

The defendants maintain that Citibank discontinued its presence in the Virgin Islands in 1999 and that Citigroup is merely a holding company that "does not have and never has had any assets, offices or employees in the Virgin Islands." In addition, the defendants insist that the events giving rise to this cause of action have no connection with the Virgin Islands. (Mem. of Law in Support of Defs.' Mot. to Dismiss at 6-9.) The plaintiffs counter that the defendants are currently doing business in the Virgin Islands and that this Court has jurisdiction over the defendants under the Virgin Islands' Long-Arm Statute. The plaintiffs insist that the defendants' depiction of Citigroup as a "holding company" is belied by Citigroup's public disclosures that the plaintiffs claim do not identify Citibank as a separate subsidiary or affiliate of Citigroup. (Pls.' Mem. Of Law in Opp'n to Mot. to Dismiss at 16-24.)

I agree with the plaintiffs and find that this Court has personal jurisdiction over the defendants under the Virgin Islands Long-Arm Statute and that, under the United States Constitution, the defendants have had enough "minimum contacts" with the Virgin Islands to require them to defend a lawsuit in this jurisdiction. This Court sitting in diversity exercises personal jurisdiction over a non-resident defendant pursuant to the forum's long-arm statute and in compliance with the Due Process Clause of the Fourteenth Amendment's "minimum contacts" requirement. See *In re Tutu Wells Contamination Litig.*, 846 F.Supp. 1243, 1264 (D.Vi.1993) (citing *International Shoe Co. v. Washington*, 326 U.S. 310, 66 S.Ct. 154, 90 L.Ed. 95 (1945)). When a defendant moves under Rule 12(b)(2) to dismiss for lack of personal jurisdiction, the plaintiff must make a *prima facie* showing of sufficient contacts between the defendant and the forum territory to support *in personam* jurisdiction, see *Mellon Bank (East) PSFS Nat'l Ass'n v. Farino*, 960 F.2d 1217, 1223 (3d Cir.1992), and the court must accept all of the plaintiff's allegations as true and construe disputed facts in favor of the plaintiff, see *Carteret Sav. Bank, FA v. Shushan*, 954 F.2d 141, 143 n. 1 (3d Cir.1992). The nature of these contacts must be such that the defendant should be reasonably able to anticipate being haled into court in the forum state. See *Worldwide Volkswagen Corp. v. Woodson*, 444 U.S. 286, 297, 100 S.Ct. 559, 62 L.Ed.2d 490 (1980).

1. THIS COURT HAS PERSONAL JURISDICTION OVER THE DEFENDANTS UNDER THE VIRGIN ISLANDS LONG-ARM STATUTE

The Virgin Islands long-arm statute, 5 V.I.C. § 4903, provides, in relevant part:

(a) A court may exercise personal jurisdiction over a person, who acts directly or by an agent, as to a claim for relief arising from the person's (1) transacting any business in this territory; (3) causing tortious injury by an act or omission in this territory; (4) causing tortious injury in this territory by an act or omission outside this territory if he regularly does or solicits business, or engages in any other persistent course of conduct, or derives substantial revenue from goods used or consumed or services rendered, in this territory

5 V.I.C. § 4903. Under subsection (a)(1), the term "transacting any business" can be satisfied by "only a single act which in fact amounts to the transaction of business within a state or territory." *Guardian Ins. Co. v. Bain Hogg Int'l Ltd.*, Civ. No.1996-180, 2000 WL 1690315, **2-3, 2000 U.S. Dist. LEXIS 17184 at *8 (D.V.I. October 26, 2000) (quoting *Godfrey v. International Moving Consultants, Inc.*, 18 V.I. 60, 66-67 (D.V.I.1980)). It is sufficient, therefore, that Citibank entered into a contract with a Virgin Islands resident, and that the defendants solicited the plaintiffs—while they were in the Virgin Islands—to borrow \$10 million to invest in the AIG-managed fund.

With respect to the relationship between Citibank and Citigroup and the relationship between the defendants and the plaintiffs, I find that the plaintiffs have established that Citibank and Citigroup are sufficiently linked. For example, Citigroup's website plainly states that it does business through Citibank and other units throughout the world. Indeed, during oral argument on these motions, the defendants presented a letter sent to Epstein concerning the loans, identifying the two as linked together as "Citigroup, private bank" and "The Citigroup Private Bank, Citibank, N.A." At least at this preliminary stage, I find that Citibank and Citigroup are involved in the subject matter of this litigation. Accordingly, I conclude that this Court has jurisdiction under the Virgin Islands Long-Arm Statute over *both* the defendants.

2. THE DEFENDANTS' "MINIMUM CONTACTS" IN THE VIRGIN ISLANDS MEET THE CONSTITUTION'S DUE PROCESS REQUIREMENTS

In addition to finding jurisdiction under this forum's long-arm statute, I must also determine whether the defendants' conduct here in the Virgin Islands rises to the level of "minimum contacts" as required by the Constitution. The Due Process Clause of the Fourteenth Amendment requires that a court determine whether a defendant had the "minimum contacts" with the forum necessary for the defendant to have "reasonably anticipated being haled into court there." *World-Wide Volkswagen*, 444 U.S. at 297, 100 S.Ct. 559. A finding of minimum contacts demands the demonstration of "some act by which the defendant purposely availed itself of the privilege of conducting business within the forum State, thus invoking the protection and benefits of its laws." *Pennzoil Prods. Co. v. Colelli & Assocs., Inc.*, 149 F.3d 197, 203 (3d Cir.1998). A plaintiff can meet this burden in one of two ways: by establishing specific or general jurisdiction over a defendant. *Mesalic v. Fiberfloat Corp.*, 897 F.2d 696, 699 (3d Cir.1990). A court's general jurisdiction "is based on the defendant's general business contacts with the forum [territory] and permits a court to exercise its power in a case where the subject matter of the suit is unrelated to those contacts." *Metropolitan Life Ins. Co. v. Robertson-Ceco Corp.*, 84 F.3d