

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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COMMERCIAL RISK REINSURANCE :
COMPANY LIMITED, et al., : 07 Civ 2772
:

Petitioners- : DECISION AND ORDER
Cross-Respondents, :

- against - :

SECURITY INSURANCE COMPANY OF :
HARTFORD, :

Respondent- :
Cross-Petitioner. :
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VICTOR MARRERO, United States District Judge.

I. BACKGROUND

By Decision and Order dated November 30, 2007 (the "Order"), the Court denied the motion of petitioners Commercial Risk Reinsurance Company Limited and Commercial Risk Re-Insurance Company (collectively "Commercial Risk") to vacate an arbitration award (the "Award") in favor of respondent Security Insurance Company of Hartford ("Security") and granted Security's cross-motion to confirm the Award. The Court determined that Commercial Risk failed to establish sufficient grounds for the charges of misconduct on the part of the arbitrators that Commercial asserted, or any other compelling reason to warrant vacating the award. Commercial now moves for an order pursuant to Local Civil Rule 6.3 granting reconsideration.

II. STANDARD OF REVIEW

Reconsideration of a previous order by the court is an "extraordinary remedy to be employed sparingly in the interests of finality and conservation of scarce judicial resources." In re Health Mgmt. Sys. Inc. Sec. Litg., 113 F. Supp.2d 613, 614 (S.D.N.Y. 2000) (citations and quotation omitted). "The provision for reargument is not designed to allow wasteful repetition of arguments already briefed, considered and decided." Schonberger v. Serchuk, 742 F. Supp. 108, 119 (S.D.N.Y. 1990). "The major grounds justifying reconsideration are 'an intervening change in controlling law, the availability of new evidence, or the need to correct a clear error or prevent manifest injustice.'" Virgin Atlantic Airways, Ltd. v. National Mediation Bd., 956 F.2d 1245, 1255 (2d Cir. 1992) (quoting 18 C. Wright, A. Miller & E. Cooper, Federal Practice & Procedure § 4478 at 790). To these ends, a request for reconsideration under Local Rule 6.3 must demonstrate controlling law or factual matters put before the court in its decision on the underlying matter that the movant believes the court overlooked and that might reasonably be expected to alter the conclusion reached by the court. See Shrader v. CSX Transp., Inc., 70 F.3d 255, 257 (2d Cir. 1995).

Local Rule 6.3 is intended to "ensure the finality of decisions and to prevent the practice of a losing party ... plugging the gaps of a lost motion with additional matters.'" S.E.C. v. Ashbury Capital Partners, No. 00 Civ. 7898, 2001 WL 604044, at *1 (S.D.N.Y. May 31, 2001) (quoting Carolco Pictures, Inc. v. Sirota, 700 F. Supp. 169, 170 (S.D.N.Y. 1988))). A court must narrowly construe and strictly apply Local Rule 6.3 so as to avoid duplicative rulings on previously considered issues and to prevent the Rule from being used to advance different theories not previously argued, or as a substitute for appealing a final judgment. See Montanile v. Nat'l Broad Co., 216 F. Supp. 2d 341, 342 (S.D.N.Y. 2002); Shamis v. Ambassador Factors Corp., 187 F.R.D. 148, 151 (S.D.N.Y. 1999).

III. DISCUSSION

Commercial Risk urges reconsideration on the basis of essentially the same arguments that it raised in its original motion to vacate the Award. Specifically, Commercial Risk claims that the panel improperly excluded the testimony and related documents of a witness proffered by Commercial Risk to address issues pertaining to damages. Upon review of Commercial Risk's motion, the Court finds no controlling law or factual matters it overlooked that might reasonably be expected to alter the outcome of the Order.

Indeed, the Court thoroughly reviewed the parties' extensive dispute before the arbitrators concerning the exclusion of the evidence in question. The Court determined that the panel made a factual and procedural ruling, after hearing exhaustive arguments from both sides, to exclude the testimony and documents. The panel considered Security's objection to the untimely introduction of the evidence and potential prejudice from its lack of sufficient notice and opportunity to depose the witness. It also considered the effect on Commercial Risk and sought to minimize prejudice by affording additional opportunity for cross-examination. These were all permissible rulings within the exceptionally broad delegation of authority the parties' agreement accorded to the panel, which included an "Honorable Engagement" clause relieving the arbitrators of all judicial formalities and of following strict rules of law. The Court concluded that it would not go behind the panel's decision in this regard, and explained why such a course was unwarranted. Nothing Commercial Risk advances in the instant motion compels otherwise.

Because Commercial has failed to identify any controlling law or factual matters put to the Court on the underlying motion that might reasonably be expected to alter

the conclusion reached by the Court, Commercial Risk's motion for reconsideration is DENIED.

IV. ORDER

For the reasons stated above, it is hereby

ORDERED that motion of petitioners Commercial Risk Reinsurance Company Limited and Commercial Risk Re-Insurance Company for reconsideration (Docket No. 18) of the Court's Decision and Order dated November 30, 2007, is DENIED.

SO ORDERED:

Dated: New York, New York
12 December 2007



VICTOR MARRERO
U.S.D.J.