

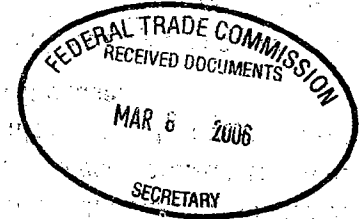
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CO 80908

ORIGINAL

28 February 2006

Federal Trade Commission
Office of the Secretary, Room H-159
600 Pennsylvania Avenue, N.W.
Washington, DC 20580



Subject: Comment on the CardSystems Solutions Consent Order File No. 0523148

Dear Commissioners:

I am writing to make public comments on the subject FTC Order.

First, you have omitted a highly competent class of professionals from Section II in the first paragraph on page 5. Certain state-licensed Professional Engineers (P.E.) are also exceedingly competent to perform the Assessment Functions contained in this Order. In many cases, Professional Engineers' skills and education far exceed the qualifications and training of the certificated-only security persons you have cited. It is recommended that you add "State-Licensed Professional Engineers" to this list.

Second, a very important element is glaringly missing from this Order. You fail to require CardSystems to report failures and breaches! Your reporting requirements specify that CardSystems attest to measures, methods, systems, persons, etc. used to implement protections to prevent future breaches. However, this is no guarantee that these will be completely effective. Thus you must require that they report immediately any and all failures and breaches and corrective measures taken. You must also require that they notify all consumers affected by any breach whatsoever and describe in detail the extent of the breach with respect to each consumer. Without these measures the Public will not be adequately protected nor armed with the information to deal with the enormous, costly, time-consuming process to undo the damage such a breach will cause.

Third, this Order fails to require CardSystems to properly notify the consumers affected by this current massive breach. This is unconscionable. The Judge's reported statement "...there was no immediate threat of irreparable harm to consumers." is absolutely preposterous! The breached information itemized in the Complaint and Order does cause long-term problems and burdens for the affected consumers. Also, many consumers do not carefully examine credit card statements every time. A fraudulent charge resulting from CardSystem's actions can easily be missed. Besides, by the time a fraudulent charge appears the damage has been done where the charge can only be an indication that much more fraud is underway. Damage is very hard to stop at that point especially if Social Security Numbers are involved where the effects are not likely to appear in credit card statements anyway. Immediate consumer notice detailing the extent of the breach is a must.

Respectfully,

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