

Request for Full Copy of, & Timely Comments On, Requesting Hearings & an Extension of the Comment Period On the Applications by Capital One Financial Corp. to acquire ING Bank, FSB & ING Direct Investing, Inc., please confirm receipt, thank you

Matthew R. Lee

to:

Office-of-the-Secretary, Adam.Drimer, Wayne.Cox  
07/28/2011 07:42 AM

Cc:

"Matthew R. Lee [at] FairFinanceWatch.org"

Show Details

BANKING SUPERVISION AND  
REGULATION DEPARTMENT

JUL 28 2011

FEDERAL RESERVE BANK  
OF RICHMOND

July 28, 2011

Via e-mail to Office-of-the-Secretary [at] [frb.gov](mailto:frb.gov), [Adam.Drimer@rich.frb.org](mailto:Adam.Drimer@rich.frb.org), [Wayne.Cox@rich.frb.org](mailto:Wayne.Cox@rich.frb.org)

Board of Governors of the Federal Reserve System  
Attn: Chairman Ben Bernanke, Secretary Jennifer J. Johnson  
20th Street and Constitution Avenue, N.W.  
Washington, DC 20551

Federal Reserve Bank of Richmond  
Attn: Adam M. Drimer, Assistant Vice President & Wayne Cox  
701 East Byrd Street, Richmond, VA 23261-4528

Re: Request for Full Copy of, & Timely Comments On, Requesting Hearings & an Extension of the Comment Period On the Applications by Capital One Financial Corp. to acquire ING Bank, FSB & ING Direct Investing, Inc.

Dear Chairman Bernanke, Secretary Johnson, Messrs. Drimer & Cox and others in the FRS:

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As an initial matter, while Inner City Press has already submitted a formal Freedom of Information Act request for the application (to the first e-mail address above, after the FRB's online FOIA form did not work, see below),

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Capital One, alongside its brick and mortar banking operations, is a nationwide credit card lender surrounded by mounting allegations of abusing consumers. As sampled below, Capital One's mortgage lending is disparate, and threatens to become more so as it limits and reported seeks to end its Federal Housing Administration lending.

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Meanwhile for the FHA and VA loans in Table 4-1, Capital One made 25 loans to African Americans and 74 to whites. These disparities, Capital One's FHA lending policies and reported plan to cease FHA lending would harm protected classes and, disproportionately, low and moderate income families.

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applications should not be approved.

Please immediately send all portions of the applications for which Capital One has not requested confidential treatment by e-mail to [lee@fairfinancewatch.org](mailto:lee@fairfinancewatch.org) and [innercitypress@gmail.com](mailto:innercitypress@gmail.com), and/or by hard copy by FedEx to:

Matthew R. Lee, Esq.  
Fair Finance Watch  
c/o 747 Third Ave ("hold at location" Fed Ex), NY NY 10017 USA

If you have any questions, please immediately telephone the undersigned, at (718) 716-3540.

Very Truly Yours,

Matthew Lee, Esq.  
Executive Director  
Inner City Press/Fair Finance Watch

This follows up on the below, an FRB response to which has yet to be received:

----- Forwarded message -----

From: **Matthew R. Lee** <[innercitypress@gmail.com](mailto:innercitypress@gmail.com)>

Date: Fri, Jul 22, 2011 at 3:31 PM

Subject: FOIA request for all of Capital One-ING applications, FRB's online eFOIA form is not working, please explain & confirm receipt, thanks

To: [Office-of-the-Secretary@frb.gov](mailto:Office-of-the-Secretary@frb.gov)

Cc: "Matthew Lee [at] [innercitypress.org](http://innercitypress.org)" <[mlee@innercitypress.org](mailto:mlee@innercitypress.org)>

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Capital One Financial Corporation, McLean, Virginia ING Bank, FSB, Wilmington, DE, & indirectly acquire voting shares of Sharebuilder Advisors, LLC, & ING Direct Investing, Inc., Seattle, Washington - operating a fsb & investment financial advisory& securities brokerage services - 225.28 4 Richmond 08/18/2011

Send to: Inner City Press / Fair Finance Watch  
Attn: Matthew Lee, Esq., Executive Director  
P.O. Box 580188, Mount Carmel Station  
The Bronx, New York 10458

If Fed Ex Matthew Lee c/o 747 Third Ave ("hold at location" Fed Ex), NY NY 10017 USA

Tel: 718-716-3540 E-mail: <mlee@innercitypress.org>

sent to

<http://www.federalreserve.gov/generalinfo/foia/EFOIA/EFOIAForm.cfm>, got:

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Gecko/20110614 Firefox/3.6.18

Fw: Second ICP Comment On, Requesting Hearings & an Extension of the Comment Period On the Applications by Capital One Financial Corp. to acquire ING Bank, FSB & ING Direct Investing, Inc.- and demand that ING apply to control Capital One, please confirm

Wayne Cox

to:

Kathy Eike

08/07/2011 08:46 PM

Cc:

"Adam Drimer"

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We will have to confer with Board staff before we respond

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**From:** "Matthew R. Lee" [innercitypress@gmail.com]

**Sent:** 08/07/2011 07:55 PM AST

**To:** Office-of-the-Secretary@frb.gov; Adam Drimer; Wayne Cox

**Cc:** "Matthew Lee [at] innercitypress.org" <mlee@innercitypress.org>

**Subject:** Second ICP Comment On, Requesting Hearings & an Extension of the Comment Period On the Applications by Capital One Financial Corp. to acquire ING Bank, FSB & ING Direct Investing, Inc.- and demand that ING apply to control Capital One, please confirm

August 7, 2011

Via e-mail to Office-of-the-Secretary [at] [frb.gov](http://frb.gov), [Adam.Drimer@rich.frb.org](mailto:Adam.Drimer@rich.frb.org), [Wayne.Cox@rich.frb.org](mailto:Wayne.Cox@rich.frb.org)

Board of Governors of the Federal Reserve System

Attn: Chairman Ben Bernanke, Secretary Jennifer J. Johnson

20th Street and Constitution Avenue, N.W.

Washington, DC 20551

Federal Reserve Bank of Richmond

Attn: Adam M. Drimer, Assistant Vice President & Wayne Cox

701 East Byrd Street, Richmond, VA 23261-4528

Re: Second ICP Comment On, Requesting Hearings & an Extension of the Comment Period On the Applications by Capital One Financial Corp. to acquire ING Bank, FSB & ING Direct Investing, Inc.- and demand that ING apply to control Capital One, please confirm receipt

Dear Chairman Bernanke, Secretary Johnson, Messrs. Drimer & Cox and others in the FRS:

This is a second timely comment from Inner City Press / Fair Finance Watch ("ICP") opposing the proposed acquisition by Capital One Financial Corporation ("Capital One") to acquire ING Bank, FSB and its affiliates ("ING"), to form what would be the fifth largest bank in the country -- and a comment demanding the ING file an application regarding control of Capital One.

Beyond the matters raised in ICP's initial comment on July 28, ICP has just received a partial response to its FOIA request of July 22. Beyond its August 3 (partial) Denial, the Fed has disclosed the request by ING not to be deemed to control Capital One while owning up to 9.9% of Capital One.

ICP is opposed to this, and notes for example the allegations of sanctions and money laundering violations at ING. For the record: <http://www.miamiherald.com/2011/07/27/2333786/us-could-sanction-dutch-bank-for.html#ixzz1TmLSlvv1>

US could sanction Dutch bank for doing business with terror sponsors

.ING Bank could face a huge fine for possible transactions with terror sponsors, including Cuba.

U.S. authorities are investigating a leading Dutch bank for alleged dealings with countries under trade sanctions, such as Cuba and Iran, that could draw a fine of “several hundred million” dollars, according to news reports.

Other European banks have paid at least \$635 million over the past decade for transactions with Cuba that violate U.S. embargo or counter-terrorism laws. Cuba, Iran, Syria and Sudan are on the U.S. list of state sponsors of terrorism.

The U.S. inquiry targets ING Bank, part of the Dutch financial services giant ING Groep, the Reuters news agency quoted an ING spokesman as saying on Wednesday.

“We don’t know how the investigations in the U.S. will pan out and cannot estimate what the fines, if any, will be. Fines could be significant. We are cooperating fully with U.S. authorities,” the spokesman was quoted as saying.

He spoke after the Dutch newspaper Het Financieele Dagblad reported that ING Bank could be fined “several hundred million” Euros , or dollars for transactions with countries under U.S. sanctions “like Cuba and Iran.”

ING acknowledged in March that it could face fines as a result of its ongoing “discussions” with U.S. officials. It did not explain the talks but said they were with the U.S. Department of Justice, federal prosecutors in New York and the Treasury Department’s Office of Foreign Assets Control, which enforces U.S. economic sanctions.

OFAC in 2006 declared Netherlands Caribbean Bank — owned jointly by ING and the Cuban government — to be in violation of U.S. sanctions. ING shut down the joint venture the following year.

U.S. Treasury Department spokeswoman Marti Adams said the department does not comment on possible investigations. Spokespersons for the Justice Department and ING in Holland could not be reached for comment.

Cuba has been under the U.S. trade embargo since 1962. But after the Sept. 11 attacks, tougher U.S. measures on terrorism financing began hitting foreign banks that operate in Cuba as well as the United States — and are therefore subject to U.S. laws.

The latest U.S. report on state sponsors of terrorism alleges Cuba provides safe haven for two Colombian guerrilla groups and Spain’s ETA Basque separatists. Cuba says the Bogota and Madrid governments approve the arrangements as part of efforts at peace negotiations.

The post-Sept. 11 counter-terrorism measures, especially under President George W. Bush, led to a broad crackdown on banking and other financial services enterprises that were doing business in or with Cuba.

Credit Suisse Bank paid a whopping \$536 million to the U.S. government in 2009 to settle allegations of unauthorized dealing with Cuba, Iran and other sanctioned countries. The Swiss-based UBS paid \$100 million in 2004 for violations also involving Cuba and other countries.

Cuba complained that the U.S. government also was freezing funds in allegedly illegal Cuban accounts in foreign banks. A 2006 report in the state-controlled Trabajadores newspaper estimated the money frozen in 2005 alone at \$268 million, but gave no details.

The British-based HSBC bank reportedly closed down several Cuban accounts it held, and a Jamaican branch of Canada’s Bank of Nova Scotia refused to serve the Cuban embassy in Kingston.

Several other financial services companies simply closed their operations in Cuba, complaining that the U.S. regulations had

become too burdensome and risked costly violations, according to a 2006 report in The Miami Herald.

On July 22, I submitted a formal FOIA request for

"the entirety of the below-captioned applications, and for **all records reflected FRS communications with the companies at issue for the past 12 months**, and up until the date of your final response to this timely request. There is a comment period, currently running through August 18, and we are requesting that you respond as quickly as possible to allow any necessary FOIA appeal before the comment period closes. Please advise. Here are the applications / companies:

Capital One Financial Corporation, McLean, Virginia ING Bank, FSB, Wilmington, DE, & indirectly acquire voting shares of Sharebuilder Advisors, LLC, & ING Direct Investing, Inc., Seattle, Washington - operating a fsb & investment financial advisory & securities brokerage services - 225.28 4 Richmond 08/18/2011" (Emphasis added.)

Note that the request was for "all records reflecting FRS communications with the companies" -- Capital One and ING -- NOT, as mis-recited in your denial, only communications related to the application.

While we do not have to explain the reason for a FOIA request, for the record on this appeal, since we are alleging fair lending violations at Capital One, and sanctions and money laundering violations at ING, we wish to review all non-exempt FRS communications about these companies and issues.

The Denial also improperly seeks to limit the request to communications between FRS staff and the companies, excluding communications inside the FRS (or between the FRS and other parties) ABOUT the companies. This was requested, and in responses to other identically worded FOIA request from ICP even just this year, the Fed has provided intra-FRS emails about companies.

The Denial's blatant mis-quotation of the request denies access to these important records, seemingly intentionally so. Accordingly, we hereby immediately appeal and request the improperly withheld records, and a rule, by the August 22 expiration of the comment period on the application.

Even in the improperly limited scope imposed on the Request by the Fed, the Fed has disclosed the request by ING not to be deemed to control Capital One while owning up to 9.9% of Capital One, and has withheld in full 32 pages after Capital One's Kevin Murray's May 25 letter about a May 26 meeting for which notes were apparently not taken.

ICP is appealing for the 32 pages and any notes or memorializations of the May 26 meeting, and for any and all Fed responses to the request that ING not be deemed to control Capital One.

From Capital One's application, the Fed is withholding in full, and ICP is hereby appealing the withholding of, the so-called (by Capital One) "Confidential" Exhibit A (384 pages), B (5 pages, post closing and integration plans, routinely released by other banks), C (6 pages, on risk), D (1 page, financial), E (1 page, financial), F (1 page, financial), G (3 pages, financial), I (1 page, financial), J (8 pages, on ING mortgage portfolio), K (10 pages, diligence findings), L (2 pages, liquidity), M (2 pages, anti-money laundering), N (4 pages, risk), O (2 pages, cash flow) and P (4 pages of information about ING Direct's "cafes").

The Fed has withheld each of these in full, with no non exempt portions as required being provided. ICP has submitted an immediate appeal, for decision before August 22. The comment period should also be

extended, until at least October 22 as NCRC has requested.

As we will show at the request public meetings, ING's "cafes" have not addressed, but have rather accentuated, this disproportionate exclusion of low and moderate income consumers.

For example, in two of the cities in which NCRC is requesting public meeting, the Chicago cafe at 21 E. East Chestnut is in an upper income census tract. The New York City cafe is at 968 3rd Avenue in Manhattan, in an upper income census tract. This will be further addressed at the public meetings.

Please immediately send all information and ruling (s) by e-mail to [lee@fairfinancewatch.org](mailto:lee@fairfinancewatch.org) and [innercitypress@gmail.com](mailto:innercitypress@gmail.com), and/or by hard copy by FedEx to:

Matthew R. Lee, Esq.  
Fair Finance Watch  
c/o 747 Third Ave ("hold at location" Fed Ex), NY NY 10017 USA

If you have any questions, please immediately telephone the undersigned, at (718) 716-3540.

Very Truly Yours,

Matthew Lee, Esq.  
Executive Director  
Inner City Press/Fair Finance Watch

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Date: Thu, Jul 28, 2011 at 7:41 AM  
Subject: Request for Full Copy of, & Timely Comments On, Requesting Hearings & an Extension of the Comment Period On the Applications by Capital One Financial Corp. to acquire ING Bank, FSB & ING Direct Investing, Inc., please confirm receipt, thank you  
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Cc: "Matthew R. Lee [at] FairFinanceWatch.org" <[lee@fairfinancewatch.org](mailto:lee@fairfinancewatch.org)>

July 28, 2011

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Direct Investing, Inc.

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Matthew R. Lee, Esq.  
Fair Finance Watch

c/o 747 Third Ave ("hold at location" Fed Ex), NY NY 10017 USA

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Executive Director  
Inner City Press/Fair Finance Watch

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Tel: [718-716-3540](tel:718-716-3540) E-mail: <[mlee@innercitypress.org](mailto:mlee@innercitypress.org)>

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Network Office  
147 Prince Street  
Brooklyn, New York 11201

Mr. Adam M. Drimer  
AVP Federal Reserve Bank Richmond  
P. O. Box 27622  
Richmond, Virginia 23261  
Fax: 804-637-4021

August 9, 2011

Dear Mr. Drimer;

I am writing to you on behalf of the ACCION Network in the U.S. on the subject of the proposed merger of Capital One and ING Direct.

The ACCION Network is a group of five microlenders operating in 20 states across the country. The populations we serve are overwhelmingly low-to-moderate income and are part of the large "underbanked" sector in our nation. After two decades of providing capital and business support services, ACCION has grown to be the largest provider in the country. We are proud of our accomplishments and humbled by how much more there is to do.

To accomplish our work, we rely heavily on the support of others. That support takes many forms: Loans to capitalize our portfolios, capacity building grants, support for the industry as a whole through our trade associations and through community-based as well as national events that make the field and its products accessible to thousands.

Among those supporters, there are few as consistent and innovative as Capital One. From an endorsement this year of the Microfinance USA Conference which attracted 800 people over two days to discuss the issues of the field both domestically and internationally, to promoting the "Second Look" program to help bank clients find their way to microlenders when Capital One was unable to meet their needs, to providing marketing support and leadership to the Association of Enterprise Opportunity, to participating as members of our Boards of Directors, Capital One has been a steadfast partner driving the field to higher standards and greater reach.

As the nation looks for ways to make financial inclusion a reality for the millions of households who today have been marginalized, Capital One is a leader among leaders and a friend to those of us at work on the ground in communities across the country.

I speak for all of us at ACCION when I say we are always pleased to be in the company of Capital One and look forward to their continued growth and success.

Sincerely,

Gina Harman  
CEO, ACCION Network

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**President**

Cynthia D. Nunn



SM

## CENTER FOR NONPROFIT MANAGEMENT

*strong nonprofits build strong communities*

August 9, 2011

Mr. Adam M. Drimer, AVP  
Federal Reserve of Richmond Virginia  
P. O. Box 27622  
Richmond, Virginia 23261

Fax# (804) 697-4021  
RE: Capital One Bank and ING Direct merger

Dear Mr. Drimer,

The Center for Nonprofit Management would like to express support for **Capital One Bank** in its merger efforts with ING Direct. **Capital One Bank** has been a long time supporter of the mission and the work of the Center for Nonprofit Management in the Dallas and North Texas community.

The mission of the Center for Nonprofit Management is to build stronger communities by increasing the performance and impact of nonprofit organizations. Fulfilling its mission since 1980, the Center for Nonprofit Management annually helps more than 5,000 staff and boards of nonprofit organizations develop better management and governance skills through consulting and education programs. The Center for Nonprofit Management is the only Management Support Organization that provides comprehensive management assistance and training to public charities in North Texas. Over the last couple of years, organizations across the nonprofit sector have been asked to do more with less, a challenge that more than ever requires the application and development of knowledge, skills and creativity by nonprofit personnel. During these challenging times, there is a unique demand for the Center's core services. One of those core services is collaboration facilitation. **Capital One Bank** has supported the Center in many areas including work specifically with four Nonprofit Community Development Corporations (CDCs) in the Dallas Home Connection (DHC) Collaborative since 2008. The goals of DHC are to:

- Provide a secure path to home ownership through financial literacy education
- Empower low-moderate income citizens to break through the barriers to home ownership;
- Walk hand in hand with clients as they navigate the process of getting a home and keeping it, resulting in a revitalized Southern Dallas

**Capital One Bank** has led to the DHC's success in effectiveness, length of collaboration, and outcomes and will serve as a model for future CNM collaboratives. The uniqueness and success of the Dallas Home Connection Collaborative is largely due to 3 factors:

- Funding from **Capital One Bank's** CRA funds;
- Consistency and dedication of the **Capital One Bank** VP CRA Development, Joyce Campbell, over the last 3 years;
- Innovative support and creative collaboration with nonprofits in South and West Dallas.

Joint work of the DHC collaborative primarily funded by **Capital One Bank** includes:

- CDC organizational assessment and capacity building
- DHC Marketing efforts and Website
- DHC HomeBuyer Club

**"Get It. Keep It."** is the DHC HomeBuyer Club tagline. The HOMEBUYERS CLUB (HBC) provides the education and personal coaching necessary to turn working families into qualified homebuyers. The HBC is available long after the sale to help homebuyers continue to make smart decisions and avoid the financial troubles and mistakes that can lead to the loss of their home.

**Homebuyers Club Benefits to its members:**

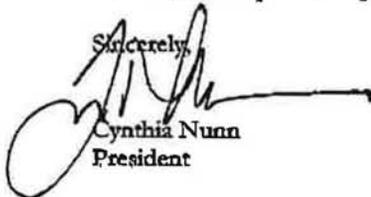
- Education in the complex process of buying a home
- Up to \$25,000 in federal, state and local mortgage assistance grants
- Credit and Budget Counseling to help homebuyers qualify for a mortgage
- Tips on shopping for a new home
- Training on maintaining a new home
- Strong neighborhood associations to provide a warm, friendly, and safe environment for the homebuyer's family.

**Capital One Bank's** support for the Center is a differentiator for our work through:

- Service on the Center for Nonprofit Management Board of Directors
- Financial support of the 1<sup>st</sup> collaborative in the Affordable Housing Mission space
- Providing innovative funding and participation in a model collaborative

**Capital One Bank** is a leader in support of Dallas Fort Worth nonprofits and is using their CRA funds to support collaborations and capacity building to bolster capabilities of CDCs and other nonprofits to make a strong impact in North Texas. It is the Center for Nonprofit Management's hope that through the merger of Capital One Bank and ING Direct that this partnership with the community will become even stronger.

Sincerely,



Cynthia Nunn  
President



Sally Lutz  
Assistant Director of Consulting



8134 VAN NUYS BOULEVARD, SUITE 206  
PANORAMA CITY, CALIFORNIA 91402  
TELEPHONE: (818) 373-1185  
FAX: (818) 373-1193

August 9, 2011

Adam M. Drimer, Assistant Vice President  
Federal Reserve Bank of Richmond  
701 East Byrd Street  
Richmond, VA 23261

Fax: 804-697-4021

RE: Capital One application to acquire ING Direct

Dear Mr. Drimer:

This letter concerns Capital One's application to acquire ING Direct. *The Fair Housing Council of the San Fernando Valley* asks the Federal Reserve to withhold approval of the application without a written CRA commitment from Capital One to California counties from which the proposed institution has received significant deposits or has a significant lending presence. The proposed financial institution would be the fifth largest U.S. bank by deposits and have a banking presence far beyond the nine states where it has branches. The complexities of the proposed mergers necessitate an extended comment period and Federal Reserve public hearings in California.

The Fair Housing Council of San Fernando Valley is a non-profit corporation organized under the laws of the state of California with the mission and purpose of supporting and promoting equal housing and lending opportunities. The Council is a vocal advocate and fights to ensure non-discriminatory access in all aspects of housing including an equal opportunity to rent, purchase, and finance or insure the property of one's choice. The Council is concerned about policies and practices that are predatory and discriminatory and that disproportionately impact persons and communities of color.

The banking crisis has had a deleterious impact on low-income households, small business owners and middle-class wage earners; the loss of the family home due to foreclosure, the increase in fees and interest rates and minimum payments charged by banks on credit cards and other consumer loans. The tightening and availability of credit has caused undue harm in many families and in many communities and has contributed to the job losses and rising unemployment. The Council's advocacy extends to not only expanding opportunities, but to the sustainability of diverse & economically viable communities. We are concerned that without close scrutiny and a written commitment, this merger and/or acquisition will cause harm and lead to further destabilization of low and moderate income communities and minority owned businesses.

The proposed institution's credit card, small business, auto and mortgage lending as well as deposit taking for investments have extensive impact on California despite having only two offices (San Francisco and Los Angeles). Their lending in our county and the state has been disproportionately scarce in low and moderate income areas and to minority- and women-owned businesses. There is a lack of California community development lending

• A NON-PROFIT CALIFORNIA CORPORATION  
• ALL CONTRIBUTIONS ARE TAX DEDUCTIBLE

• AN EQUAL EMPLOYMENT OPPORTUNITY—  
AFFIRMATIVE ACTION EMPLOYER

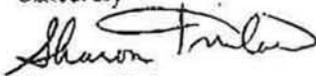


and investment even though ING Direct recognized its obligation to five metropolitan areas of California in its internal goals. Capital One has shown a lack of response to community needs in its lending.

The extent of the proposed new institution's profit-making from numerous products in California demands that there be a significant community development commitment to California counties where it has and will have significant presence. It is critical that public hearings are held in San Francisco and Los Angeles to offer an opportunity for those communities who will clearly be impacted by the proposed institution to identify community impact and needs before any decision on the application is made.

Please respond in writing to this letter and place a copy in Capital One's public CRA file.

Sincerely



Sharon Kirlaw  
Assistant Director

cc: Alan Fisher



empowering young people to  
own their economic success

**Jack E. Kosakowski**  
President & CEO  
Junior Achievement USA

August 9, 2011

Mr. Adam M. Drimer, Assistant Vice President  
Federal Reserve Bank of Richmond  
P.O. Box 27622,  
Richmond, VA 23261

Dear Mr. Drimer,

I wanted to share Junior Achievement's perspective on Capital One's community engagement, the depth of our partnership and the tremendous impact being made on young people through this strategic alliance.

If you are not familiar with Junior Achievement, we are a 501 (C) (3) national and international organization dedicated to inspiring and preparing young people to succeed in a global economy. JA currently engages 10 million young people around the world in programs focused on financial literacy, workforce readiness and entrepreneurship education. More than 4 million students in kindergarten through senior high school are involved in the United States, with 32.7% of our students coming from schools classified as Title 1. Those underserved populations serve as the focus of Capital One's amazing commitment.

Capital One has emerged over the past six years as one of our organizations most passionate partners committed to making a difference in the lives of young people, especially those middle and high school students in underserved communities. While serving 27 different communities, their primary support has been the markets where they have implemented JA's most significant financial literacy experience, JA Finance Park. Their remarkable impact includes the donation of more than \$16 million dollars which have been translated to financial literacy program development and implementation over that period. Just as important, they have engaged more than 62,000 passionate Capital One volunteers in programs designed to empower young people to own their own economic success. They have earned the prestigious Presidential Volunteer Service Award for this volunteer effort for the past two years.

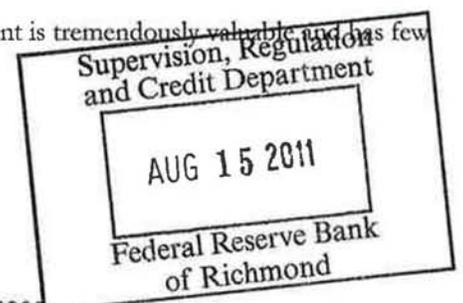
What makes Capital One unique from the many wonderful partners with whom we work is their attention to the populations needing significant support. Their commitment is to ensure that these young people have the knowledge, skills and discipline to be financially responsible. They insist their volunteers serve in these challenged schools and model excellent behavior to provide the type of relevant inspiration they need to make thoughtful choices in their lives.

In summary, Capital One's community impact made through Junior Achievement is tremendously valuable and has few peers. We are most appreciative as are the young people they serve.

Sincerely,

A handwritten signature in black ink that reads "Jack E. Kosakowski".

Jack E. Kosakowski





**RISING TIDE**  
CAPITAL

**TRANSFORMING**  
Lives and Communities  
through Entrepreneurship

Mr. Adam M. Drimer, AVP  
Federal Reserve Bank of Richmond  
PO Box 27622  
Richmond, VA 23261

August 9, 2011

Dear Mr. Drimer,

I am writing this letter in reference to Capital One's recent application to acquire ING Direct and to testify to the sustained charitable support our nonprofit organization has received over the years from Capital One as a result of their strong commitment to the economic empowerment of low-income individuals and communities through micro-enterprise development.

Rising Tide Capital ([www.RisingTideCapital.org](http://www.RisingTideCapital.org)) is a nonprofit organization based in Jersey City, NJ whose mission is to assist low-income individuals and communities to build strong businesses that transform lives, strengthen families and build sustainable communities. We achieve our mission by providing hands-on training and coaching in business management and planning specifically tailored to the education- and experience-level of low-income entrepreneurs. The goal is to create jobs and economic opportunity in low-income neighborhoods and to assist poor and working poor families to achieve financial self-sufficiency. We are proud to say that, as of this writing, we already have 193 open businesses in and around Jersey City, NJ. The average entrepreneur at Rising Tide Capital is a 39 year-old single mother of two children earning less than \$33,000 per year. 89% of our entrepreneurs are minorities and 75% are women.

Since 2008, Capital One has been providing annual support for our business training and technical assistance programs through charitable grants, corporate volunteers, professional development scholarships, and donated program space. Capital One has distinguished itself in our eyes by the thoughtfulness and depth of engagement it pursues with its nonprofit partners. Not every bank, for example, is willing to pay its staff to keep bank branches open late, as Capital One has, to host 3-month business training classes at night. While financial support is of critical importance, Capital One's practice of establishing collaborative, problem-solving partnerships with community development nonprofits significantly increases the impact of its charitable initiatives.

In addition to the direct support we have received, we have also been able to witness Capital One's strategic and systematic support of a national micro-enterprise development industry through significant, sustained financial support of our trade association: The Association for Enterprise Opportunity (AEO). This support is further leveraged by Board-level engagement by Capital One employees.

Rising Tide Capital is proud of its partnership with Capital One and grateful for their uniquely focused dedication to economic opportunity for low-income individuals and communities through entrepreneurship. We hope that they have the opportunity to grow this commitment over time and continue to promote the powerful role of micro-enterprise development in community revitalization.

Sincerely,

Alfa Demmellash  
Chief Executive Officer  
Rising Tide Capital

August 9, 2011

Adam M. Drimer, Assistant Vice President  
Federal Reserve Bank of Richmond  
701 East Byrd Street  
Richmond, VA 23261

Fax: 804-697-4021

RE: Capital One application to acquire ING Direct

Dear Mr. Drimer:

This letter concerns Capital One's application to acquire ING Direct. Sacramento-Yolo Mutual Housing Association asks the Federal Reserve to withhold approval of the application without a written CRA commitment from Capital One to California counties from which the proposed institution has received significant deposits or has a significant lending presence. The proposed financial institution would be the fifth largest U.S. bank by deposits and have a banking presence far beyond the nine states where it has branches. The complexities of the proposed mergers necessitate an extended comment period and Federal Reserve public hearings in California.

Sacramento-Yolo Mutual Housing Association is a nonprofit affordable housing development agency that has developed over 15 affordable housing developments in Sacramento and Yolo County over the past 20 years. The Mutual Housing Association owns and operates over 824 affordable rental homes in 15 developments that provide housing to nearly 2,600 residents, with hundreds of additional units in the pipeline. We also provide residents with a wide range of services, including leadership development training and financial and consumer education services. As an affordable housing developer that provides service-enriched housing for its residents, we rely upon banks for construction and permanent financing as well as for foundation support to provide the services. Over the years we have found that the best lenders for our work are also committed to their local CRA needs and truly understand the credit needs of their community.

The proposed institution's credit card, small business, auto and mortgage lending as well as deposit taking for investments have extensive impact on California despite having only two offices (San Francisco and Los Angeles). Their lending in our county and the state has been disproportionately scarce in low and moderate income areas and to minority- and women-owned businesses. There is a lack of California community development lending and investment even though ING Direct recognized its obligation to five metropolitan areas of California in its internal goals. Capital One has shown a lack of response to community needs in its lending.

The extent of the proposed new institution's profit-making from numerous products in California demands that there be a significant community development commitment to California counties where it has and will have significant presence. It is critical that public hearings are held in San Francisco and Los Angeles to offer an opportunity for those communities who will clearly be

impacted by the proposed institution to identify community impact and needs before any decision on the application is made.

Please respond in writing to this letter and place a copy in Capital One's public CRA file.

Sincerely,

Paul Ainger  
Senior Project Developer  
Sacramento-Yolo Mutual Housing Association

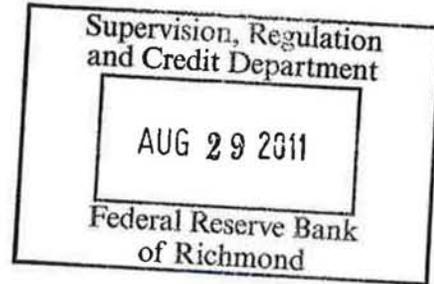
8001 Fruitridge Road  
Sacramento CA 95820



## ศูนย์ส่งเสริมชาวไทย

THAI COMMUNITY DEVELOPMENT CENTER

6376 Yucca Street, Suite B  
Los Angeles, CA 90028  
Phone : (323) 468-2555 Fax : (323) 461-4488



August 9, 2011

Adam M. Drimer, Assistant Vice President  
Federal Reserve Bank of Richmond  
701 East Byrd Street  
Richmond, VA 23261

Fax: 804-697-4021

RE: Capital One application to acquire ING Direct

Dear Mr. Drimer:

This letter concerns Capital One's application to acquire ING Direct. Thai Community Development Center (Thai CDC) asks the Federal Reserve to withhold approval of the application without a written CRA commitment from Capital One to California counties from which the proposed institution has received significant deposits or has a significant lending presence. The proposed financial institution would be the fifth largest U.S. bank by deposits and have a banking presence far beyond the nine states where it has branches. The complexities of the proposed mergers necessitate an extended comment period and Federal Reserve public hearings in California.

Thai CDC, a community development non-profit organization, was founded in April 1994 on the idea that all peoples have a basic right to a decent standard of living and quality of life. Our mission is to advance the social and economic well-being of low and moderate income Thais and other ethnic communities in the greater Los Angeles area through a comprehensive community development strategy including human rights advocacy, affordable housing, access to healthcare, promotion of small businesses, neighborhood empowerment, and social enterprises. Thai CDC facilitated the designation of the one and only Thai Town in the world located in Hollywood, Los Angeles. Our organization aims to create a thriving community by creating businesses and jobs, developing decent and affordable housing, and revitalizing public space. We serve economically disadvantaged populations including immigrants, low-wage workers, and victims of human trafficking. In fact, the famed El Monte Slavery Case, the first case of modern day slavery in the United States, was vigorously fought by Thai CDC and our human rights allies until justice was achieved for the victims.

The proposed institution's credit card, small business, auto and mortgage lending as well as deposit taking for investments have extensive impact on California despite having only two offices (San Francisco and Los Angeles). Their lending in our county and the state has been disproportionately scarce in low and moderate income areas and to minority- and women-owned

businesses. There is a lack of California community development lending and investment even though ING Direct recognized its obligation to five metropolitan areas of California in its internal goals. Capital One has shown a lack of response to community needs in its lending.

The extent of the proposed new institution's profit-making from numerous products in California demands that there be a significant community development commitment to California counties where it has and will have significant presence. It is critical that public hearings are held in San Francisco and Los Angeles to offer an opportunity for those communities who will clearly be impacted by the proposed institution to identify community impact and needs before any decision on the application is made.

Please respond in writing to this letter and place a copy in Capital One's public CRA file.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chanchanit Martorell', written in a cursive style.

Chanchanit Martorell  
Executive Director



7 Wall Street, Concord, NH 03301  
Phone: (603) 224-8669 Fax: (603) 225-7425  
www.communityloanfund.org

RECEIVED  
OFFICE OF THE CHAIRMAN  
2011 AUG 17 AM 8:46

August 10, 2011

Chairman Ben Bernanke  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> St. & Constitution Avenue, N.W.  
Washington, DC 20551

Re: Request for extension of the period for public comment and for regional hearings on the application by Capital One Financial Corporation to acquire ING Bank, FSB and ING Direct Investing.

Dear Chairman Bernanke:

The New Hampshire Community Loan Fund is a 27-year-old Community Development Financial Institution, a founding member of the Opportunity Finance Network and a recipient of the Wachovia NEXT Award for Opportunity Finance. We are deeply committed to investing in disinvested neighborhoods; in struggling, hardworking households; and in small businesses that are unable to reach the first rung of the ladder of conventional financing.

CRA-motivated investment is an important component of the capitalization of the nation's CDFIs. For that reason, we are troubled to learn that the proposed merger of Capital One with ING makes no provision for a forward commitment to serve low-and moderate-income neighborhoods or to invest in CDCs, CDFIs, and other intermediaries.

We strongly support the request of the NCRC for an extension of the period for public comment, and for regional public hearings, on the proposed merger. As NCRC has noted, this is the first opportunity to gauge the wisdom of the decision to remove financial oversight from the CFPB. Given the complexity of this matter and considering how much is at stake, we believe that extending the comment period, and broader engagement of affected communities, is necessary to provide the level of scrutiny that rigorous enforcement of the Community Reinvestment Act requires in this case.

For this reason, we urge you to extend the comment period by 60 days and to offer the opportunity for public comment at regional hearings.

Respectfully,

*Richard Minard*  
151 gm

Richard Minard  
Vice President for Policy

BOB FILNER  
51ST DISTRICT, CALIFORNIA

VETERANS' AFFAIRS COMMITTEE  
RANKING MEMBER

TRANSPORTATION AND INFRASTRUCTURE  
COMMITTEE

AVIATION

HIGHWAY AND TRANSIT

WATER RESOURCES AND ENVIRONMENT

ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS,  
AND EMERGENCY MANAGEMENT



CONGRESS OF THE UNITED STATES  
HOUSE OF REPRESENTATIVES

2428 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515  
TEL: (202) 225-8045  
FAX: (202) 225-9073

333 F STREET, SUITE A  
CHULA VISTA, CALIFORNIA 91910  
TEL: (619) 422-5963  
FAX: (619) 422-7290

1101 AIRPORT ROAD, SUITE D  
IMPERIAL, CALIFORNIA 92251  
TEL: (760) 355-8800  
FAX: (760) 355-8802

website: [www.house.gov/filner](http://www.house.gov/filner)

August 10, 2011

Adam M. Drimer  
Assistant Vice President  
Federal Reserve Bank of Richmond  
701 E Byrd St  
Richmond, VA 23219

Dear Adam:

I am writing regarding Capital One's application to acquire ING Direct. I ask the Federal Reserve to withhold approval of the application without a written CRA commitment from Capital One to the California counties from which the proposed institution has received significant deposits or has a significant lending presence.

The proposed financial institution would be the fifth largest U.S. bank by deposits and have a banking presence far beyond the nine states where it has branches. The proposed institution's credit card, small business, auto and mortgage lending, as well as deposit taking for investments, will have extensive impact on California despite having only two offices in San Francisco and Los Angeles. There is a lack of community development lending and investment even though ING Direct recognized its obligation to five metropolitan areas of California in its internal goals. Capital One has shown a lack of response to community needs in its lending.

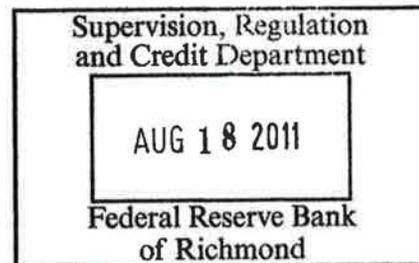
The extent of the proposed new institution's profit-making from numerous products in California demands that there be a community development commitment to California counties where it has and will have significant presence. It is critical that public hearings are held in San Francisco and Los Angeles to offer an opportunity for those communities who will clearly be impacted by the proposed institution to identify community impact and needs before any decision on the application is made.

I appreciate your attention to this matter.

Sincerely,  


BOB FILNER  
Member of Congress

BF/ek  
2585889





**PICO** California

*Unlocking the Power of People®*

2510 J Street, Suite 200  
Sacramento, CA 95816  
916 447 7959  
fax 916 447 7955  
www.PICOcalifornia.org

August 10, 2011

Adam M. Drimer, Assistant Vice President  
Federal Reserve Bank of Richmond  
701 East Byrd Street  
Richmond, VA 23261

Fax: 804-697-4021

RE: Capital One application to acquire ING Direct

Dear Mr. Drimer:

This letter concerns Capital One's application to acquire ING Direct. Faith communities in California are increasingly concerned about lack of community development investment by the large banks in low and moderate income communities. PICO California asks the Federal Reserve to withhold approval of the application without a written CRA commitment from Capital One to California counties from which the proposed institution has received significant deposits or has a significant lending presence. The proposed financial institution would be the fifth largest U.S. bank by deposits and have a banking presence far beyond the nine states where it has branches. The complexities of the proposed mergers necessitate an extended comment period and Federal Reserve public hearings in California.

PICO California is comprised of 19 congregation-based community organizations representing 400 congregations and 450,000 families across the state. We are the largest community-based organization in the state and bring the voices and concerns of regular Californians to the statewide policy arena.

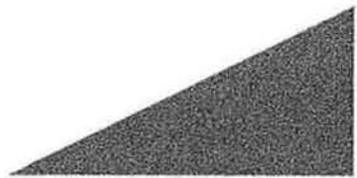
The proposed institution's credit card, small business, auto and mortgage lending as well as deposit taking for investments have extensive impact on California despite having only two offices (San Francisco and Los Angeles). Their lending in our county and the state has been disproportionately scarce in low and moderate income areas and to minority- and women-owned businesses. There is a lack of California community development lending and investment even though ING Direct recognized its obligation to five metropolitan areas of California in its internal goals. Capital One has shown a lack of response to community needs in its lending.

The extent of the proposed new institution's profit-making from numerous products in California demands that there be a significant community development commitment to California counties where it has and will have significant presence. It is critical that public hearings are held in San Francisco and Los Angeles to offer an opportunity for those communities who will clearly be impacted by the proposed institution to identify community impact and needs before any decision on the application is made.

Please respond in writing to this letter and place a copy in Capital One's public CRA file.

Sincerely,

Corey Thompson  
Executive Director, PICO California





National Services  
1660 Duke Street  
Alexandria, VA 22314-3427  
703.341.5000  
[www.VolunteersofAmerica.org](http://www.VolunteersofAmerica.org)

August 10, 2011

Mr. Adam M. Drimer  
Assistant Vice President  
Federal Reserve Bank of Richmond  
P.O. Box 27622  
Richmond, Virginia 23261



RE: Capital One purchase of ING Direct USA

Dear Mr. Drimer:

I am writing in support of Capital One's purchase of ING Direct USA. Capital One has been a strong supporter of community development efforts in many of America's most challenged areas.

Volunteers of America is a national, nonprofit, faith-based organization dedicated to helping those in need rebuild their lives and reach their full potential. Through thousands of human service programs, including housing and health care, Volunteers of America helps nearly 2 million people in over 400 communities every year.

One of the efforts Volunteers of America took on was the rebuilding of New Orleans after Hurricane Katrina. Volunteers of America alone had approximately 1,000 units of affordable housing in the Greater New Orleans area before Katrina. After Katrina, Volunteers of America committed to rebuild or replace the 1,000 units, plus help out the community through numerous other social service programs.

One of the rebuilding efforts we took on was the acquisition and renovation of a 150 unit flooded out former apartment complex in the Gentilly neighborhood of New Orleans. Utilizing numerous affordable housing programs and the financial assistance and partnership of Capital One, we were successful in completing the gut renovation of the property. The property reopened last year as the Elysian Courtyards of Gentilly. The property fully leased in approximately three months and now has a 1,100 person waiting list.

Capital One's participation was through construction and permanent debt financing for the project and the purchase of federal low income housing tax credits. Their generous purchase of the credits allowed us to complete the project with several amenities not common in an affordable, workforce housing property. We found the Capital One team to be excellent to work with and a good partner. We look forward to doing more work with them in the future.

If you have any questions, please contact me at 703-341-5095 or email me at [psheridan@voa.org](mailto:psheridan@voa.org).

Sincerely,

A handwritten signature in blue ink, appearing to read "Patrick N. Sheridan".

Patrick N. Sheridan  
Senior Vice President, Housing Development



August 11, 2011

Mr. Adam M. Drimer, AVP  
Federal Reserve Bank of Richmond  
P.O. Box 27622  
Richmond, VA 23261

Dear Mr. Drimer:

I am writing to show YWCA of Metropolitan Dallas' (YW) support of the merger of Capital One and ING Direct. Capital One has been an outstanding community partner over the last 5 years providing financial support, volunteer leadership on the board of directors, and hands-on volunteer work with clients. Capital One's investment in programs targeting low-to-moderate income families allows YW to reach more families in need, with stronger programs that support asset-building initiatives including: comprehensive financial education, continuing education, Individual Development Accounts and individual financial coaching.

YW is the leader in Dallas County on asset-building initiatives. Through working collaborative partnerships, YW is reshaping the way local communities work with their clients. We are introducing the concept of asset-building strategies as a long-term solution to moving families out of poverty. Capital One's support helps drive YW's success.

#### *YW in the Community*

YW continues to grow and refine its asset-building initiatives. In 2009, YW developed the **YW Self-Sufficiency Calculator**. The calculator is a web-based tool that matches hard-working women and their families with the appropriate benefits needed to mend their current financial gaps while they work toward financial independence. The tool also connects clients with community partners who provide additional resources (e.g., shelters, food banks, legal assistance) when the need arises. We like the tool because it opens the door to conversation about budgeting and saving and EITC and other tax credits.

While YW owns the license for the tool, access to the calculator is shared with other non-profits who serve LMI clients at no cost to the partner agency. YW provides the training to partner agencies, providing access to a greater number of families in need. The calculator also serves as an introduction to asset-building strategies, with many new agencies now integrating YW asset-building products into their services/outreach.

In July 2010, YW received a grant through Assets for Independence (AFI) for \$195,000 to be expended over the next five years. With the AFI grant, YW provides Individual Development Accounts (matched savings) for LMI clients saving to purchase an asset. Assets include: first-time home, starting a business, or post-secondary education. YW matches 4:1 up to \$4,000 per individual. YW offers the only IDA program in north Texas.

Capital One provided the first match dollars for the AFI grant, with an award of \$45,000. Capital One's investment leveraged an additional \$45,000 in federal dollars to be used to match the savings of LMI participants. To date, Capital One is the only financial institution that has invested in the Individual Development Account program.

**ywca of metropolitan dallas**

**Building Communities by Targeting At-risk Families**

YW's programs are designed to help families climb out of poverty. A typical client is a single mother of two children earning an average of \$26,000 per year.

Last year YW served over 2,300 people. This year we are on target to serve over 4,000. Services range from a 12-hour financial education workshop series to benefit screenings to tax credit/continuing education and matched savings. Below is a snapshot of YW clients who received financial empowerment services this past year (July 1, 2010 – June 30, 2011).

Race/ Ethnicity	Total	%
African American	961	40.4%
Asian	28	1.2%
Caucasian	312	13.1%
Hispanic/Latino	981	41.2%
Native American	5	0.2%
Other	47	2.0%
Unknown	47	2.0%
	<b>2381</b>	

Gender	Total	%
Female	2035	85.5%
Male	343	14.4%
Unknown	3	0.1%
	<b>2381</b>	

Age	Total	%
13-17	8	0.3%
18-24	206	8.7%
25-44	1524	64.0%
45-64	544	22.8%
65+	20	0.8%
Unknown	79	3.3%
	<b>2381</b>	

Capital One offers "outside of the box" ideas to strengthen LMI families and communities. Whether it's board engagement (YW has had board representation from Capital One since 2007) or program design, Capital One is always responsive to YW's needs. This level of communication and engagement is critical when developing innovative programs. For example, Capital One piloted a collaborative partnership between YW and another Dallas non-profit, Plan Fund, to provide match dollars for small business development. Plan Fund provided the small business training, while YW provided financial education, coaching and matching dollars. Participants had to meet income guidelines. The result was small business entrepreneurs equipped with equity capital.

Most recently Capital One has introduced YW into one of their long time collaborative efforts to provide affordable housing in Dallas' southern sector. YW will enhance the partnership with Dallas Home Connection through the addition of matched savings (IDAs) toward the purchase of a first time home.

Capital One is not a bank that makes a contribution and waits twelve months for a program report. Rather they are a philanthropic investor who provides input, volunteer support and leadership throughout the lifetime of the gift to maximize the return on their investment for the working poor family and for the community.

Please do not hesitate to contact me for additional information at 214.584.2314 or [jware@ywcadallas.org](mailto:jware@ywcadallas.org).

Sincerely,



Jennifer M. Ware  
Chief Executive Officer



Lending. Supporting. Inspiring.

August 11, 2011

Mr. Adam M. Drimer, Assistant Vice President  
Federal Reserve Bank of Richmond  
P.O. Box 27622  
Richmond, VA 23261

RE: Support of Capital One's Acquisition of ING Direct

Dear Mr. Drimer,

My name is Paul Quintero and I am the CEO of ACCION USA, a leading U.S. microlender that empowers low-to-moderate income entrepreneurs to invest in their businesses, families and communities through access to capital and financial education. Since our inception in 1991, we have disbursed over 19,600 loans and over \$123 million to entrepreneurs, fulfilling big dreams through small loans. Prior to ACCION USA, I worked as the chief investment officer for the Upper Manhattan Empowerment Zone (UMEZ) in Harlem.

Based on my experiences both before and during ACCION USA, I am writing in support of Capital One's acquisition of ING Direct for the following reasons:

- During my time at UMEZ, Capital One embarked on a risky new market tax credit deal for relatively new developers that wanted to create a quality hotel in Harlem. It would have been the first of its kind and was something we wanted from a community development perspective, but no other institution would touch it.
- Capital One maintained and sought to grow its lending to our organization at a time when many institutions were hesitant to do so. In fact, one of the largest money center banks opted to term out its debt with us and get paid down; conversely, Capital One maintained its lending commitment throughout the crisis. Ever heard of a "friend in need, is a friend indeed?"
- Capital One continued to support our work in the Recession through crucial grant dollars—a commitment that remains through today. In addition to grant support, Capital One provided scholarships for staff training, sponsored the cost of convening a strategic offsite for our entire organization and was a major funder of our Microfinance USA conference, the largest non-industry microfinance event in the U.S.

Page 1 of 2

- The community banking team of Capital One in New York is directly involved with non-profits, serving on boards and facilitating greater engagement within the industry.
- Capital One increased (not decreased) its branch presence during the Recession and was one of the few banking entities that sought growth while most retrenched.
- To my knowledge, ING Direct has not been visible at all in New York and I suspect this relates in part to its business model and in part to its foreign ownership. By having a U.S.-focused owner, I believe this will only increase the engagement and resources of ING Direct for the benefit of the community.

In short, if the "community" part of the Community Reinvestment Act means anything, I have seen tremendous engagement for, with and in the communities that we serve each and every day by the team at Capital One. If this is a preview of things to come, then adding assets through the acquisition of ING Direct (and the related CRA responsibilities that come with size) will only accrue to the benefits of the entrepreneurs we serve.

I support, without reservation, the Capital One acquisition of ING Direct because of (i) Capital One's track record in the communities we serve, (ii) its varied financial and lending support to our organization and the microfinance industry, and (iii) the personal relationship that they have built with me individually. That is a trifecta I wish was replicated by other larger institutions.

Very truly yours,



Paul Quintero

CEO



Community Development Corporation of Long Island  
2100 Middle Country Road, Suite 300, Centereach, NY 11720  
631.471.1215 • www.cdcli.org



August 11, 2011

Mr. Adam M. Drimer  
Assistant Vice President  
Federal Reserve Bank of Richmond  
P.O. Box 27622  
Richmond, VA 23261

Re: Capital One

Dear Mr. Drimer:

I am writing to share my experience with Capital One. CDC of Long Island is a 41 year old regional not for profit corporation whose mission is to advance the housing, community and economic development needs of Long Island families, businesses and neighborhoods. In our last fiscal year, CDC served more than 17,000 Long Islanders while investing nearly \$85 million. We could not provide the services and have this impact without the support of the private sector.

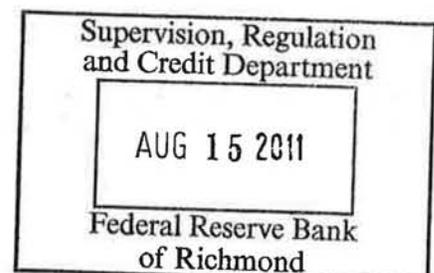
Capital One has been a steadfast supporter of CDC since 2008 (and North Fork Bank before that going back more than a decade). During the past four years the bank has provided \$40,000 for small business technical assistance and lending support. This has enabled us to nurture start up businesses, as well as to grow existing businesses. Further, bank employees have mentored our businesses, volunteering countless hours to build their capacity.

The bank has also provided \$55,000 for foreclosure prevention services and \$85,000 for pre-purchase home buyer education. These past four years have been the most challenging times for families on Long Island. Suffolk County is number one in the state in foreclosures and Nassau County is number four. The crisis has led to unprecedented demand for our services. Without the additional funding from Capital One we would not have been able to provide the staff to meet the overwhelming demand. On the pre-purchase side, with the tightening of credit, one of the barriers to homeownership is that families need to pay down debt and save for a down payment. CDC provides financial education to our prospective home buyers, in addition to teaching all the information needed to become healthy homeowners.

CDC of Long Island considers Capital One a very strong partner that shares our goal of assisting renters to become more financially fit and to achieve their dreams of homeownership; shares our goal of helping homeowners to remain in their home if that is a financially viable option and to find alternatives if it is not; and shares our goal of helping businesses that are not able to get traditional bank financing with alternative sources of capital and technical assistance.

Sincerely,

Marianne Garvin  
President & CEO



**CORPORATE OFFICE**  
 PO Box 66558  
 Baton Rouge, LA 70896  
 8281 Goodwood Blvd, Ste A  
 Baton Rouge, LA 70806  
 P/225.925.5266  
 F/225.925.2711

**NEW ORLEANS FIELD OFFICE**  
 935 Gravier St, Ste 850  
 New Orleans, LA 70112  
 P/504.309.2081  
 F/504.309.2090

**SHREVEPORT FIELD OFFICE**  
**LANO NORTH**  
 2601 Line Ave, Ste D  
 Shreveport, LA 71104  
 P/318.865.5510  
 F/318.865.5655

a powerful force  
 for **GOOD.**



WWW.LANO.ORG

August 11, 2011

Mr. Adam M. Drimer  
 Assistant Vice President  
 Federal Reserve Bank of Richmond  
 P O Box 27622  
 Richmond, VA 23261

Dear Mr. Drimer,

I am writing on behalf of LANO (Louisiana Association of Nonprofit Organizations) to inform the Federal Reserve Bank of the significant role Capital One Bank has played in supporting the nonprofit community in the state of Louisiana.

LANO is a statewide member organization that advocates for the nonprofit community and strengthens the effectiveness of groups and individuals committed to improving the lives of all Louisianans. We are dedicated to continually bringing to nonprofits statewide the benefit of an engaged network, strategic organizational development and a unified voice. The targeted results of this work are more effective leadership and improved operational efficiencies of organizations served so they can increase their community impact.

Over the past six years Capital One Bank has invested \$60,000 in LANO's Community Leader program for Shreveport/Bossier and most recently Monroe areas. This intensive six month program trains young professionals in the community who are interested in learning more about nonprofit board service. After completing the classes participants are matched to local and state nonprofit boards.

Capital One's investment in this program has helped LANO train 175 Leaders placing 69% of them on over 40 nonprofit boards. These boards make decisions everyday that affect the lives of thousands of people in North Louisiana. Capital One Bank has been a major partner for LANO in identifying leaders for the program and offering monetary support that extends their investment to countless individuals seeking the services of nonprofit programs all over North Louisiana.

Ann Silverberg Williamson  
 President, CEO  
 ann@lano.org

**BOARD MEMBERS**

Allen J. Gaudet, III, Chair

Tony Frey, Vice Chair

Sarah Hamilton Berthelot, Vice Chair

Derek Gordon, Secretary

J. Fred Johnson, Treasurer

Jim Kelly, Past Chair

Kimberly James Boudreaux

Deulse Durel

Jason El Koubi

Philip Jordan

Keith Liederman

Lisa Block Matherne

Rev. Wilfret McKee

Ben Miller

Melinda Mintz

Paul Pratt

Shawn Wilson

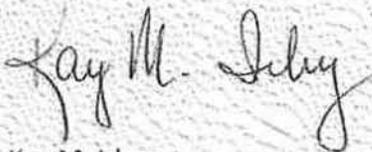
Joanna Wurtele

In addition to this program Capital One invests in LANO's Annual Conference each year which brings nonprofit executives and their staff together from all over Louisiana for training and capacity building. Each year LANO's Conference attendance ranges from 400-500 participants. Capital One Bank is a primary sponsor of this event at the \$10,000 level on an annual basis.

During the economic downturn in February of 2009 Capital One was the only investor in a statewide nonprofit Fiscal Health Survey to ascertain the financial crisis of Louisiana's nonprofit sector. As a result, LANO was able to estimate the impact of the recession on our nonprofit community. This information provided knowledge to inform philanthropy and public policy on the state and local level.

On behalf of our nonprofit sector in the state of Louisiana, LANO recognizes Capital One Bank as a vital leader, investor and community partner. I am grateful for the opportunity to offer this letter of support and hope that you will contact me if I can be of further assistance.

Sincerely,

A handwritten signature in black ink that reads "Kay M. Irby". The signature is written in a cursive style with a large, stylized "K" and "I".

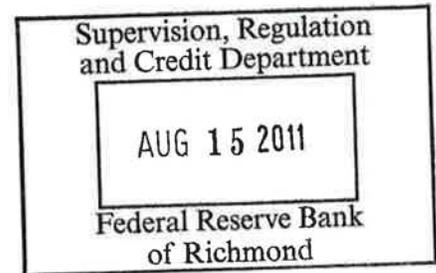
Kay M. Irby  
Director, LANO North



**Seedco Financial**  
*Innovations in Community Lending*

August 11, 2011

Mr. Adam M. Drimer, Assistant Vice President  
Federal Reserve Bank of Richmond  
P.O. Box 27622  
Richmond, VA 23261



Dear Mr. Drimer:

On behalf of Seedco Financial Services, Inc. (“Seedco Financial”), I am pleased to submit this letter of support to the Federal Reserve Bank of Richmond in regard to Capital One’s acquisition of ING Bank. Certified by the U.S. Department of the Treasury’s CDFI Fund, Seedco Financial is a national, not-for-profit Community Development Financial Institution (“CDFI”). Our mission is to promote and foster economic development within underserved communities and among disadvantaged populations with a focus on minority and/or women-owned business enterprises. As a not-for-profit, mission-driven entity, Seedco Financial offers access to affordable loan capital and technical assistance to small businesses and not-for-profit organizations that are financially viable but have difficulty accessing affordable capital from conventional lenders. Established in 2005, Seedco Financial is headquartered in New York City, and has offices in Baton Rouge and New Orleans, Louisiana, and Birmingham, Alabama.

Capital One Bank is a longstanding partner and strong supporter of Seedco Financial and its work with small businesses in New York City and Baton Rouge. Capital One Bank stands out among its peers in its commitment and in-depth engagement in community development efforts, working closely with CDFI’s, such as Seedco Financial, to meet the needs of small businesses in low- to moderate-income communities. Seedco Financial’s partnership with Capital One Bank has had a significant positive impact upon our ability to implement successful and effective small business lending and technical assistance initiatives in New York City and Baton Rouge as outlined below.

- Governance: Ms. Cheri Ausberry, CRA Business and Development Officer and Vice President for the South Central Region of Louisiana for Capital One Bank, serves as an ex-officio member of Seedco Financial’s Board of Directors and the chair of Seedco Financial’s Baton Rouge Advisory Board. In this capacity, Ms. Ausberry has been vital to the establishment of the Baton Rouge Small Business Loan Fund, operated by Seedco Financial. This fund was created to facilitate access to capital for non-bankable small businesses. Currently, we have \$513,000 outstanding to local small businesses. She continues to guide the local direction of geographic expansion in Baton Rouge and establishment of program strategies, monitors program implementation, and works closely with local staff around business development, fundraising and external affairs.

915 Broadway, 18th Floor  
New York, NY 10010  
Telephone (212) 204-1300  
Facsimile (646) 274-1165

909 S. Jefferson Davis Pkwy, Suite 408  
New Orleans, LA 70125  
Telephone (504) 520-5727  
Facsimile (504) 482-2267

505 North 20<sup>th</sup> Street, Suite 1525  
Birmingham, AL 35203  
Telephone (205) 715-2710  
Facsimile (205) 715-2711

## \ Seedco Financial Services Letter to Federal Reserve Bank of Richmond

- Access to Affordable Credit: Capital One has historically capitalized Seedco Financial's loan fund with \$900,000 in low-cost credit, including a \$750,000 credit facility directly from the bank and a \$150,000 program related investment from the bank's community development corporation. Seedco Financial has utilized the credit to fund loans that we have issued to otherwise non-bankable small businesses and not-for-profit organizations. Capital One Bank's credit facilities carry fixed interest rates of 3 percent.
- Grant support: Since 2008, Capital One Bank has consistently provided grant funding to Seedco Financial to support the implementation of our small business financing and technical assistance activities in both New York City and Baton Rouge. Over the past three years, Capital One Bank's charitable support of Seedco Financial has totaled \$109,000.
- Technical assistance: Seedco Financial collaborates with Capital One Bank to co-host and co-facilitate small business seminars and workshops around cash flow management and access to capital. Additionally, Seedco Financial will be launching a small business coaching initiative, in which Capital One representatives will participate as mentors for our entrepreneurs.
- Business referrals: Over the past three years, Capital One Bank and Seedco Financial have organized Second Look loan referral programs in Baton Rouge, New Orleans and New York City. Through the programs, Capital One Bank representatives inform declined small business loan applicants about the opportunity to apply for small business loan financing from Seedco Financial.
- CDFI capacity- building: Capital One Bank also actively engages in capacity building of CDFI's such as Seedco Financial. For example, Capital One Bank sponsored a small business credit training session that was attended by Seedco Financial credit analysts.

Examples of small businesses that Seedco Financial have been able to assist through referrals and financing from Capital One Bank include:

- **Bocage Pharmacy Centre, Inc.** ("Bocage Pharmacy") is a Baton Rouge-based pharmacy that operates from 9:00 AM to 8:00 PM, seven days a week. Established in 2008, Bocage Pharmacy was launched by Marla Gibbens who had previously worked in the pharmacy industry for 25 years. Unable to qualify for financing from Capital One, Bocage Pharmacy was referred to Seedco Financial and qualified for an \$80,000 loan. This loan provided much needed working capital to enable the business to maintain and gradually expand its operations.
- **Whistler Tree, Inc.** is a startup restaurant located in Midtown East in New York City that serves classic American bistro cuisine. The business is owned by Joseph DeGrazia, and has a full service kitchen and bar, a quick service pizzeria as well as catering services. The business operates from 12:00 PM to 1:00 AM, Monday through Friday and operates shortened hours on Saturday and Sunday. As a start up restaurant, Mr. DeGrazia was declined by Capital One and referred to Seedco Financial. Mr. DeGrazia accessed a \$350,000 loan from Seedco Financial to purchase equipment and undertake construction. This business created 30 new jobs for primarily low-income individuals.

**\ Seedco Financial Services Letter to Federal Reserve Bank of Richmond**

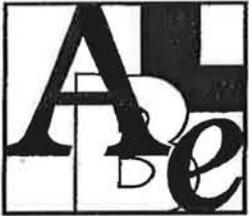
Capital One Bank shares Seedco Financial's commitment to meeting the needs of viable small businesses and not-for-profit organizations operating in underserved communities. We are fully supportive of Capital One Bank's pending acquisition of ING Bank as we anticipate that the transaction will enhance the Bank's future prospects and will enable the Bank to show ongoing leadership in the area of community development.

If you have any questions, please do not hesitate to contact me by telephone at 212-204-1392 or by e-mail at [ehong@seedco.org](mailto:ehong@seedco.org).

Sincerely,

A handwritten signature in black ink, appearing to read 'Edwin Hong', with a stylized flourish at the end.

Edwin Hong  
Interim President



**Advocates for Basic  
Legal Equality, Inc.**

**Dayton Office**

333 W. First St.  
Suite 500B  
Dayton, OH 45402

(937) 228-8104  
(866) 837-8832  
(937) 535-4600 fax  
(888) 545-9497 TTY  
www.ablelaw.org

August 12, 2011

Federal Reserve Bank of Richmond  
Attn: Adam M. Drimer, Assistant Vice President  
701 East Byrd Street  
Richmond, VA 23261-4528

Re: Request for a 60-day extension to the comment period and the  
scheduling public meetings on Capital One's application to acquire  
ING Direct

Dear Mr. Drimer:

Advocates for Basic Legal Equality requests a 60-day extension to the comment period and the scheduling of public hearings on Capital One Financial Corporation's proposal to acquire ING Direct. Local and nationwide concerns about Capital One and the banks they have acquired are so pervasive and serious that a 30-day written comment period will not suffice. Indeed, recent media reports indicate that Capital One's planned acquisitions now include the credit card division of HSBC, a division with its own checkered past. The public deserves an opportunity to fully and completely raise their concerns in open hearings across the country.

Who We Are

Advocates for Basic Legal Equality is a not-for-profit law firm that provides free legal services in civil matters to the low income and elderly who can not afford to pay for a lawyer. We serve thirty-two counties in Northwest and Western Ohio from offices in Dayton and Toledo. We and our partner organizations have represented people in financial distress caused by high cost lending industry products, such as credit card loans, car loans, payday loans, and mortgage loans, including credit card debts from Capital One. The persistence of debts and the rise of the "debt buyer" industry has become a major problem for our low income clients, essentially making them much poorer. We are a member of the National Community Reinvestment Coalition (NCRC) and urge you to consider their comments, as well as those of other consumer advocates.

America's economic crisis was caused by banking practices by  
banks that were too big to fail

Ohio, like most of the country, is suffering through an economic crisis that was triggered by an explosion of debt, often starting from payday loans, signature loans, tax refund anticipation loans, credit card debt, and often ending up with predatory mortgages refinancing other kinds of debt by homeowners. Credit cards have made more and more of their profits from



penalties and other charges and less from interest which is subject to market competition. Accompanying this high cost of interest and charges by banks and other lenders was a significant reduction in the amount of interest banks pay their customers for the customers' accounts. This places the borrower in a vulnerable position, where the bank is an adversary looking for a "gotcha" moment, such as overdrafts, usually temporary problems with cash flow. Banks should not be in a position where they profit at the expense of their customers, giving them incentives to set up customers to fail.

The contraction of the number of banks has left less opportunity for competition for better products. Credit card lenders are also famous for changing the rules by monthly "envelope stuffers," a practice that makes a mockery of traditional ideas of contracts bargained for by knowledgeable parties. Credit card companies also are well known for using mandatory arbitration provisions which gets them out of the public justice system and into a private system where they have an advantage as repeat customers. Internet lending offers potential benefits but also potential abuses, particularly when an internet lender is going to merge with an existing large bank.

Given this history of lender abuse and the consequences of that abuse to the economy, regulators should be wary of the creation of yet another large and potentially abusive bank. Capital One's history demands it be given particular attention.

#### Capital One's history needs serious investigation

We believe the following concerns also justify our request:

**Too-Big-to-Fail.** Capital One's proposed acquisition represents the first true test of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") requirement that the Federal Reserve Board analyze systemic risk. Congress did not intend for systemically important financial institutions to be allowed to grow without clear and significant public benefits. Allowing public hearings on Capital One's proposed acquisition makes good on Dodd-Frank's commitment to hold systemically important financial institutions to a higher standard. It also realizes Dodd-Frank's promise to make the financial regulatory process more transparent. Simply put, the Federal Reserve Board should not make a decision on whether this transaction is in the public interest without first giving the public a meaningful opportunity to express concerns. Under these circumstances, a 30-day written comment period is not meaningful for such a complex transaction.

**Out-of-Date Community Reinvestment Act Evaluations.** Capital One's performance evaluations under CRA for its two corporate entities are four and six years old, and its new evaluation is expected to be released this fall. For this reason alone, the Federal Reserve Board should extend the

comment period to use the new exam as the basis for judging Capital One's performance. This will also allow the public the same benefit. In addition, ING Direct's CRA exam was limited to the Wilmington, DE, Metropolitan Statistical Area where the bank is headquartered, but ING Direct has a national reach. Given the Federal Reserve Board's effort to the retain enforcement of the Community Reinvestment Act (CRA) under Dodd-Frank, any failure to extend the comment period long enough to allow the Federal Reserve Board and the public time to analyze the evaluations would send a negative signal about the Federal Reserve Board's commitment to enforcing CRA.

**Serious Concerns about Capital One's Business Practices.** We are concerned that recent changes to Capital One's business policies have led to a pattern of discriminatory lending. For example, in 2010, Capital One implemented a policy that cut off Federal Housing Administration (FHA) loans to borrowers with credit scores between 580-620 even though FHA fully guarantees these loans. Capital One's denial has a disparate impact by race in violation of our nation's anti-discrimination laws. In fact, there are active lending discrimination complaints against Capital One. A review of CRA exams, Home Mortgage Disclosure Act data, and small business loan data demonstrate significant inconsistencies in the performance of the two banks in making services and branches available to low- and moderate-income communities.

We also have serious concerns about the potentially predatory nature of Capital One's credit card lending practices. Attorneys General in Minnesota, West Virginia and California have each investigated Capital One for engaging false and misleading credit card marketing. As the victims of these predatory practices, Capital One's current and past customers deserve an opportunity to express their concerns before the Federal Reserve Board allows Capital One to expand. This need is reinforced by the news that Capital One will seek to acquire HSBC's credit card division.

**Small Business Lending.** Capital One's pattern of disinvestment from low- and moderate-income areas and communities of color is further demonstrated by their small business lending record. Capital One's small business lending under the Small Business Administration 7(a) lending programs, a major source of business loans for minorities, women and veterans, has essentially evaporated over the past four years. In 2006, Capital One had roughly \$22 billion in assets and did \$228 million in 7(a) lending. By 2010, it had grown to over \$96 billion in assets, but astonishingly made less than \$600,000 in 7(a) loans. Small businesses are the backbone of our economy and they have been the principal catalyst for the economic recovery in the previous two recessions. Capital One's abandonment of a major small business lending market for women, minorities and veterans at such a crucial

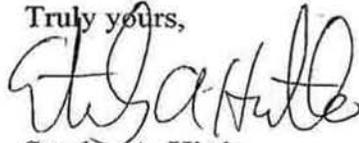
time is too significant to permit a 30-day comment period with no hearings for the public to weigh in on these concerns.

The Federal Reserve Board should extend the comment period by 60 days and hold public hearings

These issues are far too important to resolve behind closed doors and in 30 days. We respectfully urge the Federal Reserve Board to extend the comment period by 60 days and hold five public hearings across the country to ensure that an adequate opportunity exists for the public to express the serious concerns that accompany Capital One's proposal to acquire ING Direct. Thank you for this opportunity to comment.

Thank you for considering our comments.

Truly yours,



Stanley A. Hirtle  
Attorney at Law



**Fw: Tell the Federal Reserve to Hold Hearings on Capital One Acquisition**  
Adam Drimer to: Kathy Eike

08/12/2011 12:10 PM

**Adam M. Drimer**  
Supervision, Regulation and Credit  
The Federal Reserve Bank of Richmond  
Office (804) 697-8980  
[adam.drimer@rich.frb.org](mailto:adam.drimer@rich.frb.org)  
[www.richmondfed.org](http://www.richmondfed.org)



Please consider the environment before printing this e-mail.

----- Forwarded by Adam Drimer/RICH/FRS on 08/12/2011 12:09 PM -----

**From:** CATHY PALMER <plptlc@sbcglobal.net>  
**To:** adam.drimer@rich.frb.org  
**Date:** 08/12/2011 12:01 PM  
**Subject:** Tell the Federal Reserve to Hold Hearings on Capital One Acquisition

Federal Reserve Bank of Richmond  
Attn: Adam M. Drimer, Assistant Vice President  
701 East Byrd Street  
Richmond, VA 23261-4528

Re: Request for a 60-day extension to the comment period and the scheduling public meetings on Capital One's application to acquire ING Direct

Dear Mr. Drimer:

GLOBAL NETWORK COMMUNITY DEVELOPMENT CORP. requests a 60-day extension to the comment period and the scheduling of public hearings on Capital One Financial Corporation's proposal to acquire ING Direct. Local and nationwide concerns about Capital One and the banks they have acquired are so pervasive and serious that a 30-day written comment period will not suffice. Indeed, recent media reports indicate that Capitol One's planned acquisitions now include the credit card division of HSBC, a division with its own checkered past. The public deserves an opportunity to fully and completely raise their concerns in open hearings across the country.

In addition, we believe the following concerns also justify our request:

Too-Big-to-Fail. Capital One's proposed acquisition represents the first true test of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") requirement that the Federal Reserve Board analyze systemic risk. Congress did not intend for systemically important financial institutions to be allowed to grow without clear and significant public benefits. Allowing public hearings on Capital One's proposed acquisition makes good on Dodd-Frank's commitment to hold systemically important financial institutions to a higher standard. It also realizes Dodd-Frank's promise to make the financial regulatory process more transparent. Simply put, the Federal Reserve Board should not make a decision

on whether this transaction is in the public interest without first giving the public a meaningful opportunity to express concerns. Under these circumstances, a 30-day written comment period is not meaningful for such a complex transaction.

Out-of-Date Community Reinvestment Act Evaluations. Capital One's performance evaluations under CRA for its two corporate entities are four and six years old, and its new evaluation is expected to be released this fall. For this reason alone, the Federal Reserve Board should extend the comment period to use the new exam as the basis for judging Capital One's performance. This will also allow the public the same benefit. In addition, ING Direct's CRA exam was limited to the Wilmington, DE, Metropolitan Statistical Area where the bank is headquartered, but ING Direct has a national reach. Given the Federal Reserve Board's effort to retain enforcement of the Community Reinvestment Act (CRA) under Dodd-Frank, any failure to extend the comment period long enough to allow the Federal Reserve Board and the public time to analyze the evaluations would send a negative signal about the Federal Reserve Board's commitment to enforcing CRA.

Serious Concerns about Capital One's Business Practices. We are concerned that recent changes to Capital One's business policies have led to a pattern of discriminatory lending. For example, in 2010, Capital One implemented a policy that cut off Federal Housing Administration (FHA) loans to borrowers with credit scores between 580-620 even though FHA fully guarantees these loans. Capital One's denial has a disparate impact by race in violation of our nation's anti-discrimination laws. In fact, there are active lending discrimination complaints against Capital One. A review of CRA exams, Home Mortgage Disclosure Act data, and small business loan data demonstrate significant inconsistencies in the performance of the two banks in making services and branches available to low- and moderate-income communities.

We also have serious concerns about the potentially predatory nature of Capital One's credit card lending practices. Attorneys General in Minnesota, West Virginia and California have each investigated Capital One for engaging false and misleading credit card marketing. As the victims of these predatory practices, Capital One's current and past customers deserve an opportunity to express their concerns before the Federal Reserve Board allows Capital One to expand. This need is reinforced by the news that Capital One will seek to acquire HSBC's credit card division.

Capital One's pattern of disinvestment from low- and moderate-income areas and communities of color is further demonstrated by their small business lending record. Capital One's small business lending under the Small Business Administration 7(a) lending programs, a major source of business loans for minorities, women and veterans, has essentially evaporated over the past four years. In 2006, Capital One had roughly \$22 billion in assets and did \$228 million in 7(a) lending. By 2010, it had grown to over \$96 billion in assets, but astonishingly made less than \$600,000 in 7(a) loans. Small businesses are the backbone of our economy and they have been the principal catalyst for the economic recovery in the previous two recessions. Capital One's abandonment of a major small business lending market for women, minorities and veterans at such a crucial time is too significant to permit a 30-day comment period with no hearings for the public to weigh in on these concerns.

These issues are far too important to resolve behind closed doors and in 30 days. We respectfully urge the Federal Reserve Board to extend the comment period by 60 days and hold five public hearings across the country to ensure that an adequate opportunity exists for the public to express the serious concerns that accompany Capital One's proposal to acquire ING Direct. Thank you for this opportunity to comment.

Sincerely,

Cathy

GLOBAL NETWORK CDC

CATHY PALMER  
GLOBAL NETWORK CDC  
4146 W CHICAGO AVE  
CHICAGO, IL 60651



**Fw: Tell the Federal Reserve to Hold Hearings on Capital One Acquisition**  
Adam Drimer to: Kathy Eike

08/12/2011 01:22 PM

**Adam M. Drimer**  
Supervision, Regulation and Credit  
The Federal Reserve Bank of Richmond  
Office (804) 697-8980  
[adam.drimer@rich.frb.org](mailto:adam.drimer@rich.frb.org)  
[www.richmondfed.org](http://www.richmondfed.org)



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----- Forwarded by Adam Drimer/RICH/FRS on 08/12/2011 01:22 PM -----

**From:** margaret fecker <mfecker@yahoo.com>  
**To:** adam.drimer@rich.frb.org  
**Date:** 08/12/2011 01:22 PM  
**Subject:** Tell the Federal Reserve to Hold Hearings on Capital One Acquisition

Federal Reserve Bank of Richmond  
Attn: Adam M. Drimer, Assistant Vice President  
701 East Byrd Street  
Richmond, VA 23261-4528

Re: Request for a 60-day extension to the comment period and the scheduling public meetings on Capital One's application to acquire ING Direct

Dear Mr. Drimer:

[Name of group/personal information] requests a 60-day extension to the comment period and the scheduling of public hearings on Capital One Financial Corporation's proposal to acquire ING Direct. Local and nationwide concerns about Capital One and the banks they have acquired are so pervasive and serious that a 30-day written comment period will not suffice. Indeed, recent media reports indicate that Capital One's planned acquisitions now include the credit card division of HSBC, a division with its own checkered past. The public deserves an opportunity to fully and completely raise their concerns in open hearings across the country.

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We also have serious concerns about the potentially predatory nature of Capital One's credit card lending practices. Attorneys General in Minnesota, West Virginia and California have each investigated Capital One for engaging false and misleading credit card marketing. As the victims of these predatory practices, Capital One's current and past customers deserve an opportunity to express their concerns before the Federal Reserve Board allows Capital One to expand. This need is reinforced by the news that Capital One will seek to acquire HSBC's credit card division.

Capital One's pattern of disinvestment from low- and moderate-income areas and communities of color is further demonstrated by their small business lending record. Capital One's small business lending under the Small Business Administration 7(a) lending programs, a major source of business loans for minorities, women and veterans, has essentially evaporated over the past four years. In 2006, Capital One had roughly \$22 billion in assets and did \$228 million in 7(a) lending. By 2010, it had grown to over \$96 billion in assets, but astonishingly made less than \$600,000 in 7(a) loans. Small businesses are the backbone of our economy and they have been the principal catalyst for the economic recovery in the previous two recessions. Capital One's abandonment of a major small business lending market for women, minorities and veterans at such a crucial time is too significant to permit a 30-day comment period with no hearings for the public to weigh in on these concerns.

These issues are far too important to resolve behind closed doors and in 30 days. We respectfully urge the Federal Reserve Board to extend the comment period by 60 days and hold five public hearings across the country to ensure that an adequate opportunity exists for the public to express the serious concerns that accompany Capital One's proposal to acquire ING Direct. Thank you for this opportunity to comment.

Sincerely,

[First Name]

[Name of Organization]

margaret fecker  
7696 burlinehills ct.  
cincinnati, OH 45244



**Fw: Tell the Federal Reserve to Hold Hearings on Capital One Acquisition**

**Adam Drimer to: Kathy Eike**

08/15/2011 07:57 AM

**Adam M. Drimer**  
Supervision, Regulation and Credit  
The Federal Reserve Bank of Richmond  
Office (804) 697-8980  
[adam.drimer@rich.frb.org](mailto:adam.drimer@rich.frb.org)  
[www.richmondfed.org](http://www.richmondfed.org)



**THE FEDERAL RESERVE BANK OF RICHMOND**  
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----- Forwarded by Adam Drimer/RICH/FRS on 08/15/2011 07:57 AM -----

**From:** Jo Hauser <berthaus@juno.com>  
**To:** adam.drimer@rich.frb.org  
**Date:** 08/12/2011 09:20 PM  
**Subject:** Tell the Federal Reserve to Hold Hearings on Capital One Acquisition

Federal Reserve Bank of Richmond  
Attn: Adam M. Drimer, Assistant Vice President  
701 East Byrd Street  
Richmond, VA 23261-4528

Re: Request for a 60-day extension to the comment period and the scheduling public meetings on Capital One's application to acquire ING Direct

Dear Mr. Drimer:

[Name of group/personal information] requests a 60-day extension to the comment period and the scheduling of public hearings on Capital One Financial Corporation's proposal to acquire ING Direct. Local and nationwide concerns about Capital One and the banks they have acquired are so pervasive and serious that a 30-day written comment period will not suffice. Indeed, recent media reports indicate that Capital One's planned acquisitions now include the credit card division of HSBC, a division with its own checkered past. The public deserves an opportunity to fully and completely raise their concerns in open hearings across the country.

In addition, we believe the following concerns also justify our request:

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Sincerely,

Jo Hauser  
Asheville, NC

Citizen!!  
[First Name]

[Name of Organization]

Jo Hauser  
6 Fairway Dr  
Asheville,, NC 28805



1100 MERCANTILE LANE  
SUITE 115-A  
LARGO, MD 20774

TEL: 301-883-6900 FAX: 301-883-6160

August 12, 2011

Mr. Adam M. Drimer  
Assistant Vice President  
Federal Reserve Bank of Richmond  
P.O. Box 27622  
Richmond, VA 23261

Dear Mr. Drimer,

On behalf of the Prince George's Financial Services Corporation (FSC First), I am writing this letter in support of Capital One's intent to acquire ING Direct.

FSC First is a non-profit corporation designated as a Community Development Financial Institution (CDFI) by the U.S. Department of the Treasury and as a Certified Development Company by the U.S. Small Business Administration. FSC First's vision is to be recognized as the premier lender of non-traditional financing for small and minority-owned businesses in Prince George's County. Our mission is to provide access to creative, flexible, and innovative financing solutions for those businesses.

FSC First's geographic boundary is 487 miles and wraps around the eastern boundary of Washington, DC. As part of a major metropolitan area, the county offers urban, suburban and rural settings to our growing population and vibrant business community. The Prince George's County commitment to business growth and investment is reflected in the continued expansion of the county's retail economic base and tax incentives and other support for large scale development projects. According to the Maryland Department of Business & Economic Development, over 15,400 businesses operate in Prince George's County and they employ over 218,000 workers.

FSC First operates a revolving loan fund capitalized by eleven participating banks. The loan fund allows FSC to achieve its mission of providing financing solutions to small and minority-owned businesses. One bank partner withdrew their generous commitment to the loan fund which created a void in our ability to lend funds to small businesses. Shortly after the acquisition of this institution, Capital One recognized that the commitment had been withdrawn and within a few months, had their commitment restored to the original amount.

Earlier this year, Capital One further demonstrated their commitment and partnership to FSC First and the community by awarding a \$7,500 Cyber Grant which was used to fund the expansion of our website. This upgrade and enhancement has allowed us to achieve another strategic goal of providing streamlined access to financing solutions. This includes the development of an online loan application tool which will give loan applicants the capability to electronically and securely submit their loan application and supporting documents. These features support FSC First's green efforts to reduce the amount of paperwork generated, shorten loan processing, document storage and retrieval times, and to make the loan application status information readily available to FSC First's clients.

As a valued community partner, Capital One has "raised the bar" on the expectations we have of our other bank partners. They recognize the important role that small business owners play in stimulating our local economy and the importance of collaborating with strategic partners to deliver on this goal. Recently, Capital One co-hosted and sponsored a networking event at our facility to help promote the plethora of products and services provided to small businesses by both organizations. This event was one of the most well attended events hosted by any of our bank partners. Their commitment to delivering this event was tireless and will be the model we use going forward with our other partners.

FSC First's success is due largely because of the relationships we have built with our strategic partners over the years and the collaboration which has grown as a result of these relationships. We recognize that we will continue to grow as an organization because of the partnership and collaboration we have built with Capital One and their impact to our community and small businesses.

In closing, we are committed to supporting the acquisition of ING Direct by Capital One and should you have any questions, please feel free to contact me.

Sincerely,



Susan D. Wagner  
Executive Vice President  
Prince George's Financial Services Corporation  
(301) 883-3612  
[sdwagner@co.pg.md.us](mailto:sdwagner@co.pg.md.us)



A nonprofit economic development corporation

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F 908.527.1207

[www.ucedc.com](http://www.ucedc.com)

August 12, 2011

Mr. Adam Drimer, AVP  
Federal Reserve Bank of Richmond  
PO Box 27622  
Richmond, Virginia 23261

Dear Mr. Drimer:

Please accept this letter of support for Capital One Bank's application to acquire ING Direct. This letter is to provide testimony regarding UCEDC's relationship with Capital One Bank and the bank's excellent relationship as a community partner in the economic development of New Jersey. Capital One Bank engages in a rich and diverse array of methodologies to support a broad number of Community Development Financing Institutions (CDFI's), such as ourselves. We consider Capital One Bank as the primary role model for community development initiatives against which other financial institutions should be measured.

First let me introduce UCEDC. We are a private, non-profit economic development organization that has served the small business community of New Jersey for 35 years. Our mission is to promote community economic development. We provide our clients with access to entrepreneurial capital, and related business development services such as loans, loan packaging, government procurement assistance, training in English & Spanish, and technical support (mentoring) services focusing our resources in low/moderate income areas.

UCEDC is both a CDFI and an SBA-designated Microlender. In addition, we are one of two US Department of Defense-designated (DOD) Procurement Technical Assistance Centers (PTAC) in the state. We provide entrepreneurial capital (Up to \$150,000), training and mentoring for new and emerging small businesses. In addition, we offer specialized technical training and mentoring in securing government contracts. All of our training and mentoring is free as a result of a myriad of performance based state and federal competitive contracts that we have won for many years.

Some background on New Jersey will demonstrate the market we serve:

New Jersey includes 650 low-moderate income census tracts (as defined by the CDFI Fund). These designated tracts are home to 2.5 million individuals, representing 29% of New Jersey's total population. An average of 9% of individuals in these tracts lives below the poverty line. New Jersey has a population of 8.7 million individuals: 62.5% of residents are white, 15.6% are Latino, 13.8% are Black, and 7.4% are Asian. Less than 1% of the population is Native American. New Jersey is also the most densely populated state in the nation, and the only state that has had every one of its 21 counties deemed "urban" as defined by the Census Bureau's Combined Statistical Area, with 1000 people per square mile.

UCEDC's relationship with Capital One Bank is our most fruitful bank relationship. The range and depth of their support for UCEDC is unparalleled. It includes Capital One staff mentoring UCEDC in best practices, 'staff development' technical training, extensive participation on the UCEDC board, Capital One staff mentoring our clients, providing 'loan capital' to UCEDC, and providing operating grants. In summary, Capital One Bank's leadership has served UCEDC well. Their mentoring, partnership, and growing financial support has played a significant role in UCEDC's growth and professionalism.

The following is a partial list of the partnerships we enjoy with Capital one Bank:

- Capital One Bank's executive VP of operations serves on the UCEDC board, executive committee, budget committee, and our loan committee (30 meetings per year.) She is one of our most active and dedicated trustees and makes herself available outside of meetings for consultation on loan applications on a regular basis. In additions, Ms. Lisa Rasp is in a position to share best practices of other CDFI's that Capital One has supported.
- In addition, Capital One Bank employees, such as the community development team, have served in a mentoring capacity for UCEDC. The bank places a great emphasis on sharing best practices. As a result, they have encouraged UCEDC to present at national conferences and have likewise introduced us to our peers whose programs might also be beneficial to UCEDC clients.

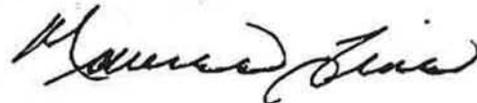
- Capital One Bank makes free staff development training available to economic development organizations and CDFIs in New Jersey on a regular basis. Specifically, last week my staff attended free credit analysis training provided by the national recognized National Development Council (An economic development professional accreditation organization) that was underwritten by Capital One Bank.
- The bank encourages economic development practitioners to participate in professional associations in order to promote sharing of best practices. Specifically, not only is Capital One Bank a major sponsor of the annual Opportunity Finance Network (OFN), and the AEO (national association of microlenders) conference, but they also offer scholarships to CDFI organizations to help defray the cost of attendance.
- The bank regularly invites UCEDC staff to meet with their small business lenders and branch managers to educate them about UCEDC's lending products and other services. This is part of Capital One Bank's 'Second Look Program' to give their small business clients every opportunity to obtain small business capital from the bank (co-lending with UCEDC) or from one of the bank's lending partners, such as UCEDC.
- The bank's Second Look Program has resulted in UCEDC and Capital One Bank collaborating on loans and co-lending, or UCEDC lending to a bank client that does not meet the bank's underwriting criteria.
- From time to time, Capital One Bank and UCEDC have cosponsored training events for both our clients on such subjects as resources available for small businesses in New Jersey, understanding your credit score, cash flow analysis, etc.
- Capital One Bank and their related Foundation, provides financial support to UCEDC in the form of operating grants. This is particularly unique as they are the *only* financial institution that supports operating (vs. programmatic) expenses. In addition, the bank's support has grown as UCEDC has grown. Their financial and intellectual contributions have increased over time and were instrumental in UCEDC 'graduating' from a two county organization to a statewide one.

- One of UCEDC's challenges is identifying a financial institution that will agree to sign the SBA Microloan Tri-Party Agreement that is necessary to open the prerequisite bank accounts for the SBA Microloan Program. Specifically, UCEDC worked with a major national bank for six months to get approval from their legal department for the bank to sign this document. When this attempt failed, Capital One Bank not only agreed to sign the document, but the staff hand-walked the document through the bureaucracy and executed the document in three weeks.
- Future Partnerships: This fall UCEDC is again offering its nine week entrepreneurial training program. The program includes heavy mentoring of clients during and after the classroom training on implementing the final business plan. We are now developing a program with Capital One Bank whereby the banks' lenders will join the class, adopt an entrepreneur, and mentor that client for up to one year.
- The curriculum for UCEDC's business plan training program was developed with the assistance of a grant under the MoneyWise program. MoneyWise is a Capital One Bank Program that develops curriculums to train consumers about personal and business credit. In 2011 we received our second grant under this program and have integrated the MoneyWise curriculum into our nine-week entrepreneurial training course.
- UCEDC's relationship with Capital One Bank will take another step forward this fall. We have been invited to borrow up to \$750,000 at very favorable below market rate terms that includes a several-year payment moratorium. These funds will enable UCEDC to become an SBA 7a lender under the SBA's new Community Advantage Program as part of the federal stimulus act.

Last fall, I was invited by the OCC staff, Denise Kirk-Murray to speak at a conference jointly sponsored by the OCC and the FDIC. The topic was best practices regarding how banks can meet their CRA obligations by working with CDFIs. My presentation was well received by the audience and the agency(s) staff because I was able to draw upon the rich relationship UCEDC shares with Capital One Bank.

I stand ready to speak with your reviewers to discuss our extensive partnership with Capital One Bank and would be happy to meet with you at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Maureen Tinen". The signature is fluid and cursive, written over a light blue horizontal line.

Maureen Tinen

President



**Fw: Tell the Federal Reserve to Hold Hearings on Capital One Acquisition**

**Adam Drimer to: Kathy Eike**

08/15/2011 07:58 AM

**Adam M. Drimer**  
Supervision, Regulation and Credit  
The Federal Reserve Bank of Richmond  
Office (804) 697-8980  
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[www.richmondfed.org](http://www.richmondfed.org)



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----- Forwarded by Adam Drimer/RICH/FRS on 08/15/2011 07:57 AM -----

**From:** Hubert Van Tol <[hvantol@frontiernet.net](mailto:hvantol@frontiernet.net)>  
**To:** [adam.drimer@rich.frb.org](mailto:adam.drimer@rich.frb.org)  
**Date:** 08/12/2011 07:22 PM  
**Subject:** Tell the Federal Reserve to Hold Hearings on Capital One Acquisition

Federal Reserve Bank of Richmond  
Attn: Adam M. Drimer, Assistant Vice President  
701 East Byrd Street  
Richmond, VA 23261-4528

Re: Request for a 60-day extension to the comment period and the scheduling public meetings on Capital One's application to acquire ING Direct

Dear Mr. Drimer:

[Name of group/personal information] requests a 60-day extension to the comment period and the scheduling of public hearings on Capital One Financial Corporation's proposal to acquire ING Direct. Local and nationwide concerns about Capital One and the banks they have acquired are so pervasive and serious that a 30-day written comment period will not suffice. Indeed, recent media reports indicate that Capital One's planned acquisitions now include the credit card division of HSBC, a division with its own checkered past. The public deserves an opportunity to fully and completely raise their concerns in open hearings across the country.

In addition, we believe the following concerns also justify our request:

Too-Big-to-Fail. Capital One's proposed acquisition represents the first true test of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") requirement that the Federal Reserve Board analyze systemic risk. Congress did not intend for systemically important financial institutions to be allowed to grow without clear and significant public benefits. Allowing public hearings on Capital One's proposed acquisition makes good on Dodd-Frank's commitment to hold systemically important financial institutions to a higher standard. It also realizes Dodd-Frank's promise to make the financial regulatory process more transparent. Simply put, the Federal Reserve Board should not make a decision

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Sincerely,

[First Name]

[Name of Organization]

Hubert Van Tol  
PathStone  
203 Elmdorf Avenue  
Rochester, NY 14619



August 13, 2011

**BOARD OF  
DIRECTORS:**

Harry Robinson, Jr.  
Chairman of the Board

Marilynn Mayse  
Secretary

Roy Andy  
Parliamentarian

Theodore M. Lowe  
Executive Director

Glorias G. Dixon

Dianne Gibson

Johnnie Griggs

Michael Krywucki

Henry T. Lawson

Zaincorie Smith

VIA FACSIMILE and U.S. POSTAL SERVICE

Mr. Adam M. Drimer  
Assistant Vice President  
Federal Reserve Bank of Richmond  
701 East Byrd Street  
Richmond, VA 23261

Dear Sir:

**Subject: Capital One Bank Acquisition of 100 percent of voting shares of  
ING Bank**

The essence of this letter is in response to the public comments solicitation notice in the Federal Register dated July 22, 2011 and to convey favorable support for Capital One Bank's proposal/bid to acquire ING Bank. Both the Board of Directors and management of SouthFair Community Development Corporation (hereafter SouthFair CDC) think that the proposed acquisition would be in the best interest of Capital One Bank and ING Bank. More specifically, we think that community based organizations, such as SouthFair CDC, would be better assisted by having a stronger bank available that understands the relationships between strong communities and a successful banking community.

The reason for our support of Capital One Bank stems from our first-hand knowledge and experience of working with this banking institution. In the Dallas inner-city community known as "South Dallas," Capital One Bank has provided loans and grants, but most importantly, it has provided leadership in helping SouthFair CDC and other like-minded nonprofit grassroots organizations set goals, organize strategies, and develop implementation plans for the provision of housing for low- and moderate-income families in some of the most economically challenged areas of our city. Capital One Bank's leadership and technical assistance has resulted in the creation of the Dallas Housing Collaborative (DHC), which is the primary vehicle for making inner-city residents "homebuyer ready" in these times of limited resources, housing troubles, and dwindling public confidence.

PO Box 150353 • Dallas, TX 75315  
Phone (214) 421-1363 • Fax (214) 421-1364

Mr. Adam M. Drimer

Page 2

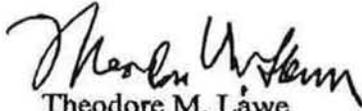
August 13, 2011

Because of Capital One Bank, the SouthFair CDC and its targeted community have benefited from the creation of homeownership opportunities. Among the salient benefits are:

- Assisted SouthFair CDC with a revolving line of credit to jump-start the development of Park Row Estates (now Fair Park Estates) as a 30-unit housing development project directed at low- and moderate-income families;
- Helped to organize four struggling grassroots housing development nonprofit organizations into a strategic alliance for pooling resources and working for the greater good;
- Provided financial support to pay for consultants to assist with the planning, marketing, and the use of 21<sup>st</sup> Century technology designed to connect nonprofit homebuilders with low- and moderate-income prospective homebuyers;
- Made available valuable professional staff to assist in developing marketing materials directed at our targeted audience using private-sector standards; and
- Challenged SouthFair CDC and other homebuilders to "think big" and recognize the linkages between homeownership and comprehensive economic and community development.

In summary, the SouthFair CDC has been a nonprofit housing developer and community development agency for over 20 years. We have worked with several banking institutions; but we can attest that Capital One Bank and its staff has been the most innovative, resourceful, and stayed the course. We urge you to approve their request to acquire ING Bank.

Respectfully Submitted,



Theodore M. Lawe  
Executive Director

gm

cc SouthFair CDC Board of Directors



**Fw: Tell the Federal Reserve to Hold Hearings on Capital One Acquisition**

**Adam Drimer to: Kathy Eike**

08/15/2011 11:51 AM

**Adam M. Drimer**  
Supervision, Regulation and Credit  
The Federal Reserve Bank of Richmond  
Office (804) 697-8980  
[adam.drimer@rich.frb.org](mailto:adam.drimer@rich.frb.org)  
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**THE FEDERAL RESERVE BANK OF RICHMOND**  
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Please consider the environment before printing this e-mail.

----- Forwarded by Adam Drimer/RICH/FRS on 08/15/2011 11:50 AM -----

**From:** Ramsey Alwin <ramseyalwin@gmail.com>  
**To:** adam.drimer@rich.frb.org  
**Date:** 08/15/2011 11:46 AM  
**Subject:** Tell the Federal Reserve to Hold Hearings on Capital One Acquisition

Federal Reserve Bank of Richmond  
Attn: Adam M. Drimer, Assistant Vice President  
701 East Byrd Street  
Richmond, VA 23261-4528

Re: Request for a 60-day extension to the comment period and the scheduling public meetings on Capital One's application to acquire ING Direct

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Too-Big-to-Fail. Capital One's proposed acquisition represents the first true test of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") requirement that the Federal Reserve Board analyze systemic risk. Congress did not intend for systemically important financial institutions to be allowed to grow without clear and significant public benefits. Allowing public hearings on Capital One's proposed acquisition makes good on Dodd-Frank's commitment to hold systemically important financial institutions to a higher standard. It also realizes Dodd-Frank's promise to make the financial regulatory process more transparent. Simply put, the Federal Reserve Board should not make a decision

on whether this transaction is in the public interest without first giving the public a meaningful opportunity to express concerns. Under these circumstances, a 30-day written comment period is not meaningful for such a complex transaction.

Out-of-Date Community Reinvestment Act Evaluations. Capital One's performance evaluations under CRA for its two corporate entities are four and six years old, and its new evaluation is expected to be released this fall. For this reason alone, the Federal Reserve Board should extend the comment period to use the new exam as the basis for judging Capital One's performance. This will also allow the public the same benefit. In addition, ING Direct's CRA exam was limited to the Wilmington, DE, Metropolitan Statistical Area where the bank is headquartered, but ING Direct has a national reach. Given the Federal Reserve Board's effort to the retain enforcement of the Community Reinvestment Act (CRA) under Dodd-Frank, any failure to extend the comment period long enough to allow the Federal Reserve Board and the public time to analyze the evaluations would send a negative signal about the Federal Reserve Board's commitment to enforcing CRA.

Serious Concerns about Capital One's Business Practices. We are concerned that recent changes to Capital One's business policies have led to a pattern of discriminatory lending. For example, in 2010, Capital One implemented a policy that cut off Federal Housing Administration (FHA) loans to borrowers with credit scores between 580-620 even though FHA fully guarantees these loans. Capital One's denial has a disparate impact by race in violation of our nation's anti-discrimination laws. In fact, there are active lending discrimination complaints against Capital One. A review of CRA exams, Home Mortgage Disclosure Act data, and small business loan data demonstrate significant inconsistencies in the performance of the two banks in making services and branches available to low- and moderate-income communities.

We also have serious concerns about the potentially predatory nature of Capital One's credit card lending practices. Attorneys General in Minnesota, West Virginia and California have each investigated Capital One for engaging false and misleading credit card marketing. As the victims of these predatory practices, Capital One's current and past customers deserve an opportunity to express their concerns before the Federal Reserve Board allows Capital One to expand. This need is reinforced by the news that Capital One will seek to acquire HSBC's credit card division.

Capital One's pattern of disinvestment from low- and moderate-income areas and communities of color is further demonstrated by their small business lending record. Capital One's small business lending under the Small Business Administration 7(a) lending programs, a major source of business loans for minorities, women and veterans, has essentially evaporated over the past four years. In 2006, Capital One had roughly \$22 billion in assets and did \$228 million in 7(a) lending. By 2010, it had grown to over \$96 billion in assets, but astonishingly made less than \$600,000 in 7(a) loans. Small businesses are the backbone of our economy and they have been the principal catalyst for the economic recovery in the previous two recessions. Capital One's abandonment of a major small business lending market for women, minorities and veterans at such a crucial time is too significant to permit a 30-day comment period with no hearings for the public to weigh in on these concerns.

These issues are far too important to resolve behind closed doors and in 30 days. We respectfully urge the Federal Reserve Board to extend the comment period by 60 days and hold five public hearings across the country to ensure that an adequate opportunity exists for the public to express the serious concerns that accompany Capital One's proposal to acquire ING Direct. Thank you for this opportunity to comment.

Sincerely,

[First Name]

[Name of Organization]

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