On the ATS: D.C. Circuit Splits with Second

For another twist of American courts on the Alien Tort Statute (this time, in favour of its applicability to corporations), I suggest reading the D.C. Circuit decision of July, the 8th, *John Doe VIII v. Exxon Mobil Corp* (see here). Also, the recent post of K. Anderson in Opinio Juris, where he speaks his opinion against the majority in John Doe VIII. He concludes that "the corporate liability issue is so fundamental to contemporary ATS litigation – preceding, in a logical sense, the standards found in Sosa – and the split among circuits now so stark, that the [Supreme] Court cannot simply avoid resolving it." (But, as he says himself, such a conclusion might be naive…)

Quintanilla and Whytock on the New Multipolarity in Transnational Litigation

Marcus S. Quintanilla (O'Melveny & Myers LLP) and Christopher A. Whytock (UC Irvine) have posted The New Multipolarity in Transnational Litigation: Foreign Courts, Foreign Judgments, and Foreign Law on SSRN. The abstract reads:

> *Conventional wisdom suggests that the transnational litigation system is essentially unipolar, or perhaps bipolar, with the United States and the United Kingdom acting as the leading providers of courts and law for transnational disputes. Our overarching conjecture is that this unipolar (or bipolar) era – if it ever existed at all – has passed, and that transnational litigation is entering an era of ever increasing multipolarity. If this intuition is correct, then it will be increasingly important for U.S. judges and lawyers to be comfortable handling a wide range of conflict-of-laws problems, and prepared to consult closely with their colleagues abroad.*

In this Article – based on our remarks at the International Law Weekend-West Conference held at Southwestern Law School in February 2011 – we develop three aspects of this conjecture, corresponding to three dimensions of the new multipolarity in transnational litigation. In Part I, we discuss the growing relative importance of non-U.S. forums for transnational litigation. In Part II, we highlight the potential proliferation of foreign judgments brought to the United States for recognition or enforcement. And in Part III, we consider the pervasiveness of foreign law issues that are likely to confront U.S. judges and lawyers, and the accompanying challenges of making determinations of foreign law in the wake of the Seventh Circuit Court of Appeals' recent decision in Bodum USA, Inc. v. La Cafetière, Inc.

The paper is forthcoming in the *Southwestern Journal of International Law*.

Publication: Biagioni, "La connessione attributiva di giurisdizione nel regolamento CE n. 44/2001"

Giacomo Biagioni (Univ. of Cagliari) has recently published "La connessione attributiva di giurisdizione nel regolamento CE n. 44/2001" (CEDAM, 2011). The volume is the latest in the series "Studi di diritto internazionale – Studies in international law", focused on international procedural law and international civil procedure law, promoted by the Fondazione Gaetano Morelli, a foundation dedicated to the memory of one of the most influential Italian international law scholars of the past century.

An abstract has been kindly provided by the author (the complete table of contents is available on the publisher's website):

Both in civil law and in common law systems, reference is made to connexity when it is deemed advisable to defer to one court related claims so that they may be jointly examined and adjudicated. Connexity can also work as a head of jurisdiction: in those cases a State is conferred jurisdiction on one claim («related claim») since it is connected to another claim («main claim») that falls already under the jurisdiction of that State.

The book addresses that category of provisions as enshrined in the EC regulation No 44/2001, evaluating their scope of application, their conditions of application and their effects. Those heads of jurisdiction fit especially well into the EC regulation No 44/2001. The book emphasises that the principle of free circulation of judgments is the main objective pursued by the regulation and that even the system of provisions about jurisdictional competence must be interpreted in the light of that aim.

In the regulation No 44/2001 the notion of "related actions" may then have two different meanings: some provisions (mainly article 6) recall the connectedness between two claims as a ground for conferring jurisdiction to one court over both claims; article 28 enables the court second seised to stay proceedings while the proceedings in the State first seised come to an end. Even though those provisions operate differently, they pursue two common purposes, namely they aim at preventing the risk of irreconcilable judgments and contribute to procedural economy. The book argues for a broad interpretation of heads of jurisdiction based on connexity, insofar they can lead to improve the sound administration of justice and to avoid conflicting judgments.

However, it must be borne in mind that the regulation No 44/2001 does not consider connexity a general head of jurisdiction. It contains some special provisions about connected claims; those provisions differ from each other for their scope of application ratione materiae and for their procedural requirements. Even the notion of connectedness does not have a uniform meaning in the regulation: every single provision emphasises different functions of the jurisdiction on the ground of connexity. Some provisions are especially aimed at preventing irreconcilable judgments, like article 6(1) of the regulation; others have a wider scope and pursue procedural economy, like article 6(2). However, those heads of jurisdiction are subject to some limits. In particular, the jurisdiction should not be conferred on the ground of connexity, whenever a provision of the regulation inspired by more prominent values (like the protection of the weaker party, the sovereignty of Member States in some matters and the principle of party autonomy) is applicable.

Title: “La connessione attributiva di giurisdizione nel regolamento CE n. 44/2001“, by *Giacomo Biagioni*, CEDAM (Padova), 2011, XIV – 268 pages.

ISBN: 978-88-13-30763-9. Price: EUR 27. Available at CEDAM.

European Parliament’s Draft Report on the Brussels I Review

A Draft Report of the Committee of Legal Affairs of the European Parliament on the *proposal for a regulation of the European Parliament and of the Council on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters* (Brussels I Review) is available here.

H/T: Marie-Elodie Ancel.

Ribstein on NY and the Market for Marriage Law

Readers interested in whether the decision of the state of New York to legalize gay marriage shows that a market for marriage law exists in the United States should see this post of Larry Ribstein over at *Truth on the Market*.

European Parliament's Working Document on the Amendment of the Rome II Regulation

On May 25, 2011, the Committee of Legal Affairs (Rapporteur: Diane Wallis) of the European Parliament has issued a Working Document on the amendment of Regulation (EC) No 864/2007 on the law applicable to non-contractual obligations (Rome II). The Working Paper discusses the desirability to fill the gap in the Regulation on the applicable law to non-contractual obligations arising out of violations of privacy and rights relating to personality.

Readers will recall that *Conflictoflaws.Net* had organized an online symposium on this topic last summer. We are delighted that the Rapporteur found the contributions "thoughtful and thought-provoking", although the range of views expressed had made her task no easier. The Rapporteur made particular mention of the proposal of Professor Jan von Hein, indicating that she found his approach "balanced and reasonable".

World Congress on Procedural Justice in Heidelberg

The International Association of International Procedural Law and the University of Heidelberg are pleased to invite proceduralists from all over the world to the XIV. IAPL World Congress on Procedural Justice.

The reduction and management of an ever-increasing caseload to ensure the effectiveness of proceedings has been at the centre of debates in the area of procedural law for the past decades. Growing globalisation has shifted the focus to the question whether the existing procedural codes are still able to guarantee procedural equality and material justice through proceedings in our transforming

world, whether our traditional criteria for the assessment of a fair trial still suffice or whether they need to be adjusted to the new demands. The XIV. IAPL World Congress aims to discuss these questions with regard to seven areas in which economic and technical globalisation have created new challenges for procedural laws. In addition, an „open-afternoon“ will give participants the opportunity to engage in discussions on other problematic areas of procedural justice.

The Congress will take place in the eldest German university which is situated in the charming city of Heidelberg in the context of the University’s 625th anniversary from **25th to 30th July 2011.**

The program can be found here as well as the list of speakers and further information.

Antisuit Injunctions and International Law

Those interested in antisuit injunctions and/or corporations accountability for human rights violations should not miss Roger Alford’s post on a Second Circuit *amicus brief* addressing the propriety of antisuit injunctions under international law. The *amicus brief* addresses an appeal of Judge Kaplan of the Southern District of New York’s preliminary injunction enjoining Ecuadorians and their lawyers from enforcing the $18 billion Ecuadorian judgment (the so called “Lago Agrio” judgment), concluding that their was a substantial likelihood that Chevron would prevail in its argument that the judgment was procured by fraud.

Australian article round-up 2011: Finance

Continuing the Australian article round-up, readers may be interested in the following three articles raising points about finance:

- **Anthea Markstein, 'The Law Governing Letters of Credit' (2010) 16 *Auckland University Law Review* 138:**

Letters of credit are frequently used to effect payment in commercial transactions where parties are resident in different jurisdictions. While it seems prudent for parties to give careful consideration to the governing law of these contracts, in reality, letters of credit generally make no provision for a governing law. … In attempting to find a governing law in keeping with the commercial expectations of the parties, the courts have endeavoured to apply the same law to all the contracts in the letter of credit transaction (with the exception of the underlying contract). … This article argues that finding a governing law that provides legal certainty and has a close connection to the contract is vital in determining a governing law in the absence of choice in the letter of credit context. Achieving consistency in the governing law across all the contracts, however, is only important where commercial expectations require this outcome. This article suggests that commercial expectations do not require this outcome in the context of freely negotiable letters of credit, and sets out three alternative methods for determining the governing law of a freely negotiable letter of credit. Finding a consistent method with which to determine the governing law of a letter of credit contract is of particular importance given that it is likely to have implications for tortious and restitutionary claims arising in connection with a letter of credit contract.

- **David Chaikin, 'A Critical Examination of How Contract Law is Used by Financial Institutions Operating in Multiple Jurisdictions' (2010) 34 *Melbourne University Law Review* 34:**

Financial institutions operating in multiple jurisdictions are vulnerable to extraterritorial jurisdictional claims, especially under United States anti-money laundering and economic sanctions laws. A survey shows that banks licensed in

Australia have revised their standard form contracts so as to reduce the risks arising from the extraterritorial enforcement of foreign laws. Under the new contracts, customers have purportedly consented ex ante to banks supplying confidential information directly to foreign states and agreed to the freezing of their bank accounts based on a possible breach of foreign law. The contractual provisions are controversial because they circumvent the legal procedures that would otherwise apply in cases of international criminal, civil or regulatory assistance. The legal efficacy and policy implications of the contractual terms are analysed.

- **The Honourable J J Spigelman AC, 'The Global Financial Crisis and Australian Courts' (2010) 84 *Australian Law Journal* 615:**

Nearly two years after the collapse of Lehman Brothers, the effects of the global financial crisis are increasingly discernible in Australian courts. In this speech, Chief Justice Spigelman surveys the range of legal proceedings that have accompanied recent corporate collapses. The litigation discussed is characterised by its complexity, which is partly a consequence of the highly leveraged and interlocked nature of failed companies and investment schemes, and by the significance of cross-border issues. With respect to the latter, the crisis has highlighted the need for cross border judicial co-operation.

Second Issue of 2011's Belgian PIL E-Journal

The second issue of the Belgian bilingual (French/Dutch) e-journal on private international law *Tijdschrift@ipr.be / Revue@dipr.be* was just released.

The journal essentially reports European and Belgian cases addressing issues of private international law, but it also offers academic articles. This issue includes one article by Patrick Wautelet (Liège University) on International Aspects of the

Franchise Contract (*Le contrat de franchise – aspects internationaux*).