

Enforcement of Foreign Judgments in the Cayman Islands

Statutory Remedies

The Foreign Judgments Reciprocal Enforcement Law (1996 Revision) (the "Law") allows a judgment creditor to apply for the judgment to be registered in the Grand Court and thereafter is deemed to have the same force and effect as Judgment of the Grand Court. However, at present the Law extends only to the enforcement of Australian Judgments.

Common Law Remedies

All other foreign judgments must be enforced at common law. This includes judgments obtained in the United Kingdom and the United States. To do this, it is necessary to issue a writ of summons in the Grand Court to sue upon the foreign judgment and thereafter seek summary judgment. A foreign judgment will only be susceptible to enforcement in this way if it is final and conclusive (although this would appear to include summary and default judgments obtained in foreign jurisdictions). It is no longer necessary for a foreign judgment to be for a specified sum. In <u>Badone v Sol Properties [2008] CILR</u>, the Grand Court was willing to enforce a foreign judgment for specific performance of an agreement to transfer shares. Non-money foreign judgments would now appear to be capable of enforcement where is just to do so and such enforcement would not favour foreign litigants over domestic litigants, or undermine due process in the Cayman Islands. Further, in order for a foreign judgment to be enforced it will be necessary to satisfy the Grand Court that the foreign Court had jurisdiction over the defendant and that enforcement is not against public policy. For example, the Grand Court will not enforce judgments relating to foreign taxation. It is important to bear in mind that the enforcement of a foreign judgment at common law may require an application for leave to serve the defendant outside of the jurisdiction of the Cayman Islands.

This Briefing Note is not intended to be a substitute for specific legal advice or a legal opinion. For more specific advice on the enforcement of foreign judgments in the Cayman Islands, please contact:

E: gary.smith@loebsmith.com

E: ramona.tudorancea@loebsmith.com

Investment Funds | Private Equity | Corporate | Mergers & Acquisitions | Capital Markets | Liquidation | Insolvency | Restructuring | Banking & Finance | Litigation

Loeb Smith www.loebsmith.com