



BETSY A. STANSELL, SBN 201543
STANSELL & ASSOCIATES
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FILED

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STATE BAR COURT
CLERK'S OFFICE
LOS ANGELES

RESPONDENT BETSY A. STANSELL, IN PRO PER

**STATE BAR COURT
HEARING DEPARTMENT - LOS ANGELES**

In Re the Matter of:

Betsy A. Stansell,
State Bar No. 201543,

A Member of the State Bar.

) Case No. 15-O- 11979
)
) **RESPONDENT BETSY A.**
) **STANSELL'S RESPONSE TO THE**
) **STATE BAR OF CALIFORNIA'S**
) **NOTICE OF DISCIPLINARY**
) **CHARGES FILED OCTOBER 9, 2015.**
)
)

Comes Now Respondent Betsy A. Stansell, ("Respondent"), for herself and for no other to Respond to the Notice of Disciplinary Charges ("NOD") brought by the State Bar of California ("State Bar") on October 9, 2015. This Response to the NOD filed on October 9, 2015 is filed pursuant to an extension of time granted by the State Bar Prosecutor pursuant to State Bar Rules of Proc. Rules 5.43(A) and 5.43(B) in writing via email.

GENERAL AND SPECIFIC DENIAL

Respondent denies, generally and specifically, each and every allegation contained in the Notice of Disciplinary Charges brought by the State Bar of California on October 9, 2015. Respondent further denies, generally and specifically, that the State Bar of California has been damaged in any manner or sum, or at all, by reason of any act or omission on the part of Respondent or on the part of any agent or employee of Respondent, or any of them. Respondent will move the State Bar Court of California to Dismiss, Withdraw, and Expunge

from the Public Record in its entirety, the Charges Filed by the State Bar Prosecutor on October 9, 2015 in Case No. 15-O- 11979, Pursuant to State Bar Rules of Procedures, Rules 5.124(A), 5.124(C), 5.124(E), 5.124(F), and 5.124(G).

AFFIRMATIVE DEFENSES

First Affirmative Defense

The Charges set forth in the Notice of Disciplinary Charges, Case No. 15-O- 11979 Fail to state a legally sufficient basis for the action proposed, does not state a disciplinable offense and fails to give sufficient notice of the charges. Specifically, the State Bar and the State Bar Prosecutor have been provided with evidence of MCLE compliance as well as specific facts regarding presentation issues.

Second Affirmative Defense

At all times herein, Respondent at no time made any false reports to the State Bar, on any matter.

Third Affirmative Defense

At all times herein, Respondent has fully complied with all MCLE requirements, generally meeting and exceeding the minimum requirements. Respondent is a duly licensed attorney and a principal in her own, woman-owned law firm, Stansell & Associates, and has practiced law as such for 16 years with no prior record of discipline. Respondent has extensive legal experience and training working for a corporate law department for a Fortune 100 company for almost 9 years as a paralegal prior to becoming a licensed attorney, and prior to starting her own law practice. Respondent's background, working on a large variety of legal issues, including international disputes, choice of forum, employment law, business disputes, trial practice including first chair jury trial, bench trial and administrative law trials, appellate practice, arbitration practice, mediations, corporate governance, real estate transactions, homeowner association issues, foreclosure defense, family law, domestic violence, civil harassment, some criminal law, some immigration issues, public employment

law and disputes, government claims and false claims act matters, and a wide variety of legal issues. To ensure capability to work on this wide variety of issues Respondent researches extensively and regularly attends continuing legal education courses to ensure full knowledge of specific legal topics, while obtaining access to lawyers knowledgeable in the subject matter of any specific case. Further, most vacations taken by Respondent are attending weekend MCLE courses. Respondent enjoys continuing legal education and considers it fortunate she has the opportunities to attend MCLE programs taught by experienced counsel, including The State Bar's wide selection of MCLE it provides for its members.

Fourth Affirmative Defense

At all times herein, Respondent denies all allegations that she made any false reports to the State Bar, specifically denies any gross negligence, denies any willful or culpable dishonesty or acts of morale turpitude. Respondents attempts at all times to set a high example for her profession, with courtesy to the court and opposing counsel, even during hotly contested disputes. At no time did Respondent fail to complete the minimum MCLE requirements for the period. At no time did Respondent commit an act involving moral turpitude, dishonesty or corruption in willful violation of Business and Professions Code section 6106.

Fifth Affirmative Defense

At all times herein, Respondent denies all allegations that she failed to fully cooperate with the State Bar's investigation into the audit of Respondent's MCLE courses. At all times herein, Respondent fully cooperated with the State Bar's investigator. Specifically, Respondent called the State Bar Investigator by telephone, responding on two separate occasions, leaving extended voicemails to Lisa Foster, the State Bar investigator. Lisa Foster's voicemail indicates she is unavailable after 3:00 PM and as such, Respondent left two extended voicemail messages, leaving her name and phone number, why she was calling, and Respondent's availability by telephone for several days, for each phone call message.

Respondent included specific times Respondent was available by phone, including all evenings after 6PM, and specific times Respondent appeared in court or client meetings, when she would not have availability by telephone.

Sixth Affirmative Defense

At all times herein, The State Bar Office of Prosecution willfully and maliciously attempted to create charges against Respondent, and entrap her, providing extremely short time responses to written letters, to provide documentation and evidence, of two weeks, during the Fourth of July Holiday, and the investigation letters do not appear to allow time for mailing pursuant to Civ. Proc. Code service by mail, shortening the time even further.

Seventh Affirmative Defense

At all times herein, The State Bar Office of Prosecution chooses to prosecute a matter involving MCLE that while holding importance, pales in significance to current outstanding legal matters and questionable attorney conduct, to which the Office of the State Bar of Prosecution should direct its force and knowledge. This matter should be dismissed in the furtherance of justice.

Respondent, in addition to her law practice, as well as teaching law courses part-time as an adjunct instruction at a State of California Community College, both in the classroom and as an online instructor, has spent numerous unpaid hours, in homeowner and foreclosure litigation, since 2008. Respondent's foreclosure matters have been to the appellate court twice. Respondent has been exposed to extremely seedy opposing counsel in one phase of the litigation (prior opposing counsel in the same matter have had exemplary attorney behavior despite the wrong side of the legal issue) including claims of personal service when there has been none, failure to provide service of documents in the matter to Respondent, and when respondent retained counsel to specially appear on her behalf, opposing counsel retained legal counsel from the same law firm, to oppose Respondent in the same matter. By doing so, opposing counsel eliminated Respondent's counsel. When one judge, out of three total, ruled

that the appearance for opposing counsel was a conflict of interest, the same counsel again appeared in subsequent proceedings with no consequence. This type of attorney conduct and collaboration, to gain advantage to take private homes in the foreclosure industry causes actual damage and harm, and has higher social value in its prevention.

Additional significant issues this State Bar Court should address that would have a large impact on society at large, is the world-wide manipulation of the Libor Index (the rate at which banks lend to each other). One example, Deutsche Bank AG, has been fined billions of dollars world-wide for its conduct¹ The traders engaged in team sport behavior to force trade movement, and government investigators have found management encouraged the behavior. In this scenario are attorneys that would provide significant opportunity for the State Bar of California to modify and correct attorney behavior to prevent this scenario. The significance is that almost all mortgages and most credit cards are based on the Libor Index to determine the interest rate.

The third area of State Bar inquiry that would better serve society, is focus on trustee declarations for non-judicial foreclosures. In judicial foreclosure states, the courts are finding the banks do not have legal rights to foreclose due to failures in the chain of title of assignments. California's non-judicial foreclosures the same lack of legal title to foreclose will be found, and the trustee declarations signed indicating the right to foreclose are an area the State Bar Prosecutors will have an impact.

¹ (CFTC) RELEASE: pr7159-15, dated April 23, 2015 states Deutsche Bank to Pay \$800 Million Penalty to Settle CFTC Charges of Manipulation, Attempted Manipulation, and False Reporting of LIBOR and Euribor. The Fine Imposed on Deutsche Bank Represents the Largest Fine in CFTC's History With Today's Action, the CFTC Has Imposed over \$4 Billion in Penalties against 13 Banks and Brokers to Address LIBOR and FX Benchmark Abuses Washington, DC - The U.S. Commodity Futures Trading Commission (CFTC) today issued an Order against Deutsche Bank AG (Deutsche Bank) bringing and settling charges that Deutsche Bank routinely engaged in acts of false reporting and attempted manipulation and, at times, succeeded in manipulating the London Interbank Offered Rate (LIBOR) for U.S. Dollar, Yen, Sterling, and Swiss Franc, and the Euro Interbank Offered Rate (Euribor), interest rate benchmarks critical to the U.S. and global financial markets. Deutsche Bank is also charged with aiding and abetting, at times, the attempts of traders at other banks to manipulate Yen LIBOR and Euribor. The CFTC Order finds that Deutsche Bank, through its traders and benchmark submitters, engaged in this manipulative conduct to benefit cash and derivatives trading positions that were priced off of LIBOR or Euribor." <http://www.cftc.gov/PressRoom/PressReleases/pr7159-15> ; Available at In the Matter of: Deutsche Bank AG (April 23, 2015), <http://www.cftc.gov/idc/groups/public/@lrenforcementactions/documents/legalpleading/enfdeutscheorder042315.pdf>

WHEREFORE, Respondent prays for judgment as follows:

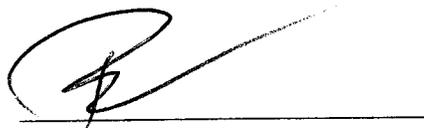
A. For an Order Withdrawing all charges forthwith and expunging all charges from the public record and private record;

B. Or alternatively, dismissing the Charges with prejudice and ordering that Claimant take nothing;

C. For an Order for the State Bar Prosecutor to focus on prohibiting attorney abuse in the foreclosure industry, specifically in the accuracy of the Trustee Documents Prepared at Attorney Direction, upon which a non-judicial foreclosures in California are based

Dated: November 13, 2015

STANSELL & ASSOCIATES

A handwritten signature in black ink, appearing to be 'Betsy A. Stansell', is written over a horizontal line.

Betsy A. Stansell, Esq.

State Bar No. 201543.

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is: is 1030 Mar Vista Avenue, Seal Beach, CA, CA 90740.

On November 13, 2015, I served the documents described as:

RESPONDENT BETSY A. STANSELL'S RESPONSE TO THE STATE BAR OF CALIFORNIA'S NOTICE OF DISCIPLINARY CHARGES FILED OCTOBER 9, 2015 -Case No. 15-O- 11979

on the parties and / or counsel for the parties in this action by placing true and correct copies thereof enclosed in a sealed envelope, addressed as follows:

SEE ATTACHED SERVICE LIST

(BY EXPRESS MAIL OR OTHER METHOD OF OVERNIGHT DELIVERY) On November 13, 2015 I caused a sealed envelope or package at Seal Beach, California, addressed to the person as stated above, to be deposited in a mail or other like facility regularly maintained by the United States Postal Service for receipt of Express Mail with Express Mail postage paid or deposited in a box or other facility regularly maintained by the express service carrier with delivery fees paid

(BY MAIL) On November 13, 2015 I caused such envelope with postage thereon fully prepaid to be placed in the U.S. mail at Seal Beach, California on November 13, 2015. I am readily familiar with my employer's practice of collection and processing correspondence for mailing. It is deposited with the U.S. postal service on that same day in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more that one (1) day after the date of deposit for mailing in affidavit.

(BY FAX) I caused the above reference document to be sent via facsimile transmission to _____ by phone number _____ from **562-598-0268** on November 13, 2015, with no errors reported in the transmission.

I declare under penalty of perjury under the laws of the State of California the above is true and correct. Executed on November 13, 2015,

Stefani Haering

RESPONDENT BETSY A. STANSELL' S RESPONSE TO THE STATE BAR OF CALIFORNIA' S NOTICE OF DISCIPLINARY CHARGES FILED OCTOBER 9,,2015
-Case No. 15-O- 11979

SERVICE LIST:

<p>SHERELL N. McFARLANE, Esq. Sbn No. 217357 OFFICE OF THE CHIEF TRIAL COUNSEL DEPUTY TRIAL COUNSEL 845 South Figueroa Street Los Angeles, California 90017-2515</p>	<p>Counsel for STATE BAR OF CALIFORNIA</p>

DECLARATION OF SERVICE

I, the undersigned, over the age of eighteen, declare that I am / am not a party to the within action, in the City and County of Los Angeles, on 11/13/15, served the following document(s):

Respondent Betty A. Stanzell's Response to the State Bar of California's Notice of Disciplinary Proceedings Charges filed October 9, 2015

by ~~substituted~~ personal delivery: delivery to receptionist on 1st floor deliver 3rd floor filing cl

Sherell N. McFarlane Esq
offered the Chief Trial Counsel & Deputy Trial Counsel
845 S. Figueroa
Los Angeles, CA ~~90017~~ 90017-2515

other:

I declare under penalty of perjury at Los Angeles, California, on the date shown below, that the foregoing is true and correct.

Dated: 11/13/15 