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ENFORCEMENT OF FOREIGN JUDGMENTS IN NEW JERSEY: AN OVERVIEW

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Assume the following scenario: Company A ("A") maintains a principal office in New York. Company B ("B") maintains its principal office in New Jersey. B orders goods from A, accepts delivery but refuses to pay A. The purchase order and its terms and conditions provide A with the right to file suit against B in New York State. A exhausts its efforts to collect the debt and instructs its lawyer to file suit against B in the Supreme Court of New York. The suit is filed. B ignores the lawsuit and the Court enters a default judgment in favor of A and against B for the sum of \$25,000.00. A now wants to enforce its judgment against B, however the New York sheriff says it is without authority to seize assets of B located in New Jersey. Is A without a remedy to collect its debt against B? Fortunately, the answer is "no", for A can domesticate or record its New York judgment in the Superior Court of New Jersey and, subject to the satisfaction of certain conditions, proceed to enforce the judgment as if it were originally filed in the State of New Jersey.

This article addresses the procedure for recording a judgment obtained from a foreign jurisdiction in New Jersey. The Uniform Enforcement of Foreign Judgments Act (*N.J.S.A.* 2A:49A-25 *et seq.*)ⁱ permits a judgment, decree, or order of the United States or of any other Court that is entitled to full faith and credit in this State to be filedⁱⁱ with the Clerk of the Superior Court of New Jersey. The Clerk shall treat the foreign judgmentⁱⁱⁱ in the same manner as a judgment of the Superior Court of this State. Upon recording, the Clerk will issue a notice to the defendant providing 14 days during which the defendant may file an objection to the judgment. No execution of process can occur during that 14-day period.

The judgment creditor and/or his/her attorney must submit an Affidavit that attests to specific, including the date of entry of the foreign judgment, whether the

judgment was entered by default, whether the time to appeal the judgment has expired, if whether the time to vacate the judgment (if entered by default) has expired, and whether the defendant has attempted to stay execution of the judgment in the court of original jurisdiction. iv

Upon "recording" or "docketing" of the judgment it becomes a lien against all real estate owned by the judgment debtor that is located in New Jersey. In addition, once the foreign judgment has been docketed, the judgment creditor can take whatever action is necessary and/or appropriate under New Jersey law to effect satisfaction of the judgment, including the issuance of Information Subpoenas, Orders for Discovery, and/or Writs of Execution.

The defendant has the right to request the Superior Court of New Jersey to stay execution of the judgment, including instances where the defendant demonstrates that a valid appeal of the underlying foreign judgment is pending in the court of original jurisdiction. V

The numbered steps listed below outlines the steps that need to be taken by the judgment creditor to have its foreign judgment docketed with the New Jersey Superior Court.

STEP 1:

OBTAIN AN EXEMPLIFIED
(AUTHENTICATED) COPY OF THE
FOREIGN JUDGMENT WITH THE SEAL
OF THE ISSUING COURT AFFIXED
THERETO.

STEP 2:

ATTACH AN AFFIDAVIT FROM THE JUDGMENT CREDITOR OR THE JUDGMENT CREDITOR'S LAWYER (Form A).

The affidavit must set forth:

- A. The name and last known address of the creditor;
- B. The name and last known address of the debtor;
- C. The date and amount of the **judgment**;
- D. Whether the time to appeal the **foreign judgment** has expired in the court of origin;
- E. Whether the court of origin has granted a stay; and
- F. Whether or not the **foreign judgment** was entered by default. If the **foreign judgment** was entered by default, the affidavit must indicate the date under the rules of the court of origin for vacating the default with a copy of the cited court rule.

Note: Pursuant to **New Jersey** Court Rule 1:4-4(b) a certification may be used in lieu of the affidavit.

Note. Annexed as "Form A" is a sample affidavit for informational purposes. Affiants are responsible that all statements in supporting affidavits are true and accurate.

STEP 3:

MAKE A CHECK OR MONEY ORDER PAYABLE TO CLERK OF THE SUPERIOR COURT IN THE AMOUNT OF \$35.00.

This is the fee for filing your papers. vi

STEP 4:

MAIL OR DELIVER
THE DOCUMENTS
TO THE NEW JERSEY
SUPERIOR COURT CLERK'S
OFFICE.

You may mail or deliver the original and two copies of the **foreign judgment**, the affidavit, and the filing fee to the clerk's office in person or you may mail them.

The Clerk's office is located at: R.J. Hughes Justice Complex 6th Floor North Wing Trenton, **New Jersey** 08626

FORM A	
AFFIDAVIT IN SUPPORT OF APPLICATION TO RECORD A FOREIGN JUDGMENT IN NEW JERSEY	
I,, of full age, being duly sworn	according to law, upon my
oath hereby depose and say: (
1. I am the [judgment creditor] [attorney for the judg captioned, plaintiff, v	, defendant in the
(name of	
[Commonwealth] of(name am seeking to record (docket) said judgment in the State of N	of state or commonwealth) and lew Jersey.
2. Attached to this affidavit is an authenticated (exempli from the State [Commonwealth] of	
judgment) wherein judgment was entered against	(judgment
debtor's name) in the amount of \$(date entered).	(dollar amount) on
3. The judgment creditor's name is	
creditor) and resides [is located] at	
4. The judgment debtor is known to me as	
name) and was last known to reside [be located] at	
(name of city, town or borough), County of	(name of county) and State of
New Jersey.	()

5. The	time to	appeal	-	_				nwealth] of
6. The (name of foreig		the Stat						
judgment we copy of the coand rules	as entered	by defau trule). If urt, the	ult, cite t judgmen date	the court at by defa for	rule for uult, then vacating	vacating add: Until	g defaults der the rel default	evant statues
the same. signature of jud	lamont cree	litor		_				
or judgment cr	editor's atte	orney						
Sworn and so on this								
Signature of My commiss	•			-				
Endnotes								

iiN.J.S.A. 2A:49A-27 Filing of copy of foreign judgment

A copy of any foreign judgment authenticated in accordance with an act of Congress or the statutes of this State may be filed in the office of the Clerk of the Superior Court of this State. The clerk shall treat the foreign judgment in the same manner as a judgment of the Superior Court of this State. A judgment so filed has the same effect and is subject to the same procedures, defenses and proceedings for reopening, vacating, or staying as a judgment of a Superior Court of this State and may be enforced in the same manner.

iii 2A:49A-26 "Foreign judgment" defined

In this act "foreign judgment" means any judgment, decree, or order of a court of the United States or of any other court which is entitled to full faith and credit in this State.

iv 2A:49A-28 Filing of affidavit; mailing of notice to judgment debtor

a. At the time of the filing of the foreign judgment, the judgment creditor or his lawyer shall make and file with the Clerk of the Superior Court an affidavit setting forth the name and last known post office address of the judgment debtor, and the judgment creditor. The affidavit shall further set forth whether the time to appeal the foreign judgment has expired and whether the court of origin has granted a stay of execution. In addition, in the case of a judgment entered by default, the affidavit shall so state and shall set forth the expiration date under the rules of the court of origin for vacating the default.

ⁱ **N.J.S.A. 2A:49-25.** This act shall be known and may be cited as the "Uniform Enforcement of Foreign Judgments Act."

- b. Promptly upon the filing of the foreign judgment and the affidavit, the clerk shall mail notice of the filing of the foreign judgment to the judgment debtor at the address given and shall make a note of the mailing in the docket. The notice shall include the name and post office address of the judgment creditor and the judgment creditor's lawyer, if any, in this State. In addition, the judgment creditor may mail a notice of the filing of the judgment to the judgment debtor and may file proof of mailing with the clerk. Lack of mailing notice of filing by the clerk shall not affect the enforcement proceedings if proof of mailing by the judgment creditor has been filed.
- c. No execution or other process for enforcement of a foreign judgment filed under this act shall issue until 14 days after the date the judgment is filed.

^v 2A:49A-29 Appeal, stay of execution, enforcement

- a. If the judgment debtor shows the Superior Court that an appeal from the foreign judgment is pending or will be taken, or that a stay of execution has been granted, the court shall stay enforcement of the foreign judgment until the appeal is concluded, the time for appeal expires, or the stay of execution expires or is vacated, upon proof that the judgment debtor has furnished security for the satisfaction of the judgment required by the state in which it was rendered.
- b. If the judgment debtor shows the Superior Court any ground upon which enforcement of a judgment of the Superior Court would be stayed, the Superior Court shall stay enforcement of the foreign judgment for an appropriate period, upon requiring the same security for satisfaction of the judgment which is required in this State.

vi 2A:49A-30 Fees for filing foreign judgment

Any person filing a foreign judgment shall pay to the Clerk of the Superior Court the fees required pursuant to N.J.S.22A:2-29 for actions taken with respect to judgments. Fees for docketing, transcription or other enforcement proceedings shall be as provided for judgments of the Superior Court in accordance with N.J.S.22A:2-29.