

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

GUCCI AMERICA, INC.	:	
	:	Civil Action No. 09-6925-HB
Plaintiff,	:	
v.	:	District Judge Harold Baer, Jr.
	:	
FRONTLINE PROCESSING CORPORATION;	:	
WOODFOREST NATIONAL BANK;	:	
DURANGO MERCHANT SERVICES LLC d/b/a	:	
NATIONAL BANKCARD SYSTEMS OF	:	
DURANGO; ABC COMPANIES; and JOHN	:	
DOES,	:	
	:	
Defendants.	:	
	x	

**DECLARATION OF CHARLES A. VERNON IN SUPPORT OF
DEFENDANTS' MOTION TO DISMISS FOR LACK OF PERSONAL JURISDICTION**

I, CHARLES A. VERNON, declare and state as follows:

1. I am Senior Vice President and General Counsel of Woodforest National Bank ("WNB"), a defendant in the above-noted action. I have personal knowledge of the facts and matters discussed in this declaration, and if called as a witness, could and would testify to the matters set forth below.

2. WNB is a bank, organized and existing under the laws of the United States, and having its principal place of business at 25231 Grogan's Mill Road, Suite 175, The Woodlands, Texas 77380.

3. WNB has never had an office or other business location in the State of New York.

4. WNB is not licensed to do business in the State of New York.

5. WNB has never had an employee, owner, officer or director in the State of New York.

6. WNB does not own, use or possess any real property in the State of New York.

7. WNB does not conduct business or actively solicit business in the State of New York.

8. The merchant service provider for WNB is Delta Card Services, Inc., a Texas corporation who has conducted business under the names Merchants' Choice Card Services, MCCS, Merchants' Choice Payment Solutions, and MCPS (hereafter collectively "MCCS"). MCCS has an office only in the State of Texas, and no office in the State of New York.

9. WNB, through MCCS, contracts for processing services for credit card transactions for over 35,000 clients. Merely 0.0463% of WNB's business is generated from clients located in New York.

10. There is a Web site that covers information about the personal and business services of WNB and about the personal and business services for a federal savings bank known as "Woodforest Bank," an entirely separate entity that is not involved in the allegations in this case. The portion of the Web site which relates to the services of WNB is not directed to persons or clients in New York because WNB has no branches in the state of New York. The portion of the Web site which relates to the services of Woodforest Bank does refer to New York because that entity does have branches in New York. But Woodforest Bank is not a party to any merchant bankcard agreements, such as the agreement entered into by TheBagAddiction.com, which is the subject of this case.

11. WNB has not engaged in any business or commercial dealings, or entered into any contractual relationships, with any of the other named defendants in the State of New York.

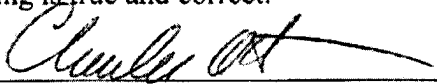
12. WNB has not engaged in any business or commercial dealings, or entered into any contractual relationships, with the Laurette Company, Inc., its principals Jennifer Kirk or Patrick Kirk, or anyone else associated with or doing business as TheBagAddiction.com in the State of

New York. I understood that the business conducted by the Laurette defendants under TheBagAddiction Web site were conducted in and from the State of California.

13. It is alleged in this case that WNB and its merchant service provider MCCA have contracted with other companies to settle the appropriate debits and credits for completed credit card transactions made by the Laurette defendants on TheBagAddiction Web site. To the extent that WNB was involved in the processing of credit and debits for such transactions, when the purchases were made, WNB was unaware of the location of the customers who had purchased by credit card transactions. In other words, at the time of the purchases, WNB had no knowledge of whether and to what extent the transactions from sales under TheBagAddiction Web site were with residents of the State of New York.

I declare under penalty and perjury that the foregoing is true and correct.

Executed on 30th day of October 2009

By: 
Charles A. Vernon