed by an employee that is a conveyancer or legal practitioner, and include their full name and capacity. This will eliminate the need to verify that the legal practitioners or conveyancers are from the same organisation.

For example:

"ABC Conveyancing Pty Ltd has taken reasonable steps to verify the identity of the transferees.

Signature of John Smith, John Smith, Registered Conveyancer"

The statement should also be made in the same format for the non-certifying party.

It is intended to amend the policy to clarify this requirement.

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If as part of the reasonable steps taken another legal practitioner or conveyancer from a different organisation undertakes the verification of identity of your client they are acting as an agent. If an agent is used the conveyancing or legal practice company, partnership or sole trader representing the client and responsible for undertaking the verification of identity must make the certification, notwithstanding that the agent used may also be a legal practitioner or conveyancer.

All endeavours are being made to align the current practice and policy to the future requirements of electronic conveyancing. A flexible approach will be taken as clients transition to using the statement in the required format. Therefore, for the time being, it will be acceptable if the statement is made in the name of the individual Representative, provided it is confirmed that the name of the legal practitioner or conveyancer making the statement is from the same organisation as the legal practitioner or conveyancer certifying the document.

2. Verification of Identity Statement- Transacting Party

In relation to the transacting party, the statement can state the party's role in the transaction (for example transferee) or the party's name, as in both instances a clear link is provided.

It should be noted however that where the transacting party is a company, either the transacting party role or the company's name should be used. The policy requires that the client's identity is verified (which is the company) and this is broader than verifying the identity of the individuals signing on its behalf. It includes checking that the company is a legal entity, who is authorised to sign on the company's behalf and verifying the identity of those individuals.

3. Exemption Statements

All statements made on the Real Property Documents (including the exemption statements, where the document was executed prior to the mandatory date or interstate) must be signed by the conveyancer or legal practitioner representing that party to the conveyancing transaction and include their full name and capacity.

As part of the review, the [Frequently Asked Questions](#) have also been updated to include some of the more common enquiries we have received since implementation.

Clients are again reminded that the VOI policy is the first of four major reforms to be introduced over the next 12 months as South Australia moves closer towards participation in National Electronic Conveyancing.

The next reform to be consulted on is the introduction of Priority Notices. A Customer Information Bulletin will be published later this week announcing the upcoming Industry Information Sessions.



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Land Services Group

