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JS-6

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

AXIS REINSURANCE COMPANY, a
corporation,

Plaintiff,

v.

NORTHROP GRUMMAN
CORPORATION, a corporation,

Defendant.

Case No. 2:17-cv-08660-AB (JCx)

~~REVISED PROPOSED~~
JUDGMENT

(REDACTED)

The action came on for hearing before the Court, on November 9, 2018, Honorable André Birotte Jr., District Court Judge Presiding, on a Motion for Summary Judgment filed by Plaintiff AXIS Reinsurance Company (“AXIS”). The evidence presented having been fully considered, the issues having been fully heard, and an Order Granting Plaintiff’s Motion for Summary Judgment [Doc. No. 107] having been duly rendered

IT IS HEREBY ADJUDGED, ORDERED, AND DECREED that judgment be entered in favor of AXIS and against defendant Northrop Grumman Corporation (“Northrop”), as follows:

1. For the reasons stated in the Order Granting Plaintiff’s Motion for Summary Judgment [Doc. No. 107], the Court declares, as a matter of

1 law, AXIS's payment of [REDACTED] towards the settlement of the
2 action entitled *In re Northrop Grumman Corporation ERISA Litigation*,
3 U.S. District Court for the Central District of California, Case No.
4 2:06-cv-6213 ("*Grabek Settlement*") was not covered by AXIS policy
5 no. RLN715889/01/2006 issued to Northrop for the August 1, 2006 to
6 August 1, 2007 policy period ("2006 AXIS Policy") because the 2006
7 AXIS Policy was prematurely triggered by underlying insurers
8 National Union Fire Ins. Co. of Pittsburgh, Pa. and Continental
9 Casualty Co.'s payment of uninsurable loss in the form of the
10 settlement of an investigation by the Secretary of Labor of the United
11 States Department of Labor for alleged violations by Northrop of
12 provisions of Title I of ERISA ("DOL Settlement");

13 2. That Northrop reimburse AXIS the sum of [REDACTED], comprising that
14 portion of the sum AXIS contributed toward the *Grabek Settlement*
15 equal to payment of the uninsurable DOL Settlement;

16 3. That Northrop pay the sum of [REDACTED] to AXIS in pre-judgment
17 interest accrued from November 30, 2017, the date that AXIS paid its
18 portion of the *Grabek Settlement* [Doc. No. 88-6, p. 23 of 32
19 (undisputed fact 51)], to January 2, 2019, the date of this judgment,
20 using the 10 percent per annum rate pursuant to Section 3289 of the
21 California Civil Code (*see Colony Ins. Co. v. Advanced Particle*
22 *Therapy, LLC*, No. 17-CV-01427-BAS-AGS, 2018 WL 1316214, at *3
23 (S.D. Cal. Mar. 14, 2018) (in diversity case, governing state law
24 determines prejudgment interest rate) and *MGA Entertainment, Inc. v.*
25 *Hartford Ins. Group*, 869 F.Supp.2d 1117, 1136 (C.D. Cal. 2012) (10%
26 prejudgment interest rate applies to claims based on insurance
27 contract); and

28 4. That AXIS recovers its costs subject to Federal Rule of Civil Procedure

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54(d) and 28 U.S.C. § 1920. AXIS shall submit a bill of costs within
14 days from the date of this judgment.

DATED this **2ND** day of **January, 2019**, ~~2008~~



HONORABLE ANDRÉ BIROTTE JR.
UNITED STATES DISTRICT COURT JUDGE