



**ARIZONA SUPREME COURT  
ORAL ARGUMENT CASE SUMMARY**



**State of the Netherlands v. MD Helicopters, Inc., CV-20-0112-PR**

**PARTIES:**

*Petitioner:* MD Helicopters, Inc.

*Respondent:* The State of the Netherlands

**FACTS:**

In 2001, the Netherlands' national police agency entered into a contract to purchase helicopters from a subsidiary of MD Helicopters which in turn guaranteed the subsidiary's performance. The subsidiary did not timely deliver the helicopters. MD Helicopters eventually sued the national police in courts in the Netherlands; the national police counterclaimed. The Dutch court found in favor of the national police and entered a judgment for almost € million in damages. The Dutch appellate court affirmed, but increased the amount owed by MD Helicopters to approximately €5.8 million (the "Judgment"). The national police agency eventually assigned the Judgment to the State of the Netherlands.

In August 2015, the Netherlands sued MD Helicopters in Maricopa County Superior Court, seeking to domesticate the Judgment under Arizona's Foreign-Country Money Judgments Recognition Act, A.R.S. §§ 12-3251 to -3254 (the "FCMJRA" or the "Act"). The Netherlands argued that the Judgment could be domesticated in Arizona because under A.R.S. § 12-3252(B)(2), the Judgment originated from a "foreign country" that had "adopted or enacted a reciprocal law related to foreign-country money judgments that is similar to" the Act. The trial court agreed and domesticated the Judgment; MD Helicopters appealed.

The court of appeals held that a "reciprocal law" under A.R.S. § 12-3252(B)(2) was not limited to "a treaty, statute or other codified law," but instead could "include caselaw and court practice." *State of Netherlands v. MD Helicopters Inc.*, 248 Ariz. 533, 539 ¶ 16 (App. 2020). The court noted that Dutch Code of Civil Procedure Article 431 seemed "to foreclose recognition and enforcement of foreign-country judgment." *Id.* at 541 ¶ 23. But, the court stated that the "Dutch courts have for nearly a century interpreted Article 431 only to restrict automatic enforcement of a foreign-country money judgment, not its recognition." *Id.* ¶ 24.

The court of appeals outlined the "four requirements" under Dutch law for recognition of foreign judgments and stated that the "parallels between the Dutch courts' recognition procedure and the procedures implemented by the Act are similar." *Id.* at 542 ¶ 25. Thus, the court of appeals concluded that, "[g]iven these similarities, the Netherlands has 'enacted or adopted a reciprocal law related to foreign-country money judgments that is similar to the Act.' A.R.S. § 12-3252(B)(2)." *Id.* ¶ 26 (alteration omitted).

The court rejected MD Helicopter’s argument that “because the Netherlands is a civil law jurisdiction, caselaw is merely an interpretation of statutory law, and does not, in contrast with common-law jurisdictions, carry the binding authority of precedent.” *Id.* ¶ 27 (citation and quotation marks omitted). The court conceded that it “is true that someday a Dutch court could refuse to apply the accepted, near-century-old process for recognizing foreign-country judgments,” but instead held that the Act “requires a court to consider the state of the law within the foreign country at the time of filing the petition to recognize.” *Id.* at 543 ¶ 27. The court of appeals concluded that if “the current law of the foreign country contains a reciprocal means of recognizing a foreign-country money judgment that is ‘similar to’ the Act,” that is “sufficient” for purposes of A.R.S. § 12-3252(B)(2). *Id.* Thus, the court of appeals affirmed trial court’s domestication of the Dutch Judgment against MD Helicopters.

**ISSUE:**

Does the FCMJRA’s reciprocity clause require a corresponding legislative act by the foreign country, or do court decisions and practices in the foreign country suffice to establish reciprocity?

**STATUTES:**

In relevant part, A.R.S. § 12-3252 provides:

A. This chapter applies to a foreign-country judgment that grants or denies the recovery of a sum of money and, under the law of the foreign country where rendered, is final, conclusive and enforceable.

B. Notwithstanding subsection A of this section, this chapter does not apply to a judgment that either:

1. Grants or denies the recovery of a sum of money if it is any of the following:

(a) A judgment for taxes.

(b) A fine or other penalty.

(c) A judgment for divorce, support or maintenance or other judgment rendered in connection with domestic relations.

2. Originates from a foreign country that has not adopted or enacted a reciprocal law related to foreign-country money judgments that is similar to this chapter.

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