

## Enforcement of Judgments in the Isle of Man

A judgment creditor may enforce a judgment<sup>1</sup> in the Isle of Man by using various enforcement procedures under the Administration of Justice Act 1981 and other statutory provisions, the Rules of the High Court of Justice 2009 and the common law:

- (a) Execution;
- (b) The Appointment of a Receiver;
- (c) An Arrestment Order;
- (d) a Charging Order;
- (e) an Attachment of Earnings Order;
- (f) An Instalment Order.

**Nb. Judgments must generally be for a specific sum of money to be enforceable through these means.**

A creditor may use any available method of enforcement and can choose to use multiple methods, either simultaneously or consecutively. However, before deciding on a course of action, the creditor should carefully assess the debtor's financial position.

### A. Execution against goods

Upon judgment being issued, the judgment creditor will request that the Court issues execution on the judgment.

Once issued, the execution is passed to the Coroner (Court-appointed officer) who will arrest and sell the judgment debtor's goods, property and land in order to satisfy the judgment debt.

Following arrest, the property is held by the Coroner for a period of time to give the debtor time to pay. If payment is not made within that period, the items will be advertised for sale and sold at a public auction by the Coroner.

The Coroner has various powers including the power to summon and examine debtors as to their means to ascertain their financial position.

### B. Appointment of a Receiver

The Court may appoint a receiver to take charge of the property of the debtor and realise assets and monies available to satisfy the payment of the debt.

### C. Arrestment Orders (Garnishee Proceedings)

A judgment creditor or Coroner may apply to the Court for an order to arrest any debts owed to the judgment debtor from any person within the Island for the purpose of enforcing a judgment. The Court can make an order requiring a third party (e.g., a Bank) to pay the judgment creditor:

---

<sup>1</sup> A foreign judgment must first be recognised in the Isle of Man. See our Briefing Note: <https://cains.com/briefing-note-recognition-of-foreign-judgments-in-the-isle-of-man/>

- (a) The amount of any debt owed to the judgment debtor from the third party; or
- (b) So much of that debt as is sufficient to satisfy the judgment amount and the creditor's costs of the application.

#### D. Charging Orders

The Court may make an order placing a legal charge over any property owned by the debtor or over the debtor's beneficial interest in such property including for example the debtor's interest under a trust, stocks and shares, insurance policies etc. This charge is made in favour of the judgment creditor to secure payment of the amount due under the judgment.

A charging order may also contain a provision requiring any interest, dividends or other income payable in respect of the property to be paid directly to the judgment creditor.

In determining whether to make a charging order, the Court will consider all the relevant circumstances of the case including the personal circumstances of the judgment debtor and whether granting the order would cause undue prejudice to any other creditors of the judgment debtor.

#### E. Attachment of Earnings Orders

This type of order enables a judgment creditor to recover a debt directly from the debtor's earnings.

If it appears to the Court, based on an application made by the coroner, judgment creditor or debtor, that a debtor who is already subject to an instalment or maintenance order, is receiving earnings from an employer, then the Court may make an attachment of earnings order.

This order compels the debtor's employer to deduct a certain amount from the debtor's earnings and send it directly to the judgment creditor before the debtor is paid the balance.

An attachment of earnings order will only be made if the Court is satisfied that:

1. The debtor has (without just cause) refused or failed to comply with an instalments or maintenance order; and
2. The debtor has or will have, within a reasonable timeframe, enough earnings (by deducting regular instalments) to satisfy the whole or any part of the amount owed under the judgment.

**Nb.** The Court will consider the debtor's reasonable living expenses before issuing an order.

#### F. Instalment Orders

The coroner, judgment creditor or debtor may apply to Court for an order that the amount of money recoverable under the judgment be paid by regular instalments.

---

***Please note that this briefing does not constitute legal advice but is provided as non-reliance guidance only.***

*Our litigation team has significant experience in advising and assisting on insolvency matters. If you would like further information or assistance, please contact Robert Colquitt, Tara Cubbon-Wood, [Charles Williams](#) or any member of our team.*

Cains Advocates Limited is incorporated in the Isle of Man and licensed by the Isle of Man Financial Services Authority. Registered office: Fort Anne, Douglas, Isle of Man, IM1 5PD. Registered company number 009770V.

A list of all the directors' names is open to inspection at our registered office. This document is provided for information purposes only and does not constitute legal, tax, investment, regulatory, accounting or other professional advice.