



By the order of the court, Judge David A Wiseman

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**FOR PUBLICATION**



**E-FILED**  
**CNMI SUPERIOR COURT**  
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Case Number: 10-0032-CV  
N/A

**IN THE SUPERIOR COURT  
OF THE  
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS**

**ROYAL CROWN INSURANCE  
CORPORATION [RE: Bond No. 44510  
issued to Xuan Corporation],**  
  
**Petitioner,**  
  
**v.**  
  
**DIRECTOR OF LABOR, GIL M. SAN  
NICOLAS, DOL SECRETARY, AND  
THE DEPARTMENT OF LABOR,  
COMMONWEALTH OF THE  
NORTHERN MARIANA ISLANDS,**  
  
**Respondents.**

**Civil Action No. 10-0032**  
**Civil Action No. 10-0086**  
**Civil Action No. 10-0101**  
**Civil Action No. 10-0102**  
**Civil Action No. 10-0136**  
  
**ORDER**  
**RE: RESPONDENTS' PROPOSED**  
**PARTIAL JUDGMENT**

Pursuant to this Court's Orders Affirming the Secretary of Labor Order on Appeal on Civil Action No. 10-0032 and Civil Action No. 10-0102 and the Court's dismissal of Civil Action No's. 10-0086, 10-0101, and 10-0136, the Respondents have submitted a proposed judgment.

The Court finds the proposed judgment submitted by Respondents acceptable except for the items of the proposed prejudgment interest at the rate of nine percent (9%).

Although the Respondents, in their brief, set forth several authorities, such as statutes and cases for support of its proposed prejudgment interest, it does not reference, acknowledge or follow the controlling authority with respect to prejudgment interest which is *Manglona v. Commonwealth*, 2005 MP 15. That case sets forth the general principle that a party is entitled to prejudgment interest as in this case, however, there is no reference to the Respondents' losses or reliance on any legal principles

1 as required by said *Manglona* case. The Supreme Court therein found that an arbitrary percentage set  
2 by the Court for prejudgment interest is an abuse of discretion.

3 This Court must determine a rate that is based on equity and actual losses. As stated by our  
4 Supreme Court, “in the Commonwealth our legislature has not enacted a prejudgment interest rate  
5 statute, and none of our other statutory laws discussing interest rates are analogous enough to a  
6 prejudgment interest context to use them in setting the appropriate rate. Therefore, we decide to follow  
7 the federal approach, and the trial court’s award of prejudgment interest must be equitable and  
8 compensate a party for its actual losses.” *Manglona v. Commonwealth*, 2005 MP 15.

9 The Court, therefore, must have a percentage for prejudgment interest determined at a hearing.

10 In view of the foregoing, Respondent’s proposed judgment may be granted without the  
11 prejudgment interest which can be determined at a later time, although there is no dispute that  
12 Respondent is entitled to some percent of the judgment for prejudgment interest.

13 **IT IS ORDERED** that Respondent shall submit a new proposed partial judgment consistent  
14 with the foregoing or may defer such submission until a prejudgment interest rate has been determined,  
15 which would require a hearing, to be requested by Respondents.

16  
17 **SO ORDERED** this 17<sup>th</sup> day of August, 2012.

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20 /s/ David A. Wiseman, Associate Judge