

201512-3
Received
Washington State Supreme Court

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Ronald R. Carpenter
Clerk

IN THE SUPREME COURT OF THE STATE OF WASHINGTON

In re

HOLLY JOY JOHNSON,

Lawyer (Bar No. 32784).

Supreme Court No. _____

ODC'S PETITION FOR
INTERIM SUSPENSION (ELC
7.2(a)(1))

Under Rule 7.2(a)(1) of the Rules for Enforcement of Lawyer Conduct (ELC), the Office of Disciplinary Counsel (ODC) of the Washington State Bar Association petitions this Court for an Order of Interim Suspension of Respondent Holly Joy Johnson pending the outcome of disciplinary proceedings. This Petition is based on the Declarations of Disciplinary Counsel Sachia Stonefeld Powell, Brian McCarthy and Keisha Perry.

As set forth in detail in the accompanying declarations, between May 12, 2014, and September 30, 2015, Respondent improperly disbursed almost \$734,000 of funds she held in escrow under two separate escrow agreements, including disbursing a considerable amount to herself.

First, with regard to the Veira escrow transaction, Respondent received \$304,000 on May 14, 2014, the bulk of which she disbursed within one month of her receipt of the funds. See, Declaration of Sachia Stonefeld Powell, ¶8. Respondent claims that the disbursement was appropriate because the escrow condition – securing a financing

agreement - was satisfied. See, Powell Declaration, ¶25. However, she disbursed all but \$200 before even an arguable financing agreement was in place. See, Powell Declaration, ¶26. Although it is not always clear to whom the funds were disbursed, at least \$12,356 was to herself. See, Powell Declaration, ¶8.

Second, in the Ragussis escrow transaction, Respondent received \$430,000 on June 9, 2015. See, Powell Declaration, ¶42. The parties to the transaction agree that the conditions of the escrow agreement were not met, yet Respondent had disbursed over \$370,000 by the end of June, 2015. See, Powell Declaration, ¶¶43, 58. When asked by Ragussis's attorney to return the funds to him, Respondent claimed that they belonged to the other party to the transaction – Gary Jones. See, Powell Declaration, ¶57. In an email dated July 31, 2015, she stated that Jones had sent her the coordinates to wire the money to his account just the day before. See, Powell Declaration, ¶60. However, as of the date of the email, Respondent had already disbursed over \$404,000 of the funds. See, Powell Declaration, ¶45. Although it is not always clear to whom the funds were disbursed, at least \$17,050 was to herself. See, Powell Declaration, ¶46.

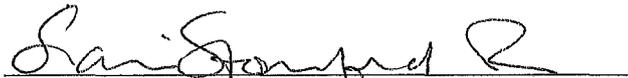
A Review Committee of the Disciplinary Board found that Respondent's continued practice of law poses a substantial threat of serious harm to the public and recommended an interim suspension.

We ask the Court to issue an order to show cause under ELC 7.2(b)(2).

DATED THIS 25th day of February, 2016.

Respectfully submitted,

OFFICE OF DISCIPLINARY COUNSEL



Sachia Stonefeld Powell, Bar No. 21166
Disciplinary Counsel
1325 4th Avenue, Suite 600
Seattle, WA 98101-2539
(206) 733-5907