

For Immediate Release

NCRP Statement Casts Doubt Over Capital One's Commitment to Philanthropy

Philanthropy watchdog to testify before the Federal Reserve over the Capital One-ING Direct merger

Washington, D.C. (10/4/2011) – The Federal Reserve Board of Governors tomorrow will hold a hearing on Capital One's proposed acquisition of ING Direct and its impact on the public. In written testimony, the [National Committee for Responsive Philanthropy \(NCRP\)](#) provided today an assessment of Capital One's philanthropic track record and challenged its claims that the bank will provide hundreds of millions of dollars in grants if the merger is approved.

"We urge the Federal Reserve to be highly skeptical of the public benefit that will result from philanthropy associated with this acquisition," says Aaron Dorfman, executive director of NCRP, in his statement.

To satisfy the terms under the Dodd-Frank Wall Street Reform and Consumer Protection Act, which requires acquisitions to provide a public benefit that outweighs the adverse effects on the public, Capital One has promised \$450 million in giving over 10 years.

However, records show that Capital One's philanthropic giving is far lower than other large banks. For example, Capital One's median annual giving in 2009 is 0.024 percent of its revenue, compared to the median annual giving by U.S. financial institutions at 0.11 percent. Other banks give at a higher level, such as PNC Bank at 0.195 percent.

Additionally, from the time it started acquiring banks in 2005 until 2009, Capital One gave an average of less than \$5 million per year. During the same time period, it decreased its annual giving each year.

In his testimony, Dorfman also questions the quality of Capital One's giving. Only 36.25 percent of Capital One's grants were for the intended benefit of underserved communities, which ranks low compared to other financial institutions such as Citigroup at 50.77 percent.

He also notes that a Capital One representative testified before the Federal Reserve in Chicago in September regarding the possibility that the bank may ultimately give less than it currently promises.

"Capital One's philanthropic track record is dismal," said Aaron Dorfman, executive director of NCRP. "I have serious reservations that Capital One will actually keep its promise to give back to the community after the merger."

[Read NCRP's full statement on the Capital One-ING Direct acquisition](#) .

The National Committee for Responsive Philanthropy in Washington, D.C. is a national watchdog, research and advocacy organization that promotes philanthropy that serves the public good, is responsive to people and communities with the least wealth and opportunity, and is held accountable to the highest standards of integrity and openness.

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