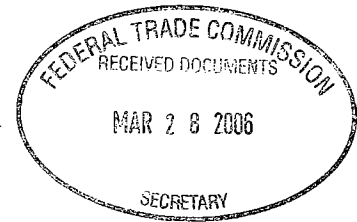




March 21, 2006

ORIGINAL

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



RE: *In The Matter of CardSystems Solutions, Inc.*
File No. 052 3148

Dear Sir or Madam:

Please accept this letter as the statement of Champlain National Bank ("Bank") with regard to the proposed Consent Agreement in the above-referenced matter.

It is the position of the Bank that the proposed Consent Agreement is deficient in that it does not address the significant monetary expenditures that were incurred solely as the result of the failure of CardSystems Solutions to provide reasonable and appropriate security for consumers' personal information stored on its computers. This situation was exacerbated by the failure of the various bank networks (Visa, MasterCard etc.) to fulfill their legal obligation under Gramm-Leach-Bliley ("GLB") to ensure that appropriate security policies and procedures were in place by their third-party vendor. The actual monetary losses caused by these breaches fell most heavily on the issuing banks.

Champlain National Bank is an issuing bank and a member of the MasterCard Network. We had in excess of one hundred cardholders whose personal information was compromised by the CardSystems Solutions security breach.

Following our receipt of notification of the CardSystems breach by means of the MasterCard Alert, this Bank took all appropriate steps mandated by GLB and the implementing regulations to protect our customers' interests. These steps included immediate notification to all affected cardholders of the compromise. In addition, the Bank chose to list those cards in the MasterCard Security Bulletin for the regions of the United States and Canada. Ultimately, the Bank cancelled and re-issued cards to those customers impacted by the security breach. Each of these steps required a substantial expenditure of staff resources. More significantly, however, the Bank incurred fees in excess of \$33,000.00 to list our customers' cards in the Security Bulletins.

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This Bank had no direct contractual relationship with CardSystems Solutions, Inc. and we had no ability to assess their security policies and practices. Yet, the failure of this company to employ reasonable and appropriate security measures has directly resulted in substantial monetary loss to this small community bank.

We believe that the Consent Agreement should provide for specific reimbursement of these direct and easily documented monetary losses of issuing banks.

Thank you for your consideration of these comments.

Sincerely,

Edward P. Finnerty, Vice President