

**UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF NEW YORK**

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GUCCI AMERICA, INC.,

Plaintiff,

-against-

**DEFENDANT DURANGO
MERCHANT SERVICES'
DECLARATION IN
SUPPORT OF MOTION
TO DISMISS FOR LACK
OF PERSONAL
JURISDICTION**

FRONTLINE PROCESSING CORPORATION,
WOODFOREST NATIONAL BANK, DURANGO
MERCHANT SERVICES, LLC., d/b/a NATIONAL
BANKCARD SYSTEMS OF DURANGO,

Index No. 09-CV-6925

Defendants.
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I, Shane Kairalla, hereby declare as follows:

1. I am competent to testify and I have firsthand knowledge of the matters set forth herein, as I am a principal of Defendant Durango Merchant Services, LLC.

2. I make this affidavit in support of Defendants' motion to dismiss for lack of personal jurisdiction.

3. Durango Merchant Services, LLC. is a limited liability company that was formed in the State of Wyoming.

4. Durango Merchant Services, LLC. was formed in February, 2004.

5. Durango has only five (5) employees.

6. Durango Merchant Services, LLC acts as a referral service, or broker, to bridge retailer / merchants with entities that offer credit card processing services.

7. Durango Merchant Services, LLC.'s only place of business is located at 2885 Main Avenue, Suite B-105, Durango, CO 81301.

8. All of Durango Merchant Services, LLC.'s records and documents, including records and documents relevant to the present action, are located either within the State of Colorado, or at the home office of Durango's account manager in the State of Wisconsin.

9. Durango Merchant Services, LLC.'s potential relevant witnesses are located either within the State of Colorado or the State of Wisconsin.

10. Durango Merchant Services, LLC. does not maintain any offices within the State of New York.

11. Less than 1% (one percent) of Durango Merchant Services' revenues is derived as a result of servicing merchants within the State of New York.

12. Durango Merchant Services, LLC. does not maintain any assets within the State of New York.

13. Durango Merchant Services, LLC. does not maintain any bank accounts within the State of New York.

14. Durango Merchant Services, LLC. does not maintain or possess any real property within the State of New York.

15. Durango Merchant Services, LLC. does not maintain employees, office space, or a telephone within the State of New York.

16. Durango Merchant Services, LLC. does not actively solicit business in New York.

17. Durango Merchant Services, LLC's website is not targeted to New York, nor specifically structured to facilitate the transaction of business in New York.

18. Durango Merchant Services, LLC. did not engage in any business or commercial dealings, or enter into any contractual relationships, if any, with Defendants Woodforest or Frontline in New York.

19. Durango Merchant Services, LLC. did not engage in any business or commercial dealings, or enter into any contractual relationships, if any, with Plaintiff Gucci in New York.

20. Durango Merchant Services, LLC. did not engage in any business or commercial dealings, or enter into any contractual relationships, with the Laurette Company, Inc., its principals, Jennifer Kirk, or Patrick Kirk, or anyone else associated with or doing business as TheBagAddiction.com (collectively the "Laurette Company"), in New York.

I declare under the penalty of perjury under the laws of the United States that the foregoing statements are true and correct.

Dated: Durango, Colorado
October 30, 2009



SHANE KAIRALLA,
Durango Merchant Services, LLC.

Sworn to before me this
30 th day of October, 2009

