

**From:** jcarroll@sio.midco.net on 07/30/2008 04:35:02 PM

**Subject:** Regulation AA

RE: Docket No. R-1314, Proposal to amend Regulation AA, Unfair and Deceptive Acts or Practices

Dear Ms Johnson and the Federal Reserve Board of Governors:

Thank you for providing me with the opportunity to provide its comments to the proposed rules on Regulation AA.

I have lived in Sioux Falls for most all of my life. In the early 1980s, Citibank came to town to open a credit card processing center. Shortly afterwards, other credit card companies have also come to locate their businesses in Sioux Falls. Some were very good, others, not so much. But no one can argue the benefit those companies has had on our economy in Sioux Falls and the state of South Dakota.

I had the pleasure of working at Citibank for over 15 years. I was proud of what I did and proud of the products we offered. Since that time, I have changed jobs a few times, and now find myself working at PREMIER Bankcard, also in Sioux Falls. I have worked here now for over 6 years. Again, I am proud of what I do and proud of the services and products we offer. While I am working with much different customers than I was used to while working at Citibank, they are customers nonetheless. The cardholders we have at PREMIER are either younger folks who have no credit, or those which may be older and find themselves needing to rebuild or re-establish their credit. Our product does that for these folks. Certainly, its a higher risk business, so the fees are understandably higher than those of a prime card. But with proper management of their credit, our customers will enjoy the benefits of an improved credit history in short order. We give people the chance to carry a credit to many who ordinarily would not have the opportunity to do so.

The proposed regulations go too far in their reach. They will restrict the lending opportunity of sub-prime lenders. By doing so, the very people you intend to protect, will suffer by losing access to credit. I urge you to defeat the proposal and reject the urge place price controls on the free market system. Consumers have a fair market now from which they can select the credit card they would like to carry. If these restrictions are enacted, this choice will be eliminated for them.

Thank you for your time.

Respectfully submitted,

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