

**BEFORE THE ARKANSAS SUPREME COURT  
COMMITTEE ON PROFESSIONAL CONDUCT  
PANEL B**

IN RE: **JOSHUA “JOSH” SANFORD**, Respondent  
Arkansas Bar ID # 2001037  
CPC Docket No. 2013-040

**CONSENT FINDINGS & ORDER**

The formal charges of misconduct upon which this Consent Order is premised, involving respondent attorney Joshua Sanford of Russellville, Pope County, Arkansas, arose from information brought to the attention of the Committee on Professional Conduct by Henry Mills of Danville, Arkansas in November 2012. Following Respondent Attorney’s receipt of the formal complaint, the attorney entered into discussion with the Executive Director which has resulted in an agreement to discipline by consent pursuant to Section 20.B of the Arkansas Supreme Court Procedures Regulating Professional Conduct of Attorneys at Law (2011).

1. Joshua Sanford (Sanford) is a managing member of the Sanford Law Firm, an Arkansas Professional Limited Liability Company, with offices in Little Rock and Russellville, Arkansas.

2. Beginning in January 2007, Sanford began representing Henry Wayne Harrison Mills (“Henry”), then age twenty-two (22) years, who intervened in a child-support action between his parents, Debra [Mills] Darter and Henry Wayne Mills (“Mills”).

3. Sanford contracted to represent Henry for an initial fee of \$825.00 plus “the first one third of the amount of any judgment obtained, without reduction for costs and expenses incurred.” This fee arrangement was memorialized in a document entitled “Mixed-Fee Attorney Contract,” which was signed by Henry, but was not signed by Sanford or a representative of the

Sanford Law Firm.

4. On February 12, 2008, The Circuit Court of Yell County awarded judgment in favor of Henry against his father Mills for \$13,018.80. The court also awarded a “statutory attorney’s fee in the sum of \$1,100.50, as well as court costs totaling \$100.00.”

5. Sanford appealed the judgment, arguing that the trial court had improperly calculated the interest on the unpaid child support and that the court’s award of the statutory minimum of ten percent (10%) for attorney’s fees was an abuse of discretion. The Arkansas Court of Appeals held that the trial court had improperly calculated the interest due on Mills’s unpaid child support obligation. Mills v. Mills, 2009 Ark. App. 175, 315 S.W.3d 707, 710. The Court of Appeals determined that the trial court did not abuse its discretion in awarding the statutory minimum in attorney’s fees, finding:

“At the hearing, [Henry]’s attorney argued that his client should be made whole with regard to attorney’s fees and that [Henry] was paying his attorney one-third of the judgment collected. In spite of this, the circuit court awarded ten percent of the support due as an attorney’s fee. The statute does not require the court to award a contingency fee. It gives the judge the discretion to award either “ten percent (10%) of the support amount due” or “any reasonable fee.” We hold that the circuit court did not abuse its discretion. *Id.* at \*7–8, 315 S.W.3d at 711.” (Emphasis added by OPC.)

6. Sanford argued at the next hearing that his fee agreement with Henry was that Sanford’s fee would be “one-third of the judgment collected,” not the first one-third (100%) of the judgment obtained or collected, as Sanford appears to have interpreted and enforced his agreement with Henry.

7. Excerpts of Sanford's Substituted Abstract, Brief and Addendum for Appellant filed October 13, 2008, in the Mills v. Mills appeal show he did not include a copy of his "Mixed-Fee Attorney's Contract" with Henry. In his appellate submission, Sanford describes his fee arrangement with Henry as a contingency fee with his attorney for one-third of the judgment, never as the first one-third of any amount collected on the judgment.

8. On April 14, 2009, after the successful appeal by Sanford, the trial court awarded judgment in favor of Henry against Mills for \$29,481.74.

9. The trial court awarded "a statutory attorney's fee in the sum of \$2,011.79, as well as court costs totaling \$100.00."

10. On July 22, 2009, the court filed an Order Directing Payment to Intervenor, garnishing the wages of Mills in order to satisfy the judgment.

11. The garnishee, County of Yell, State of Arkansas, was directed to pay 55% of Mills's net pay to attorney Josh Sanford, Sanford Law Firm, PLLC, Post Office Box 39, Russellville, Arkansas 72811.

12. In August 2009, a conflict arose which, Sanford believed, required him to withdraw from his representation of Henry.

13. On August 24, 2009, a Motion for Withdrawal of Intervenor's Attorneys, signed by Sanford, was filed. Paragraph 5 of the motion states, "During the course of representation of Intervenor, Mr. Sanford and Sanford Law Firm, PLLC, acquired a lien over the proceeds of the judgment granted herein in favor of Intervenor."

14. Paragraph 6 of the motion states, "Although Mr. Sanford and Sanford Law Firm, PLLC, are requesting permission to withdraw from representation of Intervenor, the Order

should specify that garnishment checks issued herein should continue to come to the Sanford Law Firm, PLLC, and the order should reflect the ongoing validity of the lien.”

15. The motion does not make any reference to a dollar amount for the asserted lien.

16. Although the motion was filed, Sanford never obtained a ruling on the motion.

17. On or about March 17, 2011, Sanford entered into an agreement with Mills whereby Mills would pay \$10,000.00 in exchange for Sanford releasing his lien on the judgment obtained on behalf of Henry. On that date, Mills wrote a check to Sanford Law Firm for \$10,000.00 and wrote “paid in full” in the “For” line.

18. On that same date, a Release and Satisfaction of Judgment Lien, signed by Sanford individually and on behalf of Sanford Law Firm, was filed. That release purports to release and forever discharge Mills from the judgment lien in favor of Sanford and the Sanford Law Firm that was asserted or could have been asserted in the litigation docketed as Debra [Mills] Darter v. Henry Wayne Mills v. Henry Mills, in exchange for \$10,000.00. On March 18, 2011, Sanford filed a Satisfaction of Judgment Lien, which stated that the judgment lien of Sanford and the Sanford Law Firm had been satisfied in full.

19. Also on March 18, 2011, a Notice of Termination of Garnishment was filed. That notice purported to terminate the garnishment against Yell County because the Sanford Law Firm “was only pursuing the collection of its lien in this case, and the same has been satisfied.”

20. When the Release and Satisfaction of Judgment Lien, Satisfaction of Judgment Lien, and the Notice of Termination of Garnishment were filed, Sanford was still the attorney of record for Henry and the judgment awarded to Henry remained unsatisfied.

21. Sanford understood that Mills believed he was paying Sanford \$10,000.00 to “get him [Sanford] off his back” so that Sanford would quit trying to collect the judgment in favor of Henry.

22. After discovering that the \$10,000.00 had not, in fact, settled the judgment against him, Mills filed a grievance with the Office of Professional Conduct (OPC) against Sanford on November 15, 2012.

23. On January 22, 2013, Henry’s new counsel, Veach, had delivered to Sanford a proposed Complaint in which Henry would sue Sanford. Sanford responded the same day by e-mail and asked Veach to make a monetary demand on Sanford. By his check dated the same day, Sanford paid Veach \$12,000.00 to settle Henry’s claim against Sanford and Sanford’s law firm.

24. On March 12, 2013, Sanford wrote a second letter responding to additional OPC inquiries regarding the \$10,000.00 payment by Mills, attaching a copy of a cancelled check, dated January 22, 2013, made to the order of Peel Law Firm Trust Account for \$12,000.00, with the words “settlement of H.W. Mills claim” written on it.

25. An order substituting The Peel Law Firm as counsel for Henry was filed on February 12, 2013. This is the first order authorizing Sanford and the Sanford Law Firm to withdraw as attorney of record for Henry.

Upon consideration of the formal complaint and attached exhibits, admissions made by the respondent attorney, the terms of the written consent, the approval of Panel B of the Committee on Professional Conduct, and the Arkansas Rules of Professional Conduct, the Committee on Professional Conduct finds:

A. The conduct of Joshua Sanford violated Rule 1.5(a) in that Sanford made an

agreement for an unreasonable fee when he entered into a contingency fee contract with Henry that gave Sanford “the first one-third of the amount of any judgment obtained, without reduction for costs and expenses incurred.” This fee agreement may result in Sanford keeping all of the funds paid towards a judgment obtained on behalf of a client. As the present facts illustrate, Sanford kept 100% of the money paid by Mills for Sanford’s attorney’s fee, basically one-third of the approximately \$30,000 judgment, and then failed to continue pursuing the remaining judgment for his client, Henry. Arkansas Rule 1.5(a) requires that 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 service properly; (2) the likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the lawyer; (3) the fee customarily charged in the locality for similar legal services; (4) the amount involved and the results obtained; (5) the time limitations imposed by the client or by the circumstances; (6) the nature and length of the professional relationship with the client; (7) the experience, reputation, and ability of the lawyer or lawyers performing the services; and (8) whether the fee is fixed or contingent.

B. The conduct of Joshua Sanford violated Rule 1.15(a)(1) in that upon receiving the \$10,000.00 from Mills in March 2011, property in which his client Henry had an interest, Sanford failed to place the funds in a client trust account separate from the lawyer's own property. Arkansas Rule 1.15(a)(1) requires that a lawyer shall hold property of clients or third persons, including prospective clients, that is in a lawyer's possession in connection with a

representation separate from the lawyer's own property.

C. The conduct of Joshua Sanford violated Rule 1.15(a)(5) in that after accepting \$10,000.00 from Mills in March 2011, knowing that Mills was paying him to quit trying to collect the judgment in favor of Henry, and while he was still the attorney of record for Henry, Sanford failed to promptly notify Henry of the receipt of those funds in which Henry had an interest. Arkansas Rule 1.15(a)(5) requires that upon receiving funds or other property in which a client or third person has an interest, a lawyer shall promptly notify the client or third person in writing. Except as stated in this Rule or otherwise permitted by law or by agreement with the client, a lawyer shall promptly deliver to the client or third person any funds or other property that the client or third person is entitled to receive and, upon request by the client or third person, shall promptly render a full written accounting regarding such property to the client or third persons.

D. The conduct of Joshua Sanford violated Rule 1.15(b)(1) in that upon receiving the \$10,000.00 from Mills in March 2011, property in which his client Henry had an interest, Sanford failed to maintain the funds in a client trust account, as shown by the fact that Sanford's \$12,000 check dated January 22, 2013, to the Peel Law Firm Trust Account (for settlement of the H. W. Mills claim) was a check not written on Sanford's client trust account. Arkansas Rule 1.15(b)(1) funds of a client shall be deposited and maintained in one or more separate, clearly identifiable trust accounts in the state where the lawyer's office is situated, or elsewhere with the consent of the client or third person.

WHEREFORE, in accordance with the consent to discipline presented by M and the Executive Director, it is the decision and order of the Arkansas Supreme Court Committee on

Professional Conduct that Respondent **JOSHUA SANFORD**, Arkansas Bar No. 2001037, be, and hereby is, **CAUTIONED, fined \$1,000.00, and assessed \$100.00 costs** for his conduct in this matter. The fine and costs totaling \$1,100.00 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 - PANEL B

By:/s/ Niki T. Cung, Chairperson, Panel B

Date: June 17, 2016

Original filed with the Arkansas Supreme Court  
Clerk on June 17, 2016.