

## Recognition of Foreign Judgments in the Isle of Man

There are two routes to recognising a foreign judgment in the Isle of Man: (a) pursuant to statute; and (b) pursuant to the common law.

### Judgments (Reciprocal Enforcement) (Isle of Man) Act 1968 (the "Recognition Act")

Where the foreign judgment was issued by a superior court of the United Kingdom, Guernsey, Jersey, Suriname, the Netherlands, Israel or Italy the judgment creditor can apply for recognition of the judgment under the Recognition Act.

The Recognition Act provides a simple and cost-effective process for recognising the judgments of those courts without having to commence a fresh claim in the Isle of Man.

In order to utilise the process provided by the Recognition Act, the judgment must be:

- A money judgment;
- Final and conclusive; and
- Not in respect of taxes, a fine or a penalty.

Furthermore, the Court can refuse to recognise the judgment if:

- The foreign court did not have jurisdiction;
- The judgment debtor did not receive notice of the original proceedings in sufficient time to enable him to defend the proceedings;
- The judgment was obtained by fraud;
- It would be contrary to public policy in the Isle of Man to recognise the judgment; or
- The rights under the judgment are not vested in the person applying for recognition.

Following the Court issuing the recognition order, the judgment creditor must serve that order on the judgment debtor, providing them with (usually) 14 days to apply to set it aside.

If the judgment debtor does not apply to set aside the recognition order or is unsuccessful in doing so, the judgment creditor can then take steps to enforce the recognition order against any assets of the debtor that are in the Isle of Man.

### Common law

Where the Recognition Act cannot be utilised, a judgment creditor can obtain recognition of a foreign judgment via the common law.

Similar to the position under the Recognition Act, common law recognition requires that:

- The judgment is in personam;
- It is for a debt or definite sum of money;
- It is final and conclusive;
- The foreign court is regarded by Isle of Man rules of international law to have been competent to make the judgment;
- The judgment was not obtained by fraud;
- The judgment was not obtained contrary to natural justice (e.g. by failure to give the defendant due notice).

This route involves filing a Claim in the Isle of Man Courts in the usual way – it will be a simple debt claim for the sum of money owed pursuant to the foreign judgment (plus interest and costs as appropriate).

At the same time as filing the Claim, it would be necessary to apply to the Court for permission to serve the Claim on the judgment debtor out of the jurisdiction.

Following service of the Claim, the judgment debtor would have (usually) 21 days to file and serve a Defence to the Claim or to file an Acknowledgement of Service. If an Acknowledgement of Service was filed, they would have a further 14 days to file and serve a Defence.

In the majority of cases, assuming the above conditions are met, there will be no grounds for defending the Claim. Accordingly, the judgment creditor can usually apply for summary judgment on the basis that the judgment debtor's Defence (if there is one) has no prospect of success. This avoids the Claim proceeding to a full trial.

If the judgment debtor does not file a Defence, the judgment creditor can apply for judgment in default.

As in respect of the statutory route, once judgment is issued, the judgment creditor can then take steps to enforce the recognition order against any assets of the debtor that are in the Isle of Man.

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*Our litigation team has significant experience in the enforcement of foreign judgments. If you would like further information or assistance, please contact [Robert Colquitt](#), [Tara Cubbon-Wood](#) or any member of our team.*

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