

Aug 02, 2008

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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:

I am very concerned with recent attempts to regulate the subprime credit card industry. I believe these rules will restrict access to credit for many people. These companies should be able to select who they want for their service, but I do not see how they will be able to do this if their business practices are restricted.

About a year ago, I filed for divorce and fought a nasty custody battle with my ex-husband. My attorney's fees totaled \$50,000, which I was unable to pay. I was forced into bankruptcy. Prior to my divorce, my credit rating ranged between 750 and 775. All of my bills were paid ahead of time, and I had been able to get any type of credit I needed.

For the last year, I have suffered with little or no credit. I did obtain a First Premier credit card which helped me obtain a new auto loan in March of this year. Despite my nearly perfect previous credit rating, I had to go through ten different banks before I found an auto loan that I could afford. The rates weren't great, but they are better than if I had not gotten my First Premier credit card. I plan on keeping the card only long enough to reestablish my previous credit history.

It is difficult enough reestablishing credit without the Federal Reserve Board changing the rules for subprime credit card companies. Everyone has circumstances in their life that may at some point negatively affect their credit rating. And if, for whatever reason, a person is forced into bankruptcy, then the Federal Reserve Board and the banks should not make it so that people are unable to reestablish their credit. Do not regulate the subprime credit card industry.

Yours truly,

  
Kathy Locklear