

The Trans-Tasman Proceedings Regime and the Choice of Court Agreements Convention

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TTPA and Choice of Court

Question:

 How is the Choice of Court Convention implemented into the Trans-Tasman Proceedings Regime?

• Answer:

Through s20 Trans-Tasman Proceedings Act 2010

This presentation will:

- explain the legislative context in which s20 TTPA is placed
- present the provision's key elements and explain their operation
- Explain how recognition and enforcement was approached

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The legislative context

• s20 TTPA is part of Part 3, Division 2 of the TTPA:

"Australian courts declining jurisdiction on the grounds that a New Zealand court is a more appropriate forum"

Common law tradition	Civil law tradition
Focus on flexibility through judicial discretion	Focus on clarity and predictability

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• The key elements: the definition

(3)*Exclusive choice of court agreement*, in relation to matters in dispute between parties to a proceeding, means a written agreement between those parties that:
(a) designates the courts, or a specified court or courts, of a specified country, to the exclusion of any other courts, as the court or courts to determine disputes between those parties

- that are or include those matters; and
- (b) is not an agreement the parties to which are or include an individual acting primarily for personal, family, or household purposes; and

is not a contract of employment.

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(c)



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The key elements: removing the discretion

(1)On application under section 17 (and despite section 19), the Australian court:

(a) must, by order, stay the proceeding, if satisfied that an exclusive choice of court agreement designates a New Zealand court as the court to determine the matters in dispute; and

(b) must not, by order, stay the proceeding, if satisfied that an exclusive choice of court agreement designates an Australian court as the court to determine those matters.



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• The key elements: the exceptions

(2)However, subsection (1) does not apply to an exclusive choice of court agreement if the Australian court is satisfied that:

- (a) it is null and void under New Zealand law (including the rules of private international law); or
- (b) a party to it lacked the capacity to conclude it under Australian law; or
- (c) giving effect to it would lead to a manifest injustice or would be manifestly contrary to Australian public policy; or
- (d) for exceptional reasons beyond the control of the parties to it, it cannot reasonably be performed; or

(e) the court designated by it as the court to determine the matters in dispute between the parties to the proceeding has decided not to determine those matters.

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- Recognition and enforcement
 - There is no specific R/E provision that implements the Convention
 - The TTPA Regime is more generous toward the judgment creditor
 - Examples:
 - Very limited grounds to set aside registration (s72 TTPA)
 - Lack of registration notice not fatal (s74(2) TTPA)
 - Stay/postponement of R/E where NZ judgments subject to review (s76(1) TTPA

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- And one more difference...
 - Article 3(b):

"a choice of court agreement which designates the courts of one Contracting State or one or more specific courts of one Contracting State <u>shall be deemed to be exclusive unless the</u> <u>parties have expressly provided otherwise</u>"

- This is the opposite to AUS and NZ common law position.
- Requires cooperative implementation of COC.