

CAPITAL ONE FINANCIAL CORP

Form 11-K

June 25, 2013

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 11-K**

x **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2012

.. **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File No. 1-13300

**CAPITAL ONE FINANCIAL CORPORATION**  
**ASSOCIATE SAVINGS PLAN**

CAPITAL ONE FINANCIAL CORPORATION

1680 Capital One Drive

McLean, Virginia 22102



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**Capital One Financial Corporation Associate Savings Plan**

Financial Statements and Supplemental Schedules

Years Ended December 31, 2012 and 2011

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**Report of Independent Registered Public Accounting Firm**

To the Administrator of the

Capital One Financial Corporation Associate Savings Plan

We have audited the accompanying statements of net assets available for benefits of the Capital One Financial Corporation Associate Savings Plan (the Plan) as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Capital One Financial Corporation Associate Savings Plan as of December 31, 2012 and 2011, and the changes in its net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of Schedule H, Line 4a Schedule of Delinquent Participant Contributions and Schedule H, Line 4i Schedule of Assets (Held at End of Year) are presented for the purpose of additional analysis and are not a required part of the basic financial statements, but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. These supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material aspects in relation to the basic financial statements taken as a whole.

/s/ Keiter, Stephens, Hurst, Gary & Shreaves, P.C.

June 25, 2013

Glen Allen, Virginia

**Table of Contents****Capital One Financial Corporation Associate Savings Plan****Statements of Net Assets Available for Benefits**

	December 31,	
	2012	2011
<b>Assets</b>		
Investments at fair value:		
Shares of registered investment companies	\$ 1,692,221,420	\$ 1,257,173,340
Shares of fully benefit-responsive investment contracts	361,896,090	332,586,790
Units of Capital One Pooled Company Stock Fund	271,356,698	221,304,263
 Total investments	 2,325,474,208	 1,811,064,393
 Receivables:		
Participant notes receivable	75,573,566	62,874,285
Employer contributions	5,651,224	4,574,822
Participant contributions	4,996,074	3,814,009
Due from the ING Direct 401(k) and Pension Plans	136,387,399	
 Total receivables	 222,608,263	 71,263,116
 Net assets available for benefits at fair value	 2,548,082,471	 1,882,327,509
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(18,029,372)	(16,793,698)
 Net assets available for benefits	 \$ 2,530,053,099	 \$ 1,865,533,811

See accompanying Notes to Financial Statements.

**Table of Contents****Capital One Financial Corporation Associate Savings Plan****Statements of Changes in Net Assets Available for Benefits**

	Year Ended December 31,	
	2012	2011
<b>Additions:</b>		
Investment income:		
Net appreciation (depreciation) of investments, attributable to:		
Shares in registered investment companies	\$ 178,391,417	\$ (80,689,045)
Units of Capital One Pooled Company Stock Fund	76,728,273	1,081,529
Shares of fully benefit-responsive investment contracts	9,073,839	13,664,744
Interest and dividends on investments	40,750,005	28,319,025
Net investment gain (loss)	304,943,534	(37,623,747)
Interest income from participant notes receivable	2,147,253	2,002,266
Contributions:		
Employer	160,660,308	135,485,453
Participants	217,922,631	141,879,556
Total contributions	378,582,939	277,365,009
Transfer from the Hibernia Corporation ESOP Plan		2,439
Due from the ING Direct 401(k) and Pension Plans	136,387,399	
Total additions	822,061,125	241,745,967
<b>Deductions:</b>		
Benefits paid to participants	156,005,927	141,336,482
Administrative expenses	1,535,910	1,233,542
Total deductions	157,541,837	142,570,024
Net increase in net assets available for benefits	664,519,288	99,175,943
<b>Net assets available for benefits:</b>		
Beginning of year	1,865,533,811	1,766,357,868
End of year	\$ 2,530,053,099	\$ 1,865,533,811

See accompanying Notes to Financial Statements.

**Table of Contents****Capital One Financial Corporation Associate Savings Plan****Notes to Financial Statements****Note 1 Description of Plan**

Effective January 1, 1995, Capital One Financial Corporation (the Company) established and adopted the Capital One Financial Corporation Associate Savings Plan (the Plan) for the benefit of its eligible employees. Effective December 31, 2012, the ING Direct 401(k) Savings Plan and ING Direct Pension Plan (the ING Direct Plans), both of which are defined contribution plans, were merged into the Plan. The ING Direct Plans' net assets of \$136,387,399 as of December 31, 2012, were received by the Plan in January 2013, in accordance with Section 414(I) of the Internal Revenue Code of 1986, as amended. The Company makes contributions to each eligible associate's account and matches a portion of associate contributions.

The Benefits Committee of the Company was the Plan administrator, and Fidelity Management Trust Company (the Trustee) was the Plan trustee for both the 2012 and 2011 Plan years.

The following description of the Plan provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

**General**

The Plan is a defined contribution plan covering all employees of the Company and certain affiliates who are age 18 or older. Eligible employees are automatically enrolled in the Plan immediately upon hire unless they elect to opt-out of Plan participation. The Plan is a qualified defined contribution retirement plan under Internal Revenue Code Section 401(k) and subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

**Contributions**

Under the Plan, participants can elect to make annual pre-tax and Roth contributions of no more than 50% of their eligible compensation, subject to Internal Revenue Service (IRS) limitations. The IRS limitation was \$17,000 for 2012 and \$16,500 for 2011. Participants who are age 50 or older at the end of a particular calendar year are permitted to make additional elective deferral contributions of \$5,500. Participants may also contribute amounts representing distributions from other qualified plans as roll-over contributions. The Company's contributions, which provide for a maximum annual Company contribution of up to 7.5% of eligible compensation, consist of two major components: (1) a basic safe-harbor non-elective contribution, and (2) two Company matching contributions. The Plan's contribution structure is summarized in the following table.

<b>Contribution Type</b>	<b>Contribution Structure</b>
1. Basic safe-harbor non-elective contribution	3% of eligible compensation
2. Company matching contributions	Up to 3% of eligible compensation, calculated as 100% Company match on the first 3% of associate deferrals
	Up to 1.5% of eligible compensation, calculated as 50% Company match on the next 3% of associate deferrals
<b>Total annual contribution opportunity</b>	<b>Maximum of 7.5% of eligible compensation</b>

The basic safe-harbor non-elective contribution of 3% of eligible compensation, as defined in the Plan document, is made for all eligible employees regardless of participation in the Plan. In addition, the Company makes matching contributions of up to 4.5% of a participant's eligible compensation. The Company makes true-up matching contributions for participants who did not receive the full match to which participants would have been entitled if participants had contributed to the Plan ratably throughout the year. Employees who have made pre-tax and/or Roth contributions to the Plan during the Plan year are eligible for the Company matching contributions. The Company makes contributions on a per-pay period basis, and new employees become immediately eligible for the Company's matching contributions. All Company contributions are cash contributions.



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**Capital One Financial Corporation Associate Savings Plan**

**Notes to Financial Statements (Continued)**

**Participant Accounts**

Each participant's account is credited with the participant's contributions and allocations of the Company's contributions and Plan earnings. Allocations of employer contributions are determined based on participant contributions or eligible compensation, as defined in the Plan document. Allocations of Plan earnings are determined based upon the number of units of the Plan's investment options in each participant's account. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account as of the date of record.

**Vesting**

Participant contributions and the earnings on those contributions vest immediately. The Company's basic contributions also vest immediately. The Company's matching contributions plus actual earnings thereon vest after two years of service.

**Forfeited Accounts**

Excess forfeited balances of terminated participants' non-vested accounts, after payment of administrative expenses, are used to reduce future Company contributions. Forfeited non-vested accounts totaled \$2,006,773 and \$789,069 as of December 31, 2012 and 2011, respectively. Forfeitures used to reduce administrative expense totaled \$777,094 and \$626,140 in 2012 and 2011, respectively.

**Investment Options**

All investments in the Plan are participant-directed. Participants may change their investment options at any time. As of December 31, 2012, the Company offered 24 investment options, which are summarized below:

**BGI LifePath Fund (2015, 2020, 2025, 2030, 2035, 2040, 2045, 2050, 2055 and Retirement)** Each fund is a broadly diversified portfolio, tailored to the investment horizon of the fund. The name of each fund (*e.g.*, BGI LifePath 2015) represents the year during which the investor will most likely begin to draw income and/or principal out of his or her investment portfolio.

**Capital One Pooled Company Stock Fund** Monies are invested by the Trustee in a unitized trust fund which invests in shares of the Company's common stock. The Trustee is also permitted to invest in short-term temporary investments, including pooled funds which bear interest at market rates.

**Dodge & Cox Balanced Fund** Monies are primarily invested in a diversified mix of common and preferred stocks and investment-grade bonds, generally rated in the top four rating categories.

**Dodge & Cox International Stock Fund** Monies are primarily invested in equity securities of companies outside the U.S. from at least three different foreign countries, including emerging markets.

**Fidelity BrokerageLink** This self-directed option allows participants to invest in mutual funds and other investment options beyond the investment options offered directly through the Plan.

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**Fidelity Capital Appreciation Fund** Monies are primarily invested in common stocks.

**Goldman Sachs Large Cap Value Fund** Monies are primarily invested in a diversified portfolio of equity investments in large-cap U.S. issuers with public stock market capitalizations within the range of the market capitalization of companies constituting the Russell 1000<sup>®</sup> Value Index at the time of investment.

**Hartford Mid Cap Fund** Monies are primarily invested in common stocks of mid-capitalization companies.

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**Capital One Financial Corporation Associate Savings Plan**

**Notes to Financial Statements (Continued)**

**Hartford Small Company Fund** Monies are primarily invested in common stocks of small capitalization companies.

**Invesco Stable Value Fund** Monies are invested in a diversified portfolio of investment contracts issued by high-quality insurance companies and banks, with each contract carrying a crediting rate of interest, and backed by high quality securities.

**Lazard Emerging Markets Equity Fund** Monies are primarily invested in equity securities of companies whose principal business activities are located in emerging market countries, with a focus on Latin America, the Pacific Basin and Eastern Europe.

**Northern Small Cap Value Fund** Monies are primarily invested in equity securities of small capitalization companies.

**PIMCO Total Return Fund** Monies are invested in all types of bonds, including U.S. government, corporate, mortgage and foreign.

**Spartan U.S. Equity Index Fund** Monies are primarily invested in common stocks included in the S&P 500 Index, which broadly represents the performance of common stocks publicly traded in the United States.

**Wells Fargo Capital Growth Fund** Monies are primarily invested in securities of large-capitalization companies that the manager believes to offer the potential for above-average earnings growth.

**Participant Notes Receivable**

Participants may elect to borrow from their fund accounts a minimum of \$1,000 and up to a maximum of the lesser of \$50,000, or 50% of their vested account balance. Loan transactions are treated as a transfer from (to) the investment fund to (from) the loan fund. Loan terms range from one to five years or up to 10 years for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Benefits Committee. Principal and interest are paid ratably through bi-weekly payroll deductions. Management has evaluated participant notes receivable for collectability and has determined that no allowance is considered necessary.

**Payment of Benefits**

A participant may elect to receive an amount up to the vested value of his or her account through a lump-sum distribution upon the participant's death, hardship, retirement, termination of service or for other reasons as governed by the Plan document. If the participant has invested in the Capital One Pooled Company Stock Fund, he or she may elect to receive distributions of whole shares of common stock with fractional shares paid in cash.

**Administrative Expenses**

Accounting fees are paid by the Company. The majority of administrative expenses of the Plan are paid by the Company, with the remainder offset by forfeitures.

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### **Capital One Financial Corporation Associate Savings Plan**

#### **Notes to Financial Statements (Continued)**

#### **Note 2 Summary of Significant Accounting Policies**

##### **Basis of Accounting**

The financial statements of the Plan are prepared in accordance with generally accepted accounting principles in the U.S. ( GAAP ). Benefits are recorded when paid.

##### **Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

##### **Valuation and Income Recognition**

The Plan's investments are reported at fair value and securities transactions are recorded as of the trade-date. The fair value of units in the Capital One Pooled Company Stock Fund is determined based upon the stock price of the last reported sales transaction on the last business day of the Plan year. The fair value of shares of registered investment companies is based on quoted market prices, which represent the net asset values of shares held by the Plan as of year end. The Plan's investment in the Invesco Stable Value Fund has underlying investments in guaranteed investment contracts ( GICs ) and synthetic GICs, as well as cash equivalents, and is measured and accounted for based on contract value. The contract value is equal to the principal balance plus accrued interest, which represents the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. These fully benefit-responsive investment contracts are reported at fair value in the Plan's Statements of Net Assets Available for Benefits, with a corresponding adjustment to reflect these investments at contract value. The Statements of Changes in Net Assets Available for Benefits have been prepared on a contract value basis for the years ended December 31, 2012 and 2011.

Participant notes receivable are recorded at their unpaid principal balance plus any accrued but unpaid interest.

Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

##### **Recently Issued and Adopted Accounting Guidance**

##### ***Fair Value Measurement: Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards ( IFRS )***

In May 2011, the Financial Accounting Standards Board ( FASB ) issued amended guidance on fair value that is intended to provide a converged fair value framework for U.S. GAAP and IFRS. The amended guidance results in a consistent definition of fair value and common requirements for measurement of and disclosure about fair value between U.S. GAAP and IFRS. While the amended guidance continues to define fair value as an exit price, it changes some fair value measurement principles and expands the existing disclosure requirements for fair value measurements. The amended guidance is effective for public entities for interim and annual periods beginning on or after December 15, 2011, with early adoption prohibited. The new guidance requires prospective application and disclosure in the period of adoption of the change, if any, in valuation techniques and related inputs resulting from application of the amendments and quantification of the total effect, if practicable. The Plan adopted this guidance on January 1, 2012. The Plan's adoption of this guidance did not affect the Statements of Net Assets Available for Benefits or the Statements of Changes in Net Assets Available for Benefits. See Note 4 Fair Value Measurements for additional information and related disclosures regarding fair value measurements.

**Table of Contents****Capital One Financial Corporation Associate Savings Plan****Notes to Financial Statements (Continued)****Risks and Uncertainties**

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

**Note 3 Investments**

The Plan's investments are held in a trust administered by the Trustee. A complete listing of the Plan's investments as of December 31, 2012 is included in the Schedule H, Line 4i Schedule of Assets (Held at End of Year). The table below presents investments that represented 5% or more of the Plan's net assets as of December 31, 2012 and 2011.

	December 31,	
	2012	2011
Invesco Stable Value Fund	\$ 361,896,090	\$ 332,586,790
Capital One Pooled Company Stock Fund	271,356,698	221,304,263
Spartan U.S. Equity Index Fund Fidelity Advantage Class	251,368,716	207,904,454
PIMCO Total Return Fund	189,181,796	135,685,545
Dodge & Cox International Stock Fund	152,153,987	118,753,709
Dodge & Cox Balanced Fund	140,150,307	119,178,331

**Fully Benefit-Responsive Investment Contracts**

The Invesco Stable Value Fund (the Fund) invests primarily in investment contracts such as traditional GICs and wrapper contracts (also known as synthetic GICs). In a traditional GIC, the issuer takes a deposit from the Fund and purchases investments that are held in the issuer's general account. The issuer is contractually obligated to repay the principal and a specified rate of interest guaranteed to the Fund. In a wrapper contract structure, the underlying investments are owned by the Fund and held in trust for Plan participants. The Fund purchases a wrapper contract from an insurance company or bank. The wrapper contract amortizes the realized and unrealized gains and losses on the underlying fixed income investments, typically over the duration of the investment, through adjustments to the future interest crediting rate (which is the rate earned by participants in the Fund for the underlying investments).

The issuer of the wrapper contract provides assurance that the adjustments to the interest crediting rate do not result in a future interest crediting rate that is less than zero. An interest crediting rate less than zero would result in a loss of principal or accrued interest. The key factors that influence future interest crediting rates for a wrapper contract include the level of market interest rates, the amount and timing of participant contributions, transfers and withdrawals into and out of the wrapper contract, the investment returns generated by the fixed income investments that back the wrapper contract and the duration of the underlying investments backing the wrapper contract. Wrapper contracts' interest crediting rates are typically reset on a monthly or quarterly basis.

In certain circumstances, the amount withdrawn from the wrapper contract would be payable at fair value rather than at contract value. These circumstances include termination of the Plan; a material adverse change to the provisions of the Plan; the Company making an election to withdraw from a wrapper contract in order to switch to a different investment provider; or the terms of a successor Plan (in the event of spin-off or sale of a division) do not meet the wrapper contract issuer's underwriting criteria for the issuance of a clone wrapper contract. Examples of events that would permit a wrapper contract issuer to terminate a wrapper contract upon short notice include the Plan's loss of its qualified status; un-cured material breaches of responsibilities; or material and adverse changes to the provisions of the Plan. If one of these events occurred, the wrapper contract issuer could terminate the wrapper contract at the market value of the underlying investments (or in the case of a traditional GIC, at the hypothetical market value based upon a contractual formula). The Plan administrator believes that the events noted above that limit the Plan's ability to execute transactions at contract value are unlikely to occur.



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**Capital One Financial Corporation Associate Savings Plan**

**Notes to Financial Statements (Continued)**

The Fund is presented in the financial statements at contract value, as reported to the Plan by the Trustee. There are no reserves against contract value for credit risk of the contract issuer or otherwise as of December 31, 2012 or 2011. The average yield for the investment contracts based on actual earnings was 0.91% and 1.47% for 2012 and 2011, respectively. This average yield represents the annualized earnings of all investments in the Fund during each year divided by the fair value of all investments in the Fund. The average yield adjusted to reflect the actual interest rate credited to participants was 2.13% and 3.14% for 2012 and 2011, respectively. The average credited yield represents the annualized earnings credited to participants in the Fund during each year divided by the fair value of all investments in the Fund.

**Note 4 Fair Value Measurement**

Fair value is defined as the price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date (also referred to as an exit price). The fair value accounting guidance provides a three-level fair value hierarchy for classifying financial instruments. This hierarchy is based on whether the inputs to the valuation techniques used to measure fair value are observable or unobservable. Fair value measurement of a financial asset or liability is assigned to a level based on the lowest level of any input that is significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are described below:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Observable market-based inputs, other than quoted prices in active markets for identical assets or liabilities.

Level 3 Unobservable inputs.

**Level 1, 2 and 3 Valuation Techniques**

The valuation of financial instruments is classified as Level 1 when it is determined based on quoted prices in active markets for identical assets or liabilities. The valuation is classified as Level 2 when it is determined based on quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or models using inputs that are observable or can be corroborated by observable market data of substantially the full term of the assets or liabilities. The valuation is classified as Level 3 when it is determined based on the use of pricing models, discounted cash flow methodologies or similar techniques, and at least one significant model assumption or input is unobservable and the determination of the fair value requires significant management judgment or estimation. The accounting guidance for fair value requires that the use of observable inputs be maximized and the use of unobservable inputs be minimized in determining fair value.

The determination of the classification of financial instruments in Level 2 or Level 3 of the fair value hierarchy is performed at the end of each reporting period, taking into consideration all available information, including observable market data, indications of market liquidity and orderliness, and the valuation techniques and significant inputs. Based upon the specific facts and circumstances of each instrument or instrument category, judgments are made regarding the significance of the Level 3 inputs to the instrument's fair value measurement in its entirety. If Level 3 inputs are considered significant, the instrument is classified as Level 3.

**Table of Contents****Capital One Financial Corporation Associate Savings Plan****Notes to Financial Statements (Continued)**

The following tables display the Plan's assets measured on the Statements of Net Assets Available for Benefits at fair value on a recurring basis as of December 31, 2012 and 2011:

**Financial Assets Measured at Fair Value on a Recurring Basis**

	December 31, 2012			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Lifecycle investment funds	\$ 370,508,475	\$	\$	\$ 370,508,475
Balanced funds	329,332,103			329,332,103
Value funds	322,490,143			322,490,143
Index funds	251,368,716			251,368,716
Growth funds	188,021,154			188,021,154
International funds	152,153,987			152,153,987
Other funds	78,346,842			78,346,842
Total mutual funds:	1,692,221,420			1,692,221,420
Fully benefit-responsive investment contracts:				
Invesco Stable Value Fund		361,896,090		361,896,090
Common stock:				
Financial services	271,356,698			271,356,698
Total investments at fair value	\$ 1,963,578,118	\$ 361,896,090	\$	\$ 2,325,474,208

	December 31, 2011			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Value funds	\$ 260,627,042	\$	\$	\$ 260,627,042
Balanced funds	254,863,876			254,863,876
Lifecycle investment funds	220,451,760			220,451,760
Index funds	207,904,454			207,904,454
Growth funds	140,054,393			140,054,393
International funds	118,753,709			118,753,709
Other funds	54,518,106			54,518,106
Total mutual funds:	1,257,173,340			1,257,173,340
Fully benefit-responsive investment contracts:				
Invesco Stable Value Fund		332,391,791	194,999	332,586,790
Common stock:				
Financial services	221,304,263			221,304,263
Total investments at fair value	\$ 1,478,477,603	\$ 332,391,791	\$ 194,999	\$ 1,811,064,393

The 2011 Invesco Stable Value Fund fair value was reclassified to Level 2 from Level 1 to conform with the current year presentation.



**Table of Contents****Capital One Financial Corporation Associate Savings Plan****Notes to Financial Statements (Continued)****Level 3 Instruments Only**

The following table displays changes during 2012 and 2011 in wrapper contracts measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

	<b>Changes in Fair Value</b>
<b>Fair value of wrapper contracts held within the Invesco Stable Value Fund:</b>	
<b>Balance as of December 31, 2010</b>	\$ 408,482
Total unrealized losses	(213,483)
<b>Balance as of December 31, 2011</b>	194,999
Total unrealized losses	(194,999)
<b>Balance as of December 31, 2012</b>	\$

**Level 3 Valuation Techniques**

The fair value of wrapper contracts is determined based on the present value of excess future wrap fees. When the replacement cost of the wrapper contract (a re-pricing provided annually by the contract issuer) is greater than the current wrap fee, the difference is converted into the implied additional fee payment cash flows for the duration of the holding. The present value of that cash flow stream is calculated using a swap curve yield that is based on the duration of the holding and adjusted for the holding's credit quality rating. Because the replacement cost of the wrapper contracts held by the Plan at December 31, 2012 did not exceed the current wrap fee, the fair value of these assets was zero as of December 31, 2012. Certain other disclosures related to the fair value of the wrapper contracts have not been presented since the fair value of the contracts is not material to the Plan's investment in the Invesco Stable Value Fund.

**Note 5 Plan Termination**

Although it has not expressed any intent to do so, the Company has the right to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

**Note 6 Income Tax Status**

The Plan received a determination letter from the Internal Revenue Service dated January 12, 2004, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the "Code"); therefore, the related trust is exempt from taxation. Subsequent to the issuance of this determination letter, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. Because the Plan is being operated in compliance with the applicable requirements of the Code, the Plan administrator believes that the Plan is qualified and the related trust is tax exempt.

**Note 7 Transactions with Parties-in-Interest**

Transactions involving the investments presented below, which reflect the fair value as of December 31, 2012 and 2011, are considered to be party-in-interest transactions for which a statutory exception exists.

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	December 31,	
	2012	2011
Capital One Pooled Company Stock Fund	<b>\$ 271,356,698</b>	\$ 221,304,263
Fidelity Capital Appreciation Fund	<b>89,859,751</b>	58,787,451
Fidelity BrokerageLink	<b>12,651,400</b>	8,083,818

**Table of Contents****Capital One Financial Corporation Associate Savings Plan****Notes to Financial Statements (Continued)****Note 8 Reconciliation of Financial Statements to Form 5500**

The following table presents a reconciliation of net assets available for benefits as of December 31, 2012 and 2011 per the financial statements to the net assets available for benefits per the Form 5500:

	December 31, 2012	2011
<b>Net assets available for benefits:</b>		
Net assets available for benefits, per the financial statements	\$ 2,530,053,099	\$ 1,865,533,811
Due from INGD Plans	(136,387,399)	
Adjustment from contract value to fair value for fully benefit-responsive investment	18,029,372	16,793,698
Benefits payable to participants	(3,863,899)	(467,463)
Deemed loan distributions	(80,080)	(95,701)
Net assets available for benefits, per the Form 5500	\$ 2,407,751,093	\$ 1,881,764,345

The following table presents a reconciliation of benefits paid to participants for the years ended December 31, 2012 and 2011 per the financial statements to benefits paid to participants per the Form 5500:

	December 31, 2012	2011
<b>Benefits paid to participants:</b>		
Benefits paid to participants, per the financial statements	\$ 156,005,927	\$ 141,336,482
Benefits payable to participants at end of year	3,863,899	467,463
Benefits payable to participants at beginning of year	(467,463)	(2,573,479)
Reversal of prior year deemed loan distributions	(95,701)	
Deemed loan distributions	80,080	95,701
Benefits paid to participants, per the Form 5500	\$ 159,386,742	\$ 139,326,167

The following table presents a reconciliation of net investment gains (losses) per the financial statements for the years ended December 31, 2012 and 2011 per the financial statements to the net investment gains (losses) per the Form 5500:

	December 31, 2012	2011
<b>Net investment gains (losses):</b>		
Net investment gains (losses), per the financial statements	\$ 304,943,534	\$ (37,623,747)
Interest income from participant notes receivable	2,147,253	2,002,266
Reversal of prior year adjustment from contract value to fair value for fully benefit-responsive investment	(16,793,698)	(13,230,870)
Adjustment from contract value to fair value for fully benefit-responsive investment	18,029,372	16,793,698

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Net investment gains (losses), per the Form 5500

**\$ 308,326,461**

\$ (32,058,653)

### **Note 9 Prohibited Transactions**

During the Plan year ended December 31, 2012, the Company failed to remit certain contributions to the Plan timely, as reflected in Schedule H, Line 4a Schedule of Delinquent Participant Contributions. The Company remitted the contributions to the Plan in December 2012 and submitted additional funds for lost earnings to the affected participants' accounts in January 2013. The Company reported these transactions to the Department of Labor under its Voluntary Fiduciary Correction Program ( VFCP ), and received confirmation of approval of the Company's corrective action in a letter dated May 2, 2013.

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**Capital One Financial Corporation Associate Savings Plan**

**Notes to Financial Statements (Continued)**

**Note 10 Subsequent Events**

In accordance with U.S. GAAP, the Plan evaluates subsequent events that have occurred after the balance sheet date but before the financial statements are issued. There are two types of subsequent events: (1) recognized, or those that provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing financial statements, and (2) non-recognized, or those that provide evidence about conditions that did not exist at the date of the balance sheet but arose after that date. The Plan evaluated subsequent events through June 25, 2013, the financial statement issuance date.

Based on the evaluation, the Plan did not identify any recognized or non-recognized subsequent events that would have required adjustment to the financial statements.

**Table of Contents****Supplemental Schedule****Capital One Financial Corporation Associate Savings Plan**

Employer Identification Number 54-1719854; Plan Number 002

**Schedule H, Line 4a - Schedule of Delinquent Participant Contributions****Year Ended December 31, 2012**

	<b>Total that Constitute Nonexempt Prohibited Transactions Total Fully Corrected Under VFCP and PTE 2002-51</b>
<b>Participant Contributions Transferred Late to Plan</b>	
Contributions withheld June 26, 2012, remitted December 12, 2012	\$ 1,723
Contributions withheld July 10, 2012, remitted December 12, 2012	4,165
<b>Total</b>	<b>\$ 5,888</b>

See report of independent registered public accounting firm.

**Table of Contents****Supplemental Schedule****Capital One Financial Corporation Associate Savings Plan**

Employer Identification Number 54-1719854; Plan Number 002

**Schedule H Line 4i Schedule of Assets (Held at End of Year)****December 31, 2012**

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value			(e) Current Value
		Shares/Rate			
	Registered investment companies:				
	Spartan U.S. Equity Index Fund	4,978,584	shares	\$	251,368,716
	PIMCO Total Return Fund	16,831,121	shares		189,181,796
	Dodge & Cox International Stock Fund	4,392,436	shares		152,153,987
	Dodge & Cox Balanced Fund	1,795,418	shares		140,150,307
	Goldman Sachs Large Cap Value Fund	8,167,430	shares		102,419,571
	Wells Fargo Capital Growth Fund	5,530,220	shares		98,161,403
*	Fidelity Capital Appreciation Fund	3,058,535	shares		89,859,751
	Hartford Mid Cap Fund	4,084,326	shares		89,324,216
	Hartford Small Company Fund	3,398,429	shares		67,084,991
	Lazard Emerging Markets Equity Fund	3,362,100	shares		65,695,442
	Northern Small Cap Value	3,879,425	shares		63,661,365
	BGI Lifepath 2035	4,873,716	shares		53,659,609
	BGI Lifepath 2030	4,704,244	shares		52,734,571
	BGI Lifepath 2040	4,471,627	shares		48,383,005
	BGI Lifepath 2025	4,099,664	shares		46,695,178
	BGI Lifepath 2045	4,316,887	shares		45,974,843
	BGI Lifepath 2050	4,076,336	shares		43,372,216
	BGI Lifepath 2020	2,751,492	shares		31,917,307
	BGI Lifepath 2015	1,821,177	shares		21,544,522
	BGI Lifepath 2055	1,389,800	shares		15,440,682
	BGI Lifepath Retirement	867,783	shares		10,786,542
	Total registered investment companies	92,850,750			1,679,570,020
*	Participant-directed brokerage accounts:				
	Fidelity BrokerageLink <sup>(1)</sup>	Various mutual funds and common stocks			12,651,400
*	Fully benefit-responsive investment contracts:				
	Invesco Stable Value Fund	27,468,248	shares		361,896,090
*	Capital One Pooled Company Stock Fund:				
	Corporate common stock	3,739,358	shares		263,680,883
	Interest-bearing cash	7,675,815	par		7,675,815
	Total Capital One Pooled Company Stock Fund				271,356,698
	Total investments				2,325,474,208

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*	Participant notes receivable, maturing through 2032	3.25%-9.50% interest rates	75,573,566
	Total as of December 31, 2012		\$ 2,401,047,774

\* Indicates a party-in-interest to the Plan.

(1) Certain investments in the Fidelity BrokerageLink accounts are issued by a party-in-interest to the Plan.

Note: Column (d) is not applicable as all investments are participant-directed.

See report of independent registered public accounting firm.

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**SIGNATURES**

*The Plan:* Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

**CAPITAL ONE FINANCIAL CORPORATION  
ASSOCIATE SAVINGS PLAN**

(Name of Plan)

By: /s/ JORY A. BERSON

Name: Jory A. Berson

on behalf of the Benefits Committee, as Plan  
Administrator

Dated: June 25, 2013