

From: "Mike Huether" <MHUETHER@premierbankcard.com> on 07/25/2008 10:15:09 AM

Subject: Regulation AA

Dear Ms. Jennifer Johnson and the Federal Reserve Board of Governors,

PREMIER Bankcard and First PREMIER Bank, located in Sioux Falls, South Dakota, has always had a solid working relationship with the Federal Reserve. I would actually consider it a partnership as the two entities have consistently found ways to work together towards common ground in helping our nation's consumers with their lending needs while ensuring we did it in a safe and sound manner. I could relay example upon example of how this relationship has been fruitful for both parties but I will only relay a few:

- PREMIER proactively sends our Direct Mail and Internet Marketing materials to the Federal Reserve asking them to review each piece to ensure that we are taking the necessary actions to ensure our applicants understand the features, benefits and of course, fees of our products. The Federal Reserve has provided us sound advice which we have followed.
- The Federal Reserve has completed numerous audits and reviews on PREMIER Bankcard focusing on Marketing, Collection Practices, Safety and Soundness, etc. In all cases we have worked with the committed employees of the Federal Reserve to enhance our business, always meeting the expectations they had for our business. One thing that is important to note, is that at NO TIME has the Federal Reserve said that our Marketing Practices are misleading or unfair. It is also critical to note, that at NO TIME has their team told us that our pricing is unfair or unjust.
- PREMIER has actually sent memorandums to the Federal Reserve asking them to revise the Schumer Box to enhance the placement of THE FEES at the top of this important piece of each application. It has always been our feeling that a non prime credit card consumer is more concerned about the fees of the product versus the APR associated with the product. We still feel that this should occur and I would urge the Federal Reserve to consider this as they determine what changes they want made in future disclosure techniques.
- PREMIER has provided numerous pieces of documentation to the Federal Reserve that proves that our applicants and our customers fully understand what they are purchasing. Please understand, the demand for low line credit products is very high. These consumers want our product, they understand our product, and they like our product. Most importantly, they need our product in today's fast paced technologically driven economy. You can not build a credit history or improve a credit history without credit. We help the consumer manage their credit by controlling the line they have. Once proven they can manage it appropriately, the consumer moves on to higher lines with lower fees, because their risk profile has improved.

Ms. Johnson and team, I could write about this topic for a considerable amount of time, but I know your time is limited and you have thousands of other letters to consider. However, I do ask you to take a step back before going to far in limiting access to credit to the millions and millions of consumers that are trying to obtain a card for the first time , rebuilding their credit or that need ACCESS to a reasonable line of credit just like those who are more fortunate in our country.

PREMIER Bankcard has always worked hand in hand with YOUR TEAM to ensure that this happens. We want to continue this in the future. Thanks for your consideration.

Sincerely,

Mike Huether
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