

**IN THE MATTER OF PART 3 OF THE
LEGAL PROFESSION ACT, RSA 2000, C. L-8**

AND

**IN THE MATTER OF A HEARING REGARDING
THE CONDUCT OF WAYNE LEDREW
A MEMBER OF THE LAW SOCIETY OF ALBERTA**

Hearing Committee

Kathleen Ryan, KC – Chair and former Bencher
Jodi Edmunds – Adjudicator
Grant Vogeli, KC – Bencher

Appearances

Karen Hansen – Counsel for the Law Society of Alberta (LSA)
Wayne LeDrew – Self-represented

Hearing Date

October 12, 2022

Hearing Location

Virtual Hearing

HEARING COMMITTEE REPORT

Overview

1. In 2018, Wayne LeDrew, an Alberta lawyer, was retained by KN, his client, respecting the placement of mortgage financing on a residential property owned by KN. Prior to Mr. LeDrew's retainer, KN had obtained title to the property by fraudulent means. Mr. LeDrew was unaware of KN's prior fraudulent conduct. On December 19, 2018, Mr. LeDrew signed an undertaking to the lender which restricted payment of the mortgage proceeds. KN directed Mr. LeDrew to pay a portion of the proceeds to another person, a now disbarred lawyer. These instructions were contrary to Mr. LeDrew's signed undertaking. On December 21, 2018, in breach of his undertaking, Mr. LeDrew paid a portion of the mortgage proceeds to another party as directed by KN. Mr. LeDrew admits that this conduct was a breach of his undertaking to the lender and further admits that this is conduct deserving of sanction. Mr. LeDrew provided a signed Statement of Admitted Facts and Admission of Guilt on July 20, 2022 ("Admitted Facts and Admission"). The Admitted Facts and Admission is appended to this decision. The form of same was acceptable to the Committee and formed the basis for the finding of conduct deserving of sanction.
2. The Hearing Committee (Committee) determines the proper sanction for this conduct, particularly given the past discipline record, is a two-week suspension. The suspension must be served in full on or before December 16, 2022. Mr. LeDrew will pay the costs of the hearing within six months of the hearing date.

Preliminary Matters

3. The following single citation was directed to hearing by the Conduct Committee Panel on April 12, 2022:

It is alleged that Wayne LeDrew breached an undertaking and that such conduct is deserving of sanction.

4. On October 12, 2022, the Committee convened a hearing into the conduct of Wayne LeDrew, based on the one citation.
5. There were no objections to the constitution of the Committee or its jurisdiction. A private hearing was not requested. The hearing was public.

Admitted Facts and Admission

6. The Committee found the Admitted Facts and Admission to be in acceptable form in accordance with section 60 of the *Legal Profession Act*, RSA 2000, c. L-8. It is reproduced, properly redacted, and appended to this decision as Schedule A. Mr. LeDrew openly acknowledged that he had transferred mortgage proceeds in a manner contrary to his express undertaking. Mr. LeDrew fully acknowledged that he was responsible for the decision to transfer funds. He openly acknowledged that he either misunderstood or otherwise missed the obligation set out in the undertaking. It is important to note that Mr. LeDrew knew nothing about KN's prior fraud in obtaining title. Nevertheless, the conduct was offside his undertaking as well as the Code of Conduct. The conduct deserves sanction.

Submissions on Sanction

7. Mr. LeDrew has a past history of discipline with the LSA. At 72, Mr. LeDrew has practiced law for 37 years. He has closed, by his estimation, some 4,000 to 5,000 real estate transactions. That said, as noted in a recent discipline matter for Mr. LeDrew, *Law Society of Alberta v. LeDrew*, 2020 ABLS 5, Mr. LeDrew has had a number of prior matters for which he has been found guilty of conduct deserving of sanction. These past cases are also outlined in the Admitted Facts and Admission at paragraph ten.
8. The LSA submitted that a short suspension was necessary and strongly emphasized Mr. LeDrew's prior record. Mr. LeDrew essentially recognized that there should be a more serious outcome for this conduct than the sanctions he has had in the past. Of particular concern to the Committee on sanction was the fact that Mr. LeDrew was referred to Practice Management on January 14, 2021. Although Practice Management made multiple recommendations to Mr. LeDrew and requested undertakings respecting his practice, Mr. LeDrew did not sign the undertakings. He admits he did not substantively engage with Practice Management. This was a concern for the Committee. Mr. LeDrew appears either unable to attend to these obligations or he is not treating this process and engagement with Practice Management with the gravity that these matters deserve.
9. In mitigation, however, Mr. LeDrew does have a very long track record of successful and competent practice. He has extensively volunteered in his community, donating his time

to many worthwhile efforts including the board of directors for the Boys & Girls Club, a local brain injury association, his church board, and the Rotary Club.

10. In the past three years, Mr. LeDrew has had to address a significant health crisis in his family. These personal challenges appear to postdate 2018 but do span the time that Mr. LeDrew was inattentive to his Practice Management obligations. Despite his experience and his age (72), he is still working, often ten or more hours a day. He feels that, like the bank, he was duped by his own client. He recognizes, however, his failings and errors have no excuse and have resulted in this process which, given his history, will now have serious consequences.
11. Mr. LeDrew is in the process of transitioning his practice to another firm. There, he will have more support, both in legal support and in staff support, than he has had recently. Accordingly, the Committee has at least some expectation that the shortcomings that have led to the several recent complaints referenced in the Admitted Facts and Admission may be abated.
12. A breach of a solicitor's undertaking is a serious conduct breach. In respect of real estate in particular, the public interest requires that lawyers be able to be trusted with significant sums of money and strict adherence to their undertakings and trust conditions. Our conveyancing system relies on lawyers keeping their word. A lawyer's role in a real estate transaction is critical; the profession must be both trusted and worthy of that trust to properly serve and protect the public. Although the LSA agrees that Mr. LeDrew had no part in the fraud that led to the financing being placed, Mr. LeDrew nevertheless was too casual, too careless in his approach to the undertakings to the lender.
13. The LSA provided three decisions in addition to Mr. LeDrew's most recent disciplinary decision to inform the proper sanction:
 - (a) *Law Society of Alberta v. Bontorin*, 2021 ABLS 13;
 - (b) *Law Society of Alberta v. Heming*, 2021 ABLS 1; and
 - (c) *Law Society of Alberta v. Dawe*, 2017 ABLS 19.
14. The Committee reviewed these authorities, considered the Admitted Facts and Admission, and heard the submissions of the LSA and Mr. LeDrew. Particularly in light of the prior discipline record, the fact that prior discipline instances have also included matters relating to a breach of undertaking or trust condition, and the lack of engagement with Practice Management in this process, this Committee determines that a two-week suspension is proper in order to achieve both the objectives of sanction, including general and specific deterrence. We also note that at paragraph 16 of Mr. LeDrew's most recent disciplinary decision (*Law Society of Alberta v. LeDrew*, 2020 ABLS 5), the Hearing Chair specifically noted that if Mr. LeDrew was facing similar conduct in the future, "it may be that more severe sanctioning will be required". This has now occurred.
15. Because Mr. LeDrew is in the midst of transferring his practice, in order to protect his clients' interests and the interests of those involved in these matters, Mr. LeDrew will have until December 16, 2022, to have completed his suspension.

16. The LSA tendered its statement of costs. Mr. LeDrew did not dispute the costs but asked for time to pay. Mr. LeDrew is directed to pay costs in the amount of \$4,738.13. He has six months from the date of the hearing to pay this amount.

Concluding Matters

17. The exhibits, other hearing materials and this report will be available for public inspection, including copies of exhibits for a reasonable copy fee. However, identifying information in relation to persons other than Mr. LeDrew will be redacted, and further redactions will be made, as needed, to preserve client confidentiality and solicitor-client privilege pursuant to Rule 98(3).
18. There shall be no referral to the Attorney General. A Notice to the Profession is required for the suspension; we direct the LSA to so issue.

Dated at Edmonton, Alberta, November 21, 2022.

Kathleen Ryan, KC

Grant Vogeli, KC

Jodi Edmunds

IN THE MATTER OF DIVISION 1 OF PART 3 OF THE
LEGAL PROFESSION ACT, RSA 2000, c L-8

- AND -

IN THE MATTER OF A HEARING REGARDING THE CONDUCT
OF

WAYNE LEDREW

A MEMBER OF THE LAW SOCIETY OF
ALBERTA HEARING FILE HE20220095

**STATEMENT OF ADMITTED FACTS AND
ADMISSION OF GUILT**

INTRODUCTION

1. I was admitted as a member of the Law Society of Alberta on October 4, 1985.
2. My present status with the Law Society of Alberta is Active/Practicing.
3. I practice primarily real estate law as a sole practitioner.

CITATIONS

4. On April 12, 2022, the Conduct Committee Panel directed the following citation to hearing:
 1. It is alleged that Wayne LeDrew breached an undertaking and that such conduct is deserving of sanction.

FACTS

5. I acted on behalf of K.N. with regard to mortgage financing on property which stood in K.N.'s name.
6. Prior to my involvement, K.N. had fraudulently transferred the title for the property to himself, allegedly for consideration of \$2.00. J.B., a disbarred lawyer, witnessed the signatures on the title transfer. I had no knowledge of, nor involvement in, the fraudulent title transactions.
7. On December 18, 2018, legal counsel for the lender provided a package of mortgage documents to me to be executed and returned prior to advance the loan.
8. One of the documents included in the mortgage package was a Solicitor's Undertaking which I signed on December 19, 2018. The undertaking stated:

I, Wayne LeDrew, the solicitor for K.N. (the "Borrower") expressly undertake to pay all advances from the above referenced loan as follows:

- (a) To County of Strathcona (Sherwood Park) to payout any outstanding property taxes owing in relation to the Lands;
- (b) To the payment of legal fees and disbursements of the undersigned's law office and,
- (c) To and in the name of the Borrower, and no other party whatsoever.

9. Despite this undertaking, on December 21, 2018, acting on the direction of K.N., I prepared a trust cheque for J.B. from the mortgage funds in the amount of \$6,803.00.

DISCIPLINE HISTORY

10. My discipline history with the Law Society is as follows:

- a. February 2020: I admitted guilt to one citation of failure to satisfy a trust condition. A joint submission of a reprimand, fine of \$8,000.00 and costs accepted by the Hearing Committee.
- b. June 2015: I admitted guilt to one citation of failing to respond in a timely and complete basis to the Law Society. A joint submission of a reprimand, \$2,500.00 fine and costs was accepted by the Hearing Committee.
- c. January 2011: I admitted guilt to eight citations: two citations of breach of accounting rules, one citation of breach of an undertaking, one citation of failing to report and remit GST, one citation of failure to serve a client, two citations of failure to respond to the Law Society, and one citation of failure to respond to Practice Review. A sanction of a reprimand, \$5,000.00 fine and costs was imposed by the Hearing Committee.
- d. January 2006: I admitted guilt to two citations: breaching undertakings and trust conditions, as well as failing to respond to the Law Society. The sanction imposed by the Hearing Committee was a reprimand, a \$3,500.00 fine, and costs.
- e. February 1996: I was found guilty of two citations: breach of trust conditions and failing to disclose that trust monies had been disbursed. The sanction imposed by the Hearing Committee was a reprimand, \$250.00 fine and costs imposed.

PRACTICE MANAGEMENT INVOLVEMENT

11. On January 14, 2021, I was referred to the Practice Management Department as a Direct Referral by the Conduct Department pursuant to s. 53(4) of the *Legal Profession Act* (the "Act"). The basis for the referral was several real estate related complaints, including the complaint that led to these proceedings.
12. Pursuant to that referral a Practice Assessment was conducted on March 11, 2021, and a Practice Assessment Reporting Letter was prepared on July 2, 2021 which set out observations, recommendations and proposed undertakings.

13. I did not sign the undertakings or substantively engage with Practice Management, despite reminders and requests to do so. Accordingly, on December 8, 2021 the Practice Review Committee directed that my file be closed, and a report issued to the Conduct Department.

ADMISSIONS

14. I admit as facts the statements in this Statement of Admitted Facts and Admission of Guilt for the purpose of these proceedings.

15. I admit that I breached an undertaking and that such conduct is deserving of sanction.

ACKNOWLEDGEMENTS

16. I acknowledge that I have had the opportunity to consult legal counsel.

17. I acknowledge that I have signed this Statement of Admitted Facts and Admission of Guilt freely and voluntarily.

18. I acknowledge that I understand the nature and consequences of this Admission.

19. I acknowledge that, although entitled to deference, the Hearing Committee is not bound to accept a joint submission on sanction.

This Statement of Admitted Facts and Admission of Guilt is dated the 20 day of July, 2022.

“Wayne LeDrew”

WAYNE LEDREW