

Nicole Smith

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Jul 20, 2008

Board of Governors  
Secretary Jennifer J. Johnson  
Federal Reserve System  
20th St. and Constitution Ave., N.W.  
Washington, D.C. 20551  
RE: Docket No. R-1314

Dear Board of Governors-

I feel that if the Federal Reserve Board imposes regulations on subprime credit card fees, many people will no longer have the opportunity to build or repair their credit. The fees may be high in some cases, but without them there would be too great a risk for these companies when extending credit to high risk borrowers. The fees are the cost of doing business with these companies.

I have had a very good experience with my CorTrust Bank credit card. My credit was not the best and I needed a way to repair it. I have been able to restore my credit to a good rating. I can remember a time when I needed gasoline and had no cash. Thankfully, I had my CorTrust card and was able to get gas. Without the card I would have been stranded. I would suggest this type of service to anyone struggling with his or her credit.

Everyone should have the chance to restore credit. Subprime credit card companies, such as CorTrust Bank, are the safest and most reliable way to do that. These companies might have to shut down because of the proposed regulations. That would be a great loss to many Americans. I prefer paying fees for a credit card rather than not being able to obtain one. If a consumer wants to pay fees for the use of a subprime credit card, then that should be a choice left to them, not the Federal Reserve Board.

Thank you for your help.



Nicole Smith