BEFORE THE SUPREME COURT COMMITTEE ON PROFESSIONAL CONDUCT
PANEL D

IN RE: TRAVIS WAYNE STORY
ARKANSAS BAR ID #2008274
CPC Docket No. 2025-029

FINDINGS AND ORDER

The formal charges of misconduct upon which this Findings and Order is based arose from information provided to the Committee by Matthew Valentine ("Valentine"). The information is related to Travis Story's ("Story") representation of Valentine in a bankruptcy matter.

1. BSVH, LLC ("BSVH"), owned real property in Hot Springs, Arkansas that was operating as Airbnb vacation rental property. Valentine is the sole member and manager of BSVH. When Covid hit, the Airbnb reservations were canceled, and Valentine made the decision to issue refunds of the amounts paid to secure reservations.

2. As a result of the issuing of the refunds, BSVH suffered a substantial financial loss, and Valentine as manager made the decision to file for Chapter 11 bankruptcy.

3. On February 17, 2022, Valentine, on behalf of BSVH, entered into a representation agreement with Story in which Story would file for Chapter 11 bankruptcy on behalf of BSVH.

4. On February 21, 2022, Story filed a "skeleton" Chapter 11 bankruptcy petition and on February 22, 2022, an Order of Deficiencies was entered for several filing deficiencies with the petition. Under the order, Story had seven (7) days from the filing of the petition to cure certain enumerated deficiencies and fourteen (14) days from the filing of the petition to cure other enumerated deficiencies.

5. On February 25, 2022, the creditor servicer of the mortgage on the Airbnb property filed a request for relief from the stay imposed. When Story failed to cure the deficiencies in the

mandated time or request extension of time to do so, the bankruptcy court entered its Order to Show Cause as to why the case should not be dismissed. Story was ordered to appear at an in-person hearing on the matter on March 10, 2022, at 9:00 a.m.

6. Story failed to appear at the hearing as ordered and the bankruptcy court dismissed BSVH's bankruptcy case.

7. Story never notified Valentine of the deficiencies in the petition, that a show cause hearing had been set in the bankruptcy case, or that the bankruptcy case was pending dismissal for filing deficiencies.

8. Weeks after the hearing, Valentine was able to communicate with Story and at that time, Story advised that he had been on spring break vacation at the time of the show cause hearing.

9. On March 22, 2022, the Airbnb property was sold at a statutory foreclosure sale and purchased by the creditor. Story did not notify BSVH of the sale of the property.

10. Valentine emailed Story requesting a refund of the $11,238.00 paid to Story and that Story file a motion to set aside the dismissal. When Story failed to refund the $11,238.00 and file a motion to set aside the bankruptcy dismissal, Valentine, on behalf of BSVH, hired another attorney to motion to set aside the dismissal of the bankruptcy case, but then dismissed the motion.

11. BSVH was able to purchase back the property from the creditor and a Quitclaim Deed was recorded.

12. In February 2024, BSVH and Valentine filed a legal malpractice suit against Story and his law firm in the Washington County Circuit Court, case no. 72CV-24-685. The parties

settled the pending legal malpractice lawsuit by confidential settlement agreement and the legal malpractice lawsuit was dismissed with prejudice.

Upon consideration of the formal complaint and attached exhibit materials and the Arkansas Rules of Professional Conduct, Panel D of the Arkansas Supreme Court Committee on Professional Conduct finds:

1. That Story's conduct violated Rule 1.1 when he filed a "skeleton" Chapter 11 bankruptcy petition on behalf of his client BSVH and failed to cure the deficiencies in the petition. Arkansas Rule 1.1 states a lawyer shall provide competent representation to a client. Competent representation requires the legal knowledge, skill, thoroughness and preparation reasonably necessary for the representation.

2. That Story's conduct violated Rule 1.3 when he failed to take diligent action on the matter for which his client hired him; (a) Story filed a "skeleton" Chapter 11 bankruptcy petition and when ordered by the court to cure deficiencies within seven (7) and fourteen (14) days of the filing of the petition, Story failed to do so, nor did he file requests for extension to do so, and (b) when the bankruptcy court ordered Story to appear and show cause why his client's bankruptcy case should not be dismissed, he failed to appear. Arkansas Rule 1.3 states a lawyer shall act with reasonable diligence and promptness in representing a client.

3. That Story's conduct violated Rule 1.4(a)(3) when he failed to advise his client that (a) there were deficiencies in the bankruptcy petition that he was required to cure and (b) that he was ordered to appear and show cause in person at a March 10, 2022 hearing as to why his client's bankruptcy case should not be dismissed, and (c) that the Airbnb rental property had been sold at a foreclosure sale. Arkansas Rule 1.4(a)(3) states a lawyer shall keep the client reasonably informed about the status of the matter.

4. That Story's conduct violated Rule 1.5(a) when he accepted a total of $11,238.00 fees from BSVH and failed to complete the Chapter 11 bankruptcy and instead causing the action to be dismissed when he failed to cure the deficiencies in the bankruptcy petition as ordered by the bankruptcy court and failed to show at a show cause hearing as ordered. Story's fee was unreasonable since he failed to complete the representation for which he was hired and in fact his conduct was the reason the action was dismissed. Arkansas Rule 1.5(a) states a lawyer's fee shall be reasonable. A lawyer shall not make an agreement for, charge, or collect an unreasonable fee or an unreasonable amount for expenses. The factors to be considered in determining the reasonableness of a fee include the following:

> (1) the time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal services properly;
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> (2) the likelihood, if apparent to the client, that the acceptance of the particular employment will preclude the other employment by the lawyer;
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> (3) the fee customarily charged in the locality for similar legal services;
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> (4) the amount involved and results obtained;
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> (5) the time limitations imposed by the client or by the circumstances;
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> (6) the nature and length of the professional relationship with the client;
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> (7) the experience, reputation, and ability of the lawyer or lawyers performing the services; and
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> (8) whether the fee is fixed or contingent.

5. That Story's conduct violated Rule 1.16(d) when he constructively terminated his representation of BSVH when he filed a "skeleton" Chapter 11 bankruptcy petition and failed to cure the deficiencies in the filing as ordered and when he failed to appear at a show cause

hearing as ordered by the bankruptcy court, causing the client's bankruptcy case to be dismissed. Story failed to advise his client of the deficiencies or the show cause hearing. He also failed to return any/and or all of the $11,238.00 fee paid to him for his representation. Arkansas Rule 1.16(d) states upon termination of representation, a lawyer shall take steps to the extent reasonably practicable to protect a client's interests, such as giving reasonable notice to the client, allowing time for employment of other counsel, surrendering papers and property to which the client is entitled and refunding any advance payment of fee or expense that has not been earned or incurred.

6. That Story's conduct violated Rule 3.2 when he failed to cure the deficiencies in the Chapter 11 bankruptcy filing as ordered and when he failed to appear at a show cause hearing as ordered by the bankruptcy court, causing the client's bankruptcy case to be dismissed. Arkansas Rule 3.2 states a lawyer shall make reasonable efforts to expedite litigation consistent with the interests of the client.

7. That Story's conduct violated Rule 3.4(c) when he failed to follow two (2) separate orders of the court; (a) a court order to cure deficiencies in the Chapter 11 bankruptcy petition he filed on behalf of his client within seven (7) and fourteen (14) days of filing the petition, and (b) when he failed to appear for an in-person show cause hearing as ordered by the bankruptcy court. Story did not file extensions of time or requests for continuances in response to the orders. Arkansas Rule 3.4(c) states a lawyer shall not knowingly disobey an obligation under the rules of a tribunal except for an open refusal based on an assertion that no valid obligation exists.

8. That Story's conduct violated Rule 8.4(d) when he failed to follow two (2) separate orders of the court; (a) a court order to cure deficiencies in the Chapter 11 bankruptcy petition he filed on behalf of his client within seven (7) and fourteen (14) days of filing the petition, and (b)

when he failed to appear for an in-person show cause hearing as ordered by the bankruptcy court. Story did not file extensions of time or requests for continuances in response to the orders. His failure to cure the deficiencies caused the court to expand time it would not have otherwise had to do.

In addition, Story's failure to cure the deficiencies and appear at the show cause hearing resulted in the court dismissing his client's bankruptcy case, resulting in his client losing the benefit of bankruptcy protection. Arkansas Rule 8.4(d) states it is professional misconduct for a lawyer to engage in conduct that is prejudicial to the administration of justice.

WHEREFORE, it is the decision and order of the Arkansas Supreme Court Committee on Professional Conduct, acting through its authorized Panel D, that Travis Wayne Story, Arkansas Bar Number 2008274, be, and hereby is **Reprimanded** for his conduct in this matter. Although restitution in the amount of $11,238.00 was ordered, the malpractice settlement amount was to be subtracted from the restitution. As the settlement was greater than the ordered restitution, the amount of restitution payable under this Findings and Order is zero ($0). Story shall pay costs in the amount of $150.00 (ONE HUNDRED FIFTY DOLLARS) pursuant to Section 18.A of the Procedures. Story failed to respond to the formal complaint within the required time.

The costs assessed herein shall be payable by cashier's check or money order payable to the "Clerk, Arkansas Supreme Court" delivered to the Office of Professional Conduct within thirty (30) days of the date this Findings and Order is filed of record with the Clerk of the Arkansas Supreme Court.

ARKANSAS SUPREME COURT
COMMITTEE ON PROFESSIONAL CONDUCT

Angela Cole Lowther, Chair, Panel D

3-9-2026

Date