APPENDIX

TABLE OF APPENDICES

Appendix A

UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

No. 20-55364

QUEST INTERNATIONAL MONITOR SERVICE, INC., a California corporation,

Plaintiff-Appellant

v.

ROCKWELL COLLINS, INC., a Delaware corporation,

Defendant-Appellee.

Appeal from the United States District Court
for the Central District of California
Josephine L. Staton, District Judge, Presiding

Argued and Submitted: April 12, 2021
Pasadena California
Filed: April 20, 2021

MEMORANDUM*

---

* This disposition is not appropriate for publication and is not precedent except as provided by Ninth Circuit Rule 36-3.

** The Honorable Kathryn H. Vratil, United States District Judge for the District of Kansas, sitting by designation.

Before: M. SMITH and IKUTA, Circuit Judges, and VRATIL,** District Judge.

Quest International Monitor Service, Inc., appeals from the district court's grant of Rockwell Collins, Inc.'s motion to confirm arbitration awards and denial of Quest's petition to vacate the arbitration award. We have jurisdiction under 28 U.S.C. § 1291 and 9 U.S.C. § 16, and we affirm.

The district court did not err in holding that Quest's petition to vacate the arbitration award was time-barred under 9 U.S.C. § 12. The Enterprise Commercial Product Support Agreement is a contract "evidencing a transaction involving commerce" for purposes of 9 U.S.C. § 2, and therefore "there is a strong default presumption that the FAA, not state law, supplies the rules for arbitration." *Johnson v. Gruma Corp.*, 614 F.3d 1062, 1066 (9th Cir. 2010) (cleaned up). Quest did not overcome this presumption because the contract does not "evidence a clear intent to incorporate state law rules for arbitration." *Id.* (cleaned up). Therefore, the California arbitration rules, Cal. Civ. Proc. Code §§ 1280–1294.4, are not applicable here. "[W]here the FAA's rules control arbitration proceedings, a reviewing court must also apply the FAA standard for vacatur," *Johnson*, 614 F.3d at 1067, including the three-month limitation period for filing a petition for vacatur.

Quest's reliance on the rule that federal courts apply state substantive law to state law claims in diversity cases, *see Erie R. Co. v. Tompkins*, 304 U.S. 64 (1938), is inapposite. Quest's petition for vacatur of an arbitration award under the FAA does not concern any "rights and obligations . . . created by one of the States." *Guar. Tr. Co. of N.Y. v. York*, 326 U.S. 99, 101 (1945). Therefore, neither *Erie* nor California's statute of limitations for vacating arbitration awards, *see* Cal. Civ. Proc. Code § 1288, applies here. The FAA's limitation period for petitioning for vacatur controls. *See Johnson*, 614 F.3d at 1067.

Quest's request for declaratory relief, if successful, would have the same effect as a petition to vacate the award of the arbitration tribunal. Accordingly, the limitations period applicable to the petition to vacate the arbitration award also applies to bar Quest's request for declaratory relief. *See United Parcel Serv., Inc. v. Mitchell*, 451 U.S. 56, 61–62 (1981). Because the statute of limitations provides sufficient grounds to affirm, we do not address Quest's other challenges to the district court's alternative holdings. *See Burgert v. Lokelani Bernice Pauahi Bishop Tr.*, 200 F.3d 661, 663 (9th Cir. 2000) ("The reviewing court may affirm the dismissal upon any basis fairly supported by the record.").

AFFIRMED.

Appendix B

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

Case No. 8:19-cv-02471-JLS-KES

QUEST INTERNATIONAL MONITOR SERVICE, INC., a California corporation,

Plaintiff

v.

ROCKWELL COLLINS, INC., a Delaware corporation,

Defendant

Filed: March 10, 2020

(IN CHAMBERS) ORDER (1) GRANTING MOTION TO CONFIRM ARBITRATION AWARDS (Doc. 9) AND (2) DENYING PETITION TO VACATE ARBITRATION AWARD (Doc. 1-1)

Under submission is a Motion to Dismiss Complaint and Motion to Confirm Arbitration Awards filed by Defendant Rockwell Collins, Inc. ("Rockwell"). (Mot., Doc. 9; Mem., Doc. 10.) Plaintiff

Quest International Monitor Service, Inc. ("Quest") opposed, and Rockwell replied. (Opp'n, Doc. 21; Reply, Doc. 25.) For the following reasons, the Court GRANTS both motions.[1]

I. BACKGROUND

"After a decade-long business relationship," the parties entered an "Enterprise Commercial Product Support Agreement" (the "PSA") on March 26, 2012. (Compl., Doc. 1-1 ¶¶ 10–11; Werner Decl. ISO Opp'n, Doc. 22 ¶ 5.) Pursuant to the PSA, Quest was to perform "refurbishment work for certain [] Rockwell products." (Compl. ¶ 11.) The parties had a dispute regarding the PSA, which, as Quest puts it, "resulted in an arbitration proceeding with the American Arbitration Association [(AAA)]." (*Id.* ¶ 12.) More explicitly, Quest was the party that instituted the arbitration. (*See* Partial Final Award, Ex. C to Compl. at 066, Doc. 1-1.) At the conclusion of the arbitration, the AAA Panel (the "Panel") ruled in favor of Rockwell on all claims, awarding it $347,329.50 in attorneys' fees. (*See* Final Award, Ex. D to Compl., Doc. 1-1.) The Final Award is dated August 22, 2019. (*Id.*)

On November 27, 2019, Quest filed the Complaint in this case in Orange County Superior Court, which Rockwell later removed to this Court. The Complaint seeks declaratory relief or, alternatively, vacatur of the arbitration award.

[1] Hereinafter, the Court collectively refers to the two motions as the "Motion."

(Compl. ¶¶ 19–42.) Yet, as declaratory relief, Quest "requests a declaration that there was fraud in the execution of the entire PSA agreement and as such none of Quest's claims are arbitrable[.]" (*Id.* ¶ 27.) Because this is an issue Quest raised at arbitration (*see* Partial Final Award at 066), Quest's request for declaratory relief is duplicative of its petition to vacate the arbitration award. In other words, the Complaint is effectively a petition to vacate the award.

Broadly speaking, Quest takes issue with the following aspects of the arbitration proceedings or outcome:

1. The Panel's determination that the PSA was not a requirements contract. (*See* Compl. ¶ 35.)
2. Relatedly, the Panel's determination that the PSA was not void as illusory. (*See id.* ¶ 17 ("Quest alleges that Rockwell's position that the PSA was not a Requirements Contract and that it was free from any obligation whatsoever and could act unilaterally, at its whim, violates the doctrine of mutuality of obligation rendering the PSA illusory and unenforceable in its entirety.").)
3. The Panel's ruling on a dispositive motion in favor of Rockwell after allegedly "taking evidence outside the presence of all the arbitrators and all of the parties in direct violation of AAA Commercial Rule 34(a)"—*i.e.*, without a hearing. (*See id.* ¶ 36.)

4. The Panel's allegedly untimely supplemental disclosure of conflicts of interest. (*See id.* ¶ 40.)

5. The Panel's ruling that Quest's attorney, Mohammed Ghods, "would not be allowed to testify if he continued as *counsel* for Quest at the hearing[.]" (*Id.* ¶ 41 (emphasis added).)

On December 27, 2019, Rockwell filed the instant Motion, in which it seeks dismissal of Quest's Complaint and confirmation of the arbitration award—the same relief requested in two different ways.[2] (*See* Mot. at 1–2.)

II. DISCUSSION

A. Statute of Limitations

As a threshold matter, Rockwell argues that Quest's petition to vacate is untimely under the Federal Arbitration Act (the "FAA"). (*See* Mem. at 11–12.) Quest counters that California arbitration rules govern and therefore prescribe the statute of limitations, under which Quest's petition was timely. (*See* Opp'n at 15–17.) The Court finds that

---

[2] "Confirmation is a summary proceeding that converts a final arbitration award into a judgment of the court. Once the award is confirmed, the judgment has the same force and effect of a judgment in a civil action and may be enforced by the means available to enforce any other judgment." *Ministry of Def. & Support for the Armed Forces of the Islamic Republic of Iran v. Cubic Def. Sys., Inc.*, 665 F.3d 1091, 1095 n.1 (9th Cir. 2011) (internal citation omitted).

the FAA governs the parties' underlying agreement. And, under the applicable statute of limitations, Quest's petition was untimely.

Congress enacted the Federal Arbitration Act "to overcome courts' reluctance to enforce arbitration agreements." *Circuit City Stores, Inc. v. Adams*, 279 F.3d 889, 892 (9th Cir. 2002). The Act applies to written contractual provisions "evidencing a transaction involving commerce to settle by arbitration a controversy thereafter arising out of such contract[s.]" 9 U.S.C. § 2. The threshold commerce requirement—an interstate-commerce requirement—for applicability of the FAA is construed in favor of the Act's applicability. *See Allied-Bruce Terminix Companies, Inc. v. Dobson*, 513 U.S. 265, 273–75 (1995). Indeed, parties need not have contemplated an interstate-commerce connection at the time they entered the agreement in question. *Id.* at 278. Rather, the question is whether the parties' activity or conduct in carrying out the terms of the contract did in fact affect interstate commerce. *Id.* at 277–80.

The Court concludes that the PSA, a services agreement between an Iowa-based company and a California-based company, is a "contract evidencing a transaction involving commerce" within the meaning of the FAA, such that the PSA falls within the purview of the Act. *See* 9 U.S.C. § 2.

"When an agreement falls within the purview of the FAA, there is a strong default presumption . . . that the FAA, not state law, supplies the rules for arbitration." *Johnson v. Gruma Corp.*, 614 F.3d

1062, 1066 (9th Cir. 2010) (internal quotation marks omitted). "To overcome that presumption, parties to an arbitration agreement must evidence a clear intent to incorporate state law rules for arbitration." *Id.* (internal citations omitted). Here, the parties did not do so: the PSA mentions only Iowa law, and not in the context of rules for arbitration. (*See* PSA, Ex. A to Compl. § 14.1, Doc. 1-1; *see also* Compl. ¶ 17 ("Iowa law that was referenced in the PSA is in accord.").) The FAA therefore controls[3] and supplies the applicable limitations period: three months from the date "the award [wa]s filed or delivered." *See* 9 U.S.C. § 12.

Quest does not disagree that, under the FAA, the three-month deadline was November 22, 2019. Quest filed its Complaint on November 27, 2019,

---

[3] Quest's arguments in opposition make little sense. Quest equivocates on whether it is taking the position that the statute of limitations prescribed in 9 U.S.C. § 12 is substantive or procedural. (*See* Opp'n at 15–17.) Seeming to momentarily land on the position that Section 12 is procedural, Quest cites a California Court of Appeal case for the proposition that, while "[t]he FAA's substantive provisions are applicable in state as well as federal court, . . . the FAA's procedural provisions apply only to proceedings in federal court," *Judge v. Nijjar Realty, Inc.*, 232 Cal. App. 4th 619, 630 (2014) (alteration in original). (*See* Opp'n at 16.) And, because this case was originally filed in state court, Quest argues, the Court must not apply Section 12 here. (*See id.* at 15–16.) For better or worse, the case is now in this Court, a federal court, meaning that both substantive and procedural FAA rules apply.

five days after the deadline. And Quest does not invoke tolling of any sort. Quest's petition to vacate was therefore untimely and is denied. *See Stevens v. Jiffy Lube Int'l, Inc.*, 911 F.3d 1249, 1252 (9th Cir. 2018).

B. Review of Arbitration Award

Although Quest's untimely filing alone is grounds for denial of its petition to vacate and confirmation of the award, the petition would alternatively be denied on the merits, for Quest's petition amounts to an impermissible attempt to relitigate the arbitration it initiated.

Under the FAA, when a party to an arbitration applies for confirmation of the arbitration award, "the court must grant such an order unless the award is vacated, modified, or corrected as prescribed in sections 10 and 11 of [the Act]." 9 U.S.C. § 9; *see also Lagstein v. Certain Underwriters at Lloyd's, London*, 607 F.3d 634, 640 (9th Cir. 2010). The party seeking to vacate an award bears the burden of establishing the grounds for vacatur. *U.S. Life Ins. v. Super. Nat'l Ins. Co.*, 591 F.3d 1167, 1173 (9th Cir. 2010). And this burden is a heavy one. A court may vacate an award only where the award "was procured by corruption, fraud, or undue means"; the arbitrator was partial or corrupt; the arbitrator's misconduct prejudiced the rights of a party; or the arbitrator exceeded her powers. *See* 9 U.S.C. § 10; *Schoenduve Corp. v. Lucent Techs., Inc.*, 442 F.3d 727, 731 (9th Cir. 2006). "Under the [FAA], confirmation is

required even in the face of erroneous findings of fact or misinterpretations of law." *Kyocera Corp. v. Prudential-Bache Trade Servs., Inc.*, 341 F.3d 987, 997 (9th Cir. 2003) (internal quotation marks omitted). In sum, a court's review of an arbitration award under the FAA "is both limited and highly deferential." *Coutee v. Barington Capital Grp., L.P.*, 336 F.3d 1128, 1132 (9th Cir. 2003) (internal quotation marks omitted).

Having reviewed the record, the Court finds no evidence of corruption, fraud, partiality, or undue means; no evidence that the arbitrators "were guilty of misconduct . . . in refusing to hear evidence" or otherwise conducted the arbitration in ways prejudicial to either Quest or Rockwell; and no evidence that "the arbitrators exceeded their powers." *See* 9 U.S.C. § 10. On the contrary, the record reveals the kind of untainted process into which the Court may not intrude.

III. CONCLUSION

For the foregoing reasons, the Court CONFIRMS the arbitration award and DENIES Quest's petition to vacate, dismissing the Complaint.

At the conclusion of its Motion, Rockwell makes a cursory request for attorneys' fees and costs. (*See* Mem. at 25 ("Rockwell Collins requests an Order . . . awarding the attorneys' fees, expenses and costs incurred by Rockwell Collins, as authorized by contract and law[.]").) "Generally, litigants in the

United States pay their own attorneys' fees, regardless of the outcome of the proceedings." *Staton v. Boeing Co.*, 327 F.3d 938, 965 (9th Cir. 2003). Rockwell does not point the Court to a provision of the PSA or another legal basis under which it is entitled to post-arbitration attorneys' fees. *See* Fed. R. Civ. P. 54(d)(2)(B)(ii); *Linley Investments v. Jamgotchian*, No. LACV1100724JAKRZX, 2014 WL 12665810, at *3 (C.D. Cal. May 13, 2014) (collecting cases in which the court either denied or granted a post-arbitration request for attorneys' fees based on whether the underlying arbitration agreement provided for fees incurred in post-arbitration proceedings). Accordingly, for the Court to consider Rockwell's request for post-arbitration attorneys' fees, Rockwell must file a properly noticed motion. Any such motion must be filed **within fourteen (14) days** of the date of this Order. If Rockwell does not have a legal basis for its attorneys' fees request, Rockwell must instead file a proposed judgment within the same timeframe.

Appendix C

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

Case No. 8:19-cv-02471-JLS-KES

QUEST INTERNATIONAL MONITOR SERVICE, INC., a California corporation,

Plaintiff,

v.

ROCKWELL COLLINS, INC., a Delaware corporation, and DOES 1 through 25,

Defendant.

Filed: March 26, 2020

JUDGMENT

Pursuant to the Court's Order Confirming the Arbitration Award, and pursuant to Federal Rule of Civil Procedure 58(a), the Court ENTERS JUDGMENT in favor of Defendant ROCKWELL COLLINS, INC. and against Plaintiff QUEST INTERNATIONAL MONITOR SERVICE, INC. as follows:

Plaintiff QUEST INTERNATIONAL MONITOR SERVICE, INC.'s Complaint in this action is DISMISSED with prejudice.

The Court CONFIRMS (1) the Partial Final Award wherein the Arbitration Panel ruled in favor of Rockwell and against Quest on all claims asserted in Quest's Arbitration Demand and (2) the Final Award wherein the Arbitration Panel ruled that (a) Quest shall recover nothing from Rockwell on Quest's claims and (b) Rockwell shall recover the sum of $347,329.50 from Quest on Rockwell's claim for attorney's fees and costs.

The Clerk shall tax costs in accordance with Local Rule 54.

Dated: March 26, 2020

Honorable Josephine L. Staton
United States District Judge

Appendix D

RELEVANT STATUTORY PROVISIONS

9 U.S.C. § 12
Notice of motions to vacate or modify; service; stay of proceedings

Notice of a motion to vacate, modify, or correct an award must be served upon the adverse party or his attorney within three months after the award is filed or delivered. If the adverse party is a resident of the district within which the award was made, such service shall be made upon the adverse party or his attorney as prescribed by law for service of notice of motion in an action in the same court. If the adverse party shall be a nonresident then the notice of the application shall be served by the marshal of any district within which the adverse party may be found in like manner as other process of the court. For the purposes of the motion any judge who might make an order to stay the proceedings in an action brought in the same court may make an order, to be served with the notice of motion, staying the proceedings of the adverse party to enforce the award.

Cal. Civ. Proc. Code § 1288
Petition; time for service and filing

A petition to confirm an award shall be served and filed not later than four years after the date of

service of a signed copy of the award on the petitioner. A petition to vacate an award or to correct an award shall be served and filed not later than 100 days after the date of the service of a signed copy of the award on the petitioner.