

12/07/2008

Nick Kronyak

1329 Lakeview Road

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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

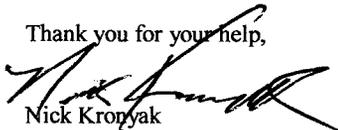
Dear Secretary Johnson-

It is good to be given a second chance. Many people who have had bad credit need the chance to be able to rehabilitate their history. Unfortunately, it can sometimes be difficult to find a company willing to take a chance on people they consider to represent a credit risk. Subprime credit companies offer credit, but often require fees up front to do so. I understand the reasons for levying fees; the credit industry must have protection when lending to high-risk borrowers. I ask the Federal Reserve Board to continue to allow the subprime credit industry to charge the fees they deem appropriate to cover losses. Otherwise, an entire segment of credit borrowers may miss out on opportunities to avail themselves of credit.

During my late teens and early twenties, I did not handle credit responsibly. In fact, I acted as though it were free money." Predictably, I ended up with a poor credit rating. When I thought about buying a home, I realized that I needed to do something about my poor credit; I applied for a Total card to get back on track. I have now had the Total card between one and two years now. I mainly use this card for things like extra pocket money, gas, and going out to dinner, and my credit rating has steadily improved. Consequently, I am now offered credit by more conventional lenders.

Many people with past credit issues just want the opportunity to straighten out their credit record. Subprime lenders give these individuals a second chance, which is a very important service for those without many other alternatives. I hope subprime lenders will continue to be permitted to run their businesses in such a way that does not change their lending criteria. The Board's proposed restrictions should be abolished.

Thank you for your help,



Nick Kronyak