

LOCAL NEWS

Attorney gets \$250,000 in fees, not \$40 million

By Dan Weil
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Bob Montgomery, probably the area's wealthiest lawyer, will retain that status after an arbitration panel ruled Friday that his former partner, Chris Larmoyeux, is entitled to only \$250,000 rather than the \$40 million he sought from Montgomery.

The money represents Larmoyeux's take in Montgomery's \$210 million fee for representing the state in its successful lawsuit against tobacco companies. A three-member panel of the American Arbitration Association in Miami ruled unanimously that Larmoyeux was entitled only to a portion of the money that was received by Montgomery while Larmoyeux worked with him.

Montgomery fired Larmoyeux from West Palm Beach-based Montgomery & Larmoyeux in January 2001 amid a dispute over the firm's finances. Montgomery received about \$40 million of the \$210 million total tobacco fee while Larmoyeux worked with him, said Montgomery's lawyer, Jim Beasley. Larmoyeux garnered about \$5 million of that \$40 million, Beasley said.

Montgomery was the lead lawyer in Florida's lawsuit against cigarette makers, which resulted in a \$13 billion settlement. The tobacco money began to flow to the law firm in December 1998.

Larmoyeux argued that a 1998 agreement he signed with Montgomery calling for him to receive

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25 percent of tobacco money received after Jan. 31, 1999, meant he should receive 25 percent, or about \$40 million, of the roughly \$160 million that remained to be paid after he left the firm. Montgomery argued that Larmoyeux doesn't deserve any money that comes in after the pair split ways.

The \$250,000 granted to Larmoyeux by the arbitrators represents 25 percent of the money that came in to Montgomery between the time he gave Larmoyeux notice of termination — Dec. 27, 2000 — and when he actually left the firm — 30 days later.

"I'm gratified that justice prevailed," Montgomery said. "I always felt encouraged and confident that this would be the decision. I'm glad my confidence was supported."

Larmoyeux could not be reached for comment late Friday.

Beasley said Larmoyeux can try to contest the Palm Beach County Circuit Court's confirmation of the judgment. Assuming the confirmation is made, he can appeal the decision to the 4th District Court of Appeal. However, Larmoyeux's chances of overturning the arbitration decision are slim, Beasley said.

"The grounds are much narrower for arbitration (to be overturned) than for a regular court judgment," he said. "That's why they call it binding arbitration."

Montgomery and Larmoyeux began their personal injury firm in 1989. The cigarette cash led to a philosophical split between the



Larmoyeux



Montgomery

partners. Larmoyeux wanted to speed up repayment of \$4.7 million the firm owed the former Republic Security Bank, now part of Wachovia. Montgomery wanted to let the line of credit ride.

Montgomery said he fired Larmoyeux because Montgomery heard Larmoyeux planned to leave the firm. Larmoyeux denied he was planning to bolt.

Montgomery now works with Rebecca Larson at Montgomery & Larson in West Palm Beach, while Larmoyeux now works with Bill Bone at Larmoyeux & Bone in West Palm Beach.

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