

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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In the Matter of the Arbitration Between

GLOBAL REINSURANCE CORPORATION –  
U.S. BRANCH,

Petitioner,

08 Civ. 8482 (PKC)

-against-

MEMORANDUM AND ORDER

ARGONAUT INSURANCE COMPANY,

Respondent.  
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P. KEVIN CASTEL, District Judge:

The petitioner in this action, Global Reinsurance Corporation – U.S. Branch (“Global”), moves, pursuant to 9 U.S.C. §§ 201-08, for the confirmation of an arbitration award against respondent Argonaut Insurance Company (“Argonaut”). Argonaut submitted an answer in response to the petition but filed no papers in opposition to Global’s motion to confirm the award. I previously confirmed a separate arbitration award between the parties under the same arbitration agreement. See Global Reinsurance Corp. – U.S. Branch v. Argonaut Insurance Co., 07 Civ. 8350 (PKC) (Order of April 24, 2008). There is no dispute that this Court has jurisdiction over the parties and subject matter of the action. Venue is proper in this District. There is no dispute that the claims at issue were properly submitted to the arbitration panel for resolution.

Global is the United States branch of a reinsurance company organized under the laws of Germany, with its principal place of business in Cologne, Germany. (Pet. ¶ 3.) It maintains a place of business in New York. (Pet. ¶ 3.) As a reinsurer,

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Global entered into a series retrocessional contracts with respondent Argonaut – that is, Argonaut functioned as a reinsurer for Global’s reinsurance. (Pet. ¶¶ 8-9.) The retrocessional contracts contain arbitration provisions that require Global and Argonaut to take any disputes to a three-member arbitration panel. (Pet. ¶ 12.) On June 10, 2008, Global referred two claims to the arbitration panel. (Pet. ¶ 22.) The claims arose from the obligations to two of Global’s cedents: the Hartford and First State. (Pet. ¶¶ 15, 22; Leonard Dec. Ex. 3.) Argonaut opposed the claims in papers submitted to the panel, and also applied to the panel to deny any future claims from Global arising from Hartford. (Pet. ¶ 24.) The panel ruled in Global’s favor on July 31, 2008, and awarded Global a total of \$186,952. (Pet. ¶ 26.) It denied Argonaut’s “request for dismissal of all future claims . . . .” (Leonard Dec. Ex. 7.) Argonaut has paid the \$186,952 sum to Global. (Pet. ¶ 27; Answer ¶ 27.) As explained by the Petition, “[a]lthough the monetary amount set forth in the Order has been paid, Global wishes to confirm the July 31, 2008 Order, given its denial of Argonaut’s request to dismiss future claims.” (Pet. ¶ 27.)

Because Global is a citizen of Germany, its petition is governed by both the Convention on the Recognition and Enforcement of Foreign Arbitral Awards, 9 U.S.C. §§ 201-08, and the Federal Arbitration Act, 9 U.S.C. §§ 1-16. “[A]ny party to the arbitration may apply to the court so specified for an order confirming the award, and thereupon the court must grant such an order unless the award is vacated, modified, or corrected as prescribed in sections 10 and 11 of this title.” 9 U.S.C. § 9. “[A]rbitration awards are subject to very limited review in order to avoid undermining the twin goals of arbitration, namely, settling disputes efficiently and avoiding long and expensive litigation.” Hardy v. Walsh Manning Sec., L.L.C., 341 F.3d 126, 129 (2d Cir. 2003)

(quoting Willemijn Houdstermaatschappij, BV v. Standard Microsystems Corp., 103 F.3d 9, 12 (2d Cir. 1997)). Courts have limited grounds to vacate an arbitration award. See generally Hall Street Associates, LLC v. Mattel, Inc., \_\_ U.S. \_\_, 128 S. Ct. 1396, 1405 (2008).

Based on the parties' submissions and the record before me, there is no basis to vacate the arbitrators' award. Argonaut does not dispute that the arbitrators had authority over the underlying disputes, and, in opposition to Global's petition to confirm the award, has set forth no arguments challenging the arbitration award. Based upon my review of Global's memorandum of law, Global's petition and Argonaut's answer, the petition to confirm the award is granted.

The Clerk is directed to enter final judgment in favor of Global Reinsurance Corporation – U.S. Branch confirming the arbitration award of July 31, 2008 against Argonaut Insurance Co.

SO ORDERED.



P. Kevin Castel  
United States District Judge

Dated: New York, New York  
May 21, 2009