

Subject: Minister Phillips - Crawford offer to assist 'Identity Theft Protection'.

Email Date: Tue, 5 Sep 2006 10:35:03 -0400

Dear Minister Phillips,

Subject: Proposed 'IDENTITY THEFT PROTECTION' legislation.

I refer to my email letter of July 20, 2006 regarding my expertise in business process analysis and proposed solutions' design in change resolutions for Land Registry Offices and the financial sector - and my offer of assistance concerning 'Identity Theft Protection'.

Your recently reported proposals including 'Reverse Onus' to prove due diligence are excellent - and I fully endorse the concept.

'Reverse Onus' might reinstate some measure of financial risk in Banks' lending decisions that current legislation has the effect of eliminating. At the moment the first question in Bankers minds is, "Will this be a legal binding debt?" before and instead of any due diligence with what appears to be obviously fraudulent loan applications. However, in my opinion, and experience, Banks will deny that they do not do due diligence - they don't have to, and they will surely enter into collections with repossession orders and lawsuits against anyone with undisclosed loans.

The threat to the public will continue as long as the law allows and condones irresponsible lending practices.

I hope your team recognizes the enormous unconscionable losses to private individuals - some \$300 million with two or more Canadians' homes at risk each business day. There are 72 lawyers currently under investigation by the Upper Canada Law Society for some 5400 fraudulent loan applications reported in 2005. Most of which - if not all - would have been stopped with, as Joe Tascona is quoted in Reviczky's reported case, "One phone call could have prevented fraud...".

I recommend you consider the basic business concept, that non-disclosure is the name of the game - and that it benefits all parties except victims: Scam artists, lawyers, and in particular Bankers, all profit from legally binding debts. Bankers will always take advantage of the law while it makes money. The focus on identity theft is property title - and the associated lending including misrepresentations in fake 'Powers of Attorney' and 'Signature Affidavits' as valid instruments for Banks to engage indebtedness in what they aptly call, 'Sitting Duck' loans.

If global trends are indicative, Canadian Banks appear to aid and abet fraudulent loans by publishing legally binding "No Wrongdoing Guidelines" for tricksters to adhere to when they present loan application contracts. I would recommend your team considers the UK's response to 'Bankers Behaving Badly' - a BBC Panorama documentary that forced the UK government to conduct an investigation into 'Predatory Lending Practices'. And the recent revelation from a 'Whistleblower' in July 2, 2006 BBC documentary 'The Money Trap' who referred to record breaking Bank profits that has very little to do with service fees, and everything to do with easy credit and loans approvals.

That investigative journalism focused on suicides from unsustainable personal debt, and the 'Whistle-blower', a senior Bank insider said in her opinion, "Criminal charges should be laid against the Banks".

For these reasons, I support Peter Kormos's call for an investigation that should cover security of property title records and the various methods Banks use to set up undisclosed loans relating to personal creditworthiness' in property ownership's.

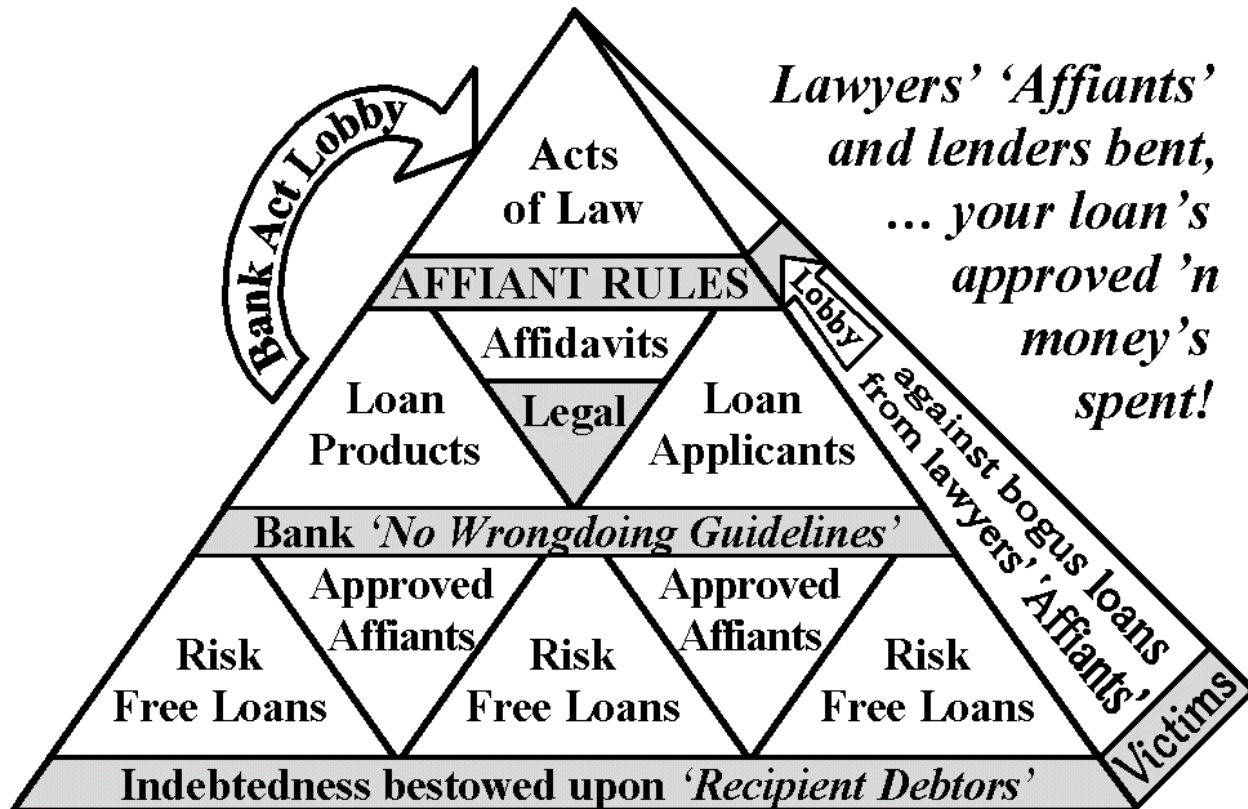
In the meantime, I repeat my offer of assistance and enclose my current analysis and the updated resolutions package from my book 'Identity Theft Protection', which as it is the public domain, you may refer to with or without my participation.

Many thanks ... Tony Crawford

cc Joe Tascona
cc Peter Kormos

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PERFECT PYRAMID FOR SITTING DUCKS



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AFFIANT RULES are legal loopholes. They lie *“as in tell a lie”* between the law and loan products and applicants in a *'Pyramid Scheme'* that removes all financial risk from lending decisions.

Here, an *'Affiant'* is someone without credit who swears an *'Affidavit'* notarized by a loan handling lawyer – that someone else's credit is available to repay debt.









It's that simple ... And, it's routine business.

It is perfectly legal for Banks to approve loans using third party *'Affidavits'* that make debtors of people who are completely unaware, uninvolved, and never see the money.

Mr. Phillips, The NDP Oakville Riding has discussed the issue of *'Identity Theft'* and *'Consumer Protection'* in the following scenarios intended to assist an investigation into *'Sitting Duck'* loans and submit resolutions:

The outcome of *'Identity Theft'* is always legally binding debts bestowed on unaware, uninvolved victims of lending transactions.

The following chart demonstrates the involvement of Banks' lawyer' *'Affiants'* in three schemes showing various loopholes that could be closed with corresponding policies for genuine *'Identity Validation'* and *'Financial Due Diligence'* for better consumer protection:

BANK LOAN GAME RULES FOR <i>'SITTING DUCKS'</i>				IDENTITY THEFT PROTECTION POLICIES
SCAM PLAYERS	TITLE THEFT	POWER OF ATTORNEY	SIGNATURE AFFIDAVIT	
SCAM-ARTISTS  	Discovers 'Drive by-bye' properties and finds owners' names and personal information to defraud.	Discovers 'Drive by-bye' properties and finds owners' names and personal information to defraud.	Targets 'High Value' Bank clients' names with access to financial and personal information to defraud.	Legislate financial risk to Banks for loans approved to affiants that deny borrowers' awareness and participation.
MODUS OPERANDI	External or internal access to authorized users of land registry systems to change ownership records.	Con-artists fake ownership to sell properties and/or use equity to secure Bank loan applications.	Banks with vested interests in property tax-shelter products recover underwritten financing from undisclosed <i>'TIED LOANS'</i> .	Legislate driver license or other photo ID's in each stage of: Loans applications and approvals, and registrations of liens.
PROOFS OF IDENTITY OF OWNERS	None	None	None	Verify owners' vs. con-artists' photo ID's. 
LAND REGISTRY OFFICES	Personal deeds of ownership secure indebtedness in liens regulated to 75% of residual value.	Personal deeds of ownership secure indebtedness in liens regulated to 75% of residual value.	Property management deeds of ownership secures Bank underwriting, but excludes undisclosed loans that circumvent 75% rule.	Refuse property title creation and record updates without valid photo ID's. Reject and report occurrences of mismatched ID's.
PROOFS OF IDENTITY OF PARTIES	Lawyers' and con-artists' signatures.	Lawyers' signatures, affiants' signatures and photo ID's. 	Lawyers' signatures, affiants' signatures and photo ID's. 	Verify owners' vs. con-artists' photo ID's. 
LAW FIRMS  ↑ LIENS	Property title changes, loans applications, liens and Bank funds transfers.	Notarizes affidavits: 'Powers of Attorney' for property title changes, loans applications, liens and Bank funds transfers.	Notarizes investor 'Signature Affidavits' for unregulated 'Off-site Loans Closings' and handles Bank funds transfers.	All mortgages and loans application documents to be accompanied with applicants' and/or affiants' photo ID's.
LEGALLY BINDING CONTRACTS	BANK <i>'NO WRONGDOING GUIDELINES'</i>			DUE DILIGENCE
BANKS  ↓ PRECEDENCE	Undisclosed loans approved by lenders based on legal representations without validation.	Undisclosed loans approved by lenders based on legal representations without validation.	Undisclosed loans applications <u>filled out and approved</u> by lenders using legal representations without validation.	Notify borrowers of credit assessments with TDSR's. And, no mortgages or loans to be approved without validated photo ID's.
BANKS VS. "CLIENTS" LITIGATION	DEBT COLLECTIONS AND REPOSESSION ORDERS			LEGAL DEFENSE
PROOFS OF IDENTITY OF DEBTORS	None ... other than third party legal representations.	None ... other than third party legal representations.	None ... other than third party legal representations.	Compare to owners' vs. con-artists' photo ID's. 