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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:

Credit is becoming ever more important in our society. Unfortunately, many people fall on hard times on occasion, which prevent them from having a good credit rating. In other cases, people simply have not established a credit record. For both of these groups of people, access to a traditional credit card is virtually impossible because they are considered a bad risk.

Nevertheless, second chance credit card companies fill the gap between no credit and prime credit. These companies serve a necessary function in our economy and many people must be able to rely on these companies' product to improve their lives.

During most of my twenty-nine year marriage, my husband and I purchased everything with cash. However, we finally decided to build a good credit history and I established an account with a subprime credit card company. I only used the credit card when I did not have cash with me or did not want to use my bankcard. Fortunately, I did not have any major expenses and my good payment history on the account has improved my credit score some. Because of this credit improvement and my position working from home for a large corporation, I am confident a traditional credit account or loan would be accessible should I need it.

I have since paid off and closed my account but I am grateful it was available to me. The fees that you want to regulate are what help the companies to stay in business and ensure that they do not lose large amounts of money when granting credit to high-risk applicants. It seems in one way or another the government is getting involved in a lot more than they need to. In my opinion, the government should not be involved in this issue, and if they must be then the primary concern should be in equal access and not whether a fee is charged. Thank you for hearing my voice on this matter.

Yours truly,


Michelle Hawthorne