



Capital One Financial Corporation
1680 Capital One Drive
McLean, VA 22102

August 4, 2006

Mr. Robert E. Feldman
Executive Secretary
Attn: Comments
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429
comments@fdic.gov

**Re: Notice of Proposed Rulemaking: Assessments
(RIN 3064-AD03)**

Dear Mr. Feldman:

Capital One Financial Corporation ("Capital One") is pleased to submit comments on the FDIC's Notice of Proposed Rulemaking to modernize the insurance assessment process.

Capital One Financial Corporation is a financial holding company whose principal subsidiaries, Capital One Bank, Capital One, F.S.B., Capital One Auto Finance, Inc., and Capital One, N.A. (formerly Hibernia National Bank), offer a broad spectrum of financial products and services to consumers, small businesses, and commercial clients. Capital One's subsidiaries collectively had \$47.2 billion in deposits and \$108.4 billion in managed loans outstanding as of June 30, 2006, and operated more than 300 retail bank branches in Texas and Louisiana. In March, Capital One announced that it has agreed to acquire North Fork Bancorporation, Inc., which operates over 300 bank branches throughout New York, New Jersey, and Connecticut, and is the third-largest depository institution in the greater New York City region. That acquisition, which will make Capital One one of the ten largest banking institutions in the country by deposits, is projected to close by the end of this year.

Capital One supports the proposed rule changes.

In our judgment, the most significant of the changes that the FDIC has proposed are:

- basing insurance assessments on average daily deposit balances, rather than on quarter-end balances; and
- eliminating the float deduction.

Addressing each of these changes in turn:

- An assessment system based on average daily balances would be feasible for Capital One to implement.
- Eliminating the float deduction would not have a material effect on Capital One.

For those reasons, we support the rule changes that the FDIC has proposed.

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Capital One appreciates the opportunity to comment on the FDIC's Notice of Proposed Rulemaking with respect to assessments. If you have any questions about this matter and our comments, please call me at (703) 720-2255.

Sincerely,

/s/

Christopher T. Curtis
Associate General Counsel
Policy Affairs