July 24, 2000

Honorable Donald R. Huffman Chancellor, 2nd Division Benton County Courthouse Bentonville. AR 72712

Re: Case #99-272 <u>PERSONAL AND CONFIDENTIAL</u>

Dear Judge Huffman:

At a probable cause hearing on July 21, 2000, the Judicial Discipline & Disability Commission decided to issue a letter of admonition to you in complaint #99-272. In that complaint, the Commission found that you violated the Code of Judicial Conduct by issuing a Temporary Restraining Order (TRO) in favor of Wal-Mart while at the same time you and your wife were the owners of approximately \$700,000 worth of Wal-Mart stock.

At a probable cause hearing, the Commission reviewed its file, your response to a Statement of Allegations served on you and your testimony before the Commission. The allegations were:

- 1. You presided over the case of Wal-Mart Stores v. United Foods & Commercial Workers. The facts leading up to this case concerned an allegation that on September 14, 1999, agents of the United Food & Commercial Workers union entered approximately 160 of Wal-Mart Supercenter stores. The agents distributed material to Wal-Mart employees requesting the employees become members of the United Food & Commercial Workers union. Wal-Mart filed a lawsuit against the United Food & Commercial Workers union and sought a Temporary Restraining Order (TRO) to enjoin the agents of the defendant union from entering the Wal-Mart Supercenter stores. You granted Wal-Mart's request for the TRO on September 15, 1999.
- 2. The request of the defendant, United Foods & Commercial Workers to have the case transferred to the federal courts was denied. Shortly thereafter, you wrote to the other judges in your circuit requesting that they not sign any orders in the Wal-Mart v. United

Foods & Commercial Workers case, but rather to have the parties contact you.

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- 3. At that time you issued the TRO in the Wal-Mart Stores v. United Foods & Commercial Workers case and requested the other judges in your circuit not sign orders in the case, you and your wife were the owners of approximately 12,000 or more shares of Wal-Mart stock. At that time, the stock was worth about \$700,000.
- 4. In 1998 at the request of the defendant, you recused in the Wal-Mart v. Amazon.com case. The request for recusal was made after you acknowledged ownership of approximately \$600,000 worth of Wal-Mart stock.
- 5. On December 7, 1999 you recused from the Wal-Mart v. United Foods & Commercial Workers case.

The Commission found that your presiding over the request for and your issuing of the temporary restraining order (TRO) while you and your wife owned approximately \$700,000 of Wal-Mart stock was inappropriate. This constituted a violation of Canons 2A and 3E(1) of the Arkansas Code of Judicial Conduct. It is the judgment of this Commission that you be hereby admonished.

This public admonition constitutes adequate discipline and no further action is warranted. This Commission action is public information.

BY DIRECTION OF THE COMMISSION:

Sincerely,

James A. Badami Executive Director

JAB:db

cc. Attorney Mahlon Gibson