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USVI Wants at Least \$190M in Damages from JPMorgan, Payments to Victims of Jeffrey Epstein, and Structural Change at Bank

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At least \$190 million. That's how much the U.S. Virgin Islands is seeking in its lawsuit against JPMorgan, as the territory seeks to hold America's largest bank accountable for allegedly facilitating Jeffrey Epstein's criminal sex trafficking ring by doing nothing even while senior executives were raising questions about whether the bank should retain him as a client.

In their latest legal filing on Friday, this money would be in addition to damages the bank would pay directly to Epstein's victims. A [previous lawsuit](#) along similar lines by an unnamed woman ended in a \$290 million settlement for the Jane Doe; however the legal battle between the Virgin Islands and the bank is expected to go to trial in late October.

Apart from the money, the USVI wants a court injunction “to prevent JPMorgan from participating in sex trafficking ventures in the future and to protect and prevent potential future victims of traffickers,” according to a letter written to Judge Jed Rakoff, the Southern District of New York judge presiding over the case. The U.S. territory also wants the court to order structural changes at the bank, including the separation of the organization's business functions from its compliance duties. Additionally, the USVI wants JPMorgan to be required to hire independent consultants on compliance, who will focus on preventing human trafficking, as well as overcoming the “economic incentives to underreport suspicious activity.” The territory further seeks to ensure that bank employees who have [personal relationships](#) with private banking clients to be barred from participating in business decisions about whether the bank should keep those clients or sever the banking relationship.

“We are pursuing this enforcement action because JPMorgan Chase’s institutional failure enabled Jeffrey Epstein’s sex trafficking, and JPMorgan Chase must make significant changes to detect, report and stop human trafficking,” said USVI Attorney General Ariel Smith. “Financial penalties, as well as conduct changes, are important to make sure that JPMorgan Chase knows the cost of putting its own profits ahead of public safety.” The bank, the territory claims, made at least \$40 million over the life of its business relationship with Mr. Epstein, not including the value of the introductions of “high profile individuals” to the bank, including Prince Andrew, Lord Peter Mandelson, and “connecting JPMorgan with the Gates Foundation.”

The almost \$200 million in civil penalties being pursued, the territory says, are “consistent with the duration, egregiousness, and impact of JPMorgan’s violation,” according to the USVI’s letter to Judge Rakoff. The territory relied on the testimony of several expert witnesses to shape the request for damages and other enforcement actions, including former U.S. Securities and Exchange Commission Commissioner Robert Jackson Jr.

A JPMorgan spokesperson said that the USVI’s request did not align with previous conversations regarding a potential settlement. The territory’s theories about damages are being challenged by the bank in court.

JPMorgan has consistently held that it was not responsible for Mr. Epstein’s crimes, and has pointed the finger right back at the USVI, saying it is the territory who was at fault, outlining a [massive influence](#) scheme headed by former First Lady Cecile DeJongh, who worked for one of Mr. Epstein’s companies in the territory while she was married to the territory’s governor at the time John DeJongh.