



Scott Blackley, Controller and Principal Accounting Officer Capital One Financial Corporation 1680 Capital One Drive McLean, Virginia 22102

April 22, 2013

Ms. Susan Cosper Technical Director Financial Accounting Standards Board 401 Merritt 7 P.O. Box 5116 Norwalk, CT 06856-5116

Re: File Reference No. EITF-13A

Dear Ms. Cosper:

Capital One Financial Corporation ("Capital One") is a diversified financial services company with over \$300 billion in assets that offers a broad spectrum of banking products and financial services to consumers, small businesses, and commercial clients. We appreciate the opportunity to provide our comments on the Proposed Accounting Standards Update – *Inclusion of the Fed Funds Effective Swap Rate (or Overnight Indexed Swap Rate) as a Benchmark Interest Rate for Hedge Accounting Purposes* (the "Proposed Update"), recently issued by the Financial Accounting Standards Board Emerging Issues Task Force ("EITF").

As a diversified financial services company, Capital One is an active user of derivatives, both for our own risk management purposes and as an offering to our commercial clients. We note that, consistent with the EITF's observation in the Proposed Update, the derivatives market has changed demonstrably in the years since the U.S. Treasury rate and London Interbank Offered Rate swap rate were designated as the only benchmark interest rates in the United States for hedge accounting purposes. These changes include an expansion in the number and type of instruments referenced to the Overnight Indexed Swap ("OIS") rate and the upcoming changes being instituted by the Dodd-Frank Amendment. We are appreciative of the EITF's efforts to be responsive to such changes in the derivative markets.

We believe that the inclusion of the OIS rate as a benchmark interest rate within Accounting Standards Codification Topic 815 Derivatives and Hedging will provide another tool by which an institution's particular interest rate risk management efforts can be reflected in their financial statements. We are therefore supportive of the Proposed Update as currently worded and believe it should be effective upon final issuance.

Sincerely,

/s/ Scott Blackley

Scott Blackley Controller and Principal Accounting Officer Capital One Financial Corporation