



PUBLIC MATTER

FILED

AUG 30 2017

STATE BAR COURT
CLERK'S OFFICE
LOS ANGELES

STATE BAR COURT OF CALIFORNIA HEARING DEPARTMENT - LOS ANGELES

In the Matter of)	Case No. 16-O-13988-DFM
HEATHER JUNE CHRISTIANSEN STANLEY)	DECISION AND ORDER OF
A Member of the State Bar, No. 185108.)	INVOLUNTARY INACTIVE
)	ENROLLMENT

Respondent Heather June Christiansen Stanley (Respondent) is charged with violations of the Business and Professions Code¹ and the California Rules of Professional Conduct. Although she had notice of the trial date in this matter, she failed to appear at trial and her default was entered. The Office of Chief Trial Counsel (State Bar) then filed a petition for disbarment under rule 5.85 of the Rules of Procedure of the State Bar.²

Rule 5.85 provides the procedure to follow when an attorney fails to appear at trial after receiving adequate notice and opportunity. The rule provides that, if an attorney's default is entered for failing to appear at trial and the attorney fails to have the default set aside or vacated within 45 days, the State Bar will file a petition requesting the court to recommend the attorney's disbarment.³

¹ Unless otherwise indicated, all further references to section(s) refer to provisions of the Business and Professions Code.

² Unless otherwise indicated, all references to rules are to this source.

³ If the court determines that any due process requirements are not satisfied, including adequate notice to the attorney, it must deny the petition for disbarment and take other appropriate action to ensure that the matter is promptly resolved. (Rule 5.85(F)(2).)

In the instant case, the court concludes that the requirements of rule 5.85 have been satisfied and, therefore, grants the petition and recommends that Respondent be disbarred from the practice of law.

FINDINGS AND CONCLUSIONS

Respondent was admitted to practice law in this state on December 6, 1996, and has been a member since then.

Procedural Requirements Have Been Satisfied

On December 5, 2016, the State Bar filed and properly served a Notice of Disciplinary Charges (NDC) on Respondent by certified mail, return receipt requested, at the address which was listed with the State Bar as Respondent's official membership records address at that time.

On January 3, 2017, the State Bar filed a motion seeking entry of Respondent's default in this matter. Thereafter, on January 18, 2017, this court issued an "Order Re Telephonic Status Conference," noting that it had received a letter from Respondent on January 11, 2017, in which Respondent asserted that she was unable to participate in this matter as she had undergone major surgery on December 5, 2016, and had provided the State Bar with advance notice of that surgery on November 21, 2016. Accordingly, this court issued an order, filed and served on the parties on January 18, 2017, ordering them to participate, either in person or by telephone, in a status conference on February 6, 2017. That status conference was continued by agreement of the parties to February 21, 2016, at which status conference both Respondent and State Bar Deputy Trial Counsel (DTC) Drew Massey appeared. The court then issued a minute order on February 21, 2017, ordering that the trial previously set in this matter to take place on March 28, 2017, would remain scheduled for that date. The court further ordered that Respondent file her response to the NDC by February 24, 2017.

Respondent filed an answer to the NDC on February 23, 2017.

At a status conference held on March 3, 2017, both Respondent and the DTC appeared telephonically. At that conference, the court vacated the previously set trial and pretrial dates, ordered Respondent to augment the record in this matter regarding her claimed inability to participate in the case, and further ordered the parties to appear for a telephonic status conference on March 29, 2017, at which time a new trial date would be set.

On March 29, 2017, the parties appeared telephonically for the status conference which had been set for that date. Thereafter, on April 10, 2017, another status conference took place at which the parties again appeared telephonically. At that status conference the court ordered, among other things, that the trial in this matter would commence on May 16, 2017, at 9:30 a.m., and would continue from day to day thereafter until completed. On April 10, 2017, a written order was then issued, filed, and properly served on Respondent at both her official membership records address and an alternate address provided by Respondent in her answer to the NDC. Shortly thereafter, the State Bar filed and properly served Respondent with a Section 1987 Notice in Lieu of Subpoena, requiring Respondent's presence at the trial on May 16 at 9:30 a.m.

On May 8, 2017, the previously-noticed pretrial conference was held at 10:30 a.m. The DTC appeared on behalf of the State Bar. Respondent failed to appear. The court then issued a Minute Order on May 8, 2017, notifying the parties that the trial in this proceeding remained scheduled to commence on May 16, 2017, and warning Respondent that, if she failed to appear for trial, her default would be entered. That May 8th Order was filed and properly served on Respondent at her official membership records address by first class mail with postage fully prepaid. The Order was also served on Respondent by email.

The case was called for trial on May 16, 2017. The State Bar appeared for trial, but Respondent did not. The court then entered Respondent's default in an order filed on May 16,

2017.⁴ The order was properly served on Respondent by certified mail, return receipt requested, at Respondent's membership records address. (Rule 5.81(B).) The order notified Respondent that, if she did not timely move to set aside her default, the court would recommend her disbarment. The order also placed Respondent on involuntary inactive status under Business and Professions Code section 6007, subdivision (e), effective three days after service of the order, and she has remained inactively enrolled since that time.

Respondent did not seek to have her default set aside or vacated. (Rule 5.83(C)(2) [attorney has 45 days after order entering default is served to file motion to set aside default].) On July 6, 2017, the State Bar properly filed and served a petition for disbarment on Respondent. As required by rule 5.85(A), the State Bar reported in the petition that: (1) the State Bar has not received any contact from Respondent since her default was entered; (2) there are three investigation matters pending against Respondent; (3) Respondent does not have any prior record of discipline; and (4) the Client Security Fund has not paid out any claims as a result of Respondent's misconduct.

Respondent did not respond to the petition for disbarment or move to set aside or vacate the default. The case was submitted for decision on August 1, 2017.

The Admitted Factual Allegations Warrant the Imposition of Discipline

Upon entry of a respondent's default, the factual allegations in the NDC are deemed admitted and no further proof is required to establish the truth of such facts. (Rule 5.82.) As set forth below in greater detail, the factual allegations in the NDC support the conclusion that Respondent is culpable as charged and, therefore, violated a statute, rule or court order that would warrant the imposition of discipline. (Rule 5.85(F)(1)(d).)

⁴ The State Bar requested and was granted leave to perpetuate the testimony of an out-of-state witness at this trial, despite the fact that Respondent's default had been taken.

Case No. 16-O-13988 (Bangi Matter)

Count One – Respondent willfully violated rule 4-100(A) of the Rules of Professional Conduct (failure to deposit client funds in trust) when she received funds in the form of two checks totaling \$1,052,311.57 for the benefit of the client and then failed to deposit the \$1,052,311.57 in client funds into a bank account labeled “Trust Account,” “Client’s Funds Account,” or words of similar import.

Count Two – Respondent willfully violated rule 4-100(B)(3) of the Rules of Professional Conduct (failing to render account of client funds) by failing to provide an accounting to her client regarding the \$1,052,311.57 that Respondent had received to be held in trust for the benefit of the client, even after the client made eight separate requests for an accounting, with the first request being made on June 12, 2012, and the last request being made on May 31, 2016.

Count Three – Respondent willfully violated section 6106 (moral turpitude, dishonesty, or corruption) by acting dishonestly or with gross negligence between July 25, 2013 and November 14, 2013, during which time period Respondent misappropriated and used for her own purposes \$955,000 of the \$1,052,311.57 of the funds, which Respondent had received for the benefit of her client.

Count Four – Respondent willfully violated rule 4-100(A) of the Rules of Professional Conduct (failure to maintain client funds in trust account) by failing to maintain in a client trust account a balance of \$1,052,311.57, which funds Respondent had received for the client’s benefit.

Count Five – Respondent willfully violated section 6106 (moral turpitude, dishonesty, or corruption) by stating in writing to a State Bar investigator that: (1) Respondent had purchased cashier’s checks and returned all funds that Respondent had held on behalf of the client, Bangi, to the client; and (2) Respondent had provided a “client ledger card,” showing a disbursement of

funds to the client, when, in fact, at the time Respondent made the aforementioned written representations to the State Bar investigator, Respondent knew or was grossly negligent in not knowing that the representations she had made were false.

Disbarment is Recommended

Based on the above, the court concludes that the requirements of rule 5.85(F) have been satisfied and Respondent's disbarment is recommended. In particular:

- (1) the NDC was properly served on Respondent under rule 5.25;
- (2) Respondent had actual notice of this proceeding and adequate notice of the trial date prior to the entry of default;
- (3) the default was properly entered under rule 5.81; and
- (4) the factual allegations in the NDC, deemed admitted by the entry of the default, support a finding that Respondent violated a statute, rule or court order that would warrant the imposition of discipline.

Despite adequate notice and opportunity, Respondent failed to appear for trial in this disciplinary proceeding. As set forth in the Rules of Procedure of the State Bar, the court recommends disbarment.

RECOMMENDATIONS

Disbarment

The court recommends that respondent **Heather June Christiansen Stanley**, State Bar number 185108, be disbarred from the practice of law in the State of California and that her name be stricken from the roll of attorneys.

Restitution

The court also recommends that Respondent be ordered to make restitution, payable to Cynthia Bangi, in the total amount of \$955,000, plus 10 percent interest per year from May 2,

2011. Any restitution owed to the Client Security Fund is enforceable as provided in Business and Professions Code section 6140.5, subdivisions (c) and (d).


Costs

The court also recommends that Respondent be ordered to comply with the requirements of California Rules of Court, rule 9.20, and to perform the acts specified in subdivisions (a) and (c) of that rule within 30 and 40 days, respectively, after the effective date of the Supreme Court order in this proceeding.

ORDER OF INVOLUNTARY INACTIVE ENROLLMENT

In accordance with Business and Professions Code section 6007, subdivision (c)(4), the court orders that **Heather June Christiansen Stanley**, State Bar number 185108, be involuntarily enrolled as an inactive member of the State Bar of California, effective three calendar days after the service of this decision and order. (Rule 5.111(D).)

Dated: August 30, 2017


DONALD F. MILES
Judge of the State Bar Court

CERTIFICATE OF SERVICE

[Rules Proc. of State Bar; Rule 5.27(B); Code Civ. Proc., § 1013a(4)]

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of Los Angeles, on August 30, 2017, I deposited a true copy of the following document(s):

DECISION AND ORDER OF INVOLUNTARY INACTIVE ENROLLMENT

in a sealed envelope for collection and mailing on that date as follows:

- ☒ by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

HEATHER J CHRISTIANSEN STANLEY
LAW OFFICES OF HEATHER J C STANLEY
3501 MALL VIEW RD
STE 115-364
BAKERSFIELD, CA 93306

- ☒ by interoffice mail through a facility regularly maintained by the State Bar of California addressed as follows:

DREW D. MASSEY, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on August 30, 2017.



Mazie Yip
Case Administrator
State Bar Court

STATE BAR COURT OF CALIFORNIA HEARING DEPARTMENT 845 S. Figueroa Street, Los Angeles, CA 90017	<div style="text-align: right;">FILED</div> <div style="text-align: center;"> AUG 30 2017 STATE BAR COURT CLERK'S OFFICE LOS ANGELES </div>
In the Matter of: MICHAEL WELLS, A Member of the State Bar, No. 48850	Case No(s): 08-O-13832, et al (S193649) ORDER EXTENDING PROBATION, CONTINUING RESPONDENT'S OBLIGATION TO MAKE MONTHLY RESTITUTION PAYMENTS

On August 21, 2017, respondent Michael Wells filed a motion to extend his probationary period by 36 months to allow him time to complete payment of restitution as ordered by the Supreme Court in case no. S193649 (State Bar Court case No. 08-O-13832, et al). He has made the installment payments as ordered but is unable to complete the payments prior to the expiration of probation on September 14, 2017 due to severe financial hardship.

On August 25, 2017, the Office of Probation, by Terrie Goldade, responded thereto, indicating no opposition, but noting that an extension of the probation that expires on September 14, 2017, would be necessary.

Having considered the parties' contentions and good cause appearing, the court GRANTS respondent's motion as consistent with the objectives of his disciplinary probation. (Rule 5.300(B), Rules Proc. of State Bar.) Respondent has made diligent, consistent efforts to comply with the restitution ordered but cannot complete the payments at this time due to severe financial hardship. Accordingly, since the relief requested falls within the ambit of rule 9.10(c), Cal. Rules of Court, IT IS ORDERED that the period of probation ordered in Supreme Court case no. S193649 be extended for 36 months until September 14, 2020. All other conditions remain the same. In the event Respondent satisfies that restitution obligation prior to September 14, 2020, he may file a motion for an early termination of his probation. In the event he has continued to make timely and appropriate monthly restitution payments but such payments will not have satisfied his restitution obligation by September 14, 2020, he may file a further request for an extension of his probation, but must do so prior to that date. In the absence of an order further extending Respondent's probation and monthly restitution obligation, the full amount of Respondent's restitution obligation must be paid on or before September 14, 2020. If Respondent fails to pay any monthly installment as described above, or as may be subsequently modified by this court, the remaining balance of his restitution obligation will be due and payable immediately.

IT IS SO ORDERED.

Dated: August 30, 2017


DONALD F. MILES
 Judge of the State Bar Court



CERTIFICATE OF SERVICE

[Rules Proc. of State Bar; Rule 5.27(B); Code Civ. Proc., § 1013a(4)]

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of Los Angeles, on August 30, 2017, I deposited a true copy of the following document(s):

ORDER EXTENDING PROBATION, CONTINUING RESPONDENT'S
OBLIGATION TO MAKE MONTHLY RESTITUTION PAYMENTS

in a sealed envelope for collection and mailing on that date as follows:

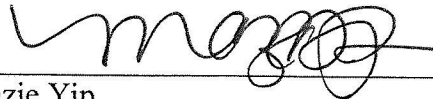
- ☒ by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

MICHAEL WELLS
9227 RESEDA BLVD STE 227
NORTHRIDGE, CA 91324

- ☒ by interoffice mail through a facility regularly maintained by the State Bar of California addressed as follows:

TERRIE GOLDADE, Probation, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on August 30, 2017.



Mazie Yip
Case Administrator
State Bar Court