



**The Jersey Court Service**

**Judicial Greffe & Viscount's Department**

## *Dégrèvement and Réalisation:* **Information for the Litigant in Person**

This document outlines the legal proceedings known as dégrèvement, setting out the options available to a debtor at each stage of the process. Much has been simplified or omitted, and the laws governing the procedures mentioned must be read, and appropriate professional advice obtained, to obtain an accurate picture of what the law is.

You are advised to obtain legal advice in relation to your particular circumstances.

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## 1. Dégrèvement and réalisation

Dégrèvement is a legal process by which immovable property (e.g. land and buildings) belonging to an insolvent debtor is (typically) transferred to one of the debtor's secured creditors who is willing to become the new owner of such property. The creditor who accepts ownership of the property is known as the "tenant après dégrèvement" and is obliged by law to pay off all privileged and priority claims as well as earlier secured charges on the property. The secured creditors are called in reverse order to the date of their respective secured charges. The secured creditor with the latest charge being called first to accept or renounce ownership of the property. A secured creditor who renounces loses the benefit of his or her secured charge and becomes a simple unsecured creditor.

Realisation is the process by which movable property is sold and the sale proceeds shared among the unsecured creditors.

While the two procedures are frequently discussed and utilised together it is possible for a *dégrèvement* to occur without a *réalisation* (for example where a debtor has no movable assets capable of sale). For this reason, the main focus of this Guide is *dégrèvement*, with the *réalisation* procedure discussed in more detail towards the end.

At the end of the *dégrèvement* (and *réalisation* if there is one) process the debtor is no longer the legal owner of any immovable property (and if there was a *réalisation*, any valuable movable property) but they remain liable to pay all of their outstanding debts that weren't repaid in full during the procedures. The only exception to this rule is where a *dégrèvement* follows a *remise* which was granted by the Court but which subsequently failed because there were insufficient assets to pay all secured creditors.

## 2. Key terminology

A **debtor** is a person (or company) who owes a sum of money to another person or company, who is known as a **creditor**. The debtor will be the **defendant** and the creditor will be the **plaintiff** in legal proceedings.

A **litigant in person** is an individual (or a company acting by its Director), who is either bringing or defending legal proceedings without a legal representative (a solicitor or advocate, usually referred to as a lawyer) giving them advice and acting on their behalf. In the context of *dégrèvement* proceedings, a litigant in person will usually be the debtor, or one of the debtor's unsecured creditors (for example a small business that provided services to the debtor, or friend or family member who has lent the debtor money).

There are two types of property:

- **Immovable** property: houses or other buildings and land
- **Movable** property: any other property, including stocks and shares, money in bank accounts, antiques, jewellery, clothing, cars and motorbikes

There are three categories of debts: secured, priority and unsecured.

- **Secured** debts:
  - those which have been registered in the Public Registry against a debtor's immovable property, either with their consent (for example a loan to purchase property, often referred to as a mortgage) or after a judgment has been ordered against them in court and registered against their property.
  - those created by Security Interest Agreements, either under the old 1983 law or created under the new 2012 law and registered in the Security Interests Register at the Jersey Financial Services Commission.

- **Priority** debts: unsecured debts which a Law says must be paid before others, and include parish rates, social security and tax payments.
- **Unsecured** or **ordinary** debts: every day liabilities including utilities and phone bills, credit cards and overdrafts, and also where a judgment has been made against a debtor, but that judgment has not been registered in the Public Registry.

The Jersey Court system:

- The **Royal Court**, based in the Royal Square, deals with civil claims exceeding £10,000 and sits in public at 2.30pm every Friday afternoon, except at Christmas and Easter, in what is known as the **Samedi Court** (this is because historically the court would sit on a Saturday).
- Jersey's Judiciary is made up of three full time judges, the **Bailiff**, who is the Chief Justice of the Royal Court, the **Deputy Bailiff**, **Lieutenant Bailiff** and by several part time judges known as **Commissioners**. They are the arbiters of law, and have the casting vote where the Jurats are divided on a matter.
- **Jurats** are a distinctive feature of the Jersey legal system and they are the people who decide questions of fact. Jurats are lay members of the Royal Court, as they do not have specialised or professional knowledge of the law.
- **The Viscount** is the Chief Executive Officer of the Island's Courts and the States of Jersey. The Viscount's Department is the executive arm of the Island's Courts and of the States. The Department is therefore principally required to execute orders of the Courts and fulfils the duties of Coroner, administers Désastre and similar proceedings (insolvency administration and investigation), assists the Jurats of the Royal Court, appointed *Autorisé* for the purpose of a Remise, serves legal process and enforces fines and judgments (Court enforcement duties). The Department in its present form was established in 1930.

There are three types of legal documents which start proceedings:

- **Summons**: a short straightforward document, often just one page in length, suitable for only the simplest of claims. A summons is usually posted to a debtor and informs them that they must attend a hearing before the Samedi Division of the Royal Court of Jersey at 2.30pm on a specified Friday.
- **Order of Justice**: most proceedings are started in this way, as it is suitable for all cases (apart from very simple ones). This is a more detailed document, which sets out the plaintiff's case in full. It is addressed to the defendant, and if they defend the claim, is the document that they then reply to, point by point.
- **Representation**: this is a document that is addressed to the Court setting out the details of a situation that exists and asking for the Court's intervention.

There are three types of insolvency procedure which may be relevant to a person with debts:

- **Désastre (bankruptcy)**: a process conducted by the Viscount's Department to gather in and sell an insolvent debtor's assets and to distribute the proceeds. The debtor is discharged from any outstanding debts at the end of the process, apart from any fraudulent or maintenance debts. There are special provisions regarding the matrimonial home (which if invoked and granted may provide protection for a spouse of the debtor). The Law contains powers to ensure that the debtor and creditors are treated in a fair manner (e.g.: the power to set aside transactions at an undervalue, to set aside extortionate credit transactions).
- **Dégrèvement (and réalisation)**: *dégrèvement* is a process to clear secured charges (eg mortgages) from land so that it vests in a new owner (typically one of the secured creditors), known as the *tenant apres dégrèvement*, free (disencumbered) of those secured charges of later in date secured charged held by the new owner. *Réalisation* is a process where any movable property is sold at public auction, with the proceeds shared amongst creditors. The debtor is not discharged from any outstanding debts at the end of either of the processes.

- **Remise:** a privilege given to a debtor owning immovable property who is in financial difficulties in exchange for which they give up all of their property and rights and agree to act only in accordance with the advice of two Jurats who sell all of their property. At the end of the procedure (usually between 6 and 12 months) as long as all of the secured creditors have been repaid in full, and a payment made to unsecured creditors, the debtor will be discharged from any outstanding balances.

### 3. Why would a secured creditor apply for a *dégrèvement*?

When a secured creditor has decided to issue legal proceedings to pursue repayment of a debt, whether due to the amounts owed, period of non-payment, conduct of the debtor, or on any other grounds, they have two options:

- *désastre* (bankruptcy) or
- *dégrèvement* (and possibly also *réalisation*)

While *désastre* is the modern procedure, and the one preferred by the Royal Court, *dégrèvement* can be an attractive route for a secured creditor in certain circumstances, and the frequency of cases has been increasing, particularly since the financial crisis of 2008.

The procedure is relatively quick (around five months from obtaining a judgment to the end of the *dégrèvement*) and at the end of the process the first secured creditor will usually either be repaid in full by a later secured creditor or be the legal owner of the property.

By contrast, in a *désastre* the Viscount's Department has complete control of the property and the sale process, and the creditor will not receive any monies until the property has been sold on the open market by the Viscount, and their costs have been deducted from the sale proceeds, which will invariably take at least one to four years. While the debtor's unsecured debts are crystallised (frozen) as at the date of the *désastre*, secured debts do not crystallise until the date the property is sold. Therefore interest will continue to accrue on secured debts while the property is marketed and sold. While immovable property is not advertised as being for sale by the Viscount, there is a perception that the creditor will benefit from a sale being controlled by the creditor as opposed to the Viscount.

Where a *dégrèvement* occurs there is also a chance that a creditor could make a profit, because if the property is subsequently sold on for a profit, there is no legal obligation on the creditor to return the surplus to the debtor.

#### Implications for a debtor

The main advantage of a *dégrèvement* for the debtor is that they do not face the four years of restrictions that apply when a *désastre* occurs (under Article 24 of the *Désastre* Law, which include being prevented from being a director, executor or juror and from holding public office). However there are two serious disadvantages:

- unlike in a *désastre*, the debtor is not discharged from any outstanding liabilities at the end of the *dégrèvement* or *réalisation* procedures; and
- where a debtor has a spouse with an interest in the property, they cannot benefit from the protections set out in Article 12 of the *Désastre* Law (which give first consideration to keeping the property as a family home).

#### 4. The *dégrévement* procedure

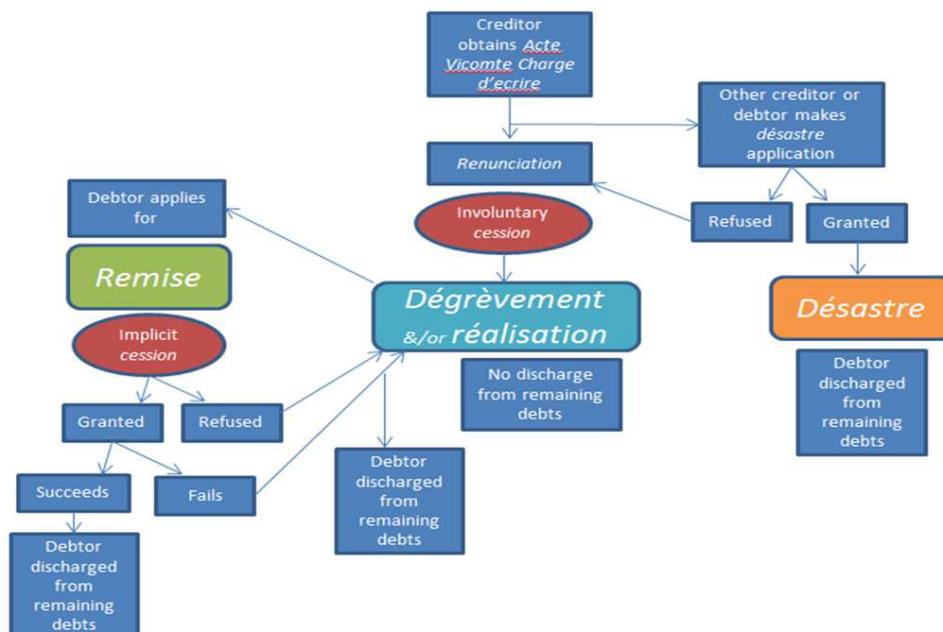
The *dégrévement* hearing is one stage of a sequence of five court applications or hearings, each of which is dealt with in turn below:

1. Judgment
2. *Acte Vicomte chargé d'écrire* application
3. *Renunciation* application
4. *Dégrévement* hearing
5. Confirmation of tenure

##### 4.1 Judgment

The first step is for the creditor to obtain a judgment against the debtor. The debtor will be issued a 'letter before action' or a 'seven-day letter' warning them that unless they repay the debt, or come to an agreement with the creditor within a certain period of time (usually seven days, hence the name) legal proceedings will be issued. If this doesn't happen the creditors (or their legal advisers) will issue and serve a summons on the debtor, requiring them to appear before the Petty Debts Court or the Royal Court on a specified date, usually the following week.

At the hearing, the Court will hear the facts of the case, and decide whether or not to grant judgment. If the debtor is not there the Court will proceed in their absence. Once judgment is entered the Viscount's Department may be instructed to enforce the judgment, to distrain the debtor's assets and make a wage arrest, and the judgment will appear on the debtor's credit rating and in the media.



### What can a debtor do?

Once this stage has been reached, it will only be in exceptional circumstances that a debtor will be able to keep their property, and they have four options:

- Take all necessary steps to obtain a private sale of the property, with the creditor's consent and supervision. A lender is often willing to allow a debtor to have a period of time to attempt to sell the property, particularly in circumstances where a debtor is open and honest with them, and gives permission for their estate agent(s) to discuss the marketing and details of any offers and interest received directly with the lender.
- Make an application to the Royal Court for a *désastre* (bankruptcy)
- Make an application to the Royal Court for a *remise de bien*
- Allow the creditor to proceed to a *dégrévement* hearing in order for them to take legal ownership of the property.

In 2016, the Court of Appeal considered the position of the Royal Court when faced at the same hearing with conflicting applications for a *désastre* and an adjudication of renunciation leading to a *dégrévement*; the Court summarised the differences between the two proceedings;

Whilst the debt owed to a tenant après dégrévement is discharged, other debts continue and this contrasts with the outcome of the *désastre* of an individual under Part 9 of the Bankruptcy (Désastre) (Jersey Law 1990; the modern preference, and thus the starting point, is for a *désastre* rather than a *dégrévement* and in the exercise of judicial discretion that was also the decision on the facts of that case.

A table that lists the key features of the legal procedures of *dégrévement*, *remise* and *désastre* can be found at the end of this Guide.

The debtor should always bear in mind that it is a standard term in most loan agreements that the costs of the legal proceedings are usually added to their debt. It is in the debtor's best interests to take urgent steps to resolve the situation as soon as possible, and to co-operate with the creditor, to avoid any unnecessary costs being incurred.

#### **4.2 Acte Vicomte chargé d'écrire application**

If the debtor has not repaid the debt one month after the judgment was given against them the creditor can make an application to the Royal Court for an *Acte Vicomte chargé d'écrire*. This is an order authorising the Viscount to notify the debtor that if the judgment debt is not paid in full within a further period of two months (in the case of a Royal Court judgment, or within three months for a Petty Debts Court judgment) their property may be adjudged renounced and subjected to a *dégrévement* and/or *réalisation*.

The application is made *ex parte* (meaning that the debtor isn't notified that the application will be made or invited to attend the hearing) and the Royal Court exercises no discretion when hearing it: if there is a judgment debt that has not been paid in full one month after the date of the judgment, the application will be granted.

Once the court order has been made, the Enforcement Officers of the Viscount's Department will be instructed to serve the notice on the debtor. In order to reduce costs the debtor should either go to the Viscount's Department or provide a mutually convenient time and place to meet. If the debtor doesn't do this, the Enforcement Officers will effect service at the first available location, which may be at the debtor's home, work place, or in a public place.

### What can a debtor do?

There is no right of appeal against an *Acte Vicomte chargé d'écrire* unless the underlying debt is somehow flawed or there was a procedural irregularity in obtaining the order.

It is unlikely that the creditor will be willing to permit time for a private sale once this stage has been reached, leaving the debtor with three options:

- Make an application for a *désastre* (bankruptcy)
- Make an application for a *remise de bien*
- Allow the creditor to proceed to a *dégrèvement* hearing

It is essential that the debtor acts promptly at this stage, because once the next step in the legal process has been taken and a renunciation has been ordered, it is no longer possible for the debtor to apply for a *désastre*.

### **4.3 Renunciation application**

If the debtor does not comply with the Viscount's notice and repay the debt, the creditor can make a further application to the Royal Court asking it to adjudge the debtor's property renounced.

The creditor is required to notify the debtor in relation to the renunciation hearing and to be informed of the implications of an order and the alternatives available to them.

The Royal Court has no discretion in relation to the Application. If the debt remains unpaid the Court must order the *dégrèvement* and, if appropriate, the *réalisation* of the renounced property and appoint an *attourné* (two in practice) to administer the procedures. The *attournés* are usually advocates or solicitors engaged by the creditors.

Where a *remise* has been granted by the Court but has then failed, the Royal Court will make an order for *dégrèvement* and/or *réalisation* and the *dégrèvement* procedure will commence from this stage.

### Effect of renunciation

The debtor is still the legal owner of his or her property or assets but the *attournés* have what is known as 'possession and care' of them.

### What can a debtor do?

The order for *renunciation* prevents any application for *désastre* by the debtor or any other creditor, therefore the debtor is left with only the possibility of applying for a *remise de biens* (if they satisfy the criteria, namely that they own immovable property and the value of their assets is more than their secured debts). This application can be made at any time until the debtor's immovable property becomes vested in the *tenant après dégrèvement* at the confirmation of tenure hearing. However, the sooner it is made the more likely it is to succeed, because the legal and administrative costs of the proceedings increase on a daily basis as the *dégrèvement* procedure is conducted. The costs incurred by the *attournés* can be reduced when the debtor co-operates fully with them, and provides any requested information.

#### **4.4 Dégrèvement hearing**

##### **4.4.1 Fix a date**

There are several procedural steps leading up to the hearing, none of which involve the debtor. The first step is for the *attournés* to agree (or 'fix') a date with the Judicial Greffier for the *dégrèvement* hearing. The Law states that this hearing must be not less than four weeks and not more than six weeks after the *renunciation* was ordered, however the Royal Court has a customary right to defer, postpone or adjourn the hearing in appropriate circumstances. There is no requirement for the debtor to be informed of this date, however it will be advertised in the Jersey Gazette section of the Jersey Evening Post (see 4.4.3 below).

##### **4.4.2 État**

No more than 15 days after they were appointed the *attournés* must file a document known as an '*État*' with the Judicial Greffier. This sets out a detailed statement of the debtor's immovable property, and traces who owned it back to 1880.

##### **4.4.3 Notice to creditors**

Secured creditors are personally summonsed to the *dégrèvement* hearing via the Viscount's Department, no less than 4 days before the hearing. Unsecured creditors do not receive individual notice of the hearing, and instead a notice is placed in the Jersey Gazette section of the Jersey Evening Post newspaper on two Saturdays, the last being at least 8 days' before the hearing.

##### **4.4.4 Lodging claims**

All creditors (secured and unsecured) must lodge their claims, together with any supporting evidence, not less than 8 days' prior to the hearing. The *attournés* should lodge a *protêt* (notice of priority claim) for all the costs and expenses they have incurred. Other priority claims include foncier rates, income tax and social security for the previous 12 months, and GST if the debtor is GST registered.

##### **4.4.5 Liste nominative**

No less than eight days before the hearing the *attournés* must file a '*liste nominative*' with the Judicial Greffier. This lists all of the creditors who have been personally summoned to appear at the hearing. The Judicial Greffier then uses this document to prepare a '*Codement*' (Register) for use at the hearing, which also includes a list of all of the *protêts* and priority claims that have been filed.

##### **4.4.6 The *dégrèvement* hearing**

At the hearing the Judicial Greffier calls the creditors beginning with the unsecured creditors as a group and then each of the secured creditors in reverse chronological order. Each creditor is asked whether they accept the debtor's immovable property.

Where a creditor fails to attend, they are deemed to have renounced their claim. Where a person renounces, the underlying debt is unaffected and can be pursued by any other means of enforcement (unless the debtor was subject to a failed *remise de biens*) however the security the creditor had over the property is nullified.

When a creditor accepts the property, they do so subject to all of the earlier charges and they must also repay all privileged and priority claims in full. Once one of the creditors agrees to accept the property subject to these conditions, the *dégrèvement* hearing is concluded.

Example:

Mr and Mrs A purchased 'The House' with a secured charge for a loan from Bank 1 in 2007, then gave a second secured charge to Bank 2 in 2009, and a third secured charge to Bank 3 in 2010. They have unsecured debts due to Jersey Water, Jersey Gas, and a fuel company.

The Judicial Greffier will call Jersey Water, Jersey Gas and the fuel company as a group, and ask whether they accept or renounce the property. If they accept, they are collectively liable to repay Bank 1, Bank 2 and Bank 3, and all of the priority claims that have been filed. If they renounce the property, their debts all remain valid and can be pursued elsewhere.

If the unsecured creditors renounce, the Judicial Greffier will then call Bank 3, and ask whether it will accept or renounce the property. If Bank 3 accepts the property, it is liable to repay Bank 1 and Bank 2 in full and also any priority claims. If it renounces its claim against the property, the underlying debt remains valid and can be pursued elsewhere (either in a *réalisation* if there is one, or at a later date) but the secured charge they held over the property becomes null and void immediately.

If Bank 3 renounces tenure of the property the Judicial Greffier will then call Bank 2, and ask whether it will accept or renounce the property. If Bank 2 accepts the property, it is liable to repay Bank 1 in full and also any priority claims. If it renounces its claim against the property, the underlying debt remains valid and can be pursued elsewhere (either in a *réalisation* if there is one, or at a later date) but the secured charge they held over the property becomes null and void immediately.

If Bank 2 renounces tenure of the property the Judicial Greffier will then call Bank 1, and ask whether it will accept or renounce the property. While in theory Bank 1 could renounce its claim, in reality they will always accept and repay any priority claims.

Unsecured creditors

Where the unsecured creditors accept *tenure* of the property at the *dégrèvement* hearing they take the property as tenants in common in shares proportionate to the amount of their claims. On the application of a co-tenant, the Court can order that the property be sold at auction or by tender, against the wishes of one or more of the co-owners, and distribute the proceeds between them.

Record of tenure

Shortly after the hearing the Judicial Greffier prepares a 'record of tenure' of the proceedings, which states that all subsequent secured charges and contracts are renounced, and charges the creditor who accepted the property, who is known as the *tenant après dégrèvement*, to honour all contracts and pay all secured charges of an earlier date relating to the property, and any privileged and priority claims.

The record is delivered to the *attournés* so that that creditor can be summonsed to appear before the Samedi Division of the Royal Court to have the record of tenure confirmed.

Subrogation

The *tenant après dégrèvement* may subrogate or assign their rights and liabilities as *tenant* to another party. This generally happens where a financial lender is the *tenant* and wishes to transfer the property to a subsidiary or to a third party as part of a commercial transaction. There is no stamp duty payable on a property transfer of this type, however, it can only be effected at the *dégrèvement* hearing, or more commonly at the confirmation of tenure hearing.

#### 4.4.7 Confirmation of tenure

The *attournés* and the creditor who accepted the property will appear before the Samedi Division of the Royal Court (which sits at 2.30pm on a Friday afternoon). The Royal Court will then confirm the record of tenure, which results in the debtor's ownership of the property being terminated and the creditor becoming the *tenant après dégrèvement* (owner). The confirmation of tenure marks the end of the *dégrèvement* procedure, and the *attournés* are automatically discharged from their roles.

The debts that must be paid by the *tenant après dégrèvement* are a personal obligation, and the generally accepted view is that the *tenant* should repay all subsequent secured charges and priority debts immediately. This obligation is limited to a period of three years of *rentes* and interest on hypothecated amounts.

### 5. What happens next: eviction of occupant(s)

Although the debtor is no longer the legal owner of the property, unless they agree to leave the property they cannot be removed by the new owners without an eviction order. If the debtor refuses to leave the *tenant* will have to issue an Order of Justice in the Samedi Division of the Royal Court seeking an order for eviction, which will be carried out by the Viscount's Department.

If a person is living in the property with an unregistered lease (a lease of less than 9 years duration) this lease is extinguished by the *dégrèvement* proceedings, however if they refuse to leave the *tenant* will have to issue eviction proceedings in the Petty Debts Court to force them to go.

A lease which is registered in the Public Registry (a lease of over 9 years duration) will often contain a contractual provision in anticipation of a *dégrèvement*, which purports to provide that the lease will be held good and valid in the event of a *dégrèvement*.

### 6. Réalisation

*Réalisation* is a procedure where the debtor's movables are sold at public auction following a *renunciation*. A creditor will not necessarily seek a *realisation* because the debtor may not own any valuable movable property. Two thirds of the *renunciation* orders made since 1990 have included an order for *réalisation* however, there is no record of any monies having been available for distribution to creditors during this period.

#### 6.1 The application

The creditor will generally make an application for an order for *réalisation* at the *renunciation* application before the Royal Court, although the application can also be made at a later date. The Royal Court will appoint two *attournés* to conduct the *réalisation* (these will be the same as the *attournés* appointed in the *dégrèvement*).

The application will often seek an order that the Viscount be authorised to assist the *attournés* to access and secure the debtor's renounced property. If the *attournés* also want to ask for orders requiring the debtor to provide information, the debtor must be summonsed to appear.

#### 6.2 The réalisation process

The *attournés* will take possession and make an inventory of the debtor's movables. Certain items are protected, including the debtor's bed and bedding, necessary clothing and tools of the trade. The *attournés* may also issue proceedings to recover debts owed to the debtor.

If the debtor doesn't co-operate with the *attournés*, enforcement officers from the Viscount's Department will seize the items without the debtor's co-operation. The costs of this exercise will be deducted from the money received from the sale of the movable assets, and therefore further increase the total amount of the debts.

The movables are sold at public auction, and the proceeds of sale are lodged with the Treasurer of the States of Jersey. The *attournés* advertise in the Jersey Gazette section of the Jersey Evening Post on at least two consecutive Saturdays inviting claimants to file their claims with the Judicial Greffier within a month of the first advertisement appearing. Secured and priority creditors must specifically claim their rights to such status.

After the claims have been filed there is then a 15 day period where creditors or interested parties can examine the list of claims filed, on payment of a small fee, and may make objection to the same. If any objection is raised, the *attournés* must summons, with at least 4 days' notice, the objecting creditor and the creditor making the contested claim to appear before the court for adjudication of the claim. Costs of this adjudication may be borne by any one of the parties, or from the sums held, at the discretion of the Court.

Once the claims have been proved and settled, the Judicial Greffier distributes the net proceeds of sale of the movables. The costs of the procedure are paid first (including the Judicial Greffier's and *attournés*' charges), then the priority or preferential creditors, followed by the balance (if any) being distributed to the remaining unsecured creditors, *pro rata* to their claims. Creditors who previously held legal or judicial secured charges over the immovable property do not have any preference in this distribution.

Any debts remaining unpaid at the end of the process are not null and void, and the creditor can pursue the sums due from the debtor by other means at a later date (unless the debtor was the subject of a failed *remise*).

## 7. Comparison of the effects of the three procedures

|                | <i>Dégrèvement</i>  | <i>Remise</i>  | <i>Désastre</i>  |
|----------------|---|--|--|
| Debts cleared? | <b>NO:</b><br>Any unpaid debts remain due and owing   | <b>YES:</b><br>All debts are written off at the end of process   | <b>YES:</b><br>All debts are written off at end of the process   |
| Commenced by   | Creditor  | Debtor   | Creditor or debtor   |
| Controlled by  | Process controlled by creditor  | Process controlled by the Jurats, with the assistance of the Viscount's Department   | Process controlled by the Viscount's Department  |
| Length         | Judgment to confirmation of tenure is usually approximately 5 months. However further proceedings for eviction may then follow and the creditor will then begin to take steps to market and sell the property, so the debtor will not be aware of the outstanding balance of their debt that is remaining for a substantial period of time after conclusion of the formal <i>dégrèvement</i> procedure. | The process (which includes the sale of the property and settlement of debts) will usually be up to a maximum of one year. It is possible for a <i>remise</i> to be granted but to subsequently fail because this time limit has been passed. If this occurs a <i>dégrèvement</i> will follow. | Usually four years, but this time period can be reduced or extended on an application to the Royal Court. It is possible for the Viscount's Department to make payment of interim dividends before the <i>désastre</i> is concluded. |
| Costs          | Can be a very costly process. <i>Attournés</i> costs in the last ten years have usually been between £4,000 and £6,000. Many cases have been substantially higher, with five costing between £15,000 and £21,000.   | Due to the use of experienced professionals and the time scale, costs are relatively low.  | The Bankruptcy Law provides for costs of up to 10% of the value of assets received and 2.5% of the funds distributed to creditors. However, costs are assessed by the Viscount on a case by case basis.                              |

The Royal Court has clearly stated its preference for modern insolvency procedures over ancient ones, such as *remise* and *dégrévement*, unless it is a simple case or the interests of justice require otherwise. In a 2014 case where the applicant applied for a remise during the course of Dégrévement proceedings the Royal Court stated that:

*'The Court should endeavour to order a désastre, even if it is more costly as a procedure, unless it can be shown to be in the interest of justice that the older remise procedure should be used, or ... there was some good or sound reason to do so.... unless it was to avoid the real injustices that can flow from a dégrévement.'*

## 8. Sources of further information and advice

### Related guides and handbooks published by The Jersey Court Service, Judicial Greffe and Viscount's Department

- A Guide to the Bankruptcy (Désastre) (Jersey) Law 1990
- *Remise de biens*: A Guide for the Litigant in Person
- A Guide for the Litigant in Person: Part 1 - Litigation in the Royal Court
- A Guide for the Litigant in Person: Part 2 - Pleadings through to Trial
- *Dégrévement and réalisation*: A Guide for the Litigant in Person

## 9. Useful contacts

Bailiff's Chambers  
Bailiff's Judicial Secretary  
Address: Bailiff's Chambers, Royal Square, St Helier JE1 1BA  
Telephone: 01534 441100  
Email: [bailiffschambers@gov.je](mailto:bailiffschambers@gov.je)

Citizens Advice Bureau  
Address: St Paul's Centre, New Street, St Helier, JE2 3WP  
Website: [www.cab.org.je](http://www.cab.org.je)  
Telephone: 0800 735 0249 or 724942  
E-mail: [advice@cab.org.je](mailto:advice@cab.org.je)

Community Mediation Service  
Website: [www.jerseylaw.je/Mediation/Community/Information.aspx](http://www.jerseylaw.je/Mediation/Community/Information.aspx)

Jersey Family Mediation Service  
Address: Suite 7, Boune House, Francis Street, St Helier JE2 4QE  
Website: [www.fmj.je](http://www.fmj.je)  
Telephone: 01534 638898  
E-mail: [info@fmj.je](mailto:info@fmj.je)

Institute of Law  
Website: [www.lawinstitute.ac.je](http://www.lawinstitute.ac.je)

Jersey Advisory and Conciliation Service  
Address: Trinity House, West Centre, Bath Street, St Helier JE2 4ST  
Website: [www.jacs.org.uk](http://www.jacs.org.uk)  
Telephone: 01534 730503  
E-mail: [jacs@jacs.org.uk](mailto:jacs@jacs.org.uk)

Jersey Courts – On Online Resource for the Royal Court of Jersey  
Website: [www.jersecourts.je](http://www.jersecourts.je)

Jersey Financial Services Commission

Website: [www.jerseyfsc.org](http://www.jerseyfsc.org)

Jersey Legal Information Board

Website: [www.jerseylaw.je](http://www.jerseylaw.je)

Judicial Greffe

Address: Royal Court House, Royal Square, St Helier JE1 1JG

Telephone: 01534 441300

E-mail: [jgreffe@gov.je](mailto:jgreffe@gov.je)

Legal Aid

Website: [www.legalaid.je](http://www.legalaid.je)

Telephone: 0845 800 1066

E-mail: [email@legalaid.je](mailto:email@legalaid.je)

Viscount's Department

Address: Morier House, Halkett Place, St Helier JE1 1DD

Website: <http://www.gov.je/Government/NonexecLegal/Viscount/Pages/index.aspx>

Telephone: 01534 441400

E-mail: [viscount@gov.je](mailto:viscount@gov.je)