IN THE SUPERIOR COURT
OF THE VIRGIN ISLANDS
FILED
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ST-2025-CV-00151
TAMARA CHARLES
CLERK OF THE COURT

IN THE SUPERIOR COURT OF THE VIRGIN ISLANDS
DIVISION OF ST. THOMAS AND ST. JOHN

DORCHESTER INSURANCE COMPANY and JANAK RAMCHANDANI, Plaintiffs,	)	**Case No. ST-2025-CV-00151**
vs.	)	**ACTION FOR DAMAGES**
RENZO R. ODIOTT, Defendant.	)	**JURY TRIAL DEMANDED**

Cite as 2026 VI Super 35

MEMORANDUM OPINION

¶1 **THIS MATTER** is before the Court on a Motion to Dismiss filed on October 30, 2025, by Defendant Renzo R. Odiott ("Defendant"). Plaintiffs Dorchester Insurance Company and Janak Ramchandani ("Plaintiffs") oppose this Motion.[1] For the reasons set forth herein, the Court will grant Defendant's Motion to Dismiss.

FACTUAL AND PROCEDURAL HISTORY

I. Factual History

¶2 On March 22, 2021, Plaintiff Janak Ramchandani's 2018 Toyota RAV4 was allegedly being driven by a family member, Sahil Ramchandani, in St. Thomas, Virgin Islands where the vehicle was allegedly turning from Rue de Barthelemy onto Veterans Drive at or around 12:40

[1] Also pending before the Court is Defendant's Motion to Stay Discovery Pending Ruling on Motion to Dismiss; Plaintiffs Motion for Ruling; and Plaintiffs' Motion for Summary Judgment. Since the Court has now ruled on the dispositive Motion to Dismiss, the Motion to Stay is rendered moot, the Motion for Ruling will be denied, and the Motion for Summary Judgment need not be reached.

a.m.[2] It is further alleged that a 2002 Jeep Liberty owned by Defendant Odiott and driven by Ramon Anthony ran a red light on Veterans Drive, resulting in a collision that allegedly totaled Plaintiff Ramchandani's vehicle.[3] The investigating officer allegedly concluded that the driver of Defendant Odiott's vehicle was at fault for failure to obey the traffic signal at the intersection of Veterans Drive and Rue de Barthlemy.[4] It is also alleged that Plaintiff Ramchandani's Toyota RAV4 was insured by Plaintiff Dorchester, that the damages sustained by Plaintiff Ramchandani were allegedly borne by Plaintiff Dorchester pursuant to the applicable insurance agreement, and that Plaintiff Dorchester allegedly paid for those damages and, under the terms of that agreement, is legally permitted to subrogate Ramchandani's claims.[5]

II. Procedural History

¶3 Plaintiffs filed a complaint on April 23, 2025, alleging negligence against Defendant Odiott.[6] The Summons and Complaint were served upon Defendant on May 21, 2025. On June 9, 2025, Defendant answered the Plaintiffs' Complaint. In his Answer, Defendant, submitted the following affirmative defenses: (1) The Complaint failed to state a claim upon which relief could be granted; (2) Plaintiffs' right to damages in this action was barred by the doctrine of contributory and/or comparative negligence; (3) Plaintiffs' right in this action was further barred by the doctrine of accord and satisfaction, as Plaintiff Dorchester was fully aware of the situation at hand at the time it paid the claim, and such payment resolved any alleged obligation; and (4) Plaintiffs' right to damages in this action was also barred by the doctrine of contributory negligence.[7] A joint

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[2] Pls' Compl. ¶ 6.
[3] *Id.* ¶ 7
[4] *Id.* ¶ 8.
[5] *Id.* ¶ 8-11.
[6] *Id.* ¶ 12-18.
[7] D.'s Answer at 2.

scheduling order was submitted on July 15, 2025, and the order was signed by the Court on July 18, 2025.

¶4 All initial disclosures pursuant to V.I. R. Civ. P. 26(a) were to be served on the parties not later than July 31, 2025; all dispositive motions except for motions challenging subject matter jurisdiction or *Daubert/Kuhmo* motions were to be filed and served no later than January 23, 2026. Plaintiffs filed their notice of service in regard to Rule 26 disclosures on July 25, 2025, the same day it served its Initial Discovery Disclosures on Defendant. On September 3, 2025, Plaintiffs filed a Motion to Compel Initial Discovery Disclosures. On October 9, 2025, the Court ordered Defendant to file and serve their Rule 26 disclosures within fifteen (15) days of entry of the order, which would have been October 25, 2025.

¶5 On October 30, 2025, Defendant filed a Motion to Dismiss pursuant to V.I. R. Civ. P. 12(b)(6) in which Defendant claims that Plaintiffs failed to state a claim upon which relief can be granted because the claim's statute of limitations has expired.[8] The Defendant claims a two-year statute of limitation applies pursuant to 5 V.I.C. §31(5)(A), and that when the case was filed it had been four years and 29 days from the accident.[9] Plaintiffs filed their response to the Motion to Dismiss on November 14, 2025, where Plaintiffs claim the action is not time barred because they are proceeding via a contractual right rather than a claim sounding in tort.[10] Therefore, Plaintiffs claim a six-year statute of limitations applies.[11]

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[8] D.'s Mot. to Dismiss at 2. The Court notes that Defendant's substantive "Motion to Dismiss" was filed after the Defendant had already answered; therefore, the Court will treat the Motion to Dismiss as a motion for judgment on the pleadings pursuant to V.I. R. Civ. P. 12(c). *See Bryan v. Fawkes*, 61 V.I. 416, 467 n.30 (V.I. 2014) (noting that "the substance of a motion, and not its caption, shall determine under which rule that motion is construed" (internal citations omitted)); *see also Infra* ¶7.

[9] *Id.*

[10] Pls' Opp'n to Mot. to Dismiss at 2.

[11] *Id.*

¶6 On December 3, 2025, Plaintiffs filed a Motion for Ruling where they requested the Court issue an order awarding attorney fees to Plaintiffs for Defendant's failure to comply with the initial disclosure order.[12] That same day Plaintiffs also filed a Motion for Summary Judgment. Then on December 9, 2025, Defendant filed a Motion for Protective Order and to Stay Discovery Pending a Ruling by the Court on Defendant's Motion to Dismiss and Incorporated Opposition to Plaintiffs' Request for Attorney's Fees and Expenses. Plaintiffs responded to this motion on December 30, 2025. On March 16, 2026, the Court ordered a Post Mediation Status Conference and hearing on all outstanding Motions on Monday, April 13, 2026. Plaintiffs filed a Motion for Grant of Summary Judgment on March 20, 2026. Defendant filed their Opposition to Plaintiffs' Motion for Summary Judgment on April 28, 2026. Plaintiffs filed their Reply to Defendant's Opposition on April 29, 2026.

LEGAL STANDARDS

I. Failure to State a Claim

¶7 V. I. R. Civ. P. 12(b)(6) allows dismissal for failure to state a claim upon which relief can be granted. The Virgin Islands is a notice pleading jurisdiction for purposes of stating a claim. V.I. R. Civ. P. 8 (a)(2). The purpose of the notice pleading standard is to avoid "dismissals of cases based on failure to allege specific facts which, if established, plausibly entitle the pleader to relief." V.I. R. Civ. P. 8 Reporter's Note; *Mills-Williams v. Mapp*, 67 V.I. 574, 585 (V.I. 2017). Statute of limitations is an affirmative defense under V.I. R. Civ. P. 8(c)(1), so it should be raised under Rule 12(b)(6) in a motion to dismiss for failure to state a claim upon which relief can be granted, rather than one under Rule 12(b)(1) for lack of subject-matter jurisdiction. *Palton v. V.I. Gov't Hosp. &*

[12] Pls' Mot. for Ruling at 1.

Health Facilities Corp., 2026 VI 4, ¶ 19, No. S.CT.CIV. 2023-0029, 2026 WL 810941, at *6 (Mar. 23, 2026). Pursuant to V.I. R. Civ. P. 12(h)(2), a party who did not initially file a Rule 12(b)(6) motion at the outset of the litigation can still raise a failure to state a claim defense later in the litigation and have it styled as a V.I. R. Civ. P. 12(c) motion for judgment on the pleadings. In this scenario, Rule 12(c) serves as an auxiliary procedural device to test the legal sufficiency of a case in its early stages and conserve judicial resources. *See Bruni v. Alger*, 2019 VI SUPER 90, ¶ 5 (V.I. Super. 2019) (internal citations omitted). In this scenario, essentially, "the Court reviews a motion for judgment on the pleadings for failure to state a claim under the same standard that applies to a motion to dismiss under V.I. R. Civ. P. 12(b)(6)." *Id.* (internal citations omitted).

DISCUSSION

I. Plaintiffs have failed to state a claim upon which relief can be granted because Plaintiffs' claim is time barred by the applicable statute of limitations.

1. Subrogation Banks Analysis.

¶8 Since the creation of the Virgin Islands Supreme Court, there has not been a full review of the doctrine of subrogation. However, the Virgin Islands Supreme Court did briefly describe the doctrine in *Joseph v. Inter-Ocean Ins. Agency Inc.*, in which The Virgin Islands Supreme Court noted that "[s]ubrogation is an equitable right. By definition, subrogation can arise only with respect to the rights of an insured against third persons to whom the insurer owes no duty." 59 V.I. 820, 826 (2013). This understanding of subrogation is consistent with general understanding of subrogation.

> Subrogation" is the substitution of another person in place of the creditor to whose rights he or she succeeds in relation to the debt, and gives to the substitute all the rights, priorities, remedies, liens, and securities of the person for whom he or she is substituted.

16 Couch on Ins. § 222:5; SUBROGATION, Black's Law Dictionary (12th ed. 2024) ("**subrogation** (səb-rə-gay-shən) n. (15c) 1. The substitution of one party for another whose debt the party pays, entitling the paying party to rights, remedies, or securities that would otherwise belong to the debtor. • For example, a surety who has paid a debt is, by subrogation, entitled to any security for the debt held by the creditor and the benefit of any judgment the creditor has against the debtor, and may proceed against the debtor as the creditor would.").

¶9 Subrogation by its very nature is purely derivative. "A subrogated insurer stands in the shoes of an insured and has no greater rights than the insured, or one cannot acquire by subrogation what another, whose rights he or she claims, did not have." 16 Couch on Ins. § 222:5.

¶10 A *Banks* Analysis requires that

> [when] addressing issues of Virgin Islands common law, this Court—and courts addressing issues of Virgin Islands common law that this Court has yet to address—must engage in a three-factor [*Banks*] analysis: first examining which common law rule Virgin Islands courts have applied in the past; next identifying the rule adopted by a majority of courts of other jurisdictions; and then finally—but most importantly—determining which common law rule is soundest for the Virgin Islands.

Better Bldg. Maint. of the Virgin Islands, Inc. v. Lee, 60 V.I. 740, 757 (V.I. 2014) (internal citations omitted).

A. Common law rule applied by Virgin Islands courts in the past.

¶11 As noted above, since the Virgin Islands Supreme Court was established there has not been a thorough review of the doctrine of subrogation. However, in *Joseph*, the Virgin Islands Supreme Court did briefly discuss subrogation and did not disapprove of the right. 59 V.I at 826. Similarly, prior to the establishment of the Virgin Islands Supreme Court many of the prior Virgin Islands courts recognized the doctrine of subrogation and its derivative nature. In *Guardian Ins. Co. v.*

Sebastien, the Superior Court of the Virgin Islands pointed out that "[s]ubrogation is the right of the insurer to be put in the position of the insured in order to pursue recovery from third parties legally responsible to the insured for a loss paid by the insurer." 2006 WL 8462933, at *1 (V.I. Super. Feb. 10, 2006) (*citing Prime Hospitality Corp. v. General Star Indem. Co.*, 1999 WL 293865, *4 (D.V.I. 1999); *Guardian Insurance Co. v. Hussein*, 2002 WL 31017161, *2 (D.V.I. 2002) (*quoting* 16 Couch On Insurance 3d § 222:5 (1995)). Likewise, prior Virgin Islands Courts have recognized the purely derivative nature of subrogation. In *Magras v. Puerto Rican Am. Ins. Co*, the Territorial Court of the Virgin Islands noted that the "rights of the judgment creditor of the insured are no greater than those of the insured, in whose shoes he stands." 551 F. Supp. 427, 428 (D.V.I. 1982) (*citing Fidelity Casualty Company of New York v. McConnaughy*, 179 A.2d 117, 120 (Md. 1962)). Moreover, the Third Circuit, which the Virgin Islands falls within, has recognized the derivative nature of subrogation. The Third Circuit, in *In re Frescati Shipping Co., Ltd.*, pointed out that "[subrogation is] a procedural mechanism to allow an insurer (the subrogee) to step into the shoes of its insured (the subrogor) after it has compensated the insured for harm caused by a third party." 886 F.3d 291, 309 (3d Cir. 2018). The Third Circuit went on to further explain that

> the third party—now defending an action brought by the subrogee—is entitled to assert every defense it otherwise could have raised against the subrogor. In that vein, the third party's liability to a subrogee cannot be greater than it would have been to the subrogor.

Id. at 309 (citing Restatement (Third) of Restitution & Unjust Enrichment § 24).

¶12 Accordingly, based on the above cited cases, it is clear that subrogation has been accepted by other Virgin Islands courts and that these courts have recognized the purely derivative nature of subrogation.

B. Majority rule adopted by a majority of courts of other jurisdictions

¶13 The Court, based on its research, has not found a jurisdiction that does not support the time-tested concept of subrogation. Further, based on the Court's research the doctrine of subrogation in virtually every jurisdiction is derivative in nature. Subrogation simply means substitution of one person for another; that is, one person is allowed to stand in the shoes of another and assert that person's rights against a third party." *US Airways, Inc. v. McCutchen*, 569 U.S. 88, 106 n.5 (2013); *Emps. Mut. Cas. Co. v. Mosby*, 943 P.2d 593, 595 (Okla. 1997) ("The subrogee steps into the shoes of its claimant and takes the claim subject to defenses based on the date of accrual to the claimant. Insurer's claim in the present matter is based upon an automobile accident, an action for negligence."); *Church Mut. Ins. Co., S.I. v. GuideOne Specialty Mut. Ins. Co.*, 287 Cal. Rptr. 3d 809, 828 (Cal. Ct. App. 2021), as modified on denial of reh'g (Jan. 11, 2022) ("The right of subrogation is purely derivative. An insurer entitled to subrogation is in the same position as an assignee of the insured's claim, and succeeds only to the rights of the insured. The subrogated insurer is said to "stand in the shoes" of its insured, because it has no greater rights than the insured and is subject to the same defenses assertable against the insured. Thus, an insurer cannot acquire by subrogation anything to which the insured has no rights, and may claim no rights which the insured does not have.") (internal citations omitted); *Nimmick v. State Farm Mut. Auto. Ins. Co.*, 891 P.2d 1154, 1159 (Mont. 1995) ("The right of subrogation is purely derivative as the insurer succeeds only to the rights of the insured, and no new cause of action is created. In other words, the concept of subrogation merely gives the insurer the right to prosecute the cause of action which the insured possessed against anyone legally responsible for the latter's harm[.]") (internal citations omitted); *Preferred Pro. Ins. Co. v. The Drs. Co.*, 419 P.3d 1020, 1024 (Colo. App. 2018) ("In the insurance context, regardless of how an insurer obtains ownership of subrogation rights (viz., under contract with the insured or through principles of equity), they are derivative of the rights of the insured. "Once an insurance company enjoys those rights, [it] 'stand[s] in the shoes of the insured' for all legal purposes and may pursue any rights held by the insured subrogor.") (internal citations omitted); *Am. Standard Ins. Co. of Wisconsin v. Cleveland*, 369 N.W.2d 168, 171 (Wis. Ct. App. 1985) ("Subrogation is derivative of the plaintiff's right to recover from the tortfeasor. The original right of the plaintiff measures the extent of the subrogated party's right.") (internal citations omitted); *Mendez v. Allstate Prop. & Cas. Ins. Co.*, 231 S.W.3d 581, 585 (Tex. App. 2007) ("An insurer's right to subrogation originates from an insured's cause of action against a third party."); *Nat'l Union Fire Ins. Co. of Pittsburgh, Pa. v. Silberman*, 628 N.Y.S.2d 126, 127 (N.Y. App. Div. 1995) ("[T]he doctrine of subrogation is derivative in nature. Thus, if the insured has no right of action to transfer to the carrier, then the carrier cannot be subrogated to the insured's right[.]") (internal citations omitted); *Universal Underwriters Ins. Co. v. A. Richard Kacin, Inc.*, 916 A.2d 686, 693–94 (Pa. Super. Ct. 2007) ("[S] subrogation is a contingent and derivative right, and a subrogee stands in the shoes of the subrogor and "can only recover damages when his subrogor has a legally cognizable cause of action against a third party."") (internal citations omitted); *Benevenga v. Digregorio*, 737 A.2d 696, 699 (N.J. Super. Ct. App. Div. 1999) ("The right to subrogation is a derivative one and inures "only the rights of the insured against the tortfeasor subject to defenses of the wrongdoer against the insured.") (internal citations omitted).

¶14 Accordingly, the majority rule factor weighs in favor of recognizing subrogation and its purely derivative nature.

C. The soundest rule for the Virgin Islands

¶15 Prior Virgin Islands courts, and based on the Court's research, virtually every other jurisdiction recognizes subrogation and its purely derivative nature. Given that subrogation in essence means that one person is allowed to stand in the shoes of another and assert that person's rights against a third party it is tautological that subrogation is purely derivative. The Court has found no reason as to why subrogation and its purely derivative operation should not be adopted in the Virgin Islands.

¶16 Therefore, the Court finds that subrogation and its purely derivative operation is the soundest rule of the Virgin Islands, and the Court will adopt the principle of subrogation and its purely derivative operation.

2. Applicable Statute of limitations

¶17 The Court will assess each Count for violation of the applicable statute of limitations. Statutes of limitation are governed by 5 V.I.C. § 31, which states in pertinent part that, "[a]n action for . . . any injury to the person or rights of another not arising on contract and not herein especially enumerated" garners a two (2)-year statute of limitations. 5 V.I.C. § 31(a)(5)(A). Typically, the statute of limitations on any cause of action "begins to run when the conduct that gives rise to the claim occurs." *Finley v. Gov't of Virgin Islands*, 2019 VI SUPER 78U, ¶ 7 (citing *Burton v. First Bank of Puerto Rico*, 49 V.I. 16, 20 (V.I. Super. Ct. 2007)).

¶18 Defendant argues that this action arises out of a tortious injury and therefore the general two-year statute of limitations should apply. Plaintiffs, in reply, argue, that the contractual right of subrogation between themselves (the subrogee) and their insured (the subrogor), should also create a contractual relationship between Plaintiffs and Defendant which would allow their claim to arise out of contract and extend the statute of limitations to six years pursuant to 5 V.I.C. § 31(a)(3)(A).

¶19 Given the Court's above *Banks* analysis, the Court finds Defendant's argument is more persuasive. Further, in the interest of thoroughness the Court will detail a couple of cases that mirror the case before the Court.

¶20 In *Lincoln Nat. Health & Cas. Ins. Co. v. Mitsubishi Motor Sales of Am., Inc.*, the District Court of Appeal of Florida, Fifth District, explained that insurer subrogation rights against third party tortfeasors are grounded in tort rather than contract law. 666 So. 2d 159, 162 (Fla. Dist. Ct. App. 1995). *Lincoln National Health* stemmed from a car accident in which the insured Skowronek received over $500,000 in medical benefits from the insurer Lincoln and later settled his personal injury claim for about $2 million with the third-party tortfeasor. *Id.* at 160. The settlement attempted to prevent Lincoln from recovering those payments, prompting Lincoln to file a subrogation claim against the alleged tortfeasors. *Id.* at 160-61. The central issue was which state's law governed that claim: defendants argued for Connecticut law under contract choice-of-law principles, while Lincoln argued for Florida law under tort principles. *Id.* at 161. The trial court applied contract principles and ruled against Lincoln which led to the appeal. *Id.*

¶21 The appellate court in *Lincoln National Health* reiterated the basic principle that the insurer as the subrogee stands in the shoes of its insured. *Id.* (internal citations omitted). The court explained that the insurer's rights are dependent on the insured's rights in tort against a third-party tortfeasor. *Id.* (internal citations omitted). The court pointed out that there was no contract between the third-party tortfeasor and the insurance company for medical benefits paid to the insured. *Id.* Moreover, the court pointed out that the action was a "creature of equity that does not depend on contract, but which follows as a legal consequence of the acts and relationships of the parties." *Id.* (internal citations omitted). Accordingly, the court reversed the trial court's application of contract law principles and found that "[g]iven that Lincoln stands in Skowronek's shoes and that

Skowronek's underlying claim sounds in tort, tort choice of law principles apply." *Id.* at 162 (internal citations omitted); *see Safeco Ins. Co. v. Jelen*, 886 N.E.2d 555, 560 (Ill. App. Ct. 2008) (finding that subrogation does not create a dispute over an insurance contract but instead allows an insurer to pursue claims against third parties for tortious conduct due to the fact that the insurer stands in the insured's shoes to enforce the insured's rights); *State Farm Fire & Cas. Co. v. Pac. Rent-All, Inc.*, 978 P.2d 753, 767 n.9 (Haw. 1999) (noting that because the insurer stands in the shoes of the insured through subrogation, the statute of limitations for a subrogation claim based on an underlying tort action is the same as the tort statute of limitations that applies to the injured party); *Nationwide Mut. Ins. Co. v. Schwartz*, 660 N.Y.S.2d 623, 624 (N.Y App. Term 1997) (finding that "plaintiff's subrogation rights are subject to the same three-year tort Statute of Limitations, measured from the date of the accident, as though the cause of action had been brought by its insured[,]").

¶22 The concept of subrogation is axiomatic, the governing principles flow from logic and are well-established. Here, as recognized in *Lincoln National Health*, an insurer's subrogation rights against a third-party tortfeasor are grounded in tort law because the insurer merely steps into the shoes of its insured and asserts the same claim the insured could have brought. Here, there is no contract between the insurer or the insured and the tortfeasor, and the action arises entirely from the tortious conduct that caused harm to the insured. Courts in numerous other jurisdictions have noted that subrogation does not create a new contractual obligation in regard to the underlying conduct but instead allows the insurer to enforce the insured's tort rights against the wrongdoer.

¶23 Plaintiffs argue that dismissing their claim would result in unjust enrichment. However, the right of subrogation is not absolute, and equitable principles dictate that a subrogee exercise reasonable diligence to protect its subrogation rights and an insurer's failure to assert its subrogation rights will result in relinquishment. *See State Farm Fire*, 978 P.2d at 771.

¶24 Accordingly, it follows axiomatically and consistent with the above *Banks* analysis that the negligence claim here retains its grounding in tort. Therefore, because the underlying action sounds in tort, the applicable statute of limitations is two (2) years rather than six (6) years and as a result, Plaintiffs' claim is time-barred, and dismissal under Rule 12(c) is appropriate.

CONCLUSION

¶25 For the foregoing reasons, the Court concludes that Plaintiffs have failed to state a claim upon which relief can be granted because the negligence claim is barred by the applicable two-year statute of limitations and must be dismissed pursuant to Rule 12(c). Also pending before the Court is Defendant's Motion to Stay Discovery Pending Ruling on the Motion to Dismiss and Plaintiffs' Opposition thereto. In light of the Court's ruling on the Motion to Dismiss, the Motion to Stay is rendered moot. Finally, because the Court's dismissal is dispositive, Defendant's Motion for Summary Judgment need not be reached.

¶26 An order consistent herewith will immediately follow.

DATED: July 29, 2026

HON. PEDRO K. WILLIAMS
Judge of the Superior Court
of the Virgin Islands

ATTEST:
TAMARA CHARLES
Clerk of the Court

BY: ______________________
LATOYA CAMACHO
Court Clerk Supervisor 7/29/2026