

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY

Gonzalez v. BAM Trading Services, Inc.

Gonzalez · No. 2:24-cv-10286 (BRM) (CF) · Decided March 18, 2026

SUMMARY

The United States District Court for the District of New Jersey considers motions to dismiss claims against BAM Trading Services, Inc., Binance Holdings Ltd., and related defendants arising from the alleged laundering of cryptocurrency stolen from the plaintiff’s Coinbase account. The court denies BAM’s issue-preclusion motion but grants the defendants’ motions to dismiss for lack of personal jurisdiction, dismissing the complaint without prejudice. The opinion is amended solely to correct an error concerning whether the motion to dismiss was filed on behalf of Changpeng Zhao.

CASE DETAILS

COURT	United States District Court for the District of New Jersey
WRITING FOR THE COURT	Brian R. Martinotti
JURISDICTION	United States District Court for the District of New Jersey
DECIDED	March 18, 2026
DOCKET	2:24-cv-10286 (BRM) (CF)
DISPOSITION	dismissed
PROCEDURAL POSTURE	Plaintiff filed a federal civil RICO and related common-law action. Defendants moved to dismiss under Federal Rules of Civil Procedure 12(b)(6) and 12(b)(2). The court denied BAM's issue-preclusion motion, granted the motions to dismiss for lack of personal jurisdiction, dismissed the complaint without prejudice, and allowed thirty days to amend.
STANDARD OF REVIEW	On a Rule 12(b)(2) motion, the plaintiff bears the burden of establishing personal jurisdiction; the court accepts well-pleaded allegations as true and construes disputed facts in the plaintiff's favor, but the plaintiff must support jurisdictional allegations with affidavits or competent evidence when challenged. On a Rule 12(b)(6) motion, the court accepts factual allegations as true and determines whether the complaint states a facially plausible claim.
PRECEDENTIAL VALUE	nonprecedential

TOPICS

personal jurisdiction

motions to dismiss

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PRACTICE AREAS

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RICO

QUESTIONS PRESENTED

1. Whether the prior litigation precluded Plaintiff from relitigating personal jurisdiction under the doctrine of issue preclusion.
2. Whether the District of New Jersey could exercise specific personal jurisdiction over BAM under Rule 4(k)(1)(A).
3. Whether the court could exercise personal jurisdiction over Binance through an agency or alter-ego theory based on BAM's contacts.
4. Whether RICO's jurisdictional provisions under 18 U.S.C. § 1965 authorized personal jurisdiction over the defendants.
5. Whether Rule 4(k)(2) authorized personal jurisdiction over BAM or Binance.

HOLDINGS

1. The prior action did not preclude relitigation of personal jurisdiction because it was voluntarily dismissed without prejudice and the court had not conclusively determined that it lacked personal jurisdiction over BAM.
2. The court lacked specific personal jurisdiction over BAM because, although BAM purposefully directed activities toward New Jersey, Plaintiff's claims did not arise out of or relate to those activities.
3. Because the court lacked specific personal jurisdiction over BAM, it could not exercise specific personal jurisdiction over Binance through Plaintiff's agency or alter-ego theory.
4. RICO § 1965 did not provide personal jurisdiction because Plaintiff failed to establish personal jurisdiction over at least one defendant under § 1965(a) and the traditional minimum-contacts analysis.
5. Rule 4(k)(2) could not support jurisdiction over BAM because BAM was subject to general jurisdiction in Delaware and Florida, and could not support jurisdiction over Binance because Plaintiff failed to make the required certification that Binance was not subject to general jurisdiction in any state.
6. Jurisdictional discovery was not warranted because Plaintiff did not allege with reasonable particularity the possible existence of additional relevant contacts between BAM and New Jersey.

KEY QUOTATIONS

"The Present Complaint sufficiently establishes BAM purposefully directed activities at the forum but fails to establish the litigation arises out of or relates to those activities." (III.B.1)

"absent personal jurisdiction over at least one defendant based on forum-based contacts under § 1965(a), the federal court may not exercise personal jurisdiction over the non-resident defendants based on nationwide

contacts under § 1965(b).” (III.B.2)

“Plaintiff has thirty (30) days to amend the Complaint with the necessary certification in the District of New Jersey.” (IV)

FACTUAL BACKGROUND

Plaintiff, a New Jersey resident, alleged that cryptocurrencies were stolen from his Coinbase account in 2021 and later transferred to at least one Binance.com account. He did not allege that he maintained an account with Binance.com or Binance.US, that he entered into any agreement with either entity, or that the stolen assets were deposited into a Binance.US account. BAM operates Binance.US, is incorporated in Delaware, has its principal place of business in Florida, is licensed as a money transmitter in New Jersey, and solicits New Jersey residents, while Binance operates Binance.com from the Cayman Islands.

PROCEDURAL HISTORY

Plaintiff previously sued BAM, Binance, and Changpeng Zhao in the District of New Jersey. The prior action was voluntarily dismissed without prejudice under Rule 41(a)(1)(A)(ii) after the court questioned whether it had personal jurisdiction over the defendants. Plaintiff then filed this action with additional allegations concerning specific jurisdiction. Defendants moved to dismiss, and the court denied BAM's issue-preclusion argument but dismissed the complaint without prejudice for lack of personal jurisdiction.

DISPOSITION

dismissed

CASES CITED

- M & M Stone Co. v. Pennsylvania, 388 F. App'x 156, 162 (3d Cir. 2010)
- Phillips v. Cnty. of Allegheny, 515 F.3d 224, 228 (3d Cir. 2008)
- Gonzalez v. BAM Trading Servs., Inc., 2024 WL 4589791, at *1–2, *4–8 (D.N.J. Oct. 28, 2024)
- Licht v. Binance Holdings Ltd., 2025 WL 625303, at *4, *27–28, *32–33 (D. Mass. Feb. 5, 2025), report and recommendation adopted, 2025 WL 624025 (D. Mass. Feb. 26, 2025)
- Fatouros v. Lambrakis, 627 F. App'x 84, 86–87 (3d Cir. 2015)
- Metcalfe v. Renaissance Marine, Inc., 566 F.3d 324, 330 (3d Cir. 2009)
- Smith v. Zimmer US, Inc., 2020 WL 487029, at *1 (D.N.J. Jan. 29, 2020)
- Carteret Sav. Bank, FA v. Shushan, 954 F.2d 141, 142 n.1, 145, 149 (3d Cir. 1992)
- Dayhoff Inc. v. H.J. Heinz Co., 86 F.3d 1287, 1302 (3d Cir. 1996)
- In re Burlington Coat Factory Sec. Litig., 114 F.3d 1410, 1426 (3d Cir. 1997)
- Shaw v. Digit. Equip. Corp., 82 F.3d 1194, 1220 (1st Cir. 1996)
- United States v. Rigas, 605 F.3d 194, 217 (3d Cir. 2010)
- Fitzgerald v. Shore Mem'l Hosp., 92 F. Supp. 3d 214, 225–26 (D.N.J. 2015)
- Tobia v. Lakewood Bd. of Educ., 2020 WL 7334209, at *13 (D.N.J. Dec. 14, 2020)

- *Kauffman v. Moss*, 420 F.2d 1270, 1274 (3d Cir. 1970)
- *Pasqua v. Cnty. of Hunterdon*, 2017 WL 5667999, at *15 (D.N.J. Nov. 27, 2017)
- *Strassman v. Essential Images*, 2018 WL 1251636, at *5–6 (D.N.J. Mar. 12, 2018)
- *Fuzy v. Westfield Bd. of Educ.*, 2022 WL 1284731, at *7 (D.N.J. Apr. 29, 2022)
- *In re Brown*, 951 F.2d 564, 569 (3d Cir. 1991)
- *Saudi v. Acomarit Maritimes Servs., S.A.*, 114 F. App'x 449, 454–55 (3d Cir. 2004)
- *Kitces v. Wood*, 917 F. Supp. 338, 341–42 (D.N.J. 1996)
- *Smith v. Pittsburgh Gage & Supply Co.*, 464 F.2d 870, 874 (3d Cir. 1972)
- *International Shoe Co. v. State of Washington*, *Int'l Shoe Co. v. Washington*, 326 U.S. 310, 316–18 (1945)
- *Daimler AG v. Bauman*, 571 U.S. 117, 127 (2014)
- *Goodyear Dunlop Tires Ops., S.A. v. Brown*, 564 U.S. 915, 919, 924 (2011)
- *Burger King Corp. v. Rudzewicz*, *Burger King Corp. v. Rudzewicz*, 471 U.S. 462, 472–73 (1985)
- *Keeton v. Hustler Magazine, Inc.*, 465 U.S. 770, 774, 780 (1984)
- *Helicopteros Nacionales de Colombia, S.A. v. Hall*, 466 U.S. 408, 414 (1984)
- *WAG Acquisition, LLC v. Multi-Media, LLC*, 2015 WL 5310203, at *12 (D.N.J. Sept. 10, 2015)
- *Shuker v. Smith & Nephew, PLC*, 885 F.3d 760, 780 (3d Cir. 2018)
- *J. McIntyre Mach., Ltd. v. Nicastro*, 564 U.S. 873, 880 (2011)
- *Hanson, Executrix, et al. v. Denckla et al.*, *Hanson v. Denckla*, 357 U.S. 235, 253 (1958)
- *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S. 286, 297–98 (1980)
- *Marten v. Godwin*, 499 F.3d 290, 298 (3d Cir. 2007)
- *Lebel v. Everglades Marina, Inc.*, 558 A.2d 1252, 1255 (N.J. 1989)
- *Croat v. Mission Fine Wines, Inc.*, 2020 WL 1921955, at *4 (D.N.J. Apr. 21, 2020)
- *Mesalic v. Fiberfloat Corp.*, 897 F.2d 696, 699 (3d Cir. 1990)
- *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 555, 570 (2007)
- *Ashcroft v. Iqbal*, 556 U.S. 662, 678–79 (2009)
- *Papasan v. Allain*, 478 U.S. 265, 286 (1986)
- *Doe v. Princeton Univ.*, 30 F.4th 335, 342, 345 (3d Cir. 2022)
- *In re Rockefeller Ctr. Props. Sec. Litig.*, 184 F.3d 280, 287 (3d Cir. 1999)
- *Fischer v. Fed. Express Corp.*, 42 F.4th 366, 382–83 (3d Cir. 2022)
- *Laurel Gardens, LLC v. McKenna*, 948 F.3d 105, 113, 117–21 (3d Cir. 2020)
- *PT United Can Co. v. Crown Cork & Seal Co.*, 138 F.3d 65, 71–72 (2d Cir. 1998)
- *Linus Holding Corp. v. Mark Line Indus.*, 376 F. Supp. 3d 417, 423 (D.N.J. 2019)
- *Bradford Co. v. Conteyor North America, Inc.*, 603 F.3d 1262, 1272 (Fed. Cir. 2010)
- *King v. Bon Charge*, 2025 WL 3764039, at *2–3 (D. Del. Dec. 30, 2025)
- *Smith v. S&S Dundalk Eng'g Works, Ltd.*, 139 F. Supp. 2d 610, 621–22 (D.N.J. 2001)
- *Davydov v. Scandinavian Airlines Sys.*, 2020 WL 12979368, at *4 n.6 (D.N.J. Oct. 5, 2020)
- *Licht v. Binance Holdings Ltd.*, 2025 WL 625303, at *27–28, *32–33 (D. Mass. Feb. 5, 2025)

- Toys “R” Us, Inc. v. Step Two, S.A., 318 F.3d 446, 456 (3d Cir. 2003)

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