



Property Exchange Australia Ltd ABN 92 140 677 792

PEXA Second Supplementary Submission

Senate Economics References Committee Inquiry into micro-competition opportunities relating to eConveyancing

September 2025

The purpose of this Second Supplementary submission is to respond to recent submissions and matters raised in the hearing that PEXA was not given an opportunity to respond to. It should be read in conjunction with PEXA's Submission to the Committee in March 2025 and Supplementary Submission in June 2025.

1 Platform resilience

1.1 Single point of failure

There were many claims during the hearing about whether a second ELNO would usefully mitigate the risk of PEXA's system being a single point of failure.¹ However, a second ELNO would only substantially mitigate the risk of an extended failure on PEXA's platform if, before any incident occurred, all practitioners and financial institutions were already signed up to the second platform, and had integrated their systems to that platform. Even if a few practitioners re-establish a transaction quickly on a second ELNO, transactions will not proceed unless *all* parties do so – which is impossible unless all parties already have accounts on the second ELNO and have integrated their processes with it (known as “multi-homing”). The assertion that most parties will not multi-home was the original basis for regulatory intervention and the very large costs of interoperability. If in fact most parties did multi-home, then there would be no need for interoperability, and transactions could simply proceed entirely on whichever ELNO is selected by the first party to a transaction.

In the absence of such integration, interoperability merely increases the risks of outages, because if *any* ELNO has an outage, then all transactions will fail where that ELNO represents at least one subscriber.

In any case, multiple single points of failure will persist in eConveyancing. Each revenue office and land registry, and the ATO, would remain single points of failure even in an interoperable environment. As illustrated by PEXA's analysis of incidents, these systems today cause more incidents for eConveyancing than PEXA's systems because usually an eConveyancing transaction cannot proceed unless the IT systems of *all* participants are functioning correctly.

As described in the evidence from bank representatives,² banks already deal with many single points of failure. Creating an alternative provider is not always the best way to mitigate that risk.

1.2 System resilience

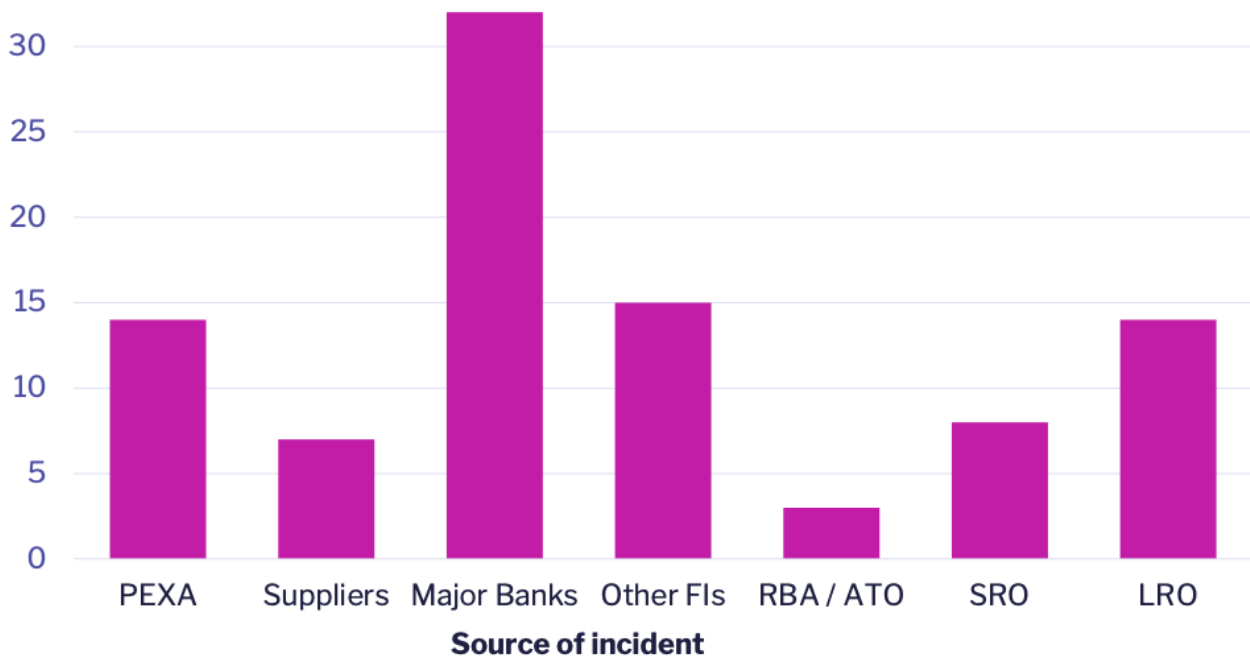
During the hearing it was suggested that land registries and regulators were not responsible for significant numbers of incidents.³ As shown in Figure 1, in 2024-25, the number of incidents caused by PEXA and its suppliers was roughly similar to the number of incidents caused by land registry and state revenue office systems.

¹ E.g. Transcript p.30, 47, 51, 52-53.

² Transcript, p.41, p..44

³ Transcript, p.64

Figure 1: PEXA incidents July 2024 – June 2025
Severity 2 and Severity 3 incidents



A representative from Sympli expressed doubts during the hearing about whether PEXA could really restore its systems in 4 hours.⁴ Given the importance of business continuity, PEXA has conducted extensive testing to ensure that this is so.

1.3 Comparison to paper settlements

During the hearing it was suggested that delays in paper-based settlement rarely occurred, whereas incidents with eConveyancing are more common.⁵ PEXA's understanding is that delays with paper-based settlement were common because parties only realised at settlement that documents were inconsistent, that cheques had been drawn for the wrong amount, or that changes required adjustments to be recalculated. Such problems would often defer settlement until the next day because of the inherent delays in creating official physical documents. This was supported by evidence given to the Committee including by a representative of the Australian Banking Association, who noted:

*"Digital settlements have been a major innovation, reducing delays and delivering real benefits across the property ecosystem. ... What used to take days can now be completed in minutes. This innovation reduces fraud, improves compliance and increases the chances that Australians settle on time and move into their homes when expected. The move from paper to digital delivers hundreds of millions in productivity benefits to the economy each year."*⁶

eConveyancing has also dramatically reduced the number and cost of lodgment errors. With the paper-based process, around 15% to 20% of transactions lodged with the titles office were "requisitioned" — meaning errors were detected that required correction before registration could proceed. This created considerable manual handling for both the titles office and the parties involved, particularly financial institutions. It also left buyers and sellers uncertain about completion until the issues were resolved. Today, fewer than 1% of transactions lodged through PEXA's ELN are requisitioned. The platform

⁴ Transcript, p.17

⁵ Transcript, p.26

⁶ Transcript, p.39

automatically restricts the submission of incorrect information and enforces consistency across documents — for example, ensuring the purchaser’s name on the transfer precisely matches the owner’s name on the mortgage registration.

2 Market structure

2.1 Interoperability

2.1.1 Scope

Evidence, particularly from regulators, demonstrated the continued differences of opinion about what interoperability entails.

For example, the Deputy Recorder of Titles from Tasmania indicated that an interoperable transaction does *not* need to deliver similar functionality, and that he hoped interoperability would promote innovation so that ELNOs provided specific functionality and services to their customers.⁷ But as the submission from the ABA indicates, banks believe that interoperability should not proceed unless it delivers similar functionality irrespective of provider, and whether or not a transaction is interoperable.

To take another example, the Registrar General from NSW indicated that interoperability just required data to move back and forth between ELNOs, and that setting these data standards would not raise intellectual property issues.⁸ However, enabling equivalent functionality for interoperable transactions could only be achieved for many of the contested items in the scope of the interoperability project if PEXA revealed its intellectual property. For example, in order to enable interoperable functionality:

- for Autobalance, PEXA would need to reveal what internal business rules it has devised for that functionality about when an autobalance will and will not be permitted;
- for Linked settlements, PEXA would need to reveal how it has designed the payment flows for those links – where multiple designs are possible; and
- for Ready to book and other automated bank functionality, PEXA would need to reveal the business rules and conditions that govern which automated messages are sent to financial institutions, and when those messages are sent.

2.1.2 Interoperability process

During the hearing, Senator O’Neill asked why it took so long for problems to emerge given that the Interoperability program commenced in 2021, but was not paused until June 2024.⁹ The delay illustrates the fundamental problem of a reform designed on the basis of a high-level diagram and broad principles without understanding the complexity of eConveyancing. This complexity took years to work through, and PEXA has attended over 260 three-hour design workshops conducted by ARNECC representatives to design the APIs and data standards needed to make the original scope of interoperable eConveyancing operational. As the Deputy Chair of ARNECC responded, “The more work that was done [on the interoperability program] the more complexity it revealed around the integrations that PEXA had with banks and the complexity of the connections between the ELNOs that would have been required”.¹⁰ The program was only paused once this complexity, and the compromises it required, became apparent to financial institutions and to regulators.

⁷ Transcript, p.68

⁸ Transcript, p.67-68

⁹ Transcript, p.58

¹⁰ Transcript, p.58.

2.1.3 Trust account issues

During the hearing it was suggested that trust accounts did not present an IP problem.¹¹ This misses the major issues raised by trust accounts in an interoperable environment. As discussed in PEXA's Submission (p.32), the major issues are with regulation, not with IP. There are significant regulatory constraints on an ELNO moving money from a trust account on the basis of instructions provided by a solicitor to another ELNO. These issues with trust account regulation have not been resolved.

2.1.4 Intellectual property issues

It was suggested by the Registrar General for NSW that when PEXA was invited to substantiate its IP claims "they never did so in detail".¹² In fact, PEXA raised its intellectual claims promptly, and ARNECC has been slow to investigate them in detail. PEXA's IP claims primarily relate to functionality included in the interoperability program as a consequence of ARNECC's decision to expand the scope of interoperability to include "functional equivalence". After ARNECC decided in November 2023 to expand the scope of interoperability to include "functional equivalence", in December 2023 PEXA's lawyers sent a letter to ARNECC concerning the issues that this raised for its intellectual property. The initial response from lawyers representing ARNECC was sent in February 2024 and was written without any attempt to engage PEXA on the detail of its IP claims beyond those stated in the initial correspondence from PEXA's lawyers. ARNECC did not ask PEXA for any detail on its IP claims until it set up a process to investigate those claims in May 2024. PEXA engaged fully in this process, contributing to the terms of reference, suggesting appropriate confidentiality protocols, and then engaging with the reviewer. However ARNECC disbanded this process when ARNECC paused the interoperability program in June 2024. PEXA provided more detail about its IP claims in the review of interoperability conducted by Titles Queensland on behalf of ARNECC in the second half of 2024, but the findings of this review were not released. The current functional requirements review commissioned by ARNECC is the first time that ARNECC representatives have engaged in detail with PEXA's claims about intellectual property. PEXA has participated fully in this review, including a two day workshop with the reviewers that investigated some of the detailed functionality of PEXA's platform, and how this might give rise to intellectual property claims in an interoperable environment.

Sympli representatives asserted during the hearing that PEXA's intellectual property claims were not credible because PEXA did not send IP claims to Sympli.¹³ That is because the potential threat to PEXA's IP was not directly from Sympli's actions. Sympli was not in a position to access PEXA's IP (unless it was provided to Sympli by regulators). Consequently there was no cause for PEXA to raise IP issues with Sympli. Instead, PEXA only raised IP issues with regulators (who were asking for information that PEXA believed was its IP) and financial institutions (who were being asked by regulators for information to which financial institutions have access, and which PEXA believed was its IP).

Evidence given to the Committee suggested that PEXA has not made eConveyancing data standards available to competitors.¹⁴ The data standards for eConveyancing are known as the National eConveyancing Data Standards (NECDS). In fact, at the request of the NSW Registrar, PEXA contracted with Sympli to provide it with full access to these standards in 2018 (if required, PEXA can provide a copy of this contract to the Committee on a confidential basis). These standards were ultimately transferred from PEXA to NECDS Co in 2024 at a considerable discount to their value, because PEXA was trying to demonstrate its good faith in cooperating with the implementation of interoperability.

¹¹ Phillip Joyce, Transcript, p.16.

¹² Transcript, p.67-68

¹³ Transcript p.19.

¹⁴ James Endres and Rob Nicholls submission, p.4

2.1.5 Analogies for interoperability

One of the problems with policy making around interoperability in eConveyancing is the inappropriate use of analogies from other industries. Many people have compared interoperability in eConveyancing to mobile telephones.¹⁵ However, interoperability in telephony merely requires protocols around the caller's identification and routing. Interoperability in eConveyancing requires the documents being built on one ELN, and that ELN's interactions with participants, to change depending on developments on the other ELN. It is as if the telco were listening into the call, and altering the routing of the call depending on what the callers say to each other. It is correspondingly much more complex.

While it was suggested that interoperability was similar to requiring banks to move to new payment rails,¹⁶ in fact interoperability of ELNOs is analogous to Land Registries, financial institutions and other participants being required to move to *multiple* sets of payment rails that must then interact. There would be significant complexities in doing so.

A Senator asked for international comparisons for eConveyancing.¹⁷ Unsurprisingly, witnesses were unable to identify them. Like Torrens Land Title in the 19th century, Australia is leading the world with eConveyancing in the 21st century. The only international analogue is the system that PEXA is endeavouring to create in the United Kingdom.

2.1.6 View of potential ELNOs other than Sympli

During the hearing, a Senator asked why Lextech had abandoned its attempts to register as an ELNO.¹⁸ As reported at the time that it withdrew,¹⁹ the CEO of Lextech said:

There has never been broad-based appetite or support for a second ELNO; neither banks nor the legal and conveyancing industry have collective support for it. While some politicians, government agencies and property professionals might demand competition as a blanket rule, the economic viability of a 2nd ELNO simply does not stack up"....

[PEXA is] already highly regulated and performs its tasks with remarkable efficiency and reliability ... and LEXTECH would instead focus on its core business of mortgage origination and settlement services.

2.2 Practitioner first

There were numerous references during the hearing to the "Practitioner first" model. This model first publicly emerged in a Sympli media release²⁰ dated 6 June 2025 (after PEXA had finalised its initial submission to this Committee). ARNECC picked up this suggestion as one of six possible market models for the eConveyancing industry in its Terms of Reference for the Cost-benefit Analysis of interoperability, released in July 2025, relabelling it "Direct connect Interoperability – Practitioner Choice Scope".

The *only* specification of this model that has been publicly released is in ARNECC's Terms of Reference, which in its entirety, describes it as follows:

This is a variation of direct connect interoperability. In this model a single ELNO performs the role of the Responsible ELNO for all interoperable transactions. The Responsible ELNO for all

¹⁵ E.g. Transcript pp.14, 20, 46, 48, 73

¹⁶ Transcript, p.21, 24

¹⁷ Transcript, 0.17

¹⁸ Transcript, p.38

¹⁹ Kane, "Interoperability hits another snag as Lextech withdraws", *The Adviser*, 13 May 2025, <https://www.theadviser.com.au/tech/47056-interoperability-hits-another-snag-as-lextech-withdraws>

²⁰ Sympli, *Sympli calls on Government to enable choice through a 'practitioner-first' interoperability release*, 6 June 2025.

interoperable transactions would be determined according to subscriber functionality and/or connectivity.

Participating ELNOs provide the Responsible ELNO with all relevant information to enable the Responsible ELNO to complete the duty assessment, financial settlement and lodge the Registry instruments. Under this model financial institutions would use the Responsible ELNO and practitioners (lawyers and conveyancers) would use the Participating ELNO(s).

Participating ELNOs would still have connections to Land Registries, Revenue Offices and Financial Institutions (for financial settlement) and use these connections to conduct standalone transactions.

PEXA notes that this would be yet another major change in scope to the interoperability program. To date, consistent with Sympli's position, the interoperability program has explicitly prioritised refinances. Because refinances involve banks and do not involve a transfer of title, it has been a "financial institutions first" model. The shift in priorities for the interoperability program to "practitioner first" is consistent with Sympli failing to engage enough financial institutions as potential customers for interoperable refinance transactions, and now seeking to have regulators re-define the interoperability program, in the hope that ATI Group entities will be able to self-preferece their practitioner customers to use the Sympli gateway.

A practitioner-first model would be a substantial shift in priorities for the interoperability program. Much of the work completed to date has focused on refinances that do not involve practitioners. Consequently, this work would not be used in a practitioner-first model. Instead, the interoperability program would have to shift to focus on transfers (which are inherently more complex than refinances). The shift in priorities is only plausible if Sympli is in fact proposing that almost all of the eConveyancing functions continue to be performed on PEXA's platform with minimal reference to Sympli's platform – which is inconsistent with Sympli's claim that it should receive almost all of the practitioner's Subscriber Fee for an interoperable transaction.

It is very unclear whether under the Practitioner first model:

- a Participating ELNO is just a postbox collecting a share of the subscriber fee without materially contributing to the orchestration of the transaction; or
- there are substantial interactions between subscribers on different ELNO platforms that will raise all of the problems encountered with the current direct connect interoperability model.

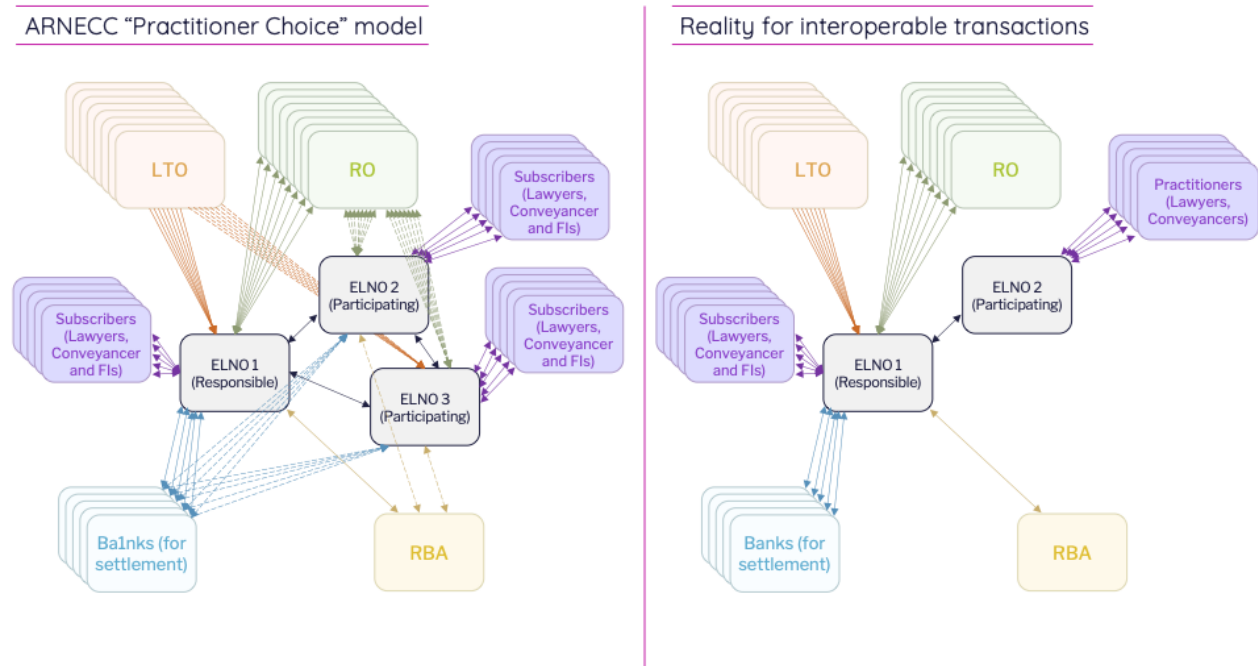
On the first view, a Participating ELNO collects information from practitioners and passes this to the PEXA platform. PEXA's platform would then manage the interactions between subscribers, creating the relevant documents; controlling permissible entries, flagging any inconsistencies, and notifying participants of relevant changes of state in the workspace (via the Participating ELNO postbox where the subscriber uses the Participating ELNO). Under this model, the Participating ELNO would not perform functions materially different to practice management systems that already integrate through APIs directly to PEXA's platform, effectively bypassing PEXA's user interface. Sympli envisages²¹ that it would earn the entirety of the Subscriber Transfer Fee (Sympli currently charges \$130) less the Default RELNO charge (set by IPART at \$6.80) even though the Sympli system would provide almost none of the functionality required for the transaction. This is effectively a request for regulatory intervention and pricing that would effectively give the Participating ELNO a substantial and unfair price advantage over other practice management systems that have no claim on the Subscriber Fee. In effect, it would also be a large and arbitrary regulatory transfer of value from PEXA to Sympli. There is no reason why a Participating ELNO performing this limited postbox function should be entitled to any of the Subscriber Fee.

²¹ Sympli Supplementary Submission, p.3, fn.5

It is possible that in this postbox model, the Participating ELNO, unlike practice management systems, might register practitioners, authenticating both the firm and the individual conveyancer. While this is theoretically possible, it is a very small fraction of ELNO operation, and not obviously an area where innovation would deliver substantial customer value, whilst it would add considerable complexity to PEXA's operations, and create opportunities for fraud that might be costly to control.

On the second view, a Participating ELNO would also create documents and interact (via the Responsible ELNO) with other subscribers to the transaction. The unique feature of the Responsible ELNO would be its connections with banks as mortgagees, banks as transaction institutions, land registries, revenue offices, and other government agencies such as the ATO. This model would encounter almost all of the difficulties that have been raised with the current direct connect interoperability model. Almost none of these difficulties are a consequence of the final lodgment of documents and the final transfer of funds at the conclusion of a transaction. Instead, they are almost all a consequence of PEXA's functionality that facilitates interactions between participants before the actual transaction occurs. Often this functionality depends on business rules developed by PEXA, whose operation depends on the status and actions of different parties – including buyers and sellers (who may be using the Participating ELNO) and financial institutions (who will be using the Responsible ELNO). The development of direct connect interoperability has found that managing these interactions when different ELNOs are involved often creates cumbersome additional operational requirements, and may only be feasible if PEXA discloses system functionality that is its intellectual property. In any case, the Responsible ELNO would continue to be responsible for the vast majority of the functionality in the transaction, but nevertheless Sympli is proposing that it would earn the majority of the revenue.

While ARNECC's documentation of the Practitioner Choice model suggests that all ELNOs are providing significant functionality, this obscures the reality. If the model is redrawn to focus on interoperable transactions as shown in Figure 2, then it appears that the 'Participating ELNO' is not providing significant functionality, and is effectively a postbox. The commercial reality is that PEXA is a full service ELNO able to service nearly all types of transactions in all jurisdictions, and there is only one other ELNO, Sympli, which only publicly offers transfers in NSW – where it services just 1.1% of transactions. As a result, in practice PEXA will be the Responsible ELNO for almost all interoperable transactions, and there will never be a third ELNO.

Figure 2: Activity under ARNECC's 'Practitioner choice' model for an interoperable transaction

Source: ARNECC, *Cost-benefit Analysis – Terms of Reference*, Model 2

2.3 Vertical integration

Various claims have been made about the threat of ELNOs vertically integrating into adjacent markets. For examples, representatives from the AIC raised the threat of PEXA creating a conveyancing practitioner.²² There are substantial regulatory protections to prevent PEXA from using its ELN to gain an unfair advantage in adjacent markets, as discussed in PEXA's previous submissions.²³

Further material submitted to the Committee by InfoTrack made a number of erroneous claims. InfoTrack claimed that PEXA uses property transaction data to provide value added APIs to Subscribers, such as informing them of a title change.²⁴ In fact, the PEXA APIs raised by InfoTrack automate information that a Subscriber would be able to obtain manually from their workspace on the PEXA exchange in respect of – and only in respect of – transactions where they are a Subscriber. Providing this information is inextricably linked with providing eConveyancing services and is provided purely to facilitate a specific transaction. No other entity would be able to provide this information because it relies on knowing that the particular Subscriber is involved in the particular transaction. The underlying data is not retained by PEXA once the particular transaction has been completed.

PEXA has been transparent with Registrars about these services, and designed them precisely so that they do not give rise to concerns about PEXA vertically integrating into other existing markets such as the search market where InfoTrack is a dominant provider. As the Deputy Chair of ARNECC and Victorian Registrar of Titles indicated, "Largely [the separation rules] are complied with. We haven't had significant vertical integration issues".²⁵

²² Transcript, p.31

²³ PEXA submission, p.35; PEXA supplementary submission p.17-19

²⁴ Infotrack supplementary submission (20 June 2025), p.18-21

²⁵ Transcript, p.56.

InfoTrack claimed that PEXA is unlawfully providing a downstream or upstream service (DUS) with PEXAPlus, PEXAKey and PEXAProjects.²⁶ In fact, none of these services are DUS, and all of them automate information that a Subscriber would be able to obtain manually from their workspace on the PEXA exchange.

- PEXAPlus is a service provided to Subscribers with multiple workspaces, and effectively summarises all of their current workspaces
- PEXAKey is a service provider to Subscribers that summarises whether their clients have directly entered their bank account details into the PEXA system (minimising the risk of fraud)
- PEXAProjects is a service that enables property developers to manage the settlement of subdivisions with multiple purchasers

Providing this information is inextricably linked with providing eConveyancing services and is provided purely to facilitate the specific transactions for which the Subscriber is responsible. These services are not provided by any upstream or downstream service provider – instead they are intrinsically part of an eConveyancing service. No other entity would be able to provide this information because it relies on knowing that the particular Subscriber is involved in each particular transaction.

Although there are links to these services from the standard workspace, Subscribers are under no obligation to use them (and many do not).

Infotrack claimed that PEXA is gaining an unfair advantage contrary to the vertical integration rules by promoting its Digital Solutions business and PEXA Partners on its platform.²⁷ In fact PEXA does not promote its Digital Solutions business on its platform, these businesses are entirely separated from PEXA's exchange with different employees and systems, and they do not use exchange data.

PEXA only provides links to PEXA Partners, does not own these businesses, and they are operated entirely separately from PEXA's exchange. Consequently there are no real concerns about PEXA leveraging its exchange to gain commercial advantage.

PEXA has arranged its business in these ways precisely because it respects both the letter and the intent of the rules aimed at preventing unfair self-preferencing between an ELNO and other parts of the eConveyancing value chain.

InfoTrack also claimed that PEXA is seeking to entrench its position by integrating its ELN with anti-money laundering (AML).²⁸ Given the significant potential additional cost to the conveyancing industry of complying with AML legislation PEXA has been trying to identify solutions that would reduce costs for its customers and partners: real estate agents, conveyancers, and banks. As part of this investigation, it is entirely appropriate that PEXA actively engages with regulators and industry.

PEXA is building an AML solution, and this service will be kept separate from its ELN. To the extent that PEXA's AML solution ultimately uses information from the ELN (because it will serve the ultimate public purpose of detecting money laundering), PEXA will make this information available from its ELN on an equivalent basis to other AML solution providers, consistent with the strict vertical integration rules that apply specifically to ELNOs. PEXA is engaging proactively and transparently with ARNECC about its potential AML solution, and appropriate arrangements to ensure that its AML solution does not gain an unfair competitive advantage through association with PEXA's ELN.

²⁶ Infotrack supplementary submission (20 June 2025), p.23-25

²⁷ Infotrack supplementary submission (20 June 2025), p.25-28

²⁸ Infotrack supplementary submission (20 June 2025), p.27, Transcript p.23

Again, PEXA has chosen to design its AML solution in these ways precisely because it respects both the letter and the intent of the rules aimed at preventing unfair self-preferencing between an ELNO and other parts of the eConveyancing value chain.

3 Fees

There was some confusion during the hearing around the consistency of PEXA's fees.²⁹

PEXA charges different fees for different transaction types. Generally these differences reflect the differences in lodgment fees charged by land registry offices around 2014 when PEXA first set its pricing. Transfer-related functionality also attracts higher fees than mortgage-related functions because it includes elements like the PEXA Lodgement Gap Cover and the payment of stamp duty, which requires PEXA to integrate with the relevant Revenue Office to obtain the Duty Assessment and support payment of the duty.

PEXA charges the same fee to all subscribers for a given transaction type. There are no volume discounts, discounts to shareholders, or other discriminatory pricing. The NSW Productivity and Equality Commission suggested that differential pricing was possible: if the Commission's process had provided an opportunity for PEXA to address this issue, PEXA would have provided evidence to the Commission that it has no differential charges.

Particular transaction types are typically lodged by different entities – for example a practitioner is more likely to lodge a transfer, and a bank is more likely to lodge a discharge of mortgage. However, PEXA does not distinguish by the type of entity doing the lodgment: when a bank lodges a transfer, it is charged the standard fee for lodging a transfer; when a solicitor registers a mortgage, it is charged the standard fee for lodging a mortgage.

PEXA's pricing is publicly available on its website at <https://www.pexa.com.au/pricing/>. This pricing is summarised in Figure 3.

Figure 3: PEXA pricing schedule

Transaction type	PEXA transactions service fees (including GST)		Typically Lodged By:
	Single Title	Multiple Title*	
Caveat	\$19.80	\$34.32	Practitioners
Caveat with Financial Settlement	\$37.95	\$58.63	Practitioners
Change of Name (WA and TAS only)	\$19.80	\$34.32	Practitioners
Change of Name with Financial Settlement (WA and TAS only)	\$37.95	\$58.63	Practitioners
Discharge of Mortgage	\$25.30	\$40.26	Financial institutions
Discharge of Mortgage (Express Refinance)	\$51.92	\$66.55	Financial institutions
Discharge of Mortgage with Financial Settlement	\$51.92	\$66.55	Financial institutions
Encumbrance	\$44.44	\$59.18	Practitioners
Give Control of Title to Registrar	\$-	\$-	Practitioners
Lease	\$52.80	\$72.93	Practitioners

²⁹ E.g. Transcript, p.37, p.42-43

Transaction type	PEXA transactions service fees (including GST)		Typically Lodged By:
	Single Title	Multiple Title*	
Lease with Financial Settlement	\$70.18	\$90.75	Practitioners
Mortgage	\$52.80	\$72.93	Financial institutions
Mortgage (Express Refinance)	\$70.18	\$90.75	Financial institutions
Mortgage with Caveat Withdrawal	\$52.80	\$72.93	Financial institutions
Mortgage with Financial Settlement	\$70.18	\$90.75	Financial institutions
Nomination withdrawal	\$-	\$-	Practitioners
Nomination	\$-	\$-	Practitioners
Obtain Control of Title from Registrar	\$-	\$-	Practitioners
Priority Notice	\$11.11	\$11.11	Practitioners
Priority Notice Extension	\$5.50	\$5.50	Practitioners
Priority Notice Withdrawal	\$11.11	\$11.11	Practitioners
Surrender of Lease	\$25.30	\$40.26	Practitioners
Surrender of Lease with Financial Settlement	\$52.80	\$72.93	Practitioners
Survivorship (Notice of Death)	\$44.44	\$64.90	Practitioners
Survivorship (Notice of Death) with Financial Settlement	\$44.44	\$64.90	Practitioners
Title Information Re-Supply	\$6.93	N/A	Practitioners
Transfer by Third Party	\$140.58	\$160.93	Practitioners
Transfer of Interest	\$93.50	\$113.63	Practitioners
Transfer of Interest with Financial Settlement	\$140.58	\$160.93	Practitioners
Transfer Titles	\$140.58	\$160.93	Practitioners
Transmission	\$44.44	\$64.90	Practitioners
Transmission Direct to Beneficiary (NSW only)	\$44.44	\$64.90	Practitioners
Transmission with Financial Settlement	\$44.44	\$64.90	Practitioners
Withdrawal of Caveat	\$19.80	\$34.32	Practitioners
Withdrawal of Caveat with Financial Settlement	\$37.95	\$58.63	Practitioners
Withdrawal of Encumbrance	\$44.44	\$59.18	Practitioners

Although the Independents Payment Forum Australia claimed that there are “significant additional set up costs and platform subscription fees for users”,³⁰ these fees are minimal. As disclosed on its website, PEXA charges \$185.56 for a Digital Certificate – a fee for each individual conveyancer payable only once per year, which reflects PEXA’s costs in obtaining digital certificates. As disclosed on the website, an additional charge is payable if a Digital Certificate ceases to operate because it is replaced lost or reset, again reflecting PEXA’s additional costs of servicing this change.

³⁰ Independent Payments Forum Australia p.7

PEXA also imposes charges (typically \$1 or \$2 per workspace) for organisations that wish to integrate their digital system to PEXA rather than using PEXA's user interface provided free of charge to all participants. By definition, these Exchange APIs have the same functionality as PEXA's user interface, but allow users to enter and receive information digitally directly from their own system rather than entering it to PEXA's system manually. The low costs per workspace demonstrate that these charges largely reflect PEXA's additional costs of developing these digital interfaces that demonstrably reduce user costs (otherwise users would continue to use PEXA's standard user interface).

4 Innovation

During the hearing, a number of questions were asked about the level of innovation in PEXA's platform.

A representative from a bank outlined the importance of PEXA's innovations in reducing user costs. He said that:³¹

One of the key factors that enables banks to complete many e-conveyancing transactions and settlements without delay is the degree to which bank platforms are tightly integrated with user-interface features and triggers that have been designed by the incumbent. Banks have closed-system integration with these additional functionalities, and it greatly supports our ability to manage and prepare a large number of transactions in a timely manner.

Representatives from the Australian Institute of Conveyancers and Sympli (in its response to questions taken on notice) suggested that much of the functionality of PEXA's platform merely replicated activity in paper-based conveyancing, and consequently was not innovative.³²

The evidence given did not accurately characterise the innovations in PEXA's system.

- For example, in discussing PEXA's Autobalance feature, AIC representatives suggested that practitioners have always calculated the adjustments relevant to a property transaction.³³ They did not raise that an important feature of the PEXA feature is that it automatically re-calculates these adjustments if (for example) the settlement date is changed. They also did not raise that unlike a paper-based settlement, the Autobalance feature enables a party to voluntarily accept in advance a lower receipt or higher payment than initially agreed. By contrast, in paper-based conveyancing, if payments did not correctly allow for an adjustment then typically the settlement was delayed until new adjustments were agreed by all parties, and new cheques for the adjusted amounts were prepared.
- AIC representatives suggested that they provided Ready to Book functionality.³⁴ In fact this is functionality between banks that are refinancing a mortgage, and typically no conveyancing practitioner is involved. It allows banks to automatically set settlement dates based on the state of a transaction and their internal processing times.
- AIC representatives appeared to be unaware of the purpose of Solicitor Mortgage Discharge Authority functionality. While the AIC representatives asserted that they "always had a discharge",³⁵ the point of this PEXA function is that PEXA's system always checks with authorities *provided by financial institutions* whether the relevant conveyancer has the authority to lodge a mortgage discharge on behalf of the relevant financial institution – PEXA's system does not just accept a conveyancer's assertion that they have authority to do so on behalf of a financial institution.

³¹ Transcript, p.43

³² Transcript, p.34

³³ Transcript, p.34

³⁴ Transcript, p.34

³⁵ Transcript, p.35

- AIC representatives suggested that “PEXA is just the delivery van” for the lodgment of documents.³⁶ This mis-describes one of the core features of the PEXA platform. In paper-based conveyancing, practitioners and financial institutions prepared documents for lodgment. In eConveyancing, practitioners and financial institutions provide information to PEXA, which also sources information from land registry, and the PEXA system prepares all documents for lodgment by all parties – and does so in a way that ensures that these documents are internally consistent, significantly reducing re-work that was often required with paper-based conveyancing.

Creating digital functionality that automates conveyancing functionality can be highly innovative even if the end result – the lodgment and settlement of a transaction – is the same as if those functions had been performed by people. The whole point of eConveyancing is that by digitally automating parts of the conveyancing process, PEXA’s platform significantly reduces the costs of conveyancers and banks. This digital automation required significant effort – both PEXA and Sympli have expended hundreds of millions of dollars building this functionality.

During the hearing it was raised that PEXA has not patented its innovations.³⁷ The lack of patents does not demonstrate a lack of innovation. Many technology companies protect their intellectual property through trade secrets and copyright rather than patents because patenting requires full disclosure. In addition, many of PEXA’s innovations were made whilst it was still a company owned by governments and patenting was not seen as a priority at the time -this does not diminish the copyright, confidential information, and other legal protections for PEXA’s IP.

5 Regulator interest

During the hearing, an InfoTrack representative indicated that it had lodged five different submissions to the ACCC about anticompetitive issues,³⁸ and Sympli submitted to the Committee that it has “provided substantive information directly to the ACCC and continues to do so.”³⁹ Evidence given by representatives from the ACCC indicated that it had completed a range of assessments of those concerns, but had not identified a contravention of the *Competition and Consumer Act* in respect of them.⁴⁰ The fact that the ACCC has not identified any contravention when it looked suggests that none of the issues raised by Sympli have any material basis.

During the hearing it was noted that Sympli had met with the Treasury Competition Taskforce several times, and it was implied that PEXA was failing to request a meeting with the Taskforce because it was the incumbent operator.⁴¹ PEXA was unaware that Sympli had met multiple times with the Treasury Competition Taskforce, and PEXA has not been asked by the Taskforce to contribute. PEXA is available and willing to meet with the Taskforce to provide any assistance that would be useful.

³⁶ Transcript, p.36

³⁷ Transcript, p.4-5.

³⁸ Transcript, p.24

³⁹ Sympli Supplementary Submission, May 2025, p.18

⁴⁰ Transcript, p.78

⁴¹ Transcript, p.75.

Appendix: responses to claims in submissions from June 2025

Submission	Reference	Claim	Response outline
Sympli	Para 6a	Competition is necessary, and interoperability the way to it	<p>Competition can exist without interoperability.</p> <p>The suggested justifications for competition – better innovation, price and service – may not eventuate in eConveyancing because these elements of consumer protection are already explicitly regulated.</p> <p>The cost benefit of competition in eConveyancing is debatable, and the cost benefit of interoperability in eConveyancing is negative</p>
Sympli	Para 6b, 17-25	PEXA is a single point of failure	<p>Multiple ELNOs will not provide useful redundancy in practice</p> <p>“Practitioner first” won’t provide <i>any</i> useful redundancy because ELNOs other than PEXA not connected to banks as mortgagors</p>
Sympli	Para 6b, 17-25	Competitive pressure is necessary to improve reliability and security	PEXA is already investing a lot in reliability and security under the current regime. Further opening up the network to many new APIs increases risks of failed settlement and cyber intrusion.
Sympli	Para 6c 3.1, App 4	PEXA is obstructing competition by threatening legal action if interoperability reforms pursued	PEXA letters simply asserted its IP rights and did not threaten legal action if interoperability was pursued
Sympli	Para 6c 3.1, App 4	PEXA is continuing to be investigated by ACCC	ACCC is not pursuing any matters raised with it about PEXA

Submission	Reference	Claim	Response outline
Sympli	Para 10, 15-16	Practitioner first should be pursued	<p>Scope of Practitioner first is unclear. On one view, it is merely asking for a digital interface to provide data to PEXA's system: this functionality is already in place and provided to a number of subscribers and Practice Management System, and it appears that Sympli/Infotrack are just demanding a better price relative to other Practice Management Systems in an anti-competitive way on the irrelevant basis that they have invested in an ELNO.</p> <p>If Sympli/Infotrack are asking for their ELNO to fully interact with PEXA's ELNO, then delivering functional equivalence to all parties, particularly financial institutions, will involve all of the unresolved problems with the current Interoperability model, including the need for PEXA to disclose its intellectual property for which no compensation has been proposed</p>
Sympli	App 1, p.10 App 4, para 3.3	Interoperability does not create any IP issues because it merely deals with data exchange and sequencing	Functional equivalence for interoperable transactions requires the Responsible ELNO to call information from the other ELNO about the current precise state of the transaction. Revealing the information required would reveal the internal business rules that lie behind PEXA's confidential design of the functionality that enables features such as Autobalance, Linked transactions, and Automessages. To ensure functionally equivalent interoperability, PEXA would need to reveal all of these rules to the other ELNO so that such functions worked in the same way, whether PEXA or Sympli was the responsible ELNO.
Sympli	2.1 App 4	Sympli is approved to operate in 5 jurisdictions	Sympli has not built transfer capability outside NSW. There is no evidence that its transfer capability in NSW has been materially used, and would be robust when used in volume.
Sympli	2.2 App 4	Mandates did not assist PEXA's network growth	PEXA is not claiming that mandates did not <u>assist</u> its growth. It is claiming that mandates were only issued once PEXA had done the hard work to encourage widespread adoption
Sympli	2.3 App 4	Interoperability does not increase the risk of transaction failure	Interoperability substantially increases the surface area for cyber attack, and inherently increases incidents because if one ELNO is down, all are down

Submission	Reference	Claim	Response outline
Sympli	2.3 App 4	Interoperability provides real redundancy - key practitioners would re-establish on a second ELNO's workspace in minutes	Even if a few practitioners re-establish a transaction quickly on a second ELNO, transactions will not proceed unless <i>all</i> parties do so – which is impossible unless all parties already have accounts on the second ELNO and have integrated their processes with it. The justification for regulatory intervention to promote interoperability is precisely that many parties will <i>not</i> open accounts with a second ELNO or integrate their processes with it (known as multi-homing).
Sympli	3.1 App 4	Interoperability scope always included functional equivalence through specification that “Interoperability must not materially impact the Subscriber’s experience”	Original scope legislated in 2022 was to “complete a conveyancing transaction” and for the “preparation of a registry instrument”. The MOR formally changed to a broader scope in January 2024
Sympli	5.1 App 4	PEXA’s gross margin has increased, implicitly demonstrating prices are unreasonable	“Gross margin” is irrelevant in understanding the profitability of business – by definition the only difference between Revenue and Gross Margin is the Cost of Goods Sold (i.e. 3 rd party charges such as Land Registry Fees). Gross Margin does not include the majority of costs including operating costs, capital costs, a return on invested capital, and a return on operating expenditure to establish the market and the business
Sympli	5.2 App 4	Sympli has anecdotal feedback that [PEXA] service has drastically reduced	Self-serving claims are not credible if merely based on “anecdotal feedback” not backed by detailed evidence provided to the Committee. The facts are that PEXA has consistently high customer satisfaction.
Sympli	5.4 App 4	Opening PEXA’s digital certificates would have minimal cost	PEXA has developed bespoke digital certificates with a provider, and competitors are not entitled to free-ride
Sympli	5.5 App 5	Sympli’s has made substantive complaints to ACCC	ACCC has found nothing that requires further action in the information provided by Sympli. Any competitor is free to make complaints; but they only indicate issues if the regulator finds that they have substance

Submission	Reference	Claim	Response outline
Infotrack	2.9-2.10	Sympli could not expand earlier because it did not have access to relevant e-Conveyancing data standards and artefacts required for expansion until recent transfer to NECDS	At the request of the Registrar-General of New South Wales, in 2018 PEXA licensed all the relevant NECDS data standards to Sympli (by definition these are national data standards), enabling Sympli to expand, but it chose not to do so
Infotrack	2.12	Interoperability isn't complicated because eConveyancing is analogous to well-understood paper-based workflow	Converting a paper and people based system to a digital system is complex because the <u>detailed</u> workflow must be replicated – not just a high-level diagram. The digital economy is generally regarded as highly innovative even though much of it reflects work that was paper based (e.g. MYOB and XERo have replaced paper book keeping; search engines have largely substituted for the Yellow Pages and libraries)
Infotrack	2.16	The scope of interoperability that PEXA contests on IP grounds was proposed by Sympli which has designed and built these features independently	The internal business rules for PEXA's build of features such as Autobalance, Linked Settlements and Automated messages may be quite different from anything built by Sympli, but unless PEXA reveals its proprietary design, these features will not operate in a functionally equivalent way in an interoperable transaction
Infotrack	2.17	PEXA's claim that interoperability discourages innovation is inconsistent with PEXA's claim that standardisation is beneficial	PEXA's claims are consistent, and counter <u>Infotrack/Sympli's</u> claim that interoperability will promote valuable innovation
Infotrack	2.18-2.19	The technology that enables interoperability is not novel because it uses APIs	PEXA is not claiming that its IP resides in existing APIs (i.e. interfaces) – it resides in the business rules that populate them

Submission	Reference	Claim	Response outline
Infotrack	2.22 (a)	Interoperability increases resilience because in flight settlements can switch across seamlessly to the other operator	Even if a few practitioners re-establish a transaction quickly on a second ELNO, transactions will not proceed unless <i>all</i> parties do so – which is impossible unless all parties already have accounts and processes on the second ELNO. But this outcome is contrary to the fundamental justification for regulatory intervention to impose interoperability: that many subscribers will not multi-home and will not open accounts and integrate processes with a second ELNO
Infotrack	2.22 (c)	Interoperability does not increase the complexity of failed settlement resolution, as demonstrated by other interoperable networks	Error resolution is inherently more complex, the more parties it involves
Infotrack	3	PEXA is a single point of failure, with multiple incidents, and is inconsistent with bank obligations under CPS 230	Incidents are low in the context of complex financial services; have material impacts on a very small number of customers, and the majority that originate outside PEXA's system would occur even with an interoperable system with multiple ELNOs Banks are connected to many systems that are a single point of failure – their obligation under CPS 230 is to manage these risks, not to avoid a single point of failure at all costs
Infotrack	4.1 – 4.8	PEXA is not held to appropriate service standards	In addition to standards under the MOR, service standards are imposed by licence agreements with each State and Territory Registrar of Titles PEXA makes available on its website a full log of historic incidents (not just outages) PEXA routinely discusses incidents in detail with the relevant Registrar(s) of Titles
Infotrack	4.9-4.12	Interoperability is consistent with PEXA's designation under the SOCI Act	A <i>competing</i> network that is not designated under the SOCI Act introduces significant vulnerabilities not present in any of the examples raised by Infotrack of integrations between a SOCI system and other upstream or downstream systems

Submission	Reference	Claim	Response outline
Infotrack	4.13-4.16	eConveyancing is regulated less than other industries such as ASX and Google	eConveyancing has price controls, service level requirements, and limitations on vertical integration that are not imposed on share trading, ad-tech and general search – where at most there is merely “increased monitoring”
Infotrack	5.3-5.6	PEXA can unfairly use property transaction data for its Digital Solutions Business	PEXA does not use property transaction data sourced from the exchange or from PEXA Subscribers in its Digital Solutions Business, in either disaggregated or aggregated form. Doing so is explicitly prevented by the existing MOR
Infotrack	5.7-5.13	PEXA uses property transaction data to provide value added APIs to Subscribers, such as informing them of a title change	<p>PEXA APIs automate information that a Subscriber would be able to obtain manually from their workspace on the PEXA exchange in respect of – and only in respect of – transactions where they are a Subscriber. Providing this information is inextricably linked with providing eConveyancing services and is provided purely to facilitate a specific transaction. No other entity would be able to provide this information because it relies on knowing that the particular Subscriber is involved in the particular transaction. The underlying data is not retained by PEXA once the particular transaction has been completed.</p> <p>PEXA has been transparent with Registrars about these services, and designed them precisely so that they do not give rise to concerns about PEXA vertically integrating into other existing markets such as the search market where Infotrack is a dominant provider.</p>

Submission	Reference	Claim	Response outline
Infotrack	6.1-6.3	PEXA is unlawfully providing a downstream or upstream service (DUS) with PEXAPlus, PEXAKey and PEXAProjects	<p>None of these services are DUS, and all of them automate information that a Subscriber would be able to obtain manually from their workspace on the PEXA exchange.</p> <ul style="list-style-type: none"> • PEXAPlus is a service provided to Subscribers with multiple workspaces, and effectively summarises all of their current workspaces • PEXAKey is a service provider to Subscribers that summarises whether their clients have directly entered their bank account details into the PEXA system (minimising the risk of fraud) • PEXAProjects is a service that enables property developers to manage the settlement of subdivisions with multiple purchasers <p>Providing this information is inextricably linked with providing eConveyancing services and is provided purely to facilitate the specific transactions for which the Subscriber is responsible. No other entity would be able to provide this information because it relies on knowing that the particular Subscriber is involved in each particular transaction.</p> <p>Although there are links to these services from the standard workspace, Subscribers are under no obligation to use them (and many do not)</p>
Infotrack	6.4-6.11	PEXA promotes its Digital Solutions business and PEXA Partners on its platform	<p>PEXA does not promote its Digital Solutions business on its platform, these businesses are entirely separated from PEXA's exchange with different employees and systems, and they do not use exchange data.</p> <p>PEXA only provides links to PEXA Partners, does not own these businesses, and they are operated entirely separately from PEXA's exchange. Consequently there are no real concerns about PEXA leveraging its exchange to gain commercial advantage.</p> <p>PEXA has arranged its business in these ways precisely because it respects both the letter and the intent of the rules aimed at preventing unfair self-preferencing between an ELNO and other parts of the eConveyancing value chain</p>

Submission	Reference	Claim	Response outline
Infotrack	6.12-6.14	PEXA is seeking to entrench its position by integrating its ELN with AML processes	<p>Given the significant potential additional cost to the conveyancing industry of complying with AML legislation PEXA has been trying to identify solutions that would reduce costs for real estate agents, conveyancers, and banks. As part of this investigation, it is entirely appropriate that PEXA actively engages with regulators and industry.</p> <p>PEXA is building an AML solution, and this service will be kept separate from its ELN. To the extent that PEXA's AML solution ultimately uses information from the ELN (because it will significantly improve the ability to detect actual money laundering), PEXA will make this information available on an equivalent basis to other AML solution providers, consistent with the strict vertical integration rules that apply specifically to ELNOs.</p> <p>Again, PEXA has chosen to design its AML solution in these ways precisely because it respects both the letter and the intent of the rules aimed at preventing unfair self-preferencing between an ELNO and other parts of the eConveyancing value chain</p>
Infotrack	7	PEXA is acting as a digital gatekeeper abusing its access to data and network effects	<p>As shown by PEXA's explanations above, PEXA is taking great care to comply with both the intent and letter of vertical integration rules. PEXA is not using its ELN data and network to expand its ELNO into other areas. In the limited areas where PEXA is expanding its business, it has taken great care to avoid doing so in a way that leverages the data or network of its ELN.</p> <p>PEXA notes that by contrast ATI Group has aggressively expanded across the eConveyancing value chain, overtly self-preferencing between its Practice Management System software and its property search businesses. The current eConveyancing rules do not prevent its Practice Management Systems from overtly preferencing downstream to its half-owned ELNO, Sympli. In contrast to PEXA's ELNO, ATI Group's prices for Practice management System and search services are not regulated, and have increased rapidly as it gained market share.</p>

Submission	Reference	Claim	Response outline
Independent Payments Forum Australia	p.7	PEXA threatened legal action when the regulator wanted to cap PEXA prices	<p>PEXA's prices have been capped since 2013, and PEXA has not threatened legal action over price caps.</p> <p>PEXA is permitted to increase its prices to reflect increases in costs imposed by regulators, and it has recently requested to do so in response to additional charges unilaterally imposed on ELNOs by State Revenue Offices and NECDS.</p>
Independent Payments Forum Australia	p.7	PEXA threatened legal action against ARNECC and major banks on a loose basis of intellectual property ownership	PEXA wrote respectfully to both ARNECC and bank pointing out that it had valid IP claims that should not be infringed. It did not threaten legal action – although it would be within PEXA's legitimate rights to threaten legal action if a party did attempt to infringe PEXA's IP rights.
Independent Payments Forum Australia	p.7	Prices charged to different subscribers are not transparent, as found by the NSW Productivity and Equality Commission	PEXA charges all subscribers the same price for a given transaction type, as per the pricing schedule on PEXA's website. PEXA did not provide this evidence to the NSW Productivity and Equality Commission because the Commission did not give PEXA an opportunity to do so.
Independent Payments Forum Australia	p.7	PEXA's \$50m share buyback demonstrates a comfortable financial position	PEXA's share buyback in 2025 was PEXA's <i>first</i> return to shareholders since its public listing. Returns to shareholders (whether by dividend or share buyback) do not demonstrate excess profits – if they never occurred, shareholders would not invest
Independent Payments Forum Australia	p.9	PEXA has unacceptable outages	PEXA has not had a full system outage in recent years. Incidents that prevent some users from using some functionality have occurred, and PEXA has minimised the impacts on property buyers and sellers, ensuring that the vast majority of transactions occur on the planned day, the small remainder are settled very soon thereafter. PEXA has provided compensation in the extremely rare occasion of material loss.