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Tobacco money awarded to Montgomery

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Bob Montgomery does not have to continue to pay former law partner Chris Larmoyeux a percentage of the proceeds from the state's successful lawsuit against tobacco companies, arbitrators said Friday.

The decision deals with the \$206 million being paid to Montgomery's firm, Montgomery & Larson LLP, in installments as a result of his success in representing the state in the December 1998 case.

"The tobacco fee issue is decided once and for all," said James Beasley, Montgomery's attorney.

Montgomery, who owns 99 percent of the firm, fired Larmoyeux on Dec. 27, 2000, after

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Montgomery Wins arbitration.



Larmoyeux Sought 25 percent.

EX-PARTNERS Arbitration continues

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months of dispute between the two over the firm's multimillion-dollar debt.

"By far the most major issue in the case was the claim made by Chris Larmoyeux that he was entitled to continue to receive the percentage of the tobacco fees, even after he had been terminated as a partner in the firm. Our

position was that when he ceased to be a partner, he ceased to have a right to his percentage," Beasley said. Larmoyeux contended he was entitled to 25 percent of the fees.

The arbitration board, made up of retired judge Daniel Pearson, lawyer Gerald Wald and CPA Daniel Averbroom, all of Miami, ruled that Larmoyeux was only entitled to payments made while he was still a member of the firm.

Larmoyeux is entitled to one final payment of \$257,486, plus interest, the board decided, because

the payment was made in January 2001.

Under the terms of Larmoyeux's contract with Montgomery & Larson, his employment ended 30 days after he was notified of his termination.

Neither Larmoyeux nor his attorney, Patrick Casey, could be reached for comment Friday evening.

Larmoyeux has said in the past that he was entitled to one-quarter of the tobacco fees based on a contract signed in December 1998 by himself and Montgomery,

which, he said, does not mention Larmoyeux's employment as one of its terms.

Several issues are still scheduled for arbitration, Beasley said, though he would not give details.

Beasley said he expects the final issues to be dealt with in arbitration in the next 30 days.

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