



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D.C. 20551

DIVISION OF BANKING
SUPERVISION AND REGULATION

August 29, 2011

Andres L. Navarrete, Esq.
Senior Vice President & Chief Counsel - Regulatory
Capital One Financial Corporation
1680 Capital One Drive
McLean, Virginia 22102

Dear Mr. Navarrete:

This letter refers to the notification filed by Capital One Financial Corporation, McLean, Virginia ("Capital One"), to acquire 100 percent of the voting shares of ING Bank, fsb, Wilmington, Delaware, and indirectly acquire Sharebuilder Advisors, LLC, and ING Direct Investing, Inc., both of Seattle, Washington, and thereby engage in certain nonbanking activities pursuant to Section 4 of the Bank Holding Company Act (each, a "Target" and together with all other assets of ING Direct Bancorp, Wilmington, Delaware, to be acquired by Capital One, the "Target Assets"). Based on staff's review of the proposal, additional information is requested.

1. From the following list of activities, identify those in which both Capital One and the Target Assets have any presence. Describe the nature and dollar volume for those activities in which Capital One and the Target Assets have an overlapping presence. Include any available information relating to the national market share of Capital One and Target Assets, and a brief description of other firms that engage in the same activity.
 - Provision of short-term funding through bi-lateral repurchase agreements
 - Provision of short-term funding in the tri-party repo market
 - Provision of prime brokerage services
 - Provision of short term lines of credit to financial firms
 - Securities lending
 - Lending in Fed funds market
 - Provision of bond underwriting services in any of the following markets:
 - Commercial Paper
 - Asset-backed commercial paper
 - Corporate bonds
 - High-yield bonds
 - Seasoned offerings
 - Initial Public Offerings
 - Municipal bonds

- Agency debt
 - Agency MBS
 - Private label ABS
 - Tri-party repo dealing
 - Clearing and settlement
 - Provision of business credit
 - C&I lending
 - CRE lending
 - Construction loans
 - Middle market lending
 - Small business lending
 - Receivables factoring
 - Equipment finance/leasing
 - Other business lending
 - Syndicated lending
 - Direct dollar lending to foreign institutions and dollar lending through FX Swaps
 - Trade letters of credit
 - Interest rate and credit derivatives trading
 - Commodities trading
 - Credit card lending
 - Mortgage servicing
 - Securities custody
 - Corporate trust
 - Correspondent banking
 - Reinsurance
2. Describe any financial markets (trading type activities) in which both Capital One and the Target Assets are "market-makers."
 3. Report the current market value, gross and net of collateral, and other risk mitigants for the three largest counterparties by positive current market value (after netting arrangements) of both Capital One and Target Assets.
 4. Report the current market value, gross and net of collateral, and other risk mitigants for the three largest counterparties by negative current market value (after netting arrangements) of both Capital One and Target Assets.

Please address your response to the undersigned. However, to facilitate more timely distribution of the information within the Federal Reserve System, please send the original and four copies of the response to Adam Drimer at the Federal Reserve Bank of Richmond by September 9, 2011. Any information for which Capital One desires confidential treatment should be so labeled and separately bound in accordance with 12 CFR 261.15. Please send a copy of the public portion of the response to the commenters copied on this letter.

If you have any questions regarding this letter, please call Stanlyn Clark of my staff at (202) 452-3414, Sebastian Astrada of the Board's Legal Division at (202) 452-3594, or Andrew Cohen of the Board's Division of Research and Statistics at (202) 452-2612.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa DeFerrari".

Lisa DeFerrari
Deputy Associate Director

cc: Adam Drimer, Assistant Vice President
Federal Reserve Bank of Richmond

Richard K. Kim, Esq.
Wachtell, Lipton, Rosen & Katz