## Panama, Pensions and a penhora | 1



What a busy start to Spring generally for Jersey Plc and, indeed, our own unique legal world.

Obviously all news has been dominated by the so-called Panama Papers about which I will comment on more in another edition, once the moral tub thumpers have gone away to bang on another out of tune drum. In fact, at the time of writing this piece, one senses that the news pack are already on the turn. The pack appear to be closing in on some poor celebrity who has the audacity of trying to keep their private life er.... private. In short time, you will only be reminded of the Panama Papers whilst munching on your fish and chips.

In Jersey, the booking of flights by our politicians and civil servants again dominates the local news landscape. Personally, I have a little sympathy for both parties. The costs of flights will obviously cause the public (who are once again being asked to tighten their financial belts) to wonder: "what is going on?" Equally, if there are workplace policies in place and politicians and civil servants have abided by those policies, then one wonders how they can be open to criticism. They are doing what they are told in the "employee handbook." Isn't this the case for us all?

No doubt an expensive enquiry will reveal all.

New draft discrimination regulations were lodged au Greffe on 12 April 2016. The Minister for Social Security is proposing to amend the existing discrimination law to introduce protection against discrimination on the ground of age.

I will discuss this further when the matter comes up for debate but as a little taster, I was surprised at some of the findings of the Jersey Annual Social Survey for 2015 as reported by the Minister. It was reported that 30% of those aged under 65 years agreed at some level that they would like to continue to work beyond the age of 65. It was noted that while 30% would like to continue working beyond 65 years, half (50%) of adults said they would need to work beyond 65 years in order to maintain their standard of living.

Frightening times for Generation X and the Millennials and that clearly puts a dampener on my proposed retirement road trip at the age of 60, on the Harley, down the Pacific Highway listening to Janis Joplin and 1D.

The Jersey Legal Information Board website has published a significant number of criminal and family cases in the last few weeks. One of the small number of civil cases that did attract my attention related to a bank seeking to recover a €900,000 loan from a Jersey company (the "Company"). The bank had successfully obtained Judgment in the English County Court against the Company. The only asset of the Company was a residential property in Portugal.

The bank was granted a European Enforcement Order to enforce the English County Court's Judgment and seize the Company's interest in the property via a Portuguese process known as a Penhora. The bank, however, was unable to receive the Company's interest in the property due to a defect and the defect could only be corrected by the Company itself.

Accordingly, Receivers were appointed to correct the defect so that the Penhora could be performed.

The Royal Court was asked whether it had jurisdiction and whether it would it recognise the High Court's

## VOISIN LAW

## Panama, Pensions and a penhora | 2

appointment of the Receivers. It, of course, did on both counts.

Given the 24/7 news outpouring in relation to the Panama Papers, it was interesting that the Royal Court in reaching its conclusion referred to a 2011 case in which our current Bailiff said this:

"Subordinate to these considerations in relation to the public interest is also the interests of the Island in terms of its reputation outside these shores. Public policy considerations do not overtake the requirement to do justice as between those who are directly affected, and in our view is therefore subordinate to those interests when it comes to exercising a discretion in a matter of this kind, but we can have regard, at the edges of our discretion, to the fact that a major insolvency of a Jersey company, causing extensive damage to creditors and debtor alike is not in the best interests of the Island, and this can operate as an additional reason to exercise the discretion to issue a letter of request."

The Court in the "Penhora case" found that as a matter of comity and "indeed basic fairness" it would recognise the appointment of the Receivers. It went on to say that it was in the wider public interest of Jersey to do so.

Whilst the brouhaha over the Panama Papers was at its loudest, a little case revealed by the brilliant Jersey Legal Information Board website, provides a great insight into the fact that it is not only Jersey Finance, the Chief Minister and his team of Avios points collectors that have regard to the public interest of Jersey. The Royal Court is, in fact, the leader of the pack. Vroom vroom

For further information on this or any other enquiry regarding litigation please contact Dexter Flynn on 01534 500320 or email dexterflynn@voisinlaw.com.