ECJ on Hassett v South Eastern Health Board and Art 22(2) Brussels I

The European Court of Justice handed down judgment in ***Hassett v South Eastern Board*** on 2nd October 2008. It doesn't make for particularly interesting reading, so I'll be brief. The Irish Supreme Court referred the following question to the ECJ:

> *Where medical practitioners form a mutual defence organisation taking the form of a company, incorporated under the laws of one Member State, for the purpose of providing assistance and indemnity to its members practising in that and another Member State in respect of their professional practice, and the provision of such assistance or indemnity is dependent on the making of a decision by the Board of Management of that company, in accordance with its Articles of Association, in its absolute discretion, are proceedings in which a decision refusing assistance or indemnity to a medical practitioner practising in the other Member State pursuant to that provision is challenged by that medical practitioner as involving a breach by the company of contractual or other legal rights of the medical practitioner concerned to be considered to be proceedings which have as their object the validity of a decision of an organ of that company for the purposes of Article 22, [point] 2, of [Regulation No 44/2001] so that the courts of the Member State in which that company has its seat have exclusive jurisdiction?*

Which the ECJ took to mean:

> *By that question, the national court is essentially asking the Court whether point 2 of Article 22 of Regulation No 44/2001 is to be interpreted as meaning that proceedings, such as those at issue before the referring court, in the context of which one of the parties alleges that a decision adopted by an organ of a company has infringed rights that it claims under that company's Articles of Association, concern the validity of the decisions of the organs of a company within the meaning of that provision.*

And to which they answered:

> *Point 2 of Article 22 of Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters is to be interpreted as meaning that proceedings, such as those at issue before the referring court, in the context of which one of the parties alleges that a decision adopted by an organ of a company has infringed rights that it claims under that company's Articles of Association, do not concern the validity of the decisions of the organs of a company within the meaning of that provision.*

The reasoning, such that it was, centred on the fact that allowing all disputes involving a decision by an organ of a company to come within Article 22(2) of the Brussels I Regulation (which is primarily there, so says the Jenard Report, to prevent conflicting judgments) would mean that it would apply to those disputes where conflicting judgments would *not* arise. That is beyond the scope of Article 22(2). As the doctors had not challenged the validity of a decision before the national courts (they were instead challenging the process (or lack thereof) of that decision, and so did not come within the defined scope of Art 22(2). Fair point, really.

(Hat-tip to Andrew Dickinson.)