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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 very strongly with the Federal Reserve Board's proposal regarding restructuring initial credit card fees. If this restructuring goes through, then consumers like me won't have access to a line of credit. Worse than this, consumers will be forced to turn to payday loans. If I could, I would go on television and tell Americans to stay far away from payday loan companies.

These payday loan companies pop up, seemingly over night, on every corner, taking advantage of the poor and those with credit that is less than perfect. When it's time to pay the loan, the consumer has to pay a high interest rate along with the loan. For example, I have to pay \$134.00 in interest alone to keep the loan from defaulting. If I do not pay the interest, the company will take money from my checking account.

I have found myself taking out another payday loan to cover the principal of the first loan, and eventually I took out a third loan to cover the second. All of this is why I'm glad I had access to a subprime credit card. I want to get out of the payday loan matrix. Payday loans are so easy to get into, but very hard to get out of.

There are many good, hardworking people that need a way to have access to credit. Subprime credit cards do just that, and as long as people fully understand what they are getting into, they can decide if they can afford the line of credit or fees associated with the card. As long as consumers are informed as to why the banks need their initial fees upfront, they deserve the opportunity to decide for themselves if a subprime credit card is right for them. Please don't legislate a regulation that will block this personal choice for consumers.

Thanks,

Kathy Castaneda

