

News



Many of our engagements involve matters in which our clients face significant public attention. The following is a list of news stories about the firm, our clients, cases and the results we have achieved.

UK Supreme Court Restores Creditor-Friendly Position on Use of Insolvency Proceedings to Enforce Foreign Judgments

July 27, 2026

The UK Supreme Court today issued a significant decision in *Drelle v Servis-Terminal LLC*, holding unanimously that an unrecognized and unregistrable foreign judgment can form the basis of a debt sufficient to entitle a creditor to bring winding-up or bankruptcy proceedings as against the judgment debtor. In doing so, the UKSC has resolved uncertainty over whether creditors can rely on unrecognized foreign judgments when pursuing insolvency proceedings in England. The ruling overturns a 2025 Court of Appeal decision that had cast doubt on a long-established feature of cross-border enforcement practice.

In many common law jurisdictions, including Hong Kong, the Cayman Islands, the British Virgin Islands, and other offshore financial centers, creditors have historically been able to seek the liquidation of a debtor that fails to satisfy a foreign court judgment or arbitral award. Last year's Court of Appeal decision meant that, at least in the UK, recognition proceedings would first be required before insolvency remedies could be deployed. This decision opened up strategies for judgment debtors to seek to delay and obstruct enforcement. The decision also created uncertainty and delays across multiple jurisdictions where creditors sought to rely on unrecognized foreign judgments to found bankruptcy or winding-up petitions. For example, the English Court of Appeal decision was followed at first instance in the British Virgin Islands earlier this year, but not in the Cayman Islands.

The UK Supreme Court has now restored clarity, holding that an unrecognized foreign judgment for a debt or definite sum creates a common law obligation to pay and can constitute a debt for insolvency purposes. The decision reaffirms a framework that creditors have long relied upon while removing a procedural obstacle that had complicated enforcement efforts.

Importantly, the ruling does not eliminate the defenses available to debtors facing claims based on questionable judgments. Rather, it streamlines the process by clarifying when insolvency proceedings may be used in support of cross-border recovery efforts.

[Click here to read the full judgment.](#)