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Aug 04, 2008

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

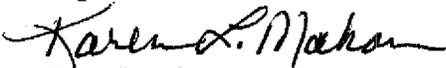
Dear Secretary Johnson-

I disagree with the Federal Reserve Board's proposal to regulate the fees charged by the subprime credit industry. As someone who has successfully worked through credit issues, I can honestly say that CorTrust Bank played a helpful role in that success. While the Federal Reserve Board may have good intentions, I fear they could actually cause damage to many Americans who are looking for a chance to start again.

I needed to build up my credit rating after filing for bankruptcy in 2002. I had gotten a few offers from subprime credit card lenders and chose to apply for a card with CorTrust, because of the reasonable interest rate I was offered. Of course, I wasn't thrilled to pay a fee for the use of the card, but I knew that as a customer who was considered high risk, I had to start somewhere. I used my CorTrust card for everyday purchases and also to buy Christmas presents. My overall experience with CorTrust was positive. My credit score has improved. I have also been able to apply for other credit cards, and I recently purchase a car.

If a company like CorTrust had not been there for me, it would have taken even longer to get back on my feet financially. I sincerely believe that the Federal Reserve would be making a mistake to change regulations regarding companies like CorTrust. They gave me a chance. Other people deserve that chance too.

Regards,


Karen L Mahan