In the Indiana Supreme Court

In the Matter of: Crystal L. Johnson, Respondent Supreme Court Case No. 24S-DI-187



Published Order Approving Statement of Circumstances and Conditional Agreement for Discipline

Pursuant to Indiana Admission and Discipline Rule 23(12.1)(b), the Indiana Supreme Court Disciplinary Commission and Respondent have submitted for approval a "Statement of Circumstances and Conditional Agreement for Discipline" stipulating agreed facts and proposed discipline as summarized below.

Stipulated Facts: At all relevant times, Respondent operated her own general practice firm in Crown Point. Respondent was retained by "Client 1" to register the client's company with the Secretary of State and collect delinquent payments owed to the company. The invoices Respondent sent to debtors failed to include debt validation notices required by the Fair Debt Collection Practices Act (FDCPA). This failure exposed Client 1 to the possibility of civil liability and/or damages under the FDCPA.

Respondent was retained by "Client 2" to help her acquire a tax deed for a property, which Respondent did. Respondent did not discuss with Client 2 any limit on Respondent's representation or obtain informed consent from Client 2 for such limitation. Client 2 later sold the property to another buyer. At the time of sale, the property's title commitment specified that "the borrower must initiate Quiet Title proceedings at closing." Neither Client 2 nor the buyer initiated a quiet title proceeding at closing. In May 2023, Respondent filed an appearance and complaint to quiet title on the buyer's behalf, in connection with the same property for which Respondent had assisted Client 2 in obtaining a tax deed.

Respondent pervasively mismanaged her trust account. Respondent commingled client funds with her own, failed to maintain a separate checkbook for her trust account, failed to keep sufficient records for her operating and trust accounts, paid client fees and expenses from her operating account, deposited unearned legal fees into her operating account, and deposited earned legal fees into her trust account.

Respondent assisted approximately 330 clients with the tax sale process during the 2021 Lake County Tax Sale. A "137B Form" allows tax sale bidders to be reimbursed for certain expenses whenever the owner of the property redeems their interest, and the form requires a signature from the bidder certifying that the expenses listed are "true and accurate to the best of

my belief." Respondent signed client signatures on the 137B Forms before submitting them to the county auditor.

Finally, between June 2022 and December 2023, the website for Respondent's law firm failed to identify her firm as a limited liability company (LLC).

Violations: The parties agree that Respondent violated these Indiana Professional Conduct Rules prohibiting the following misconduct:

- 1.1: Failing to provide competent representation.
- 1.2: Failing to obtain a client's informed consent to limit the scope of representation.
- 1.9: Representing a person in a matter in which that person's interests are materially adverse to the interests of a former client without the former client's informed consent.
- 1.15(a): Commingling client and attorney funds and failing to maintain and preserve complete records of client trust account funds.
- 8.4(c): Engaging in conduct involving dishonesty, fraud, deceit, or misrepresentation.

The parties further agree Respondent violated Admission and Discipline Rule 27(a) by failing to display the LLC status of her law firm on the firm's website.

Discipline: The Court, having considered the submission of the parties, now approves the following agreed discipline.

For Respondent's professional misconduct, the Court suspends Respondent from the practice of law for a period of 180 days, beginning January 16, 2025, with 120 days actively served and the remainder stayed subject to completion of at least two years of probation. The Court incorporates by reference the terms and conditions of probation set forth in the parties' Conditional Agreement, which include among other things:

- (1) Respondent's probation shall include trust account monitoring by a CPA. The CPA shall issue quarterly reports concerning Respondent's trust account and recordkeeping practices, and Respondent shall ensure those reports are provided to the Commission.
- (2) Respondent shall timely execute any release or waiver required for the purpose of complying with the conditional agreement.
- (3) Respondent shall have no violations of the Rules of Professional Conduct during her probation.
- (4) During her probation Respondent shall complete the ICLEF "Trust Accounts Made Easy" seminar or a comparable seminar subject to Commission approval.
- (5) If Respondent violates the terms of her probation, the stay of her suspension may be vacated and the balance of the stayed suspension may be actively served without automatic reinstatement.

Notwithstanding the expiration of the minimum term of probation set forth above, Respondent's probation shall remain in effect until it is terminated pursuant to a petition to terminate probation filed under Admission and Discipline Rule 23(16).

The costs of this proceeding are assessed against Respondent. Pursuant to the parties' stipulation, the Court hereby orders Respondent to pay \$250.00 by check made payable and transmitted to the Clerk of the Indiana Supreme Court. The Clerk shall retain those funds in

their entirety upon receipt. The parties further stipulate that the Commission's investigation
costs under Admission and Discipline Rule 23(21)(a)(1) remain to be determined.

Done at Indianapolis, Indiana, on 12/6/2024

Louis A. Rush

Loretta H. Rush Chief Justice of Indiana

All Justices concur.