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Contact: Jesse Van Tol (202) 464-2709
jvantol@ncrc.org

National Community Reinvestment Coalition Opposes Capital One Deal

Calls for Federal Reserve to Hold Public Hearings and Extend Comment Period on Capital One Acquisition of ING Direct USA

Washington, DC – The National Community Reinvestment Coalition (NCRC) announced today that it will oppose the Capital One acquisition of ING Direct USA, citing serious concerns about the impact of the deal on consumers, communities and the economy. The deal would make Capital One the fifth largest bank in the United States.

“We already have four too big too fail banks, why make a fifth?” said John Taylor, President & CEO of NCRC. “This is the most important test since the passage of Dodd-Frank of whether or not the bank regulatory culture has changed in this country. Should a systemically important bank be allowed to become bigger without a clear case that it will benefit society? The answer is emphatically no.”

NCRC has called on the Federal Reserve to hold public hearings and extend the comment period for the proposed Capital One Financial Corporation acquisition of ING Direct USA. [In the letter sent July 25th to Federal Reserve Board Chairman Ben Bernanke](#) regarding the acquisition, NCRC President & CEO John Taylor wrote:

“Only a few years ago, we all witnessed the inherent danger in allowing financial institutions to become so large in scale that a private business failure has the ability to become a national economic threat. Yet, less than three years after the demise of institutions like Washington Mutual, Capital One proposes to expand its size without a clear explanation as to how any public benefits of the expansion outweigh the inherent risks to the public if the newly enlarged Capital One should fail.”

The letter called for public hearings and an extension of the public comment period, citing “pervasive and serious” concerns. From the letter:

“Nationwide concerns on issues relating to Capital One and the banks they have acquired are so pervasive and serious that a comment period as short as

proposed without public hearings simply will not do justice to giving the opportunity to have a full and complete airing of these issues.”

NCRC has filed a complaint with the U.S. Department of Housing and Urban Development, alleging that Capital One’s Federal Housing Administration (FHA) lending practices violate fair lending laws. The letter to Chairman Bernanke requesting an extension of the comment process will be followed by a subsequent formal comment to the Federal Reserve from the NCRC, further detailing its concerns.

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The National Community Reinvestment Coalition is an association of more than 600 community-based organizations that promote access to basic banking services, including credit and savings, to create and sustain affordable housing, job development and vibrant communities for America's working families. Find out more at: www.ncrc.org