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Malcolm Heinz
CEO, Privately Incorporated Ontario Numbered Company 203813
A.k.a. The Law Society of Upper Canada
Osgoode Hall
130 Queen Street West
Toronto, Ontario
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REGISTERED MAIL

LETTER ONE

Re: Prolonged Uncontrolled Lawyer Real Estate Fraud and its 5400 victims.

Dear Mr. Heinz:

As a member of the Public, whose Legislature exchanged with you the right to govern yourselves independently, in return for your unqualified guarantee to abide by its mandate to you, to **regulate the profession in the Public Interest**, I have a number of questions to which I require, in the Public Interest, a reasoned and germane response, well this side of the habitually deliberately protectionist and diversionary lawyerly perversion of language and logic.

(S. 4.2, point 4, of the Law Society Act: **The Society has a duty to act in a timely, open and efficient manner**).

With the endeavour to maintain clarity throughout, I shall limit each of several letters to a single topic.

During the summer of 2006, your web-page stated, that you had caught 72 lawyers with 75 counts each, "on average", in real estate fraud (divided into land-title and mortgage

fraud). This, by mercifully lawyer-proof mathematics, translates into **5400 shiny new lawyer victims**. Obviously you will have caught many stragglers (given your own insufficient number of straggling investigators), not yet included in that dated tally.

Question A: What is your final tally to date?

Question B: While the 72 x 75 counts each, **“on average”**, lends an itself inexplicable and despicable subject and total, **what lawyer had the highest number of “counts”?** Your, at best, only partial honesty, demonstrated by this statistical numbers racket, leaves much to be desired by us, who granted you self-regulation, but did not contemplate or legislatively intend to allow your mis- and disinformation in our still binding but repeatedly unilaterally abused bargain with you: **facilitated particularly by the “dead-letter” Section 13.1 of the Act, stipulating our consistently demurring Attorney General (Government Cabinet-level) as Guardian of the Public Interest, vis-à-vis the LSUC.** This contrasts with Quebec’s non-dead-letter, and genuinely vigilant and pro-active “Office des Professions”. Please re-read, as often as possible, Supreme Court of Canada; Decisions – *Finney v Barreau du Quebec* (2004); II **Origin of the Case**; paragraph 9, line 5, ff. :

“On January 12, 1994, the Office (des Professions) again contacted the Barreau (du Quebec; its Law Society) and asked it to come to the respondent’s (Finney) assistance”.

(underline and parentheses content added and intended for the lay reader)

It would come as news to the independent legal profession in Quebec, that this mandated intercession by the Office des Professions, diminished its independence: as so often protectively advanced by the Ontario Bar and you; in order to leave your **“amassing of profits”** (Justice Iacobucci; SCC [ret.]) unhampered.

Question C: Some “ethical lawyers” will undoubtedly not have dared more than two or three outright frauds against the Public. While having forgotten my mathematics on the theory of probability, let us assume that the highest “count” was 140; unless you attest otherwise. The combined artifice of all lawyers in Ontario would not suffice to convince us the Public, that all 5400 + complaints were filed on a single day. **Why, with your allegedly adhered-to and touted qualitatively and quantitatively improved enforcement of your legislated mandate to regulate the profession in the Public Interest, did the first several complaints filed with you, not result in an immediate “Notice to the Profession”, thereby avoiding the greatest proportion of frauds; as part of the usual harm done by your profession to the Public Interest: with the self-represented poor, divorcees, widows and estates small, but preferably large, heading the list of these plagues?**

Question D: Again, necessarily calculating on assumption, let us assume that each fraud involved \$ 200,000. Not a large sum, given the concentration and prices in the GTA. And, of course, with all the “weighing” peculiar to your profession in all its functions, a member-in-good-standing or licensee of your numbered company would have to weigh whether the fraudulent net profits would be worth risking disbarment (or not) or a two months suspension, or accumulate enough capital, alternately to join some amenable financial institution somewhere in Mississauga: or, in the alternative, to entrust it to a Crown-attorney to pass it on to a top lawyer, himself instrumental in appointing Chiefs of Police, to successfully launder it to the Citibank in New York.(A separate topic/letter).

Thus, the presumptive calculation (unless you attest otherwise) would be $72 \times 75 \times \$ 200,000 = \$ 1,080,000,000$. You do not have these funds! And your subsidiary “crooked lawyer” insurance company proLaw, the last time I asked, was limited to \$ 100,000 per lawyer (with the exception of your lawyer Chance’s offer of \$1,000,000, to the Emedis of Orono, as hush-money, in Ontario’s unquestionably greatest, officially “expediently” [Judgment vocabulary] condoned and most perfidious corruption of Justice).

- (a) How many of these, at last admitted count, 5400 frauds have been settled?
- (b) How many are outstanding, including the undoubted stragglers?
- (c) How much, in percentages of individual victims’ losses, did each group of differentiated defrauded parties receive. (Not an overall percentage)?
- (d) Who bore the brunt of costs to collect this compensation?
- (e) What was the total amount of compensation?
- (f) Where did these sums come from?
- (g) How many of your frauds were disbarred ?
- (h) How many received lesser sanctions by your Tribunal?
- (i) How many, if any, under your protection-racketeering weasel-Section 49, proscribing cooperation with the independently initiated police investigations, were handed over to the police/Crown for contravention of the various Criminal Code of Canada Sections ?
- (j) And a rhetorical question: How many families were split up by your Princes of Justice (Let Right Prevail); how many were driven close to or into bankruptcy – how many ended up in hospital, or worse – etc., etc. ?

Question E: This is unquestionably the most serious question, the wrong answer to which would assuredly land certain personages before the courts. I corresponded with the Administrators of Ontario’s LAND TITLES ASSURANCE FUND, which, as a last resort, compensates victims of real estate fraud after proving such in court,

(Question E:)

from unlimited funds drawn from the Consolidated General Revenue Fund; our combined provincial taxes and fines.

(Regrettably, but understandably, since “government” was involved, these Title frauds, leading to Mortgage frauds [false clear Title] were facilitated by the \$ 400,000,000 , as yet incomplete computerization of our Registry Offices, by the firm Teranet and its ineffectively-controlled access diskettes).

The Administrators informed me, that they had several meetings with you around the time you posted this unnecessary epidemic of frauds on your web-page. At the very least in my perception, as an “objective, fair-minded and informed person” (to use your industry’s terminology) this lawyerly construct of the Land Titles Assurance Fund transfers the responsibility for a clean title from lawyer to taxpayer, with the commensurate, aimed-for decline in the lawyers’ insurance premium. I believe this to be another shameless shifting of liabilities to the already sufficiently abused public purse, in need of repeal by Queen’s Park.

If the Land Titles Assurance Fund reimburses victims only as a last resort, and only after proving fraud in Court, why does our often-times dilletantish judiciary not hold the fraudsters responsible instead of the Public? These are, in addition to lawyers, most often criminally- or negligently acting lending institutions or members of the real estate industry; insured separately and always authors of their own liability.

The Administrators were imprecise, perhaps deliberately so, in not exactly stating whether the Law Society or any of its members were ever helped out by this Fund. The question is very simple, but equally potentially devastating.

Did even a single lawyer, the LSUC, its Insurer, or by any other creative accounting, ever receive so much as a cent from this Public Fund, to help him as a licensee of a private corporation, with reimbursing any of these at least 5400 + victims??? And, did you (plural) ever ask this Fund to help you to do so, irrespective of the results, during your recorded meetings with its Administrators, perhaps on the grounds that Government was not blameless vis-à-vis Teranet?

Question F: Concurrent to your posting of the 72 x 75 issue on your web-page, you also posted, that you had discovered a law-firm in Toronto, especially formed to commit real estate fraud.

- (a) How many lawyers were involved in that specialized law-firm?; and**
- (b) What, exactly, were their individual fates, vis-à-vis your Tribunal decisions?; and**

(Question F;)

(c) What was the (i) total amount; and (ii) total number of frauds in which this specialized "law-firm" was involved?

I am aware, that a reasoned, statistically-correct and germane response, including any refutation of possible miscomprehension(s) under which I might have laboured, demands time – not so an acknowledgement of receipt of this letter (beyond the Registration Notification) and an assurance, in the vaunted "Public Interest", that a member of your staff is working on it.

Yours truly,



Charles U. Frey

Cc: The Right Honourable Chief Justice of the Supreme Court of Canada and Chair of the Canadian Judicial Council; Beverley McLachlin

The Canadian Judicial Council (with respect to its Statement of Principles)

The Honourable Chief Justice of Ontario; Warren Winkler

The Honourable Chief Justice of the Superior Court of Justice; Heather Forster-Smith

The Honourable Mr. Justice Iacobucci; Supreme Court of Canada (retired),
(with respect to his famous Address to the Profession; Regina)

The Auditor General of Ontario; Mr. Jim McCarter

The Ombudsman of Ontario; Mr. Andre Marin (with respect to the Administrators of the Fund; not vis-a-vis his regrettably proscribed LSUC side)

Assignment Editor of the Toronto STAR

Web-master: The National Coalition for Law Societies Reform

et. al.