



WHY YOUR STATE SHOULD ADOPT THE UNIFORM FOREIGN-COUNTRY MONEY JUDGMENTS RECOGNITION ACT (2005)

The Uniform Foreign-Country Money Judgments Recognition Act is a revision of the Uniform Foreign Money Judgments Recognition Act of 1962. The Act codifies the most prevalent common law rules related to the recognition and enforcement of money judgments rendered in other countries. Under the 1962 Act, a state was required to recognize a foreign-country money judgment if the judgment satisfied the standards for recognition set out in the Act.

Since its promulgation more than 40 years ago, the 1962 Act has been adopted in a majority of the states. There are some changes needed, however, to update that Act. The revisions contained in the Uniform Foreign-Country Money Judgments Recognition Act are timely because of the continuing increase in international trade and the need to make each state a recognized forum for international business. The Act provides the following benefits to enacting states:

- ***Provides simple court procedures.*** The Act adds a new section addressing the proper procedure for seeking recognition of a foreign-country judgment. Under the Act, recognition of the foreign-country judgment must occur in a court proceeding. A party may seek recognition as an original matter, or may raise it by counterclaim, cross-claim, or affirmative defense in a pending action.
- ***Addresses burdens of proof.*** The Act addresses burdens of proof for the first time, providing that a petitioner for recognition has the burden of proving a judgment is entitled to recognition under the standards of the Act, and that any respondent resisting recognition and enforcement has the burden of proof respecting denial of recognition.
- ***Establishes a statute of limitations for recognition actions.*** The Act requires a party to commence an action either during the time when the foreign-country judgment is effective in the foreign country or 15 years from the date that the foreign-country judgment became effective in the foreign country, whichever is earlier.
- ***Revises the grounds for denying recognition of foreign-country money judgments.*** The Act specifies mandatory grounds for non-recognition and discretionary grounds for non-recognition. The updated Act adds two discretionary grounds for non-recognition.
- ***Updates the definitions contained in the Act.*** The Act contains an updated definition section to clarify terms. The Act now refers to a “foreign country” and a “foreign-country judgment” to clarify that the Act does not apply to sister-state judgments.

For more information about the Uniform Foreign-Country Money Judgments Recognition Act, please contact Legislative Program Director Kaitlin Wolff at (312) 450-6615 or kwolff@uniformlaws.org.