

August 1, 2008

Jennifer J. Johnson
Secretary, Board of Governors of the Federal Reserve System
20th Street and Constitution Ave, NW
Washington, DC 20551

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:

The purpose of this letter is to provide comments to the proposed rules on Regulation AA. I want to thank you for offering me the option to do so. I work in the sub-prime credit card industry and have done so for the past three and a half years. Throughout that time, I have seen what our product can do for our customers.

The UDAP Proposal claims that consumers sustain injury when deposits and fees are charged in order to obtain credit. Our sub-prime cards offer millions of consumers the ability to obtain credit when they would not be able to in the prime market. Our customers have poor or little to no credit and our product assists in helping them build or rebuild their credit. The purpose of our card is not long term. Our hope is for our consumers to raise their credit scores high enough to allow them to move in to the prime market, whether that is another credit card, a home loan or a car loan.

The proposal also claims that the benefits associated with low-limit credit card accounts are outweighed by the high cost the consumer pays for that credit. We have countless success stories from our customers indicating that our card is the only chance they had to rebuild their credit. A sub-prime, low limit card, provides crucial financial assistance to consumers who have encountered emergencies or unexpected and sometimes life-altering events. We also provide monthly reporting to all of the major credit reporting agencies. This allows our customers access to rebuild their credit and has assisted millions of consumers in reaching their long-term financial goals. Along with the tangible benefits consumers receive, we also strive to educate our customers regarding their credit scores and things that they can do to help rebuild that score.

I believe that millions of Americans would benefit from regulators developing more effective disclosures under the Truth in Lending Act. We also need to encourage consumer education as well as accountability. A majority of Americans do not understand how credit works and what they can do to raise their score or what causes their score to be lowered.

In closing, not only would these proposed regulations have a profound effect on consumers trying build or rebuild their credit, it could possibly affect countless Americans who work for banks and credit card companies. If banks cannot provide service to their customers, it could have a devastating effect on the work force across the country.

Respectfully submitted,

Amanda R. Seykora
222 N. West Ave
Sioux Falls, SD 57104