

CAPITAL ONE FINANCIAL CORP

Form 424B7

September 06, 2012

Table of Contents

Filed pursuant to Rule 424(b)(7)
Registration No. 333-181047

PRICING SUPPLEMENT

(To prospectus supplement dated May 17, 2012 and prospectus dated April 30, 2012)

54,028,086 Shares

Capital One Financial Corporation

Common Stock

ING Bank N.V., as the selling stockholder identified in this pricing supplement, is offering 54,028,086 shares of common stock hereby. We will not receive any of the proceeds from the sale by the selling stockholder of our common stock.

The underwriters have agreed to purchase our common stock from the selling stockholder at a price of \$55.2482 per share, which will result in approximately \$2.985 billion of total net proceeds to the selling stockholder. The underwriters may offer the shares of common stock from time to time for sale in one or more transactions on the New York Stock Exchange, in the over-the-counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. See Underwriting.

Our common stock is listed on the New York Stock Exchange under the symbol COF. The last reported sale price of our common stock on September 4, 2012 was \$56.49 per share.

The common stock is not a deposit, savings account or other obligation of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.

Investing in our common stock involves risk. Before buying any shares, you should read this pricing supplement and the related prospectus supplement and prospectus and all information incorporated by reference herein, including the discussion of material risks of investing in our common stock in Risk Factors beginning on page S-10 of this pricing supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this pricing supplement or the accompanying prospectus supplement or prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares on or about September 10, 2012.

Joint Book-Running Managers

BofA Merrill Lynch

Morgan Stanley

Citigroup

Table of Contents

TABLE OF CONTENTS

	Pricing Supplement	
<u>About This Pricing Supplement</u>		P-1
<u>Forward-Looking Statements</u>		P-2
<u>Summary of the Offering</u>		P-5
<u>Risk Factors</u>		P-6
<u>Use of Proceeds</u>		P-9
<u>Selling stockholder</u>		P-10
<u>United States Federal Income Tax Consequences</u>		P-12
<u>Price Range of Common Stock and Dividends</u>		P-16
<u>Underwriting</u>		P-17
<u>Validity of the Common Stock</u>		P-23
<u>Experts</u>		P-23
<u>Where You Can Find More Information</u>		P-23
	Prospectus Supplement	
<u>About This Prospectus Supplement</u>		S-1
<u>Forward-Looking Statements</u>		S-2
<u>Summary of the Offering</u>		S-4
<u>Risk Factors</u>		S-10
<u>Use of Proceeds</u>		S-15
<u>Description of Preferred Stock</u>		S-16
<u>Description of Depositary Shares</u>		S-23
<u>Book-Entry Procedures and Settlement</u>		S-25
<u>United States Federal Income Tax Consequences</u>		S-28
<u>Certain ERISA Considerations</u>		S-34
<u>Underwriting</u>		S-36
<u>Validity of the Preferred Stock</u>		S-41
<u>Experts</u>		S-42
<u>Where You Can Find More Information</u>		S-43
	Prospectus	
<u>About This Prospectus</u>		1
<u>Forward-Looking Statements</u>		1
<u>Where You Can Find More Information</u>		3
<u>Ratio of Earnings to Fixed Charges and Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends</u>		5
<u>Use of Proceeds</u>		6
<u>Description of Debt Securities</u>		7
<u>Description of Preferred Stock</u>		18
<u>Description of Depositary Shares</u>		21
<u>Description of Common Stock</u>		22
<u>Description of Purchase Contracts</u>		26
<u>Description of Warrants</u>		27
<u>Description of Units</u>		29
<u>Resale by Selling Securityholders</u>		30
<u>Book-Entry Procedures and Settlement</u>		31
<u>Certain Legal Matters</u>		34
<u>Experts</u>		34

Table of Contents

You should rely only on the information contained in or incorporated by reference in this pricing supplement and the accompanying prospectus supplement and prospectus. No one is authorized to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the selling stockholder and underwriters are not, making an offer to sell the common stock in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this pricing supplement and the accompanying prospectus supplement and prospectus and the documents incorporated by reference herein and therein, is accurate only as of their respective dates. Our business, financial condition, results of operations, and prospects may have changed since those dates.

Table of Contents

ABOUT THIS PRICING SUPPLEMENT

We provide information to you about the common stock in three separate documents: (1) this pricing supplement, which describes the specific terms of the common stock eligible for sale hereby and also adds to and updates information contained in the accompanying prospectus supplement and prospectus and the documents incorporated by reference in those documents, (2) the accompanying prospectus supplement which described the general terms of the common stock offered by the selling stockholder, and (3) the accompanying prospectus, which provides general information about securities we may offer from time to time, including securities other than the common stock being offered by this pricing supplement.

If information in this pricing supplement is inconsistent with the accompanying prospectus supplement or prospectus, you should rely on this pricing supplement.

It is important for you to read and consider all of the information contained in this pricing supplement and the accompanying prospectus supplement and prospectus in making your investment decision. You also should read and consider the information in the documents we have referred you to in the section entitled "Where You Can Find More Information" on page P-23 of this pricing supplement and page 3 of the accompanying prospectus.

We include cross-references in this pricing supplement and the accompanying prospectus supplement and prospectus to captions in these materials where you can find additional related discussions. The table of contents in this pricing supplement provides the pages on which these captions are located.

Unless the context requires otherwise, references to Capital One, issuer, we, our, or us in this pricing supplement refer to Capital One Financial Corporation, a Delaware corporation.

Table of Contents

FORWARD-LOOKING STATEMENTS

This pricing supplement and the accompanying prospectus supplement and prospectus and the documents incorporated by reference herein and therein contain forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). Forward-looking statements include, among other things, information relating to our strategies, goals, outlook or other non-historical matters; projections, revenues, income, expenses, capital measures, returns, accruals for claims in litigation and for other claims against us; earnings per share or other financial measures for us; future financial and operating results; our plans, objectives, expectations and intentions; the projected impact and benefits of the acquisition of substantially all of the ING Direct business in the United States from ING Groep N.V., ING Bank N.V., ING Direct N.V. and ING Direct Bancorp (the ING Direct Acquisition) and our acquisition of substantially all of the U.S. credit card business of HSBC Finance Corporation, HSBC USA Inc. and HSBC Technology and Services (USA) Inc. (other than the HSBC Bank USA, National Association consumer credit card program and certain other retained assets and liabilities) (the HSBC Acquisition and, with the ING Direct Acquisition, the Transactions); and the assumptions that underlie these matters. Forward-looking statements also include statements using words such as expect, anticipate, hope, intend, plan, believe, will or similar expressions. We have based these forward-looking statements on our current plans, estimates and projections, and you should not unduly rely on them.

Numerous factors could cause our actual results to differ materially from those described in forward-looking statements, including, among other things:

general economic and business conditions in the U.S., the U.K., Canada and our local markets, including conditions affecting employment levels, interest rates, consumer income and confidence, spending and savings that may affect consumer bankruptcies, defaults, charge-offs and deposit activity;

an increase or decrease in credit losses (including increases due to a worsening of general economic conditions in the credit environment);

the possibility that we may not fully realize the projected cost savings and other projected benefits of the Transactions;

difficulties and delays in integrating the assets and businesses acquired in the Transactions;

business disruption following the Transactions;

diversion of management time on issues related to the Transactions, including integration of the assets and businesses acquired;

reputational risks and the reaction of customers and counterparties to the Transactions;

disruptions relating to the Transactions negatively impacting our ability to maintain relationships with customers, employees and suppliers;

changes in asset quality and credit risk as a result of the Transactions;

Edgar Filing: CAPITAL ONE FINANCIAL CORP - Form 424B7

the accuracy of estimates and assumptions we use to determine the fair value of assets acquired and liabilities assumed in the Transactions, and the potential for our estimates or assumptions to change as additional information becomes available and we complete the accounting analysis of the Transactions;

financial, legal, regulatory, tax or accounting changes or actions, including the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act) and the regulations promulgated thereunder;

P-2

Table of Contents

developments, changes or actions relating to any litigation matter involving us;

the inability to sustain revenue and earnings growth;

increases or decreases in interest rates;

our ability to access the capital markets at attractive rates and terms to capitalize and fund our operations and future growth;

the success of our marketing efforts in attracting and retaining customers;

increases or decreases in our aggregate loan balances or the number of customers and the growth rate and composition thereof, including increases or decreases resulting from factors such as shifting product mix, amount of actual marketing expenses we incur and attrition of loan balances;

the level of future repurchase or indemnification requests we may receive, the actual future performance of mortgage loans relating to such requests, the success rates of claimants against us, any developments in litigation and the actual recoveries we may make on any collateral relating to claims against us;

the amount and rate of deposit growth;

changes in the reputation of or expectations regarding the financial services industry or us with respect to practices, products or financial condition;

any significant disruption in our operations or technology platform;

our ability to maintain a compliance infrastructure suitable for the nature of our business;

our ability to control costs;

the amount of, and rate of growth in, our expenses as our business develops or changes or as it expands into new market areas;

our ability to execute on our strategic and operational plans;

any significant disruption of, or loss of public confidence in, the United States Mail service affecting our response rates and consumer payments;

our ability to recruit and retain experienced personnel to assist in the management and operations of new products and services;

changes in the labor and employment markets;

fraud or misconduct by our customers, employees or business partners;

competition from providers of products and services that compete with our businesses; and

other risk factors listed from time to time in reports that we file with the Securities and Exchange Commission (the SEC). You should carefully consider the factors referred to above in evaluating these forward-looking statements.

When considering these forward-looking statements, you should keep in mind these risks, uncertainties and other cautionary statements made in this pricing supplement, the accompanying prospectus supplement and

P-3

Table of Contents

prospectus and in the documents incorporated by reference. See the factors set forth under the Risk Factors section beginning on page P-6 below and in any other documents incorporated or deemed to be incorporated by reference herein, including our Annual Report on Form 10-K for the year ended December 31, 2011, for additional information that you should consider carefully in evaluating these forward-looking statements.

Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties and assumptions, including the risk factors referred to above. Our future performance and actual results may differ materially from those expressed in forward-looking statements. Many of the factors that will determine these results and values are beyond our ability to control or predict. Any forward-looking statements made by us or on our behalf speak only as of the date that they are made or as of the date indicated, and we undertake no obligation to update forward-looking statements as a result of new information, future events or otherwise.

P-4

Table of Contents

SUMMARY OF THE OFFERING

The following summary should be read together with the information contained in other parts of this pricing supplement and the accompanying prospectus supplement and prospectus. This summary highlights selected information from this pricing supplement and the accompanying prospectus supplement and prospectus to help you understand the offering of the shares of common stock. You should read this pricing supplement and the accompanying prospectus supplement and prospectus, including the documents we incorporate by reference, carefully to understand fully the terms of the shares as well as other considerations that are important to you in making a decision to invest in the shares. You should pay special attention to the Risk Factors section beginning on page P-6 of this pricing supplement, and the Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2011, to determine whether an investment in the shares is appropriate for you. This pricing supplement includes forward-looking statements that involve risks and uncertainties.

Issuer	Capital One Financial Corporation
Selling stockholder	ING Bank N.V.
Common stock offered	54,028,086 shares of common stock, par value \$0.01 per share.
Common stock outstanding after the offering	580,999,459 shares of our common stock are outstanding as of August 27, 2012. As shares held by the selling stockholder are already outstanding, the sale of such shares will not increase the amount of outstanding common stock.
Use of proceeds	All shares of common stock sold pursuant to this pricing supplement and the accompanying prospectus supplement and prospectus will be sold by the selling stockholder. We will not receive any of the proceeds from such sales.
NYSE symbol	COF
Unless otherwise indicated, the number of shares of our common stock presented in this pricing supplement:	

excludes 49,585,851 shares held in treasury;

excludes 19,203,273 shares issuable upon the exercise of outstanding stock options and other stock settled awards;

excludes 12,657,960 shares issuable upon the exercise of outstanding warrants; and

excludes an estimated 10,676,107 shares reserved for issuance pursuant to future grants of awards under our stock compensation plans.

Table of Contents

RISK FACTORS

Investing in our common stock involves risks, including the risks described below that are specific to the shares of common stock and those that could affect us and our business. You should not purchase shares of our common stock unless you understand these investment risks. Please be aware that other risks may prove to be important in the future. New risks may emerge at any time, and we cannot predict such risks or estimate the extent to which they may affect our financial performance. Before purchasing any shares of our common stock, you should consider carefully the risks and other information in this pricing supplement, the accompanying prospectus supplement and prospectus and carefully read the risks described in the documents incorporated by reference in this pricing supplement, the accompanying prospectus supplement and prospectus, including the discussion under Item 1A Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2011, as such discussion may be amended or updated in other reports filed by us with the SEC.

The price of our common stock may fluctuate significantly, and this may make it difficult for you to resell shares of common stock owned by you at times or at prices you find attractive.

The trading price of our common stock may fluctuate widely as a result of a number of factors, many of which are outside our control. In addition, the stock market is subject to fluctuations in the share prices and trading volumes that affect the market prices of the shares of many companies. These broad market fluctuations have adversely affected and may continue to adversely affect the market price of our common stock. Among the factors that could affect our stock price are:

actual or anticipated quarterly fluctuations in our operating results and financial condition;

changes in revenue or earnings estimates or publication of research reports and recommendations by financial analysts or actions taken by rating agencies with respect to our securities or those of other financial institutions;

failure to meet analysts' revenue or earnings estimates;

speculation in the press or investment community generally or relating to our reputation or the financial services industry;

strategic actions by us or our competitors, such as acquisitions or restructurings;

failure to realize the anticipated benefits of the Transactions;

actions by institutional or other significant shareholders;

fluctuations in the stock price and operating results of our competitors;

future sales of our equity or equity-related securities or the perception that such sales could occur;

changes in the frequency or amount of dividends;

Edgar Filing: CAPITAL ONE FINANCIAL CORP - Form 424B7

proposed or adopted regulatory changes or developments;

actual or anticipated changes in interest rates;

anticipated or pending investigations, proceedings, or litigation that involve or affect us;

domestic and international economic factors unrelated to our performance; or

general market conditions and, in particular, developments related to market conditions for the financial services industry.

A significant decline in our stock price could result in substantial losses for individual shareholders and could lead to costly and disruptive securities litigation.

P-6

Table of Contents

There may be future sales or other dilution of our equity, which may adversely affect the market price of our common stock.

Except as described under **Underwriting**, we are not restricted from issuing additional shares of common stock, including any securities that are convertible into or exchangeable for, or that represent the right to receive, common stock. The issuance of any additional shares of common or preferred stock or of convertible securities could be substantially dilutive to shareholders of our common stock. Moreover, to the extent that we issue restricted stock units, stock appreciation rights, options or warrants to purchase our common stock in the future and those stock appreciation rights, options or warrants are exercised or as the restricted stock units vest, our shareholders may experience further dilution. Holders of our shares of common stock have no preemptive rights that entitle holders to purchase their pro rata share of any offering of shares of any class or series and, therefore, such sales or offerings could result in increased dilution to our shareholders. The market price of our common stock could decline as a result of sales or resales of shares of our common stock made after this offering or the perception that such sales or resales could occur.

You may not receive dividends on the common stock.

Holders of our common stock are only entitled to receive such dividends as our board of directors may declare out of funds legally available for such payments. Although we have in the past declared cash dividends on our common stock, we are not required to do so and may reduce or eliminate our common stock dividend in the future. This could adversely affect the market price of our common stock.

Our ability to receive dividends from our subsidiaries could affect our liquidity and ability to pay dividends.

We are a separate and distinct legal entity from our subsidiaries. Dividends to us from our direct and indirect subsidiaries, including our bank subsidiaries, have represented a major source of funds for us to pay dividends on our common stock, make payments on corporate debt securities and meet other obligations. There are various federal law limitations on the extent to which our bank subsidiaries can finance or otherwise supply funds to us through dividends and loans. These limitations include minimum regulatory capital requirements, federal banking law requirements concerning the payment of dividends out of net profits or surplus, Sections 23A and 23B of the Federal Reserve Act and Regulation W governing transactions between an insured depository institution and its affiliates, as well as general federal regulatory oversight to prevent unsafe or unsound practices. If our subsidiaries' earnings are not sufficient to make dividend payments to us while maintaining adequate capital levels, our liquidity may be affected and we may not be able to make dividend payments to our common stockholders, to make payments on outstanding corporate debt securities or meet other obligations, each and any of which could have a material adverse impact on our results of operations, financial position or perception of financial health.

The common stock is equity and is subordinate to our existing and future indebtedness and preferred stock.

Shares of the common stock are equity interests in Capital One and do not constitute indebtedness. As such, shares of the common stock will rank junior to all indebtedness and other non-equity claims on Capital One with respect to assets available to satisfy claims on Capital One, including in a liquidation of Capital One. Additionally, holders of our common stock are subject to the prior dividend and liquidation rights of any holders of our preferred stock or depository shares representing such preferred stock then outstanding.

Dividends on the common stock are payable only if declared by our board of directors and are subject to restrictions on payments of dividends out of lawfully available funds. Also, as a consolidated supervisory entity, our ability to declare and pay dividends is dependent on certain federal regulatory considerations. Capital One has issued and outstanding debt securities under which we may defer interest payments from time to time, but in that case we would not be permitted to pay dividends on, or redeem, purchase, acquire or make a liquidation payment with respect to, any of our capital stock, including the common stock, during the deferral period. In addition, Capital One has issued and outstanding debt securities under which, if we are aware of any event that would be an event of default under the indenture governing those debt securities, we would not be permitted to pay dividends on, or redeem, purchase, acquire or make a liquidation payment with respect to, any of our capital stock, including the common stock.

Table of Contents

Anti-takeover provisions could adversely affect our stockholders.

Provisions of Delaware law and of our certificate of incorporation and bylaws could make it more difficult for a third party to acquire control of us or have the effect of discouraging a third party from attempting to acquire control of us. For example, we are subject to Section 203 of the Delaware General Corporation Law, which would make it more difficult for another party to acquire us without the approval of our board of directors. Additionally, our certificate of incorporation authorizes our board of directors to issue preferred stock, which could be issued as a defensive measure in response to a takeover proposal. These provisions could make it more difficult for a third party to acquire us even if an acquisition might be in the best interest of our stockholders.

Table of Contents

USE OF PROCEEDS

All shares of common stock sold pursuant to this pricing supplement, the accompanying prospectus supplement and prospectus will be sold by the selling stockholder. We will not receive any of the proceeds from such sales.

P-9

Table of Contents**SELLING STOCKHOLDER**

When we refer to the selling stockholder in this pricing supplement, we mean ING Bank N.V.

On February 17, 2012, we issued to ING Bank N.V. (ING Bank) 54,028,086 shares (the Registrable Securities) of our common stock pursuant to the Purchase and Sale Agreement, dated as of June 16, 2011 (the Purchase Agreement), by and among ING Groep N.V. (ING Groep), ING Bank, ING Direct N.V., ING DIRECT Bancorp and us as a portion of the consideration paid to ING DIRECT Bancorp for the sale of its ING Direct business in the United States.

In connection with the Purchase Agreement, we entered into the Shareholders Agreement, dated as of February 17, 2012 (the Shareholders Agreement), between ING Groep and us. Under the Shareholders Agreement, we were required on or prior to May 17, 2012 to take certain actions to allow the resale of the Registrable Securities (as defined in the Shareholders Agreement) under the Securities Act and we did so by filing a shelf registration statement with the SEC on April 30, 2012 and a prospectus supplement to the shelf registration statement with the SEC on May 17, 2012. Under the Shareholders Agreement, ING Groep is entitled to demand that we, under certain circumstances, cooperate with ING Groep and ING Bank in effecting a registered offering of the Registrable Securities, provided that the estimated gross proceeds from such offering are not less than \$200 million. We may suspend a registered offering of the Registrable Securities during customary suspension periods and the resale of the Registrable Securities is subject to customary black-out periods. Additionally, ING Groep has customary piggyback registration rights. We have agreed to pay all fees and expenses incident to the registration and listing of the Registrable Securities.

ING Groep, together with its subsidiaries, is a global financial institution of Dutch origin, currently offering banking, investment, life insurance and retirement services to meet the needs of a broad customer base.

The following table sets forth the aggregate number of shares of common stock beneficially owned by the selling stockholder as of August 27, 2012, and the number of shares offered by the selling stockholder pursuant to this pricing supplement and accompanying prospectus supplement and prospectus and information with respect to shares of common stock to be beneficially owned by ING Bank assuming all the common shares offered by this pricing supplement are sold. Beneficial ownership is determined in accordance with the rules of the SEC, and includes voting or investment power with respect to shares of our common stock.

The information provided in the table below with respect to the selling stockholder has been obtained from the selling stockholder.

Name of Selling Stockholder	Shares Beneficially Owned Prior to the Offering		Number of Shares Being Offered	Shares Beneficially Owned After the Offering	
	Number	Percent ⁽¹⁾		Number	Percent ⁽¹⁾
ING Bank N.V. ⁽²⁾	54,028,086	9.3%	54,028,086	0	0%

(1) Based on 580,999,459 shares outstanding as of August 27, 2012.

(2) The shares held by the selling stockholder may be deemed to be beneficially owned by ING Groep N.V., as described in the Schedule 13D filed by ING Groep N.V. on February 27, 2012. ING Groep N.V. may also be deemed to beneficially own 802,639 shares held by indirect subsidiaries of ING Groep N.V. in those subsidiaries role as a discretionary manager of client portfolios. Certain of those shares may be managed by third-party sub-managers over which ING Groep N.V. and its subsidiaries do not have the ability to direct the vote or the disposition of such shares. ING Groep N.V. disclaims beneficial ownership of such shares. Pursuant to the Shareholders Agreement, ING Groep N.V. has certain registration rights and the right to designate one nominee to serve on our board of directors. ING Groep N.V. has nominated, and on May 8, 2012, our board of directors appointed, C.P.A.J. Leenaars as a director for a term expiring at the 2013 annual meeting of stockholders. Pursuant to the Shareholders Agreement, Mr. Leenaars must promptly submit his resignation upon the earlier of (i) February 17, 2013 (the one-year anniversary of the closing of the ING Direct Acquisition) or (ii) ING Groep N.V.'s sale of more than 33% of its shares of our common stock acquired in the transaction to third parties.

Table of Contents

Other than the Purchase Agreement and Shareholders Agreement described above and other related agreements, and the appointment of Mr. Leenaars to our board of directors, there have been no material relationships between ING Groep N.V. and its affiliates, on the one hand, and us and our affiliates, on the other hand (except that there were material relationships between ING Groep N.V. and its affiliates and the ING Direct business, which is now affiliated with us). The ability of ING Groep N.V. and its subsidiaries to engage in commercial arrangements with us or our subsidiaries or affiliates is restricted by certain passivity commitments (the Passivity Commitments) that ING Groep N.V. entered into with the Board of Governors of the Federal Reserve System (the FRB) to support a determination by the FRB that ING Groep N.V. would not be deemed to control us for purposes of the Bank Holding Company Act of 1956, as amended. Under the Passivity Commitments, subject to certain exceptions, ING Groep N.V. may not, without the prior approval of the FRB or its staff, directly or indirectly engage in certain activities with respect to us and our securities.

Pursuant to the shareholders agreement described above, Eli Leenaars has submitted his resignation from his position on our board of directors effective upon the closing of the offering pursuant to this pricing supplement.

Table of Contents

UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

The following is a summary of the material U.S. federal income tax considerations relating to the purchase, ownership and disposition of common stock, as of the date hereof. This summary deals only with common stock purchased for cash and held as a capital asset. This summary does not describe all of the U.S. federal income tax consequences that may be relevant to a holder in light of its particular circumstances or to holders subject to special rules, such as:

tax consequences to holders who may be subject to special tax treatment, such as dealers in securities or currencies, financial institutions, regulated investment companies, real estate investment trusts, expatriates, tax-exempt entities, traders in securities that elect to use a mark-to-market method of accounting for their securities or insurance companies;

tax consequences to persons holding common stock as part of a hedging, integrated, or conversion transaction or a straddle or persons deemed to sell common stock under the constructive sale provisions of the Internal Revenue Code of 1986, as amended (the Code);

tax consequences to U.S. holders of common stock whose functional currency is not the U.S. dollar;

tax consequences to partnerships or other pass-through entities and investors in such entities; or

alternative minimum tax consequences, if any.

Finally, this summary does not address U.S. federal tax consequences other than income taxes (such as estate and gift tax consequences) or any state, local or foreign tax consequences.

The discussion below is based upon the provisions of the Code, and U.S. Treasury regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those discussed below. This summary does not address all aspects of U.S. federal income taxation and does not deal with all tax consequences that may be relevant to holders in light of their personal circumstances.

If a partnership holds common stock, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding common stock, you should consult your tax advisor.

If you are considering the purchase of common stock, you should consult your own tax advisors concerning the U.S. federal income tax consequences to you in light of your particular facts and circumstances and any consequences arising under the laws of any state, local, foreign or other taxing jurisdiction.

Consequences to U.S. Holders

The following is a summary of the U.S. federal income tax consequences that will apply to a U.S. holder of common stock. U.S. holder means a beneficial owner of common stock for U.S. federal income tax purposes that is

an individual citizen or resident of the United States;

a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;

an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

P-12

Table of Contents

a trust if (1) it is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (2) it has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

Distributions

A distribution in respect of common stock generally will be treated as a dividend to the extent it is paid from current or accumulated earnings and profits. If the distribution exceeds current and accumulated earnings and profits, the excess will be treated as a nontaxable return of capital reducing the U.S. holder's tax basis in the common stock to the extent of the U.S. holder's tax basis in that stock. Any remaining excess will be treated as capital gain. Subject to certain holding period requirements and exceptions, dividends received by individual holders generally will be subject to a reduced maximum tax rate of 15% for qualified dividend income through December 31, 2012, after which the rate applicable to dividends is scheduled to return to the tax rate generally applicable to ordinary income. Subject to certain restrictions, dividends received by a U.S. holder that is a corporation may be eligible for a dividends-received deduction.

Sale, Exchange, Redemption or Certain Other Taxable Dispositions of Common Stock

A U.S. holder will generally recognize capital gain or loss on a sale, exchange, or other taxable disposition of common stock. The U.S. holder's gain or loss will equal the difference between the amount realized by the U.S. holder and the U.S. holder's tax basis in the stock. The amount realized by the U.S. holder will include the amount of any cash and the fair market value of any other property received for the stock. Gain or loss recognized by a U.S. holder on a sale or exchange of stock will be long-term capital gain or loss if the holder held the stock for more than one year. Long-term capital gains of non-corporate taxpayers are generally taxed at lower rates than those applicable to ordinary income. The deductibility of capital losses is subject to certain limitations.

Information Reporting and Backup Withholding

In general, a holder of common stock will be subject to backup withholding (currently at the rate of 28%) with respect to dividends paid on the common stock unless such holder (i) is an entity that is exempt from backup withholding (generally including certain corporations, tax-exempt organizations and certain qualified nominees) and, when required, provides appropriate documentation to that effect, or (ii) provides us or our paying agent with such holder's social security number or other taxpayer identification number ("TIN") within a reasonable time after a request therefor, certifies that the TIN provided is correct and that such holder has not been notified by the Internal Revenue Service ("IRS") that such holder is subject to backup withholding due to underreporting of interest or dividends, and otherwise complies with applicable requirements of the backup withholding rules. In addition, such payments or proceeds received by a holder of common stock if such holder is not a corporation or tax-exempt organization will generally be subject to information reporting requirements. Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a holder of common stock will be allowed as a credit against such holder's U.S. federal income tax liability and may entitle such holder to a refund, provided that the holder timely furnishes the required information to the IRS.

Consequences to Non-U.S. Holders

The following is a summary of the U.S. federal income tax consequences that will apply to a non-U.S. holder of common stock. The term "non-U.S. holder" means a beneficial owner of shares of common stock that is, for U.S. federal income tax purposes, an individual, corporation, trust or estate that is not a U.S. holder. Special rules may apply to certain non-U.S. holders such as controlled foreign corporations or passive foreign investment companies. Such entities should consult their own tax advisors to determine the U.S. federal, state, local and other tax consequences that may be relevant to them.

Table of Contents

Distributions

Any dividends paid in respect of common stock held by a non-U.S. holder will be subject to withholding tax at a 30% rate or such lower rate as specified by an applicable income tax treaty. However, dividends that are effectively connected with the conduct of a trade or business within the United States and, where an applicable tax treaty so provides, are attributable to a U.S. permanent establishment, are not subject to the withholding tax, but instead are subject to U.S. federal income tax on a net income basis at applicable graduated individual or corporate rates. Certain certification and disclosure requirements must be complied with in order for effectively connected income to be exempt from withholding. Any such effectively connected dividends received by a foreign corporation may, under certain circumstances, be subject to an additional branch profits tax at a 30% rate or such lower rate as specified by an applicable income tax treaty.

A non-U.S. holder of common stock who wishes to claim the benefit of a treaty rate is required to satisfy applicable certification and other requirements. If a non-U.S. holder is eligible for a reduced rate of U.S. withholding tax pursuant to an income tax treaty, the holder may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

Sale, Exchange, Redemption or Other Taxable Disposition of Common Stock

Any gain realized by a non-U.S. holder upon the sale, exchange, redemption or other taxable disposition of common stock will not be subject to U.S. federal income tax with respect to such gain unless

that gain is effectively connected with the conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment);

the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met; or

the common stock constitutes a U.S. real property interest by reason of our status as a U.S. real property holding corporation (a USRPHC) for U.S. federal income tax purposes at any time within the shorter of the five-year period preceding the disposition or the period that the non-U.S. holder held the common stock.

A non-U.S. holder described in the first bullet point above will be subject to U.S. federal income tax on the net gain derived from the sale in the same manner as a U.S. holder. If a non-U.S. holder is eligible for the benefits of a tax treaty between the United States and its country of residence, any such gain will be subject to U.S. federal income tax in the manner specified by the treaty. To claim the benefit of a treaty, a non-U.S. holder must properly submit an IRS Form W-8BEN (or suitable successor or substitute form). A non-U.S. holder that is a foreign corporation and is described in the first bullet point above will be subject to tax on gain under regular graduated U.S. federal income tax rates and, in addition, may be subject to a branch profits tax at a 30% rate or a lower rate if so specified by an applicable income tax treaty. An individual non-U.S. holder described in the second bullet point above will be subject to a flat 30% U.S. federal income tax on the gain derived from the sale, which may be offset by U.S. source capital losses.

With respect to the final bullet, we are not and do not expect to become a USRPHC for U.S. federal income tax purposes. Non-U.S. holders should consult their own advisors about the consequences that could result if we are, or become, a USRPHC.

Information Reporting and Backup Withholding

Generally, we must report to the IRS and to non-U.S. holders the amount of dividends treated as paid to a non-U.S. holder of common stock and the amount of tax, if any, withheld with respect to those payments. Copies of the information returns reporting such dividend payments and any withholding may also be made available to the tax authorities in the country in which the holder resides under the provisions of an applicable income tax treaty.

Table of Contents

In general, a non-U.S. holder will not be subject to backup withholding with respect to payments of dividends that we make in respect of common stock by the holder if the non-U.S. holder certifies under penalty of perjury that it is a non-U.S. holder or otherwise establishes an exemption. A non-U.S. holder will be subject to information reporting and, depending on the circumstances, backup withholding with respect to the proceeds of the sale or other disposition of common stock within the United States or conducted through certain U.S.-related payors, unless the payor of the proceeds receives the statement described above or the holder otherwise establishes an exemption.

Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a holder's U.S. federal income tax liability provided the required information is furnished to the IRS.

Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance Act was enacted on March 18, 2010 and will impose a 30% U.S. withholding tax on withholdable payments as defined in Section 1473(1) of the Code (Withholdable Payments), which include certain U.S. source payments, including interest (and OID), dividends, other fixed or determinable annual or periodical gain, profits, and income, and gross proceeds from a disposition of property of a type which can produce U.S. source interest or dividends, if paid to a foreign financial institution, unless such institution enters into an agreement with the Treasury to collect and provide to the Treasury substantial information regarding U.S. account holders with such institution, including certain account holders that are foreign entities with U.S. owners, and to withhold 30% on certain passthru payments (as discussed in more detail below). The legislation also generally imposes a withholding tax of 30% on Withholdable Payments made to a non-financial foreign entity unless such entity provides the withholding agent with a certification that it does not have any substantial U.S. owners or a certification identifying the direct or indirect substantial U.S. owners of the entity.

In addition, under the Foreign Account Tax Compliance Act, passthru payments made by a foreign financial institution to recalcitrant holders or non-compliant foreign financial institutions (and all or a portion of passthru payments made by a foreign financial institution to certain other foreign financial institutions) are subject to a 30% U.S. withholding tax. A recalcitrant holder generally is a holder of an account with a foreign financial institution that fails to comply with reasonable requests for information that will help enable the relevant foreign financial institution to comply with its reporting requirements. A passthru payment is defined under the Code as any Withholdable Payment or other payment (including non-U.S. source payments) to the extent attributable to any Withholdable Payment.

Although the Foreign Account Tax Compliance Act currently applies to applicable payments made after December 31, 2012, the IRS has recently issued proposed Treasury Regulations providing that the withholding provisions described above will generally apply to certain Withholdable Payments, and certain passthru payments that are Withholdable Payments (including dividends), made on or after January 1, 2014, to Withholdable Payments, and passthru payments that are Withholdable Payments, that constitute gross proceeds from the disposition of property to the extent such payments are made with respect to a disposition occurring on or after January 1, 2015 and to foreign passthru payments (which has yet to be defined) made on or after January 1, 2017. Holders are urged to consult with their own tax advisors regarding the possible implications of this recently enacted legislation on their investment in common stock.

Health Care Education and Reconciliation Act of 2010

The Health Care Education and Reconciliation Act of 2010 requires certain United States persons who are individuals, estates or trusts to pay a 3.8% tax on, among other things, dividends and capital gains from the sale, exchange, redemption or other taxable disposition of stock, for taxable years beginning after December 31, 2012. Prospective investors should consult their tax advisors regarding the effect, if any, of this legislation on their ownership and disposition of the common stock.

Table of Contents**PRICE RANGE OF COMMON STOCK AND DIVIDENDS**

Our common stock is publicly traded on the New York Stock Exchange under the symbol COF. The table below sets forth for the periods indicated the quarterly high and low closing sales prices for our common stock on the New York Stock Exchange and the amount of dividends per share declared on our common stock.

	High	Low	Dividends
2010			
First Quarter	43.02	34.63	0.05
Second Quarter	46.73	38.02	0.05
Third Quarter	45.00	37.12	0.05
Fourth Quarter	42.78	36.55	0.05
2011			
First Quarter	52.76	43.68	0.05
Second Quarter	56.21	47.87	0.05
Third Quarter	54.31	37.63	0.05
Fourth Quarter	47.07	37.75	0.05
2012			
First Quarter	57.15	43.75	0.05
Second Quarter	56.36	48.40	0.05
Third Quarter (as of September 4, 2012)	57.60	53.36	0.05

Table of Contents**UNDERWRITING**

Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC and Citigroup Global Markets Inc. are acting as joint book-running managers of the offering and are acting as representatives of the underwriters. Under the terms and subject to the conditions of an underwriting agreement by and among the selling stockholder, the underwriters and us, dated the date of this pricing supplement, the selling stockholder has agreed to sell to each of the underwriters named below, and each of the underwriters has agreed, severally and not jointly, to purchase, the number of common shares set forth opposite its name:

Underwriter	Number of Shares
Merrill Lynch, Pierce, Fenner & Smith	
Incorporated	21,611,234
Morgan Stanley & Co. LLC	16,208,426
Citigroup Global Markets Inc.	16,208,426
Total	54,028,086

The underwriting agreement provides that the obligations of the underwriters to pay for and accept delivery of the common shares offered by this pricing supplement are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the common shares offered by this pricing supplement if any such common shares are taken.

We and the selling stockholder have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act.

Our common shares are traded on the New York Stock Exchange under the trading symbol COF.

Commissions and Expenses

The underwriters are purchasing the shares of common stock from the selling stockholder at \$55.2482 per share (representing approximately \$2.985 billion aggregate proceeds to the selling stockholder). The underwriters may offer the shares of common stock from time to time for sale in one or more transactions on the New York Stock Exchange, in the over-the-counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. In connection with the sale of the shares of common stock offered hereby, the underwriters may be deemed to have received compensation in the form of underwriting discounts. The underwriters may effect such transactions by selling shares of common stock to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and / or purchasers of shares of common stock for whom they may act as agents or to whom they may sell as principal.

The expenses of the offering are estimated at \$1,250,000 and are payable by us.

Stabilization, Short Positions and Penalty Bids

The underwriters may engage in stabilizing transactions, short sales and purchases to cover positions created by short sales, and penalty bids or purchases for the purpose of pegging, fixing or maintaining the price of the common stock, in accordance with Regulation M under the Exchange Act:

Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.

Table of Contents

Covering transactions involve purchases of the common stock in the open market after the distribution has been completed in order to cover short positions.

These stabilizing transactions and covering transactions may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of the common stock. As a result, the price of the common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on The New York Stock Exchange or otherwise and, if commenced, may be discontinued at any time.

Neither we, the selling stockholder nor the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the common stock. In addition, neither we, the selling stockholder nor the underwriters make any representation that the underwriters will engage in these stabilizing transactions or that any transaction, once commenced, will not be discontinued without notice.

No Sales of Similar Securities

We, each of our directors and executive officers who owns shares of our common stock and the selling stockholder have agreed that, for a period of 60 days from the date of this pricing supplement, and subject to certain exceptions, we and they will not, without the prior written consent of Merrill Lynch, Pierce, Fenner & Smith Incorporated, on behalf of the underwriters, offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of common stock of the Company or any securities convertible into or exercisable or exchangeable for such common stock (including without limitation, common stock which may be deemed to be beneficially owned by our directors or executive officers in accordance with the rules and regulations of the SEC and securities which may be issued upon exercise of a stock option or warrant) or (2) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the common stock, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of common stock or such other securities, in cash or otherwise. In addition, our directors or executive officers agree that, without the prior written consent of Merrill Lynch, Pierce, Fenner & Smith Incorporated, on behalf of the underwriters, they will not, during the period ending 60 days after the date of this pricing supplement, make any demand for or exercise any right with respect to, the registration of any shares of common stock or any security convertible into or exercisable or exchangeable for common stock.

Relationship with Underwriters

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters and their respective affiliates have from time to time provided, and expect to provide in the future, investment banking, commercial banking and other financial services to us and our affiliates, for which they have received and may continue to receive customary fees and commissions. In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of ours. The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Table of Contents

Timing and delivery

It is expected that delivery of the common stock will be made upon the instructions of the underwriters against payment on or about September 10, 2012, which is later than the third business day following the date of this pricing supplement. Under Rule 15c6-1 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, if any purchaser of common stock offered hereby wishes to trade such shares on the date of this pricing supplement, it may be required, by virtue of the fact that the common stock will settle later than the third business day following such date, to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the common stock who wish to trade the common stock on any day for which settlement within three business days would not be possible should consult their own advisors.

Selling Restrictions

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 (Cth) of Australia (*Corporations Act*)) in relation to the common shares has been or will be lodged with the Australian Securities & Investments Commission (*ASIC*). This document has not been lodged with ASIC and is only directed to certain categories of exempt persons. Accordingly, if you receive this document in Australia:

(a) you confirm and warrant that you are either:

(i) a sophisticated investor under section 708(8)(a) or (b) of the *Corporations Act*;

(ii) a sophisticated investor under section 708(8)(c) or (d) of the *Corporations Act* and that you have provided an accountant's certificate to us which complies with the requirements of section 708(8)(c)(i) or (ii) of the *Corporations Act* and related regulations before the offer has been made;

(iii) a person associated with the company under section 708(12) of the *Corporations Act*; or

(iv) a professional investor within the meaning of section 708(11)(a) or (b) of the *Corporations Act*, and to the extent that you are unable to confirm or warrant that you are an exempt sophisticated investor, associated person or professional investor under the *Corporations Act* any offer made to you under this document is void and incapable of acceptance; and

(b) you warrant and agree that you will not offer any of the common shares for resale in Australia within 12 months of that common shares being issued unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the *Corporations Act*.

Chile

The shares are not registered in the Securities Registry (Registro de Valores) or subject to the control of the Chilean Securities and Exchange Commission (Superintendencia de Valores y Seguros de Chile). This pricing supplement and other offering materials relating to the offer of the shares do not constitute a public offer of, or an invitation to subscribe for or purchase, the shares in the Republic of Chile, other than to individually identified purchasers pursuant to a private offering within the meaning of Article 4 of the Chilean Securities Market Act (Ley de Mercado de Valores) (an offer that is not addressed to the public at large or to a certain sector or specific group of the public).

Dubai International Financial Centre

This pricing supplement relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (*DFSA*). This pricing supplement is intended for distribution only to persons of a type specified in the Offered Securities Rules of the *DFSA*. It must not be delivered to, or relied on

Table of Contents

by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this pricing supplement nor taken steps to verify the information set forth herein and has no responsibility for the pricing supplement. The shares to which this pricing supplement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this pricing supplement you should consult an authorized financial advisor.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State no offer of depositary shares may be made to the public in that Relevant Member State other than:

to any legal entity which is a qualified investor as defined in the Prospectus Directive;

to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the underwriters; or

in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of depositary shares shall require the Company or the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

This pricing supplement has been prepared on the basis that any offer of depositary shares in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of depositary shares. Accordingly any person making or intending to make an offer in that Relevant Member State of depositary shares which are the subject of the offering contemplated in this pricing supplement may only do so in circumstances in which no obligation arises for the Company or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither the Company nor the underwriters have authorized, nor do they authorize, the making of any offer of depositary shares in circumstances in which an obligation arises for the Company or the underwriters to publish a prospectus for such offer.

For the purpose of the above provisions, the expression "an offer to the public" in relation to any depositary shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the depositary shares to be offered so as to enable an investor to decide to purchase or subscribe the depositary shares, as the same may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in the Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive) and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Hong Kong

The shares may not be offered or sold in Hong Kong, by means of any document, other than (a) to professional investors as defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made under that Ordinance or (b) in other circumstances which do not result in the document being a prospectus as defined in the Companies Ordinance (Cap. 32, Laws of Hong Kong) or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of the issue, whether in Hong

Table of Contents

Kong or elsewhere, which is directed at, or the contents of which are likely to be read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the shares which are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) or any rules made under that Ordinance.

Japan

No securities registration statement has been filed under Article 4, Paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) (FIEL) in relation to the shares. The shares are being offered in a private placement to qualified institutional investors (tekikaku-kikan-toshika) under Article 10 of the Cabinet Office Ordinance concerning Definitions provided in Article 2 of the FIEL (the Ministry of Finance Ordinance No. 14, as amended) (QIIs), under Article 2, Paragraph 3, Item 2 i of the FIEL. Any QII acquiring the shares in this offer may not transfer or resell those shares except to other QIIs.

Korea

The shares may not be offered, sold and delivered directly or indirectly, or offered or sold to any person for reoffering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the Korea Securities and Exchange Act and the Foreign Exchange Transaction Law and the decrees and regulations thereunder. The shares have not been registered with the Financial Services Commission of Korea for public offering in Korea. Furthermore, the shares may not be resold to Korean residents unless the purchaser of the shares complies with all applicable regulatory requirements (including but not limited to government approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with the purchase of the shares.

Singapore

This pricing supplement has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this pricing supplement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Future Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person as defined in Section 275(2) of the SFA, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed and purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor (as defined in Section 4A of the SFA)) whose sole whole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries rights and interest (howsoever described) in that trust shall not be transferable within six months after that corporation or that trust has acquired the shares under Section 275 of the SFA except:
 - (i) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA) and in accordance with the conditions, specified in Section 275 of the SFA;
 - (ii)(in the case of a corporation) where the transfer arises from an offer referred to in Section 275(1A) of the SFA, or (in the case of a trust) where the transfer arises from an offer that is made on terms that

Table of Contents

such rights or interests are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets;

(iii) where no consideration is or will be given for the transfer; or

(iv) where the transfer is by operation of law.

By accepting this pricing supplement, the recipient hereof represents and warrants that he is entitled to receive it in accordance with the restrictions set forth above and agrees to be bound by limitations contained herein. Any failure to comply with these limitations may constitute a violation of law.

Switzerland

This document, as well as any other material relating to the shares which are the subject of the offering contemplated by this pricing supplement, do not constitute an issue prospectus pursuant to Article 652a and/or 1156 of the Swiss Code of Obligations. The shares will not be listed on the SIX Swiss Exchange and, therefore, the documents relating to the shares, including, but not limited to, this document, do not claim to comply with the disclosure standards of the listing rules of the SIX Swiss Exchange. The shares are being offered in Switzerland by way of a private placement, i.e., to a small number of selected investors only, without any public offer and only to investors who do not purchase the shares with the intention to distribute them to the public. The investors will be individually approached by the issuer from time to time. This document, as well as any other material relating to the shares, is personal and confidential and do not constitute an offer to any other person. This document may only be used by those investors to whom it has been handed out in connection with the offering described herein and may neither directly nor indirectly be distributed or made available to other persons without express consent of the issuer. It may not be used in connection with any other offer and shall in particular not be copied and/or distributed to the public in (or from) Switzerland.

United Kingdom

This pricing supplement is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are qualified investors (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the Order) and/or (ii) who are high net worth companies falling within Article 49(2)(a) to (d) of the Order or persons to whom it may otherwise be lawfully communicated (all such persons together being referred to as relevant persons). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

Table of Contents

VALIDITY OF THE COMMON STOCK

The validity of the common stock will be passed upon for us by Gibson, Dunn & Crutcher LLP, New York, New York. Morrison & Foerster LLP, New York, New York, will pass upon certain matters for the underwriters. Stibbe N.V., Amsterdam, The Netherlands, is representing the selling stockholder as to matters of Dutch law and Sullivan & Cromwell LLP, New York, New York, is representing the selling stockholder as to matters of United States and New York law.

EXPERTS

Ernst & Young LLP, an independent registered public accounting firm, has audited our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2011, and the effectiveness of our internal control over financial reporting as of December 31, 2011, as set forth in their reports, which are incorporated by reference in this pricing supplement and elsewhere in the registration statement. Our financial statements are incorporated by reference in reliance on Ernst & Young LLP's report, given on their authority as experts in accounting and auditing.

Ernst & Young LLP, an independent registered public accounting firm, has audited the consolidated financial statements of ING Bank, fsb included in our Current Report on Form 8-K filed with the SEC on March 14, 2012, as set forth in their report, which is incorporated by reference in this pricing supplement and elsewhere in the registration statement. The ING Bank, fsb financial statements are incorporated by reference in reliance on Ernst & Young LLP's report, given on their authority as experts in accounting and auditing.

KPMG LLP, an independent registered public accounting firm, has audited the financial statements of HSBC Card and Retail Services, included in our Current Report on Form 8-K filed with the SEC on March 14, 2012, as set forth in their report, which is incorporated by reference in this pricing supplement and elsewhere in the registration statement. The HSBC Card and Retail Services financial statements are incorporated by reference in reliance on KPMG LLP's report, given on their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

This pricing supplement is part of a registration statement (File No. 333-181047) we have filed with the SEC under the Securities Act. The registration statement, including the attached exhibits and schedules, contains additional relevant information about us and the securities described in this pricing supplement. The SEC's rules and regulations allow us to omit certain information included in the registration statement from this pricing supplement. The registration statement may be inspected by anyone without charge at the SEC's principal office at 100 F Street, N.E., Washington, D.C. 20549.

In addition, we file annual, quarterly and special reports, proxy statements and other information with the SEC under the Exchange Act. You may read and copy this information at the following SEC location:

Public Reference Room

100 F Street, N.E.

Washington, D.C. 20549

You may also obtain copies of this information by mail from the SEC's Public Reference Room, 100 F Street, N.E., Washington, D.C. 20549, at rates determined by the SEC. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. You may also inspect reports, proxy statements and other information that we have filed electronically with the SEC at the SEC's website at <http://www.sec.gov>. These documents can also be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

Table of Contents

The SEC's rules allow us to incorporate by reference information into this pricing supplement. This means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be a part of this pricing supplement. Any information incorporated by reference in this pricing supplement that we file with the SEC after the date of this pricing supplement will automatically update and supersede information contained in this pricing supplement. Our SEC file number is 001-13300.

We are incorporating by reference in this pricing supplement the documents listed below and any future filings that we make with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act prior to the termination of this offering, provided, however, that we are not incorporating by reference any information furnished (but not filed) under Item 2.02 or Item 7.01 of any Current Report on Form 8-K, except as specified below:

our Annual Report on Form 10-K for the fiscal year ended December 31, 2011, filed on February 29, 2012 (including the portions of our proxy statement for our 2012 annual meeting of stockholders incorporated by reference therein);

our Quarterly Reports on Form 10-Q for the quarterly period ended March 31, 2012, filed on May 8, 2012 and for the quarterly period ended June 30, 2012, filed on August 9, 2012;

our Current Reports on Form 8-K filed on January 19, 2012 (Item 8.01 information only), February 2, 2012, February 17, 2012 (Item 2.01, Item 3.02 and Item 8.01 information only), March 14, 2012 (with respect to the financial statements of ING Bank, fsb and HSBC Card and Retail Services), March 19, 2012 (Item 1.01 and related information furnished under Item 9.01), March 20, 2012, March 23, 2012, April 19, 2012 (Item 8.01 information only), May 1, 2012, May 8, 2012, May 17, 2012, July 18, 2012 (Item 8.01 information only) and August 20, 2012, and our amended Current Reports on Form 8-K/A filed on March 15, 2012 (including all information furnished under Item 9.01), April 27, 2012 (including all information furnished under Item 9.01) and July 16, 2012 (including all information furnished under Item 9.01); and

the description of our common stock on Amendment No. 1 to Form 8-A, dated October 17, 1994.

You can obtain copies of documents incorporated by reference in this pricing supplement, without charge, by requesting them in writing or by telephone from us at Capital One Financial Corporation, Investor Relations Department, 1680 Capital One Drive, McLean, Virginia 22102, telephone (703) 720-2455. You should rely only on the information incorporated by reference or provided in this pricing supplement or the accompanying prospectus. We have not authorized anyone else to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information in this pricing supplement, the accompanying prospectus supplement or prospectus or any document incorporated by reference is accurate as of any date other than the date of the applicable document.

Our principal executive office is located at 1680 Capital One Drive, McLean, Virginia 22102 (telephone number (703) 720-1000). We maintain a website at www.capitalone.com. The information on our website is not part of this pricing supplement nor is it incorporated by reference. Documents available on our website include our (i) Code of Business Conduct and Ethics; (ii) Corporate Governance Principles; and (iii) charters for the Audit and Risk, Compensation, Finance and Trust Oversight, and Governance and Nominating Committees.

Table of Contents

PROSPECTUS SUPPLEMENT

(To prospectus dated April 30, 2012)

54,028,086 Shares

Capital One Financial Corporation

Common Stock

This prospectus supplement relates to the offer and sale of 54,028,086 shares of common stock of Capital One Financial Corporation by the selling stockholder listed under the heading **Selling Stockholder**. These shares were delivered to the selling stockholder on February 17, 2012 in connection with the ING Direct Acquisition as described herein under the heading **Summary of the Underlying Transaction**.

Our common stock is listed on the New York Stock Exchange under the symbol **COF**. The last reported sales price on May 16, 2012 was \$50.30 per share.

We will not receive any proceeds from the sale by the selling stockholder of shares of our common stock.

The selling stockholder identified in this prospectus supplement, including its transferees, pledgees or donees or other successors-in-interest, may offer the shares from time to time through public or private transactions at market prices prevailing at the time of sale, at a fixed or fixed prices, at negotiated prices, at various prices determined at the time of sale or at prices related to prevailing market prices. The timing and amount of any sale is within the sole discretion of the selling stockholder, subject to certain restrictions. See **Plan of Distribution** on page S-12 of this prospectus supplement.

Investing in the shares involves a high degree of risk. See **Risk Factors on page S-4 of this prospectus supplement.**

These securities are not deposits or savings accounts or other obligations of a bank. These securities are not insured by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Table of Contents**TABLE OF CONTENTS****Prospectus Supplement**

<u>About This Prospectus Supplement</u>	S-1
<u>Forward-Looking Statements</u>	S-1
<u>Risk Factors</u>	S-4
<u>Summary of the Underlying Transaction</u>	S-7
<u>Use of Proceeds</u>	S-7
<u>Selling Stockholder</u>	S-8
<u>Price Range of Common Stock and Dividends</u>	S-10
<u>Plan of Distribution</u>	S-11
<u>Validity of the Common Stock</u>	S-13
<u>Experts</u>	S-13
<u>Where You Can Find More Information</u>	S-14

Prospectus

<u>About This Prospectus</u>	1
<u>Forward-Looking Statements</u>	1
<u>Where You Can Find More Information</u>	3
<u>Ratio of Earnings to Fixed Charges and Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends</u>	5
<u>Use of Proceeds</u>	6
<u>Description of Debt Securities</u>	7
<u>Description of Preferred Stock</u>	18
<u>Description of Depositary Shares</u>	21
<u>Description of Common Stock</u>	22
<u>Description of Purchase Contracts</u>	26
<u>Description of Warrants</u>	27
<u>Description of Units</u>	29
<u>Resale by Selling Securityholders</u>	30
<u>Book-Entry Procedures and Settlement</u>	31
<u>Certain Legal Matters</u>	34
<u>Experts</u>	34

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. No one is authorized to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. The selling stockholder is not making an offer of the shares of common stock covered by this prospectus supplement in any jurisdiction where the offer is not permitted. You should assume that the information in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein is accurate as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

We provide information to you about the common stock in two separate documents: (1) this prospectus supplement, which describes the specific terms of this offering and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference in that prospectus and (2) the accompanying prospectus, which provides general information about securities we may offer from time to time, including securities other than the common stock being offered by this prospectus supplement. If information in this prospectus supplement is inconsistent with the accompanying prospectus, you should rely on this prospectus supplement.

It is important for you to read and consider all of the information contained in this prospectus supplement and the accompanying prospectus in making your investment decision. You also should read and consider the information in the documents we have referred you to in *Where You Can Find More Information* on page S-15 of this prospectus supplement and page 3 of the accompanying prospectus.

We include cross-references in this prospectus supplement and the accompanying prospectus to captions in these materials where you can find additional related discussions. The table of contents in this prospectus supplement provides the pages on which these captions are located.

Unless the context requires otherwise, references to *Capital One*, *we*, *our*, or *us* in this prospectus supplement refer to Capital One Financial Corporation, a Delaware corporation.

FORWARD-LOOKING STATEMENTS

This prospectus supplement and the documents incorporated by reference in this prospectus supplement contain forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the *Securities Act*), and Section 21E of the Securities Exchange Act of 1934, as amended (the *Exchange Act*). Forward-looking statements include, among other things, information relating to our strategies, goals, outlook or other non-historical matters; projections, revenues, income, expenses, capital measures, returns, accruals for claims in litigation and for other claims against us; earnings per share or other financial measures for us; future financial and operating results; our plans, objectives, expectations and intentions; the projected impact and benefits of the ING Direct Acquisition (as defined below) and our acquisition of substantially all of the U.S. credit card business of HSBC Finance Corporation, HSBC USA Inc. and HSBC Technology and Services (USA) Inc. (other than the HSBC Bank USA, National Association consumer credit card program and certain other retained assets and liabilities) (the *HSBC Transaction* and, with the ING Direct Acquisition, the *Transactions*); and the assumptions that underlie these matters. Forward-looking statements also include statements using words such as *expect*, *anticipate*, *hope*, *intend*, *plan*, *believe*, *estimate*, *will* or similar expressions. We have based forward-looking statements on our current plans, estimates and projections, and you should not unduly rely on them.

Numerous factors could cause our actual results to differ materially from those described in forward-looking statements, including, among other things:

general economic and business conditions in the U.S., the U.K., Canada and our local markets, including conditions affecting employment levels, interest rates, consumer income and confidence, spending and savings that may affect consumer bankruptcies, defaults, charge-offs and deposit activity;

an increase or decrease in credit losses (including increases due to a worsening of general economic conditions in the credit environment);

the possibility that we may not fully realize the projected cost savings and other projected benefits of the *Transactions*;

Table of Contents

difficulties and delays in integrating the assets and businesses acquired in the Transactions;

business disruption following the Transactions;

diversion of management time on issues related to the Transactions, including integration of the assets and businesses acquired;

reputational risks and the reaction of customers and counterparties to the Transactions;

disruptions relating to the Transactions negatively impacting our ability to maintain relationships with customers, employees and suppliers;

changes in asset quality and credit risk as a result of the Transactions;

the accuracy of estimates and assumptions we use to determine the fair value of assets acquired and liabilities assumed in the Transactions, and the potential for our estimates or assumptions to change as additional information becomes available and we complete the accounting analysis of the Transactions;

financial, legal, regulatory, tax or accounting changes or actions, including the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder;

developments, changes or actions relating to any litigation matter involving us;

the inability to sustain revenue and earnings growth;

increases or decreases in interest rates;

our ability to access the capital markets at attractive rates and terms to capitalize and fund our operations and future growth;

the success of our marketing efforts in attracting and retaining customers;

increases or decreases in our aggregate loan balances or the number of customers and the growth rate and composition thereof, including increases or decreases resulting from factors such as shifting product mix, amount of actual marketing expenses we incur and attrition of loan balances;

the level of future repurchase or indemnification requests we may receive, the actual future performance of mortgage loans relating to such requests, the success rates of claimants against us, any developments in litigation and the actual recoveries we may make on any collateral relating to claims against us;

the amount and rate of deposit growth;

changes in the reputation of or expectations regarding the financial services industry or us with respect to practices, products or financial condition;

any significant disruption in our operations or technology platform;

our ability to maintain a compliance infrastructure suitable for our size and complexity;

our ability to control costs;

the amount of, and rate of growth in, our expenses as our business develops or changes or as it expands into new market areas;

our ability to execute on our strategic and operational plans;

any significant disruption of, or loss of public confidence in, the United States Mail service affecting our response rates and consumer payments;

our ability to recruit and retain experienced personnel to assist in the management and operations of new products and services;

changes in the labor and employment markets;

fraud or misconduct by our customers, employees or business partners;

Table of Contents

competition from providers of products and services that compete with our businesses; and

other risk factors listed from time to time in reports that we file with the Securities and Exchange Commission (the SEC). You should carefully consider the factors referred to above in evaluating these forward-looking statements.

When considering these forward-looking statements, you should keep in mind these risks, uncertainties and other cautionary statements made in this prospectus supplement, the accompanying prospectus and in the documents incorporated by reference. See the factors set forth under the caption Risk Factors beginning on page S-5 below and in any other documents incorporated or deemed to be incorporated by reference therein or herein, including our Annual Report on Form 10-K for the year ended December 31, 2011, for additional information that you should consider carefully in evaluating these forward-looking statements.

Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties and assumptions, including the risk factors referred to above. Our future performance and actual results may differ materially from those expressed in forward-looking statements. Many of the factors that will determine these results and values are beyond our ability to control or predict. Forward-looking statements speak only as of the date that they are made, and except as required by law we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

S-3

Table of Contents

RISK FACTORS

Investing in our common stock involves risks, including the risks described below that are specific to the shares of common stock and those that could affect us and our business. You should not purchase shares of our common stock unless you understand these investment risks. Please be aware that other risks may prove to be important in the future. New risks may emerge at any time, and we cannot predict such risks or estimate the extent to which they may affect our financial performance. Before purchasing any shares of our common stock, you should consider carefully the risks and other information in this prospectus supplement and the accompanying prospectus and carefully read the risks described in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, including the discussion under Item 1A Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2011, as such discussion may be amended or updated in other reports filed by us with the SEC.

The price of our common stock may fluctuate significantly, and this may make it difficult for you to resell shares of common stock owned by you at times or at prices you find attractive.

The trading price of our common stock may fluctuate widely as a result of a number of factors, many of which are outside our control. In addition, the stock market is subject to fluctuations in the share prices and trading volumes that affect the market prices of the shares of many companies. These broad market fluctuations have adversely affected and may continue to adversely affect the market price of our common stock. Among the factors that could affect our stock price are:

actual or anticipated quarterly fluctuations in our operating results and financial condition;

changes in revenue or earnings estimates or publication of research reports and recommendations by financial analysts or actions taken by rating agencies with respect to our securities or those of other financial institutions;

failure to meet analysts' revenue or earnings estimates;

speculation in the press or investment community generally or relating to our reputation or the financial services industry;

strategic actions by us or our competitors, such as acquisitions or restructurings;

failure to realize the anticipated benefits of the Transactions;

actions by institutional or other significant shareholders;

fluctuations in the stock price and operating results of our competitors;

future sales of our equity or equity-related securities or the perception that such sales could occur;

changes in the frequency or amount of dividends;

proposed or adopted regulatory changes or developments;

actual or anticipated changes in interest rates;

anticipated or pending investigations, proceedings, or litigation that involve or affect us;

domestic and international economic factors unrelated to our performance; or