

Sherry O'Brien . 3400 Richmond Parkway . Apartment 1222 . Richmond, CA 94806

07/21/2008

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 wanted to write you about my partner's experiences with subprime credit organizations so, perhaps, you will better understand why it is important to allow this industry to continue unfettered by governmental restrictions. There are few people today who have not experienced some form of credit setback or another, and these companies assist people in rebuilding after those setbacks. The regulations that you are considering could prevent a lot of people from being able to have that continued access to credit and that would hurt the entire country in the long haul.

My partner, Cheryl, did exactly what a lot of people do when they first get credit cards; she overspent until, one day, she realized just how deeply in debt she had become. Since I work in Title and Escrow and have been in the realty industry for over 14 years, we hope to buy a home next July, if the market allows. We hired a firm to assist both of us in cleaning up our credit, and Cheryl opened a small account with CorTrust Bank to help her rebuild her score. She has had her card with them for at least three years now. We even used it to help us buy our time-share. Her credit improvement has also helped us to qualify for our Nissan Xterra truck, which we bought last year.

Personally, I think that people who have to rebuild their credit end up even more responsible because it makes you much more conscious of the possible repercussions. Obviously, there is a risk involved when your FICO score is too low, so that is why these companies charge a fee to accommodate for taking that risk. Cheryl is well on her way toward a really good credit rating, and our lives have improved so much that we plan on being married on September 4th. Other people should also have this opportunity to rebuild, but the restrictions you are considering could prevent them from having that option. Please do not place these restrictions.

Regards,


Sherry O'Brien