

From: [Diana Rodriguez](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Public Comment: Capital One's Support and Impact
Date: Friday, May 03, 2024 9:20:35 AM

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Dear Federal Reserve Bank,

I am writing to express East Side House, Inc.'s (ESH) gratitude for our relationship with Capital One and to share the significant impact this partnership has had on our community-focused initiatives.

East Side House, deeply rooted in the Bronx and Northern Manhattan, has been a beacon of hope and transformation since 1891, providing crucial services across all stages of life. Our mission emphasizes educational advancement, workforce development, and comprehensive support services, aiming to uplift over 14,000 individuals and their families annually.

As a proud grantee of Capital One, our collaboration has been instrumental in amplifying our efforts, particularly in the realms of education and workforce development. Through Capital One's generous support, we have been able to expand our Post-Secondary Pathways program, which provides critical training and certifications to young adults, enhancing their employment prospects and enabling them to achieve economic independence. This partnership has not only supported the direct costs of credentialing but has also aided provided stipends that relieve financial burdens for our participants, ensuring they can focus on their professional growth without the stress of economic constraints.

The success of these initiatives is evident in the increased graduation rates, employment placements, and the overall improvement in the quality of life for the participants and their communities. Capital One's commitment to East Side House has truly enabled us to pursue our goals more effectively, fostering a brighter future for many.

Thank you for your continued support and belief in our mission. We look forward to achieving even more together.

Warm regards,

Diana Rodriguez
Director of Development

East Side House Settlement

Office: 718-665-5250

Mobile: 646-799-2637

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From: fernrc@aol.com
To: [RICH BankSup Applications Comments](#)
Subject: [External] Capital One Discover Merger
Date: Friday, May 03, 2024 2:51:36 PM

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May 3, 2024

To whom this may concern:

The proposed merger between Capital One and Discover heralds a new era of competition in the credit card industry, challenging the long-standing dominance of Visa and Mastercard. This merger has the potential to reshape the landscape of the market, offering consumers and businesses a viable alternative to the established duopoly.

Visa and Mastercard's stranglehold on the credit card market has been a source of concern for regulators and consumers alike – even drawing scrutiny from the Justice Department in the case of Visa. Their near-ubiquitous presence has limited choice and stifled innovation, leading to higher costs for merchants and less favorable terms for consumers. However, the emergence of a stronger competitor in the form of the merged Capital One-Discover entity promises to disrupt this status quo.

Capital One and Discover each bring unique strengths to the table, and their combination will create a formidable force in the industry. Capital One's expertise in catering to first-time cardholders and individuals with limited credit history complements Discover's track record of offering no annual fee credit cards and innovative rewards programs. By leveraging their respective strengths and resources, Capital One and Discover can offer consumers a broader range of options and more competitive terms.

Moreover, the merger will enable Capital One and Discover to expand their reach and scale, positioning them as credible challengers to Visa and Mastercard's dominance. With access to Discover's extensive network of cardholders and Capital One's innovative product offerings, the merged entity will be well-equipped to compete on a level playing field with the industry giants.

Increased competition in the credit card market is a win-win for consumers and

businesses alike. Competition drives innovation, spurs product development, and ultimately leads to better outcomes for consumers. With more players in the market vying for their business, consumers can expect to see improved terms, lower fees, and more attractive rewards programs. This is why I am in support of the Capital One-Discover merger.

Chris Redfern
Rocky Point Winery

111 West Main Street
Marblehead, OH 43440

From: [Anthony Russo](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Capital One Discover Merger
Date: Friday, May 03, 2024 3:05:12 PM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)

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Good afternoon

As the President of the Commerce and Industry Association of New Jersey (CIANJ), a statewide business association representing the interests of more than 900 companies, I have been committed to improving and advancing the cause of free enterprise in New Jersey. I, personally, understand the critical importance of competition in our economy as a whole. When there is healthy competition in the marketplace, both consumers and merchants reap the benefits. This is why CIANJ supports the Capital One-Discover merger. This merger presents a significant opportunity for businesses like the ones we represent to provide better options to their consumers.

One of the most compelling aspects of this merger is the potential for increased competition within the credit card payment processing market. For too long, the credit card industry has been dominated by only two choices, Visa and Mastercard, limiting options for businesses and consumers alike. By allowing Capital One to combine with Discover and thus issue its cards over Discover's network, the merger will introduce a new level of competition, which in turn, could spur innovation and drive down costs across the industry.

In essence, I firmly believe that the proposed merger between Capital One and Discover will yield positive outcomes for businesses we represent. We eagerly anticipate the opportunities that it will bring and are committed to continuing to push any ideas that will help serve our member companies and the customers they serve. Thank you for the opportunity to comment.

Anthony Russo
President - Commerce and Industry Association of New Jersey
CEO/Publisher - COMMERCE Magazine
365 West Passaic Street, Suite 490
Rochelle Park, New Jersey 07662
Phone # 201-368-2100
Fax # 201-368-3438
Cell # 908-415-4597
arusso@cianj.org
www.cianj.org



From: [Kyle Wagner](#)
To: [RICH BankSup Applications Comments](#)
Cc: shanon.capanna@capitalone.com
Subject: [External] My Capital One Experience
Date: Saturday, May 04, 2024 5:20:10 PM

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PLEASE NOTE: This email is not from a Federal Reserve address.

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Hello!

My name is Kyle Wagner, and I wanted to share my Capital One experience with you.

I am a nurse of almost 26 years, and live just outside of NYC, in Northern NJ. I have been a Capital One customer for several years, yet my experience with Capital One has changed greatly over the past year.

From a former colleague's post on LinkedIn last summer, I learned about the Capital One Cafes in NYC. My colleague had posted that she was at the cafe on 59th and Lexington, and that it was a great space, a place for her to have great coffee, and do some work. After reading her post, I researched the cafes, and decided upon checking out the cafe at Union Square.

I went to the Union Square café one summer afternoon last summer, a weekday when I was working from home. I wanted to get out of my home and see other people. I went, and ordered a latte from the friendly barista. I then went upstairs to sit down and do some work. It was a really nice environment, and I enjoyed having other people around me, as well as having ½ price coffee for using my Capital One card! My experience at this location led me to try out the Capital One Café location at 59th and Lexington. I went there last summer, and loved the brightness and openness of the space. The baristas and bank ambassadors were friendly and welcoming. I enjoyed my experience there very much, and found myself becoming a regular there most evenings after work, when I started a new job this past September on the Upper East Side in Manhattan.

I also wanted to share that I had to purchase a car late last summer, and needed a cashier's check for the car payment. As a good amount of my savings was with Capital One, I went to Capital One to ask for a cashier's check. The people who helped me at this **branch** on 59th and Lexington were extremely kind and friendly, and made my banking transaction experience a very positive one.

I now feel like I am part of the Capital One family. I love going to the various NYC cafes, now mainly the 59th street and Lexington location, and the newer Herald Square location. I love

when I have the opportunity to stop by a café, either after work, or on a weekend. I feel like many of the baristas and ambassadors have become friends, and I look forward to seeing them every time I stop by.

I want to commend and thank the wonderful people at Capital One for their kind, friendly, welcoming, and attentive and efficient customer service! I look forward to being a Capital One customer for many years to come!

Warmly,

Kyle Wagner

8750 Boulevard East, Unit 1H

North Bergen, NJ 07047

215-901-2824 cell

From: [Georgie Asfoura](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Public Comments in Support of the Easton Capital One Cafe
Date: Sunday, May 05, 2024 10:02:14 AM

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PLEASE NOTE: This email is not from a Federal Reserve address.

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Hello,

I wanted to share the following comments about my experience at the Easton Town Center Capital One Cafe in Columbus, OH.

As a regular attendee of the weekly writers meetups at the Capital One coffee shop, I can't help but sing praises for this vibrant hub that has become the beating heart of our community. From the moment you step through the door, you're enveloped in a lively atmosphere teeming with creativity and camaraderie.

First and foremost, the baristas here are nothing short of exceptional. Not only are they masters at their craft, serving up delicious brews that never fail to kickstart our creativity, but they go above and beyond to make every visit memorable. Their friendly smiles and personalized service make me feel right at home, and it's heartwarming to see how they effortlessly remember my name and those of other regulars.

And then there's Jeremy, the stellar manager who truly embodies the spirit of hospitality. Jeremy is more than just a manager; he's the heart and soul of this place. Every Saturday morning, like clockwork, he welcomes us with open arms, ensuring that we have everything we need for a productive and enjoyable meetup. His genuine interest in our well-being and his knack for remembering everyone's name never fails to impress. It's evident that he takes great pride in creating a welcoming environment where writers can flourish.

In addition to the exceptional service, the ambiance of the Capital One coffee shop is perfect for our gatherings. The lively space is constantly buzzing with activity, with a steady stream of people flowing in and out. It's a melting pot of creativity, with individuals studying, writing, chatting, and connecting over shared passions and interests.

Overall, I can't recommend the Capital One coffee shop enough. Whether you're in need of a caffeine fix, a quiet place to work, or a community of like-minded individuals to connect with, this place has it all. Kudos to the entire team for consistently going above and beyond to make our weekly meetups a highlight of my week.

Thank you,
Georgie

Georgie Asfoura, Esq., M.Ed.
CEO at Georgette Properties, LLC

M 614-321-2515

E georgie.asfoura@georgetteproperties.com

W georgetteproperties.com

I [@georgette_properties](https://www.instagram.com/georgette_properties)

From: [Administrative Assistant](#)
To: [RICH BankSup Applications Comments](#)
Cc: [Delaware Black Chamber of Commerce](#)
Subject: [External] Approve Merger for More Competition
Date: Monday, May 06, 2024 9:55:36 AM
Attachments: [Outlook-bh3xrm0g.png](#)
[Outlook-zpee5m14.png](#)
[Letter 05-06-2024.pdf](#)

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Please receive the attached letter

Best Regards,



Susan Denham
Administrative Assistant
Delaware Black Chamber of Commerce™
1105 North Market Street
Suite 102
Wilmington, DE 19801
Monday-Friday 9am - 5pm
302.384.7761 Office
www.DEBCC.org
[Donate \(growthzoneapp.com\)](#)
[Become a Member - Delaware Black Chamber of Commerce \(debcc.org\)](#)



May 6, 2024

To whom it concerns

As the CEO of the Delaware Black Chamber of Commerce, I advocate for Delaware's 5,362 Black owned businesses. That is why I am glad to lend my voice in support of the proposed merger between Discover and Capital One. This proposed merger will provide numerous benefits to the businesses I advocate for, including by making the credit card payment network industry a more competitive one.

Right now, small businesses have to navigate Visa and Mastercard's duopoly on the payment network industry. The two companies process 80% of all transactions, which allows them to write the rules with little input from small businesses or consumers. The lack of competition in the payment network industry disproportionately impacts Black-owned businesses, which often lack the profit margins to absorb Visa and Mastercard's price points.

Thankfully, this merger will inject long overdue competition in the payment network market by empowering Capital One to issue its cards over Discover's network, elevating Discover as a stronger player in the payment network industry. Aaron Klein, an economist at the Brookings Institution, said that the competition that would result from this merger could "lower some costs to businesses and consumers."

Black-owned businesses in Delaware deserve a competitive payment landscape that would empower them to negotiate more favorable terms for themselves. By allowing this merger to become final, the Biden Administration can build on its work to uplift Black-owned businesses and make the marketplace more competitive. This merger will be a win for Black-owned businesses, competition, and consumer choice.

Ayanna Khan
Founder & President/CEO
Delaware Black Chamber of Commerce



1105 North Market Street
Suite 102 Mezzanine FL
Wilmington, DE 19801



302.384.7716 Office
302.543.7240 Fax



email@debcc.org
www.debcc.org

From: [Katherine Hennigan](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Capital One-Discover Merger a Win for Small Businesses
Date: Monday, May 06, 2024 12:45:49 PM

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PLEASE NOTE: This email is not from a Federal Reserve address.

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As a Los Angeles-based small business owner, active member of the Central City Association, I'm excited to voice my support for the proposed merger between Capital One and Discover. This merger holds great promise for uplifting small businesses like mine and fostering a more competitive and innovative financial landscape. With Capital One gaining access to Discover's payment network, Discover could become a more serious competitor to Visa and Mastercard who control 80 percent of the credit card payment market today. Small businesses stand to benefit from enhanced services and increased competition, driving improvements in efficiency and affordability.

Even more, this merger will bring together two leaders in the credit access space. For small businesses in Los Angeles and beyond, access to affordable credit and efficient financial services is crucial for growth and sustainability. By leveraging Capital One's expertise and resources alongside Discover's payment network, this merger can introduce new opportunities for small businesses to thrive. Enhanced programs, improved products, and reduced costs can empower entrepreneurs to invest in their businesses, create jobs, and contribute to the vibrancy of our local economies.

As someone with vested interest in the success of businesses here in LA, I understand the importance of fostering an environment that promotes fairness, innovation, and inclusivity. The Capital One-Discover merger aligns with these values by supporting competition and expanding access to financial services for all. By advocating for initiatives that prioritize the needs of small businesses and promote economic opportunity, we can build a stronger, more equitable future for us here in Los Angeles and communities across the country.

I urge regulatory agencies to carefully consider the potential benefits of this merger for small businesses and consumers alike. By supporting initiatives that foster competition and innovation in the financial sector, we can create a more dynamic and resilient economy that works for everyone. Let's seize this opportunity to empower small businesses, drive economic growth, and build a better future for all Californians.

Sincerely,
Katherine Hennigan

--

KATE HENNIGAN OHANESIAN

she/her/hers

NEW ADDRESS

633 West 5th, 28th Floor
Los Angeles, CA 90071

O 213.986.2131

C 626.644.5313

E kate@collaborate-la.com

www.collaborate-la.com

From: [Ernesto Lopez](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Merger Will Bring More Competition to Credit Card Companies
Date: Monday, May 06, 2024 12:20:30 PM

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Dear Sirs,

As a former State Senator from Delaware, I am compelled to voice my support for the proposed merger between Capital One and Discover, particularly for the profound impact it could have on expanding credit access and fostering economic growth in our communities.

Access to credit is essential for individuals and families to achieve significant milestones such as homeownership and higher education. However, many individuals, especially those from underserved communities, face barriers to obtaining credit, which hinders their ability to build wealth and secure a stable financial future.

The merger between Capital One and Discover presents a promising opportunity to address these barriers and expand credit access to a broader range of individuals. Capital One has made serving people across the credit score spectrum a fundamental principle. Capital One was the first top ten bank to eliminate overdraft and insufficient funds fees from all of their products while providing free overdraft protection. By leveraging their combined resources and expertise, Capital One and Discover can develop innovative financial products and services tailored to meet the needs of underserved communities, thereby empowering individuals to build credit and pursue their aspirations. Increased credit access can play a pivotal role in growing generational wealth and promoting homeownership, particularly in states like Delaware where homeownership rates among minority communities are lower than the national average. By providing individuals with the means to qualify for mortgages and invest in homeownership, this merger can help bridge the wealth gap and create a more equitable society. Merging Capital One with Discover would mean more people who typically would be locked out of credit access can have a chance to become credit visible or increase their credit score.

Moreover, bolstering credit access can have a ripple effect on our communities, driving economic development and revitalization. As more individuals gain access to credit, they can contribute to local economies, support small businesses, and invest in community development initiatives, thereby strengthening the fabric of our communities and fostering a sense of belonging and prosperity for all.

In alignment with the goals of the Biden administration to promote economic equity and opportunity for all Americans, I urge regulators to carefully consider the potential benefits of this merger in expanding credit access, growing generational wealth, and bolstering communities in Delaware and beyond. By approving this merger, we can pave the way for a brighter and more inclusive economic future for our state and our nation as a whole.

Regards,

Dr. Ernesto B. Lopez
Senator, Delaware General Assembly, Retired
2012-2022

From: [Mayo Makinde](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Allow Merger to Improve Credit Access...
Date: Monday, May 06, 2024 2:46:24 PM

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As an entrepreneur and former Executive Director of the National Association of Minority Contractors in Central Ohio, I am happy about the potential impact the proposed merger between Capital One and Discover could have on minority small businesses and communities. Access to credit is a vital component of economic empowerment, and this merger has the potential to significantly enhance credit access for minority-owned businesses and underserved communities.

Historically, minority-owned businesses have faced disproportionate challenges in accessing credit, hindering their growth and sustainability. Many of these businesses operate in underserved communities where traditional banking services can be scarce, exacerbating the problem. However, Capital One and Discover have both demonstrated a commitment to expanding access to credit and financial services for all individuals, regardless of background.

By joining forces, Capital One and Discover can leverage their resources and expertise to reach even more Americans. Capital One's initiatives to eliminate overdraft fees and offer accessible credit cards, combined with Discover's reputation for customer-friendly banking services, create a powerful combination that can help bridge the credit gap for minority entrepreneurs.

The merger has the potential to provide minority-owned businesses with greater access to affordable credit, enabling them to invest in growth opportunities, hire more employees, and contribute to the economic development of their communities. Additionally, increased credit access can empower individuals to pursue homeownership, higher education, and other life-changing endeavors that were previously out of reach.

Regulatory agencies must consider the potential benefits this merger could bring to minority small businesses and communities. Although I understand the fear of monopoly through collusion that might exit and the fact that the commitment to continue to service minority businesses has to be kept alive, I urge regulators to approve the merger and create a more inclusive and equitable financial system that uplifts all Americans.

Thank you for all you do...

Sincerely,

Mayo Makinde, FOO & CEO

Makinde Enterprise, Inc

Columbus, Ohio

www.makindeenterprise.com

www.mayomakinde.com

From: [Parisa Chamlou <noreply@adv.actionnetwork.org>](mailto:noreply@adv.actionnetwork.org)
To: [Jerome Powell](#)
Subject: Stop the Credit One/Discover mega-merger.
Date: Thursday, May 2, 2024 9:23:11 PM

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Jerome Powell,

Capital One, one of the largest banks in the U.S, announced a 35.3 billion dollar deal to acquire Discover Financial Services. This merger would add Discover's 305 million cardholder network to Capital One's existing 100 million customers, creating the nation's sixth largest bank with a massive impact on the credit card industry.

If approved, this mega-merger would lead to further consolidation of power and influence in the lending market. This concentration would make it harder to hold banks accountable while limiting competition and reducing banking options for consumers nationwide.

A healthy economy relies on robust competition, and a successful democracy requires an economy that benefits all. This proposed merger poses a threat to both, hindering competition and economic inclusivity.

The Federal Reserve must stop this mega-merger immediately.

Sincerely,

Parisa Chamlou
Pchammlou@yahoo.com
7602 Lauralin PI
Springfield, Virginia 22150

From: Ken <ken@crahandbook.com>
To: Licensing@occ.treas.gov
Cc: ken@CRAHandbook.com
Bcc: [CHI SR Comments Applications](#)
Subject: [External] Comment on Capital One/Discover merger, Ken Thomas
Date: Friday, May 03, 2024 7:52:44 AM
Attachments: [Use the Capital One-Discover deal to reshape the credit card market, Kenneth H. Thomas, Ph.D. American Banker, April 8, 2024.pdf](#)

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Dear Director Almonte,

Please consider the attached AB article titled "Use the Capital One-Discover deal to reshape the credit card market" from the

4/8/2024 American Banker as my comment on this merger.

<https://www.americanbanker.com/opinion/use-the-capital-one-discover-deal-to-reshape-the-credit-card-market>

Please add me to the mailing list to receive copies of all announcements and comments and other documents on this proposed merger.

Thank you.

Ken Thomas

Kenneth H. Thomas, Ph.D.

website: www.CRAHandbook.com

email: Ken@CRAHandbook.com

phone: 786 269 8869

fax: 305 665 2203

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AMERICAN BANKER

BankThink

Any approval of the proposed Capital One-Discover merger must come with a pro-competitive 1% interchange fee condition to benefit consumers and small businesses and challenge the dominating duopolist Visa and a pro-community 5% deposit reinvestment condition.

Use the Capital One-Discover deal to reshape the credit card market

By [Kenneth H. Thomas](#) April 8, 2024, 10:00 a.m. EST 5 Min Read

"Thank you for choosing American Airlines!"

Having flown between Miami and Philadelphia over 1,000 times since 1970, I hate that canned announcement, as I actually have no choice. Since their merger with U.S. Airways, which I [opposed](#) in 2013, American Airlines is the only major carrier on this route.

Like any good monopolist, they raised prices and reduced flights and service on this route, making sure every flight is at capacity or overbooked ("We are looking for volunteers!"). Their "first class" is really "big seat class," as only some foreign carriers offer real first class.

The proposed Capital One-Discover [merger](#), which would create the country's largest credit card issuer with its own payment network, will have the same bad result according to anti-merger [congresspeople](#) and [community groups](#). To them, big is bad, not better.

My analysis, however, concludes that this merger can be approved with two conditions: a pro-competitive 1% interchange fee to increase competition by challenging the dominating Visa, and a pro-community 5% deposit reinvestment requirement to eliminate ["weblining"](#) by Capital One and Discover.

Antitrust economics can be complicated, so I prefer my simple "rule of three:" As long as there are at least three effective competitors in a given market for a given product, the public's conveniences and needs are likely being met.

The CEOs of two duopolists can get together on the golf course, but it's much harder for three players to collude, never knowing who can be trusted.

Merger decisions should focus on the relative market structure of the top three participants to identify and prevent a dominant No. 1 player.

There will always be a No. 1 firm for a given product in any market, but good public policy attempts to prevent or at least limit their market domination.

Competition is more about the quality rather than just the quantity of competitors. Even with several competitors, if No. 1 dominates all others, then it effectively acts as a monopoly. In fact, market dominators love weakling competitors and irrelevant internet participants because they give the appearance of many competitors but have no real competitive impact.

In my opinion, competition can best be preserved by examining the market power of No. 1 relative to Nos. 2 and 3, using the "market domination index," or [MDI](#), I created 25 years ago.

The primary MDI, or PMDI, is the ratio of market share of No. 1 to No. 2, and the secondary MDI (SMDI) is the ratio of No. 1's market share to the combined market share of Nos. 2 and 3. The focus must be on the relevant product in the relevant market.

My initial application of this MDI concept to bank mergers concluded that markets likely perform best with a maximum 1.5 PMDI and 1.0 SMDI. That is, No. 1 dominates with a market share more than 50% greater than No. 2 or more than double that of Nos. 2 and 3 combined. Lower MDIs mean less dominance by No. 1 and more competition.

The Capital One-Discover merger requires the analysis of numerous markets and products. For example, looking at national [market share](#), Capital One's No. 9 plus Discover's No. 27 positions results in a No. 6 bank with \$625 billion in assets but still a distance from the four [league of trillionaires](#).

Without overlapping retail offices, there is no local anti-competitive concern, although they both have "wholesale" credit card offices in Delaware with a combined \$325 billion of nationwide [deposits](#).

The merger would result in the [largest credit card issuer](#) in terms of outstanding debt, combining No. 4 Capital One and No. 6 Discover. Competition would be enhanced with a lower PMDI (1.1 from 1.3) and SMDI (0.6 from 0.7). Despite being displaced as No. 1, [Chase](#), the nation's largest bank, would maintain its No. 1 deposit market share in six of the nation's ten largest metropolitan statistical areas, or MSAs.

This merger's real pro-competitive impact would be reducing Visa's overwhelming dominance of the card network. Visa controls a stunning 61% of [2023 purchase volume](#). So-called competitors Mastercard and American Express follow the leader at 26% and 11%, respectively, with No. 4 Discover at just 2%. This results in a totally unacceptable 2.4 PMDI and 1.7 SMDI.

Counting MasterCard, Visa is technically a "duopolist," but it is really a quasi-monopolist. The recent Department of Justice [complaint](#) preventing Visa's purchase of a debit card competitor, Plaid used the term "monopoly" nearly 40 times.

It is not surprising that Visa and Mastercard, two of the world's [most profitable companies](#), charge merchants [identical interchange fees](#) averaging 2%, often passed on to consumers (versus 3% for Amex). Discover obediently follows at 2%.

Discover's purchase by the larger, aggressive and hi-tech Capital One will increase share, especially as the only bank owning a global merchant network with direct connections to them.

But, there is no motivation for Capital One to challenge the duopoly on price.

This is where smart public policy can make a difference.

If a bank merger raises antitrust concerns in specific markets, DOJ may approve it after requiring branch, deposit or other business divestitures. DOJ, however, rarely imposes pricing conditions, which should be determined in a competitive marketplace.

A pro-competitive pricing condition, however, may be necessary when quasi-monopolists like Visa have permanently distorted competition.

DOJ should therefore require the merged Capital One-Discover to charge an average 1% interchange fee to help break the duopoly's 2% fee until network fees are in the 1% range and the PMDI and SMDI are at acceptable levels. Even at 1%, fees would still be higher than the duopolists' 0.3-0.4% fees in [Europe](#)

Despite likely challenges of this pro-competitive fee condition from Visa, Mastercard and Capital One, this may be the only opportunity to rein in Visa's domination and have network competition.

Instead of hoping for a [legislative fix](#) or for DOJ to file an [Apple](#)-type antitrust suit against Visa, this 1% solution would have Capital One doing the government's trustbusting work.

Additionally, any Federal Reserve approval should require an anti-weblining "convenience and needs" condition regarding their \$325 billion combined wholesale deposits, excluding deposits in Capital One's retail offices.

[The estimated](#) \$6.5 billion of Community Reinvestment Act benefits from those "branchless" deposits, now mainly benefiting Delaware, are not being reinvested in the large cities sourcing those deposits.

The Fed should use the [5% Deposit Reinvestment Rule](#) to require a proportional reinvestment in the low- and moderate-income areas of any MSA sourcing 5% or more of deposits. This 5% solution is consistent with recent [regulatory proposals](#) encouraging "healthy" mergers benefiting communities.

The next time you hear "What's in your wallet?" the answer should be "much less costly and more community impactful credit cards," if this merger is approved with the 1% pro-competitive pricing and 5% anti-weblining conditions.

From: [Rachael Glogovsky <noreply@adv.actionnetwork.org>](mailto:noreply@adv.actionnetwork.org)
To: [Jerome Powell](#)
Subject: Stop the Credit One/Discover mega-merger.
Date: Saturday, May 4, 2024 6:25:47 PM

NONCONFIDENTIAL // EXTERNAL

Jerome Powell,

Capital One, one of the largest banks in the U.S, announced a 35.3 billion dollar deal to acquire Discover Financial Services. This merger would add Discover's 305 million cardholder network to Capital One's existing 100 million customers, creating the nation's sixth largest bank with a massive impact on the credit card industry.

If approved, this mega-merger would lead to further consolidation of power and influence in the lending market. This concentration would make it harder to hold banks accountable while limiting competition and reducing banking options for consumers nationwide.

A healthy economy relies on robust competition, and a successful democracy requires an economy that benefits all. This proposed merger poses a threat to both, hindering competition and economic inclusivity.

The Federal Reserve must stop this mega-merger immediately.

Sincerely,

Rachael Glogovsky
rachaelglogovsky739618@gmail.com
620 Settlers Ridge Dr.
Lake Geneva, Wisconsin 53147

From: [Marcurius Byrd <marcurius.byrd@gmail.com>](mailto:marcurius.byrd@gmail.com)
To: [Regs Comments Mail](#)
Subject: Merger will Improve Competition
Date: Thursday, May 02, 2024 10:35:39 AM

NONCONFIDENTIAL // EXTERNAL

I am writing in favor of the merger between Capital One and Discover because it will uplift underserved communities in South Carolina and around the country. As a proud South Carolinian, I welcome proposals that will allow my fellow neighbors to fully participate in our nation's financial system.

Both Capital One and Discover have been pioneers in the credit and banking industries when it comes to credit access. Capital One is known for its commitment to expanding credit accessibility regardless of credit status. In line with this commitment, it was the first bank to get rid of overdraft fees and offer no-fee cash withdrawals. Capital One is also the largest issuer of credit cards to first-time holders, providing cards tailored to help individuals build or repair credit.

Notably, Capital One also offers a "secured" card option, where a refundable deposit determines the credit limit, preventing individuals with poor or fair credit from falling into debt traps. Similarly, Discover made history by introducing credit cards without annual fees, setting a precedent for inclusivity and fairness in the credit card market. Both companies have a proven track record of empowering individuals who want to build or repair their credit, ensuring everyone has a chance to fully participate in the American financial system.

The proposed merger between Capital One and Discover is a great step towards advancing their shared mission of broadening credit accessibility for all communities. With this merger, Capital One will be able to integrate Discover's 305 million cardholders into its existing base of 105 million customers, expanding access to the products and services offered by each bank to communities that are often left behind.

The Biden Administration has promised to uplift forgotten communities and has worked hard to uplift marginalized communities in the nation and here in South Carolina. Allowing this merger to go forth is a unique opportunity to continue making good on that promise. Marcurius Byrd

From: [Chance Lebron](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External]
Date: Tuesday, May 07, 2024 10:13:53 AM
Attachments: [Chance Lebron- Cap One.docx](#)

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As Chair of the Spartanburg NAACP Youth Committee, I am deeply invested in advocating for initiatives that uplift communities of color and underserved populations. That's why I am eager to express my support for the proposed merger between Capital One and Discover, as it has the potential to bring significant benefits to these communities.

Access to affordable credit is a crucial factor in achieving economic empowerment, yet many communities of color and underserved populations face barriers to accessing the financial resources they need to thrive. By joining forces, Capital One and Discover can leverage their combined resources and expertise to expand access to affordable credit and financial services for these communities.

Capital One has demonstrated time and time again that they support diverse communities and investing in minority-owned businesses. This is evident through their commitment to the Community Reinvestment Act, which encourages banks to provide financial services in low- and moderate-income (LMI) neighborhoods. Capital One is number one among large banks when it comes to serving LMI communities, with one-third of all of their branches located in these neighborhoods. Through programs aimed at increasing access to credit and promoting financial inclusion, Capital One has already made strides in empowering communities of color and underserved populations.

In conclusion, I believe that the proposed merger between Capital One and Discover has the potential to bring positive change to communities of color and underserved populations in Spartanburg and beyond. By expanding access to affordable credit and promoting economic empowerment, this merger can help build a more equitable future for all residents. I urge regulatory agencies to support initiatives that prioritize the needs of these communities and promote economic inclusion and opportunity for all.

From: [Angela Viggiano](#)
To: [RICH BankSup Applications Comments](#)
Cc: [Robert Viggiano](#)
Subject: [External] Capital One - Paramus NJ branch
Date: Tuesday, May 07, 2024 2:36:16 PM
Attachments: [image001.png](#)

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Good afternoon,

This email is meant to sing high praises for the team at the Paramus NJ branch! As a small business owner, we appreciate our relationships with clients and prioritize customer service. The team at the Paramus branch also values the relationship with Sunnyside Title Agency

Often, I need to pick up certified checks for closings. Nick, Yida, Freddy, Edgar, Arlin, Kristina, Melissa and Hefzi go above and beyond to make sure that I am in and out of the branch as quickly as possible. The team at the Paramus branch are friendly and helpful and make things seamless! They are professional and courteous, and we strongly value the relationship that we have built with the them over the last 5 years!

Sincerely,

Angela Viggiano

Angela Viggiano

Sunnyside Title Agency LLC

1 Kinderkamack Rd.

Hackensack, NJ 07601

Ph: (201)518-0900

Fax: (201)519-0901

www.sunnysidetitle.com



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From: [Jonathan Weinhagen](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Approve Merger
Date: Tuesday, May 07, 2024 3:22:41 PM

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Good Afternoon-

As the CEO of the Minneapolis Regional Chamber, I always welcome proposals that will help support small businesses. That is why I am writing in support of the proposed Capital One-Discover merger, which will greatly benefit small businesses in my community.

This proposed merger will inject competition into the payment network market, which will help small businesses in Minneapolis and around the country. As it currently stands, Visa and Mastercard control 80% of the payment processing industry while Discover controls just four percent of the market. This merger will allow Capital One to begin issuing its cards over the Discover network, elevating Discover as a more robust competitor to Visa and Mastercard's current duopoly. This added competition will push all payment networks to compete for the opportunity to work with merchants by improving their price points or improving their services. In addition, making Discover more competitive would allow small businesses to negotiate more favorable terms with other payment networks

Critics may argue that this merger will lead to increased consolidation in the marketplace and stifle competition, but experts like Alden Abbot, who served as the Federal Trade Commission's General Counsel has said "Capital One could, for example, use the Discover payments platform to enhance competition with Visa and Mastercard," which would be a win for small businesses and consumer choice.

The businesses I advocate for deserve a competitive payment network landscape that gives them and consumers choice. Elevating Discover's payment network will yield that result. I know the Biden Administration is committed to ensuring competition in the marketplace, and allowing this merger to go forward is another chance to demonstrate that commitment.

Please feel free to reach out with any questions.

Best,

Jonathan Weinhagen
President & CEO
MPLS Regional Chamber
[612.370.9155](tel:612.370.9155)
jweinhagen@mplschamber.com

Sent from my iPhone

Note: My workday may not coincide with your workday. Please do not feel obligated to respond to my e-mails outside of your working hours.

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From: [Paul Quintero](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Letter of Support for Capital One Combination with Discover
Date: Wednesday, May 08, 2024 11:06:14 AM
Attachments: [Ascendus - Letter of Support for Capital One and Discover Combination.pdf](#)
Importance: High

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Dear Sir or Madam:

On behalf of Ascendus, I am attaching our letter of support for the proposed combination of Capital One and Discover.

Please call or email me with any questions I can address.

Thank you for considering this letter for your evaluation process.

Yours in the mission,

Paul Quintero | CEO

Ascendus | 25 Broadway, 10th Floor | New York, NY 10004

646.833.4514 | ascendus.org

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Sent via electronic mail to comment.applications@rich.frb.org

May 8, 2024

The Honorable Jerome Powell
Chair, The Board of Governors of the Federal Reserve
20th Street and Constitution Avenue NW
Washington, DC 20551

RE: Letter of Support for Capital One's Acquisition of Discover

Dear Chair Powell:

I am writing on behalf of Ascendus, Inc., a nonprofit Community Development Financial Institution (CDFI) whose mission is to empower low-to-moderate-income business owners through access to capital and business support. For over thirty years, we have provided small business owners—primarily BIPOC, women, and immigrants—the tools to move up, improve their lives, care for their families, and contribute to their communities. We have placed \$390 million into the hands of 56,000 small business owners through our programs across the country, with a core focus on New York, Massachusetts, and Florida.

Our work requires the active partnership of the bank sector because, in effect, we are the ones who either connect the unbanked to banking services or take the underbanked and develop their credit and financial health so banks can more fully serve them. With approximately 80% of the 32 million businesses in the U.S. generating less than \$250,000 in annual revenues, the demand for small business loans is demonstrably high. Unfortunately, it is also not economical for the banking sector to support, which is why CDFIs like Ascendus exist.

For us, a robust banking partnership includes the following elements:

- **Grant support.** Since 2022, Capital One has supported Ascendus with \$1.4 million in grant funds to support our work. Our work is impossible without subsidy.
- **Loan capital.** Since 2011, Capital One has supported Ascendus with the loan capital for us to deploy to needy small business owners. The amount began at \$250,000 but has grown to \$3 million, representing one of our largest creditors.
- **Expertise.** As a nonprofit organization, our fiduciary oversees our fiscal and mission goals. We rely on subject matter experts in areas such as compliance, governance, and credit risk to ensure the sustainability of our organization. Today, we have a Capital One board member who supports the Credit Risk Committee and a Discover board member who supports our Governance Committee, where we cover topics related to compliance.



- **Shared purpose.** At Ascendus, we seek to create a world of financial ascension for all, and by financial ascension, we mean improved financial health. For us, one is financially healthy when a person’s daily financial system ensures the resiliency to absorb unexpected shocks and the ability to take advantage of opportunities when they arise opportunistically. By this definition, only 30% of all Americans are financially healthy. One aspect of financial health is understanding your borrowing capacity. In this regard, Capital One has supported a person’s ability to borrow by proactively providing information on credit scores and how to improve it. The bank’s “Chang Banking for Good” mantra aligns with our vision of improved financial health for all.
- **Referrals.** Ascendus works with local, regional, and national bank partners. For those focused on serving small business owners, we frequently receive referrals from bank clients who are not ready for a traditional loan. Like the Star Trek Enterprise, we “boldly lend where no bank has gone before” and do this intentionally to expand access to capital for small business owners. Instead of referrals to CDFIs for small business term loans, Capital One primarily serves business owners through quality credit card offerings. Credit cards are a valuable tool to support the near-term purchase needs of small business owners because they provide flexibility and purchasing agility.

In connection with Capital One’s acquisition of Discover, we are writing to support this combination because we believe actions speak louder than words. Capital One has been our exemplary partner for almost two decades. We believe the combined entity only grows the resources to continue supporting our field so we can expand more opportunities for small businesses across the country.

Thank you for considering this letter for your evaluation process.

Yours in the mission,

A handwritten signature in black ink that reads "Paul Quintero". The signature is written in a cursive, flowing style.

Paul Quintero
CEO

From: [Robert McDonnell <noreply@adv.actionnetwork.org>](mailto:noreply@adv.actionnetwork.org)
To: [Jerome Powell](#)
Subject: Stop the Credit One/Discover mega-merger.
Date: Monday, May 6, 2024 9:09:19 PM

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Jerome Powell,

Capital One, one of the largest banks in the U.S, announced a 35.3 billion dollar deal to acquire Discover Financial Services. This merger would add Discover's 305 million cardholder network to Capital One's existing 100 million customers, creating the nation's sixth largest bank with a massive impact on the credit card industry.

If approved, this mega-merger would lead to further consolidation of power and influence in the lending market. This concentration would make it harder to hold banks accountable while limiting competition and reducing banking options for consumers nationwide.

A healthy economy relies on robust competition, and a successful democracy requires an economy that benefits all. This proposed merger poses a threat to both, hindering competition and economic inclusivity.

The Federal Reserve must stop this mega-merger immediately.

Sincerely,

Robert McDonnell
r_mcdonnell@outlook.com
2C Liberty
Aliso Viejo, California 92656

From: [KC](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Capital One/Discover Financial Merger
Date: Monday, May 06, 2024 12:34:54 PM

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Greetings,

Thank you for the opportunity to comment on this matter. I don't oppose the merger between Capital One Financial Corporation and Discover Financial. I've been a long standing customer at Capital One Bank and I am also a customer at Discover Financial. My only concern is their continued good faith and duty as it relates to handling expressed special agreements, in confidence, from their customers.

The Banking Laws in the United States explicitly place certain fiduciary duties on banks, based on these types of arrangements and deposits received for safekeeping. I encourage Capital One to continue to ensure they are adhering to the banking laws regarding these special arrangements for the well being of the American people and I look forward to a continued special relationship with Capital One in the future.

Mr. K. Cooper
kcooper2002@gmail.com

From: [Bill Bolton](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Merger Brings More Competition Which is Good for New Hampshire
Date: Wednesday, May 08, 2024 5:56:47 PM

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After reviewing the literature, I am in favor of the proposed merger between Capital One and Discover. I am serving on the NH House Ways and Means Committee, and our Committee is tasked with maximizing state revenue with a focus on leveling the playing field and create more opportunities for Granite Staters, I believe this merger will do that. That's because the merger presents a unique opportunity to inject much-needed competition into the financial services industry in the realm of payment networks, which will have significant benefits for small businesses across our state.

Currently, Visa and Mastercard dominate the payment processing market, leaving small businesses with limited options. Discover, with its modest market share, has struggled to challenge this dominance effectively. However, by merging with Capital One, Discover can significantly enhance its competitive position and emerge as a viable alternative for merchants.

The integration of Capital One's cards onto the Discover network will create a more robust competitor to Visa and Mastercard, compelling all payment networks to improve their services and pricing to attract merchants. This increased competition will empower small businesses with greater choice to make the best decision for them and their customers.

While some may express concerns about market consolidation, it's essential to recognize that this merger will actually foster greater competition in the financial services industry. The current industry giants are working hard to protect their duopoly. Illinois Senator Dick Durban said "Visa and Mastercard have aggressively opposed efforts to bring competition to the credit card market in order to protect the dominant market position they share." By expanding Discover's reach and capabilities, small businesses in New Hampshire and beyond will benefit from a more diverse and competitive landscape, ultimately driving innovation and efficiency in payment processing.

As legislators, it's our duty to support initiatives that promote competition and empower small businesses to thrive. The Capital One-Discover merger aligns with these principles and represents a positive step towards creating a more dynamic and inclusive financial ecosystem for our state's entrepreneurs. I urge regulators to approve this merger, recognizing the significant benefits it will bring to small businesses and consumers alike.

Bill Bolton

NH Representative

Grafton HD 8

Plymouth, Holderness, Ashland

603.236.1812

From: [Elaine Marzola](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Capital One - Discover Merger
Date: Wednesday, May 08, 2024 7:11:23 PM

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Good afternoon,

As Chair of the Commerce and Labor Committee in the Nevada Assembly, my focus is on promoting initiatives that reinvest in underprivileged communities, uplift small businesses, and enhance the rights of working individuals. That's why I am very supportive of the proposed merger between Discover and Capital One, two companies known for their commitment to serving all communities, particularly underserved ones.

With an outstanding track record under the Community Reinvestment Act, Capital One stands out for its investment in low- and moderate-income neighborhoods. One-third of all Capital One branch locations are located in these communities, ranking them as a leading big bank in this area. Additionally, Capital One's pioneering efforts in assisting individuals building or rebuilding their credit, with a remarkable 69% of customers achieving prime credit scores, demonstrate their commitment to financial inclusion to Nevadans that have been cast aside by other financial institutions.

Furthermore, Capital One's active involvement in initiatives like President Biden's Economic Opportunity Coalition underscores their dedication to strengthening communities of color. This merger holds immense potential to further advance the interests of underserved populations and expand financial investment in communities of color.

Moving forward, it is crucial to acknowledge the potential of this merger to foster competition, empower small businesses, and advance the rights of workers. I urge the Biden Administration to seize this unique opportunity to bolster small businesses and promote marketplace competition by endorsing the merger between Capital One and Discover. This merger aligns perfectly with the shared goals of fostering economic growth, expanding credit access, and empowering communities that have been marginalized and underserved.

Thank you,
Elaine Marzola
Nevada Assembly District - 21

From: [Maia Pearson](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] The Capital One-Discover Merger
Date: Thursday, May 09, 2024 8:55:50 AM

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To whom it may concern,

I am writing in support of the Capital One-Discover merger because it will expand access to credit in Black communities all over the country. Capital One and Discover share many core values, one of which is giving all Americans, regardless of their credit history, the chance to fully participate in America's financial system. This proposed merger is a unique opportunity to usher in a new era of financial inclusion for those who have often been left behind.

Capital One and Discover are trailblazers in the credit and banking industry. Capital One was one of the first banks to eliminate overdraft fees and no-fee cash withdrawals. They are also known for facilitating credit access for people of all income levels, as it is the largest issuer of credit cards to first time card holders. Moreover, Capital One offers a range of products to help people build or repair credit, giving them the chance to work their way toward financing purchases like a car, a home, or higher education. Like Capital One, Discover has also been a stepping stone into the financial system. Discover was one of the first banks to offer fee-free credit cards.

Allowing this merger to become final would allow Discover and Capital One to continue their work of expanding access to credit for Black communities who are often overlooked by other financial institutions. A combined Capital One-Discover bank can use its resources to continue providing affordable credit options and uplift underserved communities.

Although some regulators are concerned that the merger will stifle competition, a recent study by the Bank Policy Institute found that the credit card market is not even close to being concentrated.

We know that credit access is a pillar of wealth-building in this country. By allowing this merger to become final, the Biden Administration can continue to empower Black communities to fully participate in America's financial system.

Thank you,

Maia Pearson

From: [SHARON HARRINGTON](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Merger
Date: Thursday, May 09, 2024 2:01:45 PM

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As someone who has worked in public service here in the great state of New Jersey for decades, I understand the importance of initiatives that uplift and support our local economies. That is why I am excited to express my support for the proposed merger between Capital One and Discover, as it has the potential to bring significant benefits to communities across New Jersey and nationwide.

One of the key advantages of this merger is its potential to expand access to credit and financial services for individuals and businesses in underserved communities. Capital One and Discover have both demonstrated a commitment to financial inclusion and empowerment, with initiatives aimed at providing innovative products and services to meet the needs of diverse consumers. Capital One has excelled in fulfilling the obligations under the Community Reinvestment Act (CRA), channeling resources into underserved neighborhoods and ensuring that the financial needs of these communities are met.

In New Jersey, where access to affordable credit and financial services is critical for economic mobility, this merger can play a significant role in promoting economic development and opportunity. By expanding access to credit, Capital One and Discover can empower individuals and businesses to achieve their financial goals, whether it's purchasing a home, starting a business, or pursuing higher education.

Furthermore, the merger has the potential to stimulate economic growth and job creation in communities across the state. By supporting small businesses and entrepreneurs with access to affordable credit, Capital One and Discover can help drive innovation and entrepreneurship, leading to greater prosperity for all New Jerseyans.

I sincerely believe that the proposed merger between Capital One and Discover has the potential to bring positive change to communities across New Jersey and the entire country. By expanding access to credit and promoting economic development, this merger can help build a more inclusive and equitable economy for all. I urge regulators to carefully consider the potential benefits of this merger and support initiatives that uplift diverse communities and promote economic opportunity for all Americans.

Sharon Harrington

From: [George Bald](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Discover--Capital One Merger
Date: Thursday, May 09, 2024 4:04:55 PM

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As a former State official responsible for Economic Development in New Hampshire, I was an advocate for working families in New Hampshire, I am always pleased to support proposals that I know will help uplift Granite Staters. That is why I am in favor of the proposed Capital One-Discover merger, which will expand credit access to New Hampshire's rural and underserved communities.

Access to credit is a cornerstone for families in New Hampshire and all over America to build wealth and achieve the goals of home ownership or investing in their education. However, many financial institutions have historically excluded rural communities from this opportunity, imposing additional barriers to wealth building on their path by rendering them “credit invisible.”

This proposed merger offers hope to these communities, as Capital One and Discover will be able to more effectively build on their shared mission of bringing people into America’s financial system. Both Capital One and Discover are known for opening the door for credit invisible people. Capital One has demonstrated a strong commitment to the Community Reinvestment Act, which encourages banks to provide services in low- and middle- income (LMI) neighborhoods. Capital One ranks first among larger banks when it comes to serving LMI communities, with one third of their branches being located in these neighborhoods. Also, Capital One is the largest issuer of credit cards to first time cardholders. They also offer a number of innovative products to empower people to build or repair their credit. Similarly, Discover is known to be people’s gateway into building credit and was one of the first banks to offer no-fee credit cards.

By teaming up, Capital One and Discover can expand credit accessibility even further. Capital One's intention to incorporate Discover's 305 million cardholders into its customer base will amplify the reach of its credit-building programs, empowering a larger number of individuals to join the financial system and pursue their economic goals.

I am not a stockholder in either company, but I am a customer of both. They provide excellent customer service and I believe the merger will allow them to continue to strive for excellence, and help communities that have been historically underserved.

By approving this merger, regulators can help expand credit access to communities that have been historically cast aside by other institutions. I want to live in an America where all Americans are included in the financial system and can build credit. This merger will bring us one step closer to that vision.

I strongly urge you to support this merger.

George M. Bald
55 Laredo Lane
Rochester, NH 03868



From: [Benjamin Gray](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Approve Merger for More Competition
Date: Friday, May 10, 2024 9:25:26 AM

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Good Morning,

At Mercantile Processing Inc, we are eagerly anticipating the proposed merger between Capital One and Discover. As a company that offers a range of credit card processing services, we know more than most the importance of competition in the credit payment networks market. This merger represents a significant opportunity for businesses to enhance their services and offer better options to consumers.

One of the most compelling aspects of this merger is the potential for increased competition in the payment network market. For too long, this industry has been dominated by just two major players, which has limited choice and innovation for businesses and consumers alike. The merger would allow Capital One to issue its cards over Discover's network, making Discover a more robust competitor to the two big companies introducing a new level of competition, encouraging innovation and driving down costs across the board. With increased competition, merchants will be able to negotiate more favorable terms with payment networks, resulting in improved services and pricing options for our customers. This could include faster processing times and enhanced customer support, both of which are essential for businesses looking to provide the best possible experience for their customers.

Furthermore, the merger is likely to stimulate innovation in the industry as a whole. As Capital One and Discover combine their resources and expertise, we expect to see the development of new products and technologies that benefit both businesses and consumers. This could include innovative payment solutions, improved security measures, and enhanced data analytics capabilities, all of which can help businesses better understand and serve their customers.

Overall, we believe that the proposed merger between Capital One and Discover will be a positive development for businesses like ours. By fostering competition and innovation in the credit card processing market, the merger will enable us to provide better services and options to our customers, ultimately leading to a more efficient and dynamic industry landscape. We look forward to the opportunities that this merger will bring and are excited to continue serving our customers with excellence in the years to come.

Thank you for taking the time to consider our feedback on this important matter for our industry.

Ben

Benjamin Gray
Chief Operating Officer

Mercantile Processing Inc.
877-508-2831 Ext. 133
bgray@mpiprocessing.com

<https://www.mpiprocessing.com/>

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From: [Anthony Duarte](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Capital One Discover Merger Will Improve Competition
Date: Friday, May 10, 2024 6:03:51 PM

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As a former Hacienda La Puente Unified School District Governing Board of Trustee member and the former CEO of the Regional Chamber of Commerce-San Gabriel Valley in California, I am excited about the potential benefits that the proposed merger between Capital One and Discover could bring to our community.

Capital One's commitment to strengthening communities of color, as evidenced by their founding membership in the White House's Economic Opportunity Coalition, speaks volumes. Through initiatives like investing in Black and Hispanic-owned and-led equity funds, Capital One is making a tangible impact on economic empowerment and opportunity. In addition, Capital One has shown its community to the Community Reinvestment Act, a law passed to encourage banks to invest in low and moderate income (LMI) communities after too many banks ignored these areas. Capital One is number one among larger banks when it comes to serving low- and moderate-income communities, with one-third of their branches located in these neighborhoods.

Moreover, the merger would enable Capital One to gain access to Discover's payment network. This will allow Capital One to use its expertise in technology and marketing to make Discover a larger competitor in the credit card processing space. The merger would also allow Capital One to issue their credit cards over the Discover network, increasing Discover's usership and making it a formidable competitor to Visa and Mastercard.

One significant outcome of the merger is the potential for Capital One to expand access to its deposit account products for consumers. With features like no-fee, no minimum balance requirements, and free overdraft protection, these deposit account products could provide valuable financial resources to individuals in our communities, promoting financial inclusion and empowerment.

In conclusion, I believe that the Capital One-Discover merger has the potential to positively impact communities, including those in the San Gabriel Valley. By leveraging their combined strengths and resources, Capital One and Discover can work towards fostering economic growth, promoting financial inclusion, and creating opportunities for all members of our community. Please feel free to contact me at (626) 939-0808 or via email at gilanthonyduarte@gmail.com for any further comments.

From: [Star Tomlinson](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Capital One Discover Merger Will Improve Competition and Help Small Businesses
Date: Saturday, May 11, 2024 12:05:28 PM

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To Whom It May Concern;

As a proud small business owner and Board Member of the North Valley Regional Chamber of Commerce Board of Directors in California, I am writing to express my support for the proposed merger between Capital One and Discover.

Small businesses are the cornerstones of our economy, and it is crucial that they have access to the financial resources and services they need to thrive. The merger between Capital One and Discover has the potential to benefit small businesses like mine in several ways.

Firstly, Capital One's access to Discover's payment network can lead to increased benefits for small businesses. With Visa and Mastercard being behemoths in the credit card processing business, processing over 80% of all credit card payments, they can set the rules for how they do business with small businesses. If Capital One and Discover are allowed to merge, Discover can become a formidable competitor to these giants and change the relationship between credit card company processors and their clients.

The Capital One-Discover merger could result in expanded access to deposit account products for millions of consumers, providing valuable financial resources to individuals and businesses alike. With features such as no-fee accounts and free overdraft protection, these products could help small businesses and individual consumers manage their finances more effectively and increase financial empowerment.

The commitment of both Capital One and Discover to supporting diverse communities, as evidenced by their involvement in initiatives like the White House's Economic Opportunity Coalition, is commendable. As a small business owner and member of the North Valley community, I am particularly encouraged by their efforts to invest in Black and Hispanic-owned and-led equity funds.

In conclusion, I believe that the proposed merger between Capital One and Discover has the potential to positively impact small businesses and communities in California. President Biden has made great strides in boosting small businesses nationwide and this merger will be an extension of that success. By leveraging their combined strengths and resources, Capital One and Discover can help drive economic growth, promote financial inclusion, and create opportunities for small businesses to thrive..

Sincerely,

Star Tomlinson, CEO

THE DRAIN CO.

14621 Titus St., Ste. 126

Panorama City, CA 91402

O:818-442-0966 * F:818-654-7722

www.TheDrainCo.com

Please join our Birthday Club

Today: <https://ineedyourmailbox.com/THEWOWCONNECTOR/108300>

From: [Peter Casey](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] In support of CapitalOne and Discover merger
Date: Sunday, May 12, 2024 8:56:46 PM
Attachments: [In support of Merger.pdf](#)

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Dear Secretary,

Attached please find a letter in support of merger from our firm.

Regards,

Peter Casey
CFO
Marketing Doctor, Inc.

Peter Casey
Marketing Doctor, Inc.
55 Damon Rd, Ste 1
Northampton, MA 01060
(413) 570-4109

05/10/2024

Secretary of the Board
Richmond Federal Reserve
701 East Byrd Street
Richmond, VA 23219

Dear Federal Reserve Secretary of the Board,

As a longstanding customer of the financial industry, we are writing to express our support for the proposed merger between Capital One Financial Corporation and Discover Financial Services. Having been a loyal customer of Capital One for the past five years, we firmly believe that this merger presents a multitude of benefits not only for the involved companies but also for consumers and the broader economy.

Our company has experienced firsthand the innovative solutions and exemplary customer service provided by Capital One. We have found their financial products to be reliable, convenient, and tailored to meet the evolving needs of businesses like ours. We are confident that the combined strengths of Capital One and Discover will further enhance the quality of services offered to customers, including ourselves.

Furthermore, we believe that this merger has the potential to stimulate healthy competition within the financial sector, fostering innovation and driving improvements in efficiency and affordability. By leveraging their complementary capabilities and resources, Capital One and Discover can create synergies that translate into greater value for shareholders, customers, and the communities they serve.

In addition to the anticipated benefits for stakeholders, we are also encouraged by the commitment demonstrated by both companies to uphold rigorous standards of corporate responsibility and community engagement. We commend their efforts to promote financial inclusion, support sustainable practices, and contribute positively to society at large.

In conclusion, we wholeheartedly endorse the proposed merger between Capital One and Discover Financial Services and believe that it represents a significant opportunity to enhance competitiveness, innovation, and customer satisfaction within the financial industry. We trust that the Richmond Federal Reserve will carefully consider the merits of this proposal and its potential implications for the economy and consumers.

Thank you for your attention to this matter. Should you require any further information or clarification, please do not hesitate to contact us at your earliest convenience.

Sincerely,

Peter Casey
CFO
Marketing Doctor, Inc

From: [Marolyn Rodriguez](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Capital One Bank- 464 NJ-17, Paramus, NJ 07652
Date: Monday, May 13, 2024 10:50:28 AM

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Good morning

"Shoutout to the exceptional team at Capital One Bank, Paramus branch , for consistently providing top-notch service in handling our company's daily transactions. Your dedication to excellent customer service shines through in every interaction, making banking a pleasure. Thank you for your professionalism and efficiency – you truly make a difference!".

Freddy, Yilda, Arlin, Melissa, all teams are exceptional.

Best regards

Marolyn Rodriguez
Property Management Assistant
West of Hudson Properties
(201) 494-8194

From: [Matthews, Ariana](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Letter to Federal Reserve
Date: Monday, May 13, 2024 1:42:24 PM
Attachments: [CALletter 5.13.24.pdf](#)

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Please see attached letter.

Thank you,
Ariana Matthews
Policy Assistant

 **CalChamber**
California Chamber of Commerce
1215 K Street, 14th Floor
Sacramento, CA 95814
T: 916.930.1220

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May 13, 2024

Federal Reserve Bank
Secretary of the Board
20th Street and Constitution Avenue, NW
Washington, DC 20551-0001

Submitted electronically to: Comments.applications@rich.frb.org

Dear Sir / Madam:

I am writing to provide my perspectives on Capital One's presence and community investments in California. As you consider Capital One's proposed acquisition of Discover Financial Services, I hope this can assist in your evaluation.

Capital One is a long-time member of the California Chamber of Commerce. They employ 1,200 associates in California, including a Tech / Design people center in San Francisco and a dozen innovative Capital One Cafes in major California markets.

As a corporate citizen, Capital One was one of the first banks to finance the conversion of 3 California hotels into affordable housing, addressing the pressing issue of homelessness in our communities. This was part of California's Project Homekey, which enables developers to convert commercial properties such as hotels, motels, hostels, and other residential facilities into affordable housing. To finance the conversions, Capital One originated federal and state low-income housing tax credit (LIHTC) equity investments which will create more than 260 units of permanent supportive housing in Los Angeles and Orange Counties.

Capital One provides financing to several affordable housing developers across California. Through these partnerships, Capital One provides essential grant support for wraparound services. These services play a crucial role in ensuring the holistic well-being of residents, particularly those grappling with mental illness and substance abuse. By focusing on an integrated approach that includes case management services, Capital One contributes to resident's long-term stability and recovery.

Capital One also invests in programs that focus on financial resiliency. Their partnership with LIFT, a nonprofit organization dedicated to breaking the cycle of poverty, is instrumental in helping over 4,000 Californians enroll in LIFT's financial coaching program. Most of these participants are low-income women of color who receive one-on-one coaching and wraparound support to achieve financial stability. Over 88% of LIFT's members demonstrate progress in managing their finances, 49% increase their income, and 59% enroll in education programs.

Capital One makes socioeconomic mobility of Californians a priority. They partner with HomeBoy Industries and The RightWay Foundation, organizations assisting hardest-to-employ populations. Homeboy Industries, known as the world's largest re-entry organization for formerly incarcerated individuals, provides hope, training, and support to formerly gang-involved and previously incarcerated individuals. By offering

job training and wraparound services, HomeBoy Industries helps over 8,000 clients redirect their lives and become contributing members of the community.

Similarly, the RightWay Foundation addresses the unique challenges faced by foster youth in Los Angeles County, the largest foster care system in the country. Through its multidimensional approach, The RightWay Foundation has transformed outcomes for foster youth with impressive results. Last year, 95% of participants reported an increase in social support and a decrease in social isolation, 80% obtained employment, 76% maintained employment, and 82% reported improved mental health and emotional well-being.

Capital One is making significant investments to address homelessness, support vulnerable populations, and promote socioeconomic mobility in California. Thank you for the opportunity to provide comments as you evaluate the proposed transaction. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ben Golombek".

Ben Golombek
Executive Vice President and Chief of Staff for Policy
California Chamber of Commerce

From: [Kelly Melton](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Capital One > Discover
Date: Monday, May 13, 2024 3:19:19 PM

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I am the Finance Officer for a local government unit in NC. In the Fall of 2023, Capital One worked with us to secure financing for ballpark lights. Their expertise in the financing process, along with their experience partnering with other units in meeting the requirements of the Local Government Commission was extremely helpful. Our Capital One representative, and their partners, worked with us every step of the way to ensure the entire transaction went smoothly.

Kelly C. Melton
Finance Officer
Town of Sawmills
4076 US Hwy 321-A
Sawmills NC 28630
Phone: 828-396-7903
Fax: 828-396-8955

From: [Nick Eastwood](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] North Texas legislative delegation comment letter for the evaluation of Capital One's proposed acquisition of Discover Financial Services
Date: Monday, May 13, 2024 4:07:15 PM
Attachments: [North Texas COF DFS Letter - Final 051324.pdf](#)

NONCONFIDENTIAL // EXTERNAL

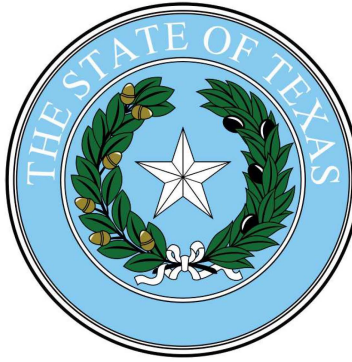
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Please see attached.

Nick Eastwood
Capitol Director & Deputy Chief of Staff
Office of Senator Tan Parker
512.463.0112

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May 13, 2024

Federal Reserve Bank
Secretary of the Board
20th Street and Constitution Avenue, NW
Washington, DC 20551-0001

Dear Sir / Madam:

We are pleased to provide a comment letter for the evaluation of Capital One's proposed acquisition of Discover Financial Services. Our respective State Senate and House districts include all or parts of Collin County, Dallas County, Denton County, Grayson County, Rockwall County, Tarrant County and other adjacent jurisdictions.

We are writing to describe Capital One's impact in our communities and districts. Capital One is a large private employer in the State of Texas and over 5,000 Capital One associates and their families reside in our respective legislative districts in North Texas. Capital One supports a wide range of community organizations and many of its executives and associates serve on nonprofit and governmental boards. Capital One associates are our constituents, neighbors, friends and community members.

Capital One's key areas of focus include promoting financial well being, affordable housing, small business ownership and entrepreneurship, and socioeconomic mobility. Below are some examples of signature initiatives supported by Capital One that have had a positive impact on our districts and constituents.

City of Plano

Education and workforce development are a key driver in socioeconomic mobility. Capital One is the founding partner of the Plano Mayor's Summer Internship Program and the presenting sponsor over the last decade. They provide critical grant funding, host interns, and leverage their associates' expertise through student workforce

readiness opportunities. They also support the Plano Independent School District's family services, Advancement Via Individual Determination, and STEM programs. Capital One is a strong supporter of My Possibilities which provides workforce development to individuals of all capabilities.

Collin/Denton County

Collin County has a growing need for emergency support services including transitional housing and mitigating food insecurity. Capital One is a longtime supporter of Samaritan Inn, the only family homeless shelter in Collin County. Their support includes launching workforce development programs, volunteer support, board service, and pro bono services for staff training and development. Capital One is committed to ensuring Collin County residents have access to shelter and affordable housing. Capital One is also a founding supporter of the North Texas Food Banks backpack program that provides students with food for the weekends.

Capital One is a founding member of the Collin County Business Alliance (CCBA) for more than a decade. Capital One has served as the CCBA's driving force as a thought leader and convener on issues impacting the region such as infrastructure, workforce development, civic engagement and mobility to bring together the business community to support a thriving future.

Dallas County

Through a collaborative partnership between The Dallas Entrepreneurship Center, Capital One provides grant funding to partners supporting entrepreneurship and small business ownership. Their support reaches minority owned companies through the Red Bird Business Cohort and the Women's Entrepreneurship Cohort. In addition, they sponsor Dallas Startup Week bringing together thousands of founders each year.

Capital One partners with several agencies to provide access to living wage jobs, affordable housing and help eliminate poverty. A few of these partnerships include Child Poverty Action Labs and Bonton Farms. Both agencies are creating programs having significant impacts in communities most in need.

Capital One invests in growing tomorrow's workforce and leaders through long standing relationships with Dallas Independent School District. Capital One's high school internships provide hundreds of students paid summer internships and is a model for other companies. In addition, they leverage their associates' expertise through mentorships, workshops and workplace experiences.

Capital One has robust partnerships with our higher education and university systems in Collin, Dallas and Denton County through Collin College, University of Texas at Dallas, Paul Quinn College and University of North Texas. They support workforce development programs and efforts to support first generation college students.

Capital One's presence has significant impacts on the Dallas-Fort Worth Metroplex. We appreciate the opportunity to comment on the proposed acquisition.

Sincerely,



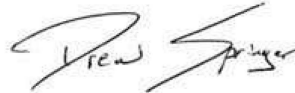
State Senator Bob Hall



State Senator Tan Parker



State Senator Angela Paxton



State Senator Drew Springer



Representative Keith Bell



Representative Giovanni Capriglione



Representative Angie Chen Button



Representative Justin Holland



Representative Jeff Leach



Representative Candy Noble



Representative Mihaela Plesa



Representative Toni Rose

From: [Nathan Rehanian](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Survey Capital One
Date: Monday, May 13, 2024 8:01:23 PM
Attachments: [Email.png](#)

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To Whomever It May Concern,

I'd like to take this opportunity to provide comments regarding Capital One. We are very happy with their services. Our relationship with Capital One, especially our account rep Mr. Pete Rosas, has enabled our company to continue growing successfully.

Best Regards,

Nathaniel Rehanian
NY Licensed Real Estate Broker
Executive Managing Director &
Managing Broker-
A&R Properties Group
2041 Fifth Avenue
New York, NY 10035
W: (212) 273-0794 x11
D: (212) 280-2197
M: (201) 289-0508
F: (201) 283-9960



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From: [DuaneCatlet61](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] More Competition with Credit Cards
Date: Tuesday, May 14, 2024 12:37:58 PM

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As a lifelong activist for underserved communities and Democratic party leader in Montana, I'm proud to voice my support for the proposed merger between Discover and Capital One, particularly because of the profound impact it could have on expanding credit access for low-income and "credit invisible" individuals in our community.

For far too long, systemic barriers have prevented many in our community from fully participating in the nation's financial system. Too often, individuals find themselves locked out of traditional credit opportunities due to limited credit history or insufficient income, perpetuating cycles of financial exclusion and inequality. As Democrats, we believe in creating a more equitable society where everyone has the opportunity to thrive, and that includes ensuring access to essential financial services like credit.

The union between Discover and Capital One presents a unique opportunity to break down these barriers and extend credit access to those who have been historically marginalized. Capital One's track record of innovation in the credit industry, particularly in serving those who banks don't traditionally serve, aligns perfectly with our values of inclusivity and economic justice. By leveraging Discover's network, Capital One can reach a broader audience, including low-income individuals and communities who have been underserved by traditional lenders.

Moreover, this merger isn't just about expanding credit access—it's about empowering individuals to build brighter financial futures. For many low-income individuals, access to credit can be a lifeline, providing the means to finance essential purchases, build credit history, and pursue their goals and aspirations. By bringing together the resources and expertise of Discover and Capital One, we can create new pathways to financial stability and opportunity for countless individuals and families in Montana and beyond.

We have a responsibility to champion policies and initiatives that promote economic inclusion and empower all members of our community to thrive. The Discover-Capital One merger represents a significant step in that direction, and I urge policymakers to support this merger as part of our broader commitment to building a more just and equitable society. Together, we can create a future where everyone has the opportunity to achieve their full potential, regardless of their income or background.

Duane Catlet

Sent with [Proton Mail](#) secure email.

From: [phoenixcruising](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Discover
Date: Thursday, May 09, 2024 10:45:16 AM

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Do not allow Discover to be taken over. It is far superior to CapitalOne. The major reason is the customer service is in the US and you can understand the people helping you.

Sent from my Verizon, Samsung Galaxy smartphone

From: [DFSEmp1](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Opposition to the Proposed Merger of Capital One and Discover
Date: Tuesday, May 14, 2024 12:28:40 PM

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Dear Members of the Federal Reserve Board,

I am writing to express my deep concerns and strong opposition to the proposed merger between Capital One and Discover. As a long term employee of Discover, I have a unique perspective on the potential impacts of this merger, both on our customers and on the financial industry as a whole.

Firstly, this merger threatens to significantly reduce competition within the credit card industry. Discover and Capital One are both prominent players, and their consolidation would likely lead to fewer choices for consumers. This could result in higher interest rates and fees, negatively affecting millions of customers who rely on competitive offerings to manage their financial health.

Capital One has claimed that this merger will increase competition. However, the reality is that only Capital One will become more competitive as a result. It's extremely unrealistic and pure hyperbole to state that this will bring more competition to the market as a whole. Instead, the merger will likely result in reduced competition, as the combined entity would hold a larger market share and greater influence, making it more difficult for other players to compete effectively. During a recent town hall, Capital One's CEO explained that shareholders are the reason for the merger.

Moreover, a merger of this magnitude would create a financial behemoth with increased market power, raising concerns about systemic risks. The resulting entity would be so large that any instability within it could have far-reaching consequences for the broader financial system. As we learned from the 2008 financial crisis, it is crucial to avoid creating institutions that are "too big to fail."

The proposed merger also poses risks to the quality of customer service and innovation. At Discover, we pride ourselves on delivering exceptional service and continually developing new products to meet our customers' needs. Reducing competition would diminish the incentive to maintain these high standards, potentially leading to a decline in the overall quality of services provided.

Lastly, the merger will negatively impact employee morale and job security. Many employees are concerned about potential redundancies and the loss of the unique corporate cultures that make Discover a great place to work. The uncertainty and disruption caused by such a merger will undermine the stability and well-being of tens of thousands of employees.

I urge the Federal Reserve to carefully consider the significant drawbacks of this merger. Protecting competition, ensuring financial stability, and maintaining high standards of customer service are essential for the health of our financial system and the well-being of both consumers and employees. For the overall good of the financial industry, this merger must be rejected.

Thank You,

Concerned Employee

From: [Jason Ilstrup](#)
To: [RICH BankSup Applications Comments](#)
Cc: [Jake Hajdu](#)
Subject: [External] Capital One-Discover Merger
Date: Tuesday, May 14, 2024 5:12:47 PM

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To Whom It May Concern:

As President of Downtown Madison, Inc. (DMI), I wholeheartedly endorse the proposed merger between Discover and Capital One for the significant benefits it could bring to our vibrant small business community here in Madison.

Small businesses are the lifeblood of our downtown area, contributing to its unique charm and economic vitality. However, they often face challenges thanks to the highly concentrated payment network market, where dominant players like Visa and Mastercard exert considerable control. This results in arrangements that don't always work for merchants but limited options for merchants ultimately impacting their bottom line and ability to thrive.

The merger between Discover and Capital One offers a ray of hope for small businesses in Madison and beyond. With Capital One leveraging Discover's network, Discover would be a stronger competitor to Visa and Mastercard and small businesses could access a more affordable and efficient payment processing solution, freeing up resources to invest back into their operations and our community. By creating a more competitive environment in the credit card payment network market, this merger has the potential to ramp up competition and increase choice for merchants.

Moreover, increased competition fosters innovation, which can lead to the development of tailored solutions specifically designed to meet the needs of small businesses. If the current market duopoly is broken up, we will see a more competitive market that encourages providers to go the extra mile in serving their merchant customers.

As we strive to revitalize our downtown area and support the entrepreneurs who call it home, initiatives like the Discover-Capital One merger are crucial. By advocating for policies that promote competition and empower small businesses, we can create a more inclusive and prosperous community for all. I urge policymakers and stakeholders to recognize the potential of this merger to benefit our small business ecosystem and to lend their support accordingly.

Jason Ilstrup
President

Downtown Madison Inc.
122 West Washington Avenue, Suite 250
Madison, Wisconsin 53703
608.512.1330

www.downtownmadison.org



From: [Scott Hoey](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] West of Hudson Properties
Date: Wednesday, May 15, 2024 12:14:22 PM

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Capital One is a leader in customer service. Our business banker, Pete Rosas is very proactive and has always been attentive to our banking needs. We are extremely satisfied with the service we receive from Capital One and are likely to continue the relationship for years to come.

Sent from my iPhone

From: [Emily Jordan](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Please see attached
Date: Thursday, May 16, 2024 11:45:34 AM
Attachments: [HamptonRoadsfinal.pdf](#)

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Senator Emily M. Jordan
17th District, Virginia Senate
District: 757-239-1213
Richmond: 804-698-7517



May 16, 2024

Federal Reserve Bank
Secretary of the Board
20th Street and Constitution Avenue, NW
Washington, DC 20551-0001

Dear Sir / Madam:

We are a bipartisan, bicameral group of members of the Virginia General Assembly Hampton Roads Delegation. We are writing to describe Capital One's impact on our districts and communities. Capital One is the largest bank headquartered in Virginia and over 1,000 Capital One associates and their families reside in our respective legislative districts. Capital One supports a wide range of community organizations in the region.

Capital One's key areas of focus include promoting financial well being, affordable housing, small business ownership and entrepreneurship, and socioeconomic mobility. They are also major supporters of military members, spouses, families and veterans. Our legislative districts have some of the highest population of servicemembers and veterans and we would like to elaborate on Capital One's impact on our constituents. Several of us are military veterans or come from military families as well.

Capital One has a military-service-focused Business Resource Group, known as Salute, that was established more than a decade ago, to enable military, military spouse and veteran associates to thrive through associate engagement, active-duty transition, recruiting, community engagement and reserve support. Salute has more than 5,000 members, which includes veterans, reservists, national guardsmen, military spouses, and allies.

Salute members and allies are actively involved in Hiring Our Heroes, Capital One's partnership with the U.S. Chamber of Commerce Foundation to find meaningful employment for veterans and military spouses. Through this long-standing partnership with Hiring Our Heroes, Capital One provides veterans, transitioning service members, military spouses and caregivers with professional training and hands-on experience in the civilian workforce in fields including project management, cybersecurity and data analytics.

Capital One is designated as a Military Friendly Employer 2024. This organization is considered the standard that measures an organization's commitment, effort, and success in creating sustainable and meaningful benefits for the military community. Capital One is also a member of the Military Spouse Employment Program, a prestigious award for companies committed to hiring and supporting military spouses in the workforce.

Capital One supports veterans not only through Salute, but also through the construction of new affordable housing developments. In Northern Virginia, Terwilliger Place, billed as the first Housing Credit development in the Commonwealth of Virginia with a leasing preference for veterans, offers 160 units of affordable housing with half of those units set aside for veterans. Capital One supported the ~\$80MM development's construction by originating \$37MM through a Low Income Housing Tax Credit (LIHTC) equity investment. Capital One also provided \$25MM in construction debt and \$70,000 in pre-development grants.

We appreciate the importance of a robust and thorough review process for this proposed transaction. These examples are a small sample of Capital One's commitment to veterans and military families. Thank you for your time and consideration.

Sincerely,



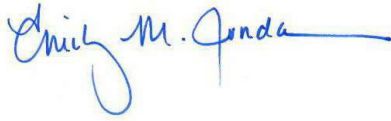
Hon. Christie Craig
State Senate



Hon. Bill DeSteph
State Senate



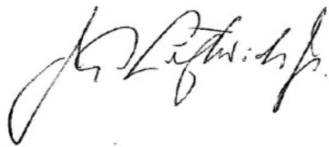
Hon. Cliff Hayes
House of Delegates



Hon. Emily Jordan
State Senate



Hon. Barry Knight
House of Delegates



Hon. Jay Leftwich
House of Delegates



Hon. Aaron Rouse
State Senate



Hon. Shelly Simonds
House of Delegates



Hon. Anne Ferrell Tata
House of Delegates



Hon. Angelia Williams-Graves
State Senate

From: [Jacki Garry](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Northern Virginia Lawmakers Letter of Support for Capital One Acquisition
Date: Thursday, May 16, 2024 11:54:35 AM
Attachments: [NOVAfinal.pdf](#)

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Good morning,

Please see attached.

Thank you,

--

Jacki Garry

She/They

Chief of Staff, Office of Delegate Karrie Delaney

(215) 421-9142

I work flexibly, so while it suits me to email now, I do not expect any response or action outside of your own working pattern.



May 16, 2024

Federal Reserve Bank
Secretary of the Board
20th Street and Constitution Avenue, NW
Washington, DC 20551-0001

Dear Sir / Madam:

Thank you for the opportunity to provide comments on Capital One's proposed acquisition of Discover Financial. As legislators from Capital One's headquarters region in Northern Virginia, we are writing to describe Capital One's impact on our districts and communities. Over 10,000 Capital One associates and their families reside in our legislative districts. Capital One supports a wide range of community organizations in the region. Capital One associates are our neighbors, friends and community members.

Capital One's key areas of focus include promoting financial well being, affordable housing, small business ownership and entrepreneurship, and socioeconomic mobility. Below are some examples of signature initiatives supported by Capital One that have had a positive impact on our districts and constituents.

Arlington County

Capital One is an avid collaborator with public, private and non-government organizations to support affordable housing development, preservation and wraparound services, including a longstanding relationship with Arlington Partnership for Affordable Housing. Capital One financed 7 affordable housing properties alongside APAH, totaling more than 600 units serving families and individuals. This includes Terwilliger Place, Virginia's largest affordable housing development for veterans and the first Housing Credit development with a leasing preference for veterans. It also includes Gilliam Place, an affordable housing

development that is home to a Capital One nonprofit partner, Kitchen of Purpose. Kitchen of Purpose trains participants in the culinary arts to jumpstart their careers and secure good jobs. Both Gilliam Place and Terwilliger Place are participants in Capital One's Financial Well-being pilot program, which provides financial coaching and other tools to residents.

City of Alexandria

Since 2011, Capital One and Wesley Housing have worked together to create and preserve affordable housing across Northern Virginia, including The Waypoint at Fairlington in the City of Alexandria, which opened in September 2022. The Waypoint at Fairlington provides affordable housing in the high-cost, high-demand Alexandria market. In developing Waypoint at Fairlington, Wesley Housing collaborated with a faith-based community to transform excess land to new homes for local residents. Residents benefit from safe, stable and affordable housing as well as free in-unit wifi and supportive services. Capital One helped finance this property through a construction loan, an investment in low income housing tax credit equity and permanent Freddie Mac financing.

Fairfax County

Capital One's Tysons Headquarters campus is a prime example of mixed-use corporate, retail, entertainment and residential developments and reflects their commitment to the community. Capital One invested \$11MM to build a baseball stadium on its Tysons Campus which is now used by local colleges, local high schools, and youth athletic leagues.

Capital One has partnered with the Wolf Trap Foundation for the Performing Arts since 2003. Most recently, Capital One's supports Wolf Trap's education programs and events. As a leading cultural institution, Wolf Trap provides access to performing arts for children and caregivers through educational and experiential experiences. This also includes residencies and workshops for educators and artists. The presence of live, professional performing arts in the community improves quality of life, promotes understanding of other cultures, fosters pride in the community, and contributes to the education and development of children.

Loudoun County

Capital One provided debt and LIHTC equity investments for 4 Loudoun County affordable housing developments over the past 5 years. This includes the View at Broadlands development in Ashburn, which will complete construction soon. Financed in part by Capital One through a construction loan and a LIHTC equity investment, this family development will serve households making up to 60% of area median income.

Capital One also opened the Capital One Lounge at Dulles Airport in the Fall of 2023. The Lounge highlights local artists and features locally sourced food and beverage choices. This innovative space welcomes travelers to and from the Commonwealth and reiterates Capital One's position as our "homegrown Bank."

Prince William County

Capital One supports Northern Virginia Affordable Housing Alliance (NVAHA) to train community leaders, faith communities, tenant rights groups and organizations on how to advocate for affordable housing.

Through Capital One's support, NVAHA has expanded this offering to bring interested individuals and groups together to educate partners about affordable housing options and build capacity of new advocates. NVAHA convenes monthly virtual Lunch and Learn programming on introductory topics concerning affordable housing. Examples include sessions on "General Assembly 101 and Housing Policy Updates," "Local Budget Advocacy," "Affordable Housing in Prince William County" and "Permanent Supportive Housing."

We appreciate your consideration of our comments in the review process. These examples are a small sample of Capital One's impact on Northern Virginia. Please let us know if you have any questions or need anything else.

Sincerely,



Hon. Elizabeth Bennett-Parker
House of Delegates



Hon. Jennifer Boysko
State Senate



Hon. Jennifer Carroll-Foy
State Senate



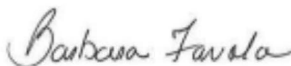
Hon. Laura Jane Cohen
House of Delegates



Hon. Karrie Delaney
House of Delegates



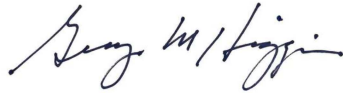
Hon. Adam Ebbin
State Senate



Hon. Barbara Favola
State Senate



Hon. Rozia Henson
House of Delegates



Hon. Geary Higgins
House of Delegates



Hon. Patrick Hope
House of Delegates



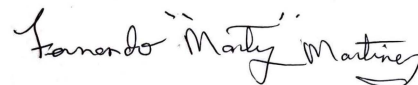
Hon. Paul Krizek
House of Delegates



Hon. Michelle Maldonado
House of Delegates



Hon. Dave Marsden
State Senate



Hon. Fernando Martinez
House of Delegates



Hon. Adele McClure
House of Delegates



Hon. Jeremy McPike
State Senate



Hon. Russet Perry
State Senate



Hon. Atoosa Reaser
House of Delegates



Hon. David Reid
House of Delegates



Hon. Saddam Azlan Salim
State Senate

Briana Sewell

Hon. Briana Sewell
House of Delegates

Mark Sickles

Hon. Mark Sickles
House of Delegates

Marcus Simon

Hon. Marcus Simon
House of Delegates

Rip Sullivan

Hon. Rip Sullivan
House of Delegates

Scott Surovell

Hon. Scott Surovell
State Senate

Joshua Thomas

Hon. Joshua Thomas
House of Delegates

From: [Ben Stratemeyer, CPA](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Capital One merger
Date: Thursday, May 16, 2024 8:10:07 PM

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To Whom it May Concern,

As a Certified Public Accountant and the owner of a CPA business in Centralia, Illinois, I am writing to express my strong support for the merger between Capital One and Discover. This merger presents a significant opportunity to enhance competition in the payment network space, which will ultimately benefit small businesses like mine and others across the country. Currently, the credit card payment systems network market is dominated by Visa and Mastercard, which together process more than 80% of all credit card transactions. This duopoly has created limited incentives to lower rates for consumers and has stifled competition, leading to higher costs for merchants and consumers alike.

The proposed merger between Capital One and Discover offers a solution to this issue by injecting much-needed competition into the payment network industry. By allowing Capital One and Discover to join forces, we can create a more level playing field for businesses like mine, enabling us to access more affordable financial services and credit options. Furthermore, competition breeds innovation, and a more competitive payment network market will spur the development of new products and services that cater to the needs of small businesses. Whether it's offering innovative payment processing solutions or providing tailored financial management tools, these advancements will empower small businesses to thrive in a competitive marketplace.

Some critics have expressed concerns about the potential increased concentration of the banking market resulting from this merger. However, a closer examination reveals that this merger will introduce more competition in an industry that charges outrageous fees buoyed by a near duopoly, I believe that this merger represents a positive step forward for small businesses and consumers alike. By fostering competition and innovation in the payment network industry, the merger between Capital One and Discover will help drive economic growth, support small businesses, and bolster the economy in communities like Centralia, all across Illinois, and beyond.

Ben Stratemeyer, CPA
Centralia, IL

From: [Andrew Appold](#)
To: [RICH BankSup Applications Comments](#)
Subject: [External] Credit Card Merger
Date: Friday, May 17, 2024 4:21:51 PM

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As the owner of Maumee Bay Brewing Company & Shawnee Station Tap Room, I stand firmly in support of the proposed merger between Discover and Capital One. This merger represents a significant opportunity to inject much-needed competition into the credit card payment network market, a move that is long overdue.

For too long, Visa and Mastercard have held a virtual duopoly over the payment network space, resulting in arrangements that burden both merchants and consumers. As a small business owner, I've felt the pinch of this firsthand, and I know that many others in Ohio and across the country have experienced the same challenges. By allowing Capital One to issue its cards on Discover's network, this merger has the potential to make Discover a stronger competitor to the two giant companies, resulting in pressure for all the companies to improve their goods and services.

Increased competition in the credit card network space will lead to a better experience for both merchants and consumers. With more players in the market, Visa and Mastercard will be compelled to lower costs and improve services, ultimately benefiting everyone involved. As the Wall Street Journal Editorial Board rightly pointed out, this merger is likely to help Main Street retailers and consumers alike by fostering a more competitive market.

Moreover, as someone who values economic equity and opportunity, I believe this merger has the potential to address longstanding disparities in the financial system. By expanding credit access to underserved communities, Capital One and Discover can help empower individuals and businesses that have historically been marginalized. This isn't just about boosting profits—it's about creating a more inclusive and accessible financial system for all Americans.

In light of these benefits, I urge the Biden Administration to support this merger as part of its commitment to fostering economic competition and opportunity. By doing so, we can pave the way for a more vibrant and equitable economy that benefits small businesses, consumers, and communities across Ohio and beyond.

Andrew Appold
Owner