IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

AMERICAN LIFE INSURANCE COMPANY,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Civil Action No. 98-401-KAJ
	)	
CARLOS D. PARRA, ASIAT S.A. and THE PARKWAY CORPORATION,	)	
	)	
	)	
Defendants.	)	

MEMORANDUM ORDER

I. INTRODUCTION

This case arises out of a contractual dispute between plaintiff American Life Insurance Company ("ALICO") and defendants Carlos D. Parra ("Parra"), an Argentine citizen, ASIAT S.A.,[1] a Uruguayan corporation, and The Parkway Corporation ("Parkway") (collectively "defendants"). Presently before me is defendants' motion for reconsideration and/or restoration of the *status quo ante*. (Docket Item "D.I." 288.) For the reasons that follow, I will deny the motion.

II. BACKGROUND

A full recitation of the facts and procedural history relating to this case is set forth in this court's earlier opinions in *Am. Life Ins. Co. v. Parra*, 63 F. Supp. 2d 480 (D. Del. 1999) ("*Parra I*") and *Am. Life Ins. Co. v. Parra*, 187 F. Supp. 2d 203 (D. Del. 2002), *aff'd* 2002 U.S. App. LEXIS 23404 (3d Cir. Oct. 29, 2002) ("*Parra II*"). Because I write primarily for the parties' benefit, I will summarize only the facts relevant to defendants' motion.

[1]Hereinafter Carlos D. Parra and ASIAT are collectively referred to as "Parra."

On May 24, 2002, an arbitration panel awarded Parra $3.75 million in compensatory damages for all of the losses defendants suffered as a result of plaintiff's wrongful actions.[2] (D.I. 290, Exh. B at 16.) The arbitration panel did not award prejudgment interest, punitive damages or attorneys' fees. (*Id.*) On June 4, 2002, Parra moved this court to modify or vacate in part and then confirm the arbitration award. (D.I. 252.) ALICO opposed the motion and filed a cross-motion to vacate the arbitration award or, alternatively, to modify it to effectuate a February 25, 2002 order of the court.[3] (D.I. 256).

In an order issued July 2, 2003, the court denied Parra's motion to the extent it sought to vacate or modify the arbitration award and granted it to the extent it requested that the award be confirmed. (D.I. 282.) The court denied ALICO's motion to the extent it sought to vacate the arbitration award and granted it to the extent it requested the court to effectuate its February 25, 2002 order. (*Id.*) Finally, the court held that "the release consideration ALICO paid to Parra and ASIAT for executing the October 1, 1994 General Release, a sum of $127,292.30, plus interest thereon from October 1, 1994 at the statutory rate provided in 28 U.S.C. § 1961 to [July 2, 2003], shall be set-off against the payment of the arbitration award from ALICO to Parra and ASIAT." (*Id.*) Defendants then filed on July 17, 2003 the instant motion for reconsideration of the

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[2]The Parkway Corporation was not a party to the arbitration award. (D.I. 290, Exh. 2 at 12.)

[3]On February 25, 2002, the court held that ALICO was entitled to a return of consideration, plus interest, it paid to Parra for executing a General Release. (D.I. 249.) The court also noted that if the arbitration panel did not address the issue, it retained jurisdiction to enforce the February 25, 2002 order. (*Id.*)

court's July 2, 2003 order. (D.I. 288.)

III. STANDARD OF REVIEW

Motions for reconsideration should be granted only "sparingly." *Karr v. Castle,* 768 F. Supp. 1087, 1090 (D. Del. 1991). In this district, motions for reconsideration are granted only if it appears that the court has patently misunderstood a party, has made a decision outside the adversarial issues presented by the parties, or has made an error not of reasoning, but of apprehension. *Brambles USA, Inc. v. Blocker*, 735 F. Supp. 1239, 1240 (D. Del. 1990) (citing *Above the Belt, Inc. v. Mel Bonhannan Roofing, Inc.*, 99 F.R.D. 99, 101 (E.D. Va. 1983)).

Further, a district court should grant a motion for reconsideration which alters, amends, or offers relief from a judgment when: (1) there has been an intervening change in the controlling law; (2) there is newly discovered evidence which was not available to the moving party at the time of judgment; or (3) there is a need to correct a legal or factual error which has resulted in a manifest injustice. *See Max's Seafood Café by Lou-Ann, Inc. v. Quinteros*, 176 F.3d 669, 677 (3d Cir. 1999) (citation omitted).

IV. DISCUSSION

Defendants move the court to reconsider its July 2, 2003 order and modify it to include an award of $17,198,720 plus interest from October 1, 1994 at the statutory rate provided in 28 U.S.C. § 1961, to restore defendants to the *status quo ante*.[4] (D.I. 289 at

[4]Defendants also argue that, in the alternative, the court should issue a separate order awarding damages of $17,198,720 to restore defendants to the *status quo ante*, together with interest from October 1, 1994 at the statutory rate provided in 28 U.S.C. § 1961. (D.I. 289 at 30.) The court declines to issue such an order for the reasons set forth *infra*.

1, 30.) Defendants argue that the July 2, 2003 order unfairly restored ALICO to the *status quo ante* but did not put defendants, the victims of ALICO's fraud, back into the position they were in before ALICO committed fraud. (D.I. 289 at 2.) Defendants also argue that they are entitled to prejudgment interest on the arbitration award in order to be fully restored to the *status quo ante*. (D.I. 289 at 22.) Finally, defendants argue that Parkway, a non-party to the arbitration, should be returned to the *status quo ante*. (D.I. 289 at 23.)

In response, ALICO argues that defendants' motion fails to provide a basis for reconsideration under applicable law (D.I. 291 at 7), and that defendants' request for prejudgment interest on the arbitration award is not supported by any legal authority (D.I. 291 at 15). ALICO also asserts that, in the course of the arbitration, Parra argued that Parkway was not injured and that all claims for damages belonged to Parra. (D.I. 291 at 6.)

In support of their arguments, Defendants state that "[b]ecause the Court failed to restore Parkway or Parra or Asiat to the *status quo ante*, an error of apprehension evidently was committed. This Court did not apprehend that none of the Defendants has been restored to the *status quo ante*." (D.I. 289 at 18.) Defendants conveniently gloss over the fact that Parra was awarded $3.75 million by an arbitration panel as compensation for ALICO's fraudulent conduct. (D.I. 290, Exh. B at 16.) The court's July 2, 2003 order did not restore ALICO to the *status quo ante* by allowing ALICO to set-off approximately $127,300, plus interest, from the amount of the award, as ALICO still owed Parra compensatory damages in excess of $3 million. Further, defendants offer no legal authority to support their claim that they are entitled to prejudgment

interest on the arbitration award. (D.I. 289 at 22.)

I also decline to award any damages to Parkway, an alter ego of Parra. By Parra's own admission, "Parra never assigned any cause of action or claim for damages to Parkway." (D.I. 292, Exh. 6 at 2.) Again, defendants have not directed me to any relevant authority to support their argument that Parkway is now entitled to damages.

Defendants fail to assert a proper basis for reconsideration of the July 2, 2003 order. They have offered no evidence that "the court has patently misunderstood a party, has made a decision outside the adversarial issues presented by the parties, or has made an error not of reasoning, but of apprehension." *Brambles USA*, 735 F. Supp. at 1240. Nor have defendants shown changes in the controlling law, newly discovered evidence, or legal or factual error that would warrant reconsideration of the court's July 2, 2003 order. *See Max's Seafood*, 176 F.3d at 677. In sum, defendants have done nothing more in their motion for reconsideration than express their dissatisfaction with the amount May 24, 2002 arbitration award. The defendants' motion is therefore denied.

V. CONCLUSION

For the foregoing reasons, IT IS HEREBY ORDERED that defendants' motion for reconsideration and/or restoration of the *status quo ante* (D.I. 288) is DENIED.

Kent A. Jordan
UNITED STATES DISTRICT JUDGE

October 17, 2003
Wilmington, Delaware