

Kathy Grahl

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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-

My letter today is to express my concern about the changes being considered by the Federal Reserve Board. I fear that if further regulations are imposed on subprime lenders, they will simply refuse to offer credit to those with less than perfect credit scores. I speak from experience when I say that there are many people, through no fault of their own, who only need a second chance.

My husband is a consultant, and had taken a position with a three-year contract. When he was on a week's vacation after eighteen months into the contract, he was informed that the contract had been terminated. At this point, our credit began to go downhill.

Because of health reasons, I can only work part-time. Our medical bills average about \$400 per month. Currently, my husband is working for Wachovia Bank as a Contract Analyst/Project Manager, but we do not have insurance. We have used our First Premier credit card on occasion for prescription medicines. It gives us peace of mind knowing that it is there for emergencies. More importantly, we have been given the opportunity to reestablish our good credit rating. We have been grateful to have our First Premier credit card for the past two years.

Just last week Wachovia announced that it is cutting ten thousand jobs. Ten thousand people are going to be out of work. Each day my husband leaves for work wondering if he may be tapped on the shoulder and told he no longer has a job. So many others, with problems just like we have had, are going to encounter credit problems. Please do not allow the Board to regulate credit lenders, forcing them to deny consumers of future opportunities to obtain a reliable source of credit in these turbulent economic conditions.

Thank you for your help,


Kathy Grahl