



9100 Havensight  
Port of Sale, Suite 15-16  
St. Thomas, VI 00802

Erika A. Kellerhals  
[Redacted]

August 25, 2011

Ms. Sandra Bess  
Compliance Officer  
Economic Development Authority  
5055 Norre Gade  
St. Thomas, VI 00802

Re: EDC Residency Requirements for Employees and Owners

Dear Ms. Bess:

My client, Financial Trust Company, Inc. forwarded your correspondence dated August 15, 2011 to me for review. This correspondence is directed toward the statement requesting clarification on Mr. Epstein's residency during the period March 31, 2010 through March 31, 2011. Specifically you requested that FTC clarify Mr. Epstein's being reported as a resident during that period as "Mr. Epstein was not domiciled in the Virgin Islands".

We have thoroughly reviewed the rules, regulations and case law dealing with the concept for residency under 29 V.I.C. §703(e) and under the relevant provisions of the Internal Revenue Code and have found that Mr. Epstein maintained both a domicile and a residence in the USVI for the period 1999 through 2011 and such determination is not impacted by his incarceration.

Please do not hesitate to contact me if you have any questions.

Very truly yours,

Erika Kellerhals

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