

LAPP

This portal is for communicating with and uploading documents to LodgeX as online settlement agents.



PETER MORAN

Which practitioners would find this technology useful?

Practitioners needing to use the PEXA and SRO online portals without having their own log-ins for either portal.

How does it work?

Once an account and a profile is created with LodgeX, practitioners begin the process by logging into Lapp and starting a new booking with LodgeX. Practitioners can select from a range of transactions such as lodging or removing caveats, survivorship applications, deceased estates and sale or purchase transactions.

Once the transaction is selected, a transaction summary form is completed which sets out key information about the transaction including firm, client, lender and SRO details. This replaces the need to send an email brief to LodgeX.

Key documents are then uploaded, such as contracts of sale, VOI reports, client authorisations and trust deeds.

LodgeX then creates a PEXA workspace for the matter and, if required, sends or accepts the SRO invitation for the online SRO process. As the matter progresses, further documents can be uploaded by either the practitioner or LodgeX, such as statements of adjustment, final invoices, nomination forms and ATO clearance certificates.

Although a key aim of Lapp is to keep communications lean in that much of the necessary information is provided through uploading the essential documents to Lapp, Lapp also has a messaging system that is specific to each matter. This allows a quick and easy way for the practitioner and LodgeX to communicate over the course of the matter.

Benefits

Although a party could act as agent for a practitioner in conducting an online settlement, the communications would have to be via email and telephone. Lapp streamlines the communications process between the practitioner and the settlement agent, making the process more time efficient. Lapp also provides an overview of all the various matters as they approach settlement. Practitioners can also get the benefit of LodgeX's trust account, meaning funds can flow through their account as part of the settlement process without the practitioner needing their own trust account.

Risks

If a mistake is made in the settlement process by LodgeX, the practitioner may still be liable to the client. As banking details can be supplied via Lapp, the risk of hacking is also one that practitioners should be live to. Practitioners should ensure the banking details are double checked and ideally confirmed with LodgeX via another form

of communication (eg, telephone). Practitioners should also use robust passwords for their log-ins and keep them secure. As with all cloud software, keeping client information secure and confidential is an obligation of practitioners that is being passed onto LodgeX as a sub-contractor and practitioners should ensure that their terms of use with LodgeX satisfactorily protect them in this regards.

Downsides

The main downside with Lapp and the LodgeX arrangements more generally is that the practitioner has no visibility into the PEXA workspace. This means that there can be delays in receiving messages between the parties who are in the PEXA workspace. It also means that the practitioner is not able to double check the documentation and numbers uploaded into PEXA by the various parties, in particular the Destination Line Items. This means the practitioner is reliant on LodgeX and the communications between

LodgeX and the practitioner are important in terms of being accurate. Some practitioners may not feel comfortable with such a lack of visibility. Also, double handling of information may occur between the parties which, aside from the time impact for the practitioner, can also create more opportunity for input errors. Using LodgeX as an online settlement agent does not mean that the practitioner can outsource care and responsibility for the matter.

Of course, the solution to these downsides is for the practitioner to have their own PEXA and SRO log-ins and do these processes themselves. For practitioners who do not regularly do such work, LodgeX and Lapp provides a way to accept this sort of legal work without the cost and inconvenience of setting up and learning how to use these various online portals.

Costs

Creating an account with LodgeX and setting up a log-in on LodgeX is free. Practitioners are then charged per transaction with fees varying depending on the nature of the transaction. Sales and purchase settlements are \$160 plus GST; managing the SRO process adds \$60 plus GST. Caveat lodgements cost \$55 plus GST. If the practitioner requires LodgeX to complete the statement of adjustment process, \$100 plus GST is charged. All these fees are then deducted and paid from the settlement funds. ■

Peter Moran is a principal at Peer Legal and founder of the Steward Guide, an online technology guide for lawyers (www.stewardguide.com.au).

SNAPSHOT

What is Lapp?

Lapp is an online portal for communicating with and uploading documents to LodgeX as online settlement agents.

What type of technology?

Online portal

Vendor

LodgeX Pty Ltd

Country of origin

Australia

Similar tech products

Infotrack – SettleIT

Non-tech alternatives

N/A – online settlements require the use of technology

