Credit Card Agreement for Consumer Secured Cards in Capital One® Bank (USA), N.A.

There are two parts to this Credit Card Agreement: **Capital One Pricing Information** and the **Capital One Customer Agreement**. The **Pricing Information** shows a range of terms that includes both mail and online offers for new accounts available under this Agreement as of September 28, 2012. The combination of terms that could apply to you will differ depending on the specific card offer and on your creditworthiness at the time of application. The **Customer Agreement** contains important information related to consumer credit cards issued by Capital One Bank (USA), N.A. Please visit www.capitalone.com to view our online credit card offers. If you are a current Capital One cardholder, please log in to your account if you would like to request the Credit Card Agreement for your account(s).

CAPITAL ONE® PRICING INFORMATION	
Annual Percentage Rate (APR) for Purchases	Non-introductory rates between 19.8% and 22.9%. Purchase APRs may vary with the market based on changes in the Prime Rate.
APR for Transfers	Non-introductory rates between 19.8% and 22.9%. Transfer APRs may vary with the market based on changes in the Prime Rate.
APR for Cash Advances	24.9%. Cash Advance APRs may vary with the market based on changes in the Prime Rate.
Paying Interest	Your due date is at least 25 days after the close of each billing cycle. We will not charge interest on new purchases provided you have paid your previous balance in full by the due date each month. We will begin charging interest on cash advances and special transfers on the transaction date.
Minimum Interest Charge	If you are charged interest, the charge will be no less than $0.50.

Annual Fee	Between $24 and $29 annually.
Transaction Fees	
• Cash Advance Fee	The greater of either $10 or 3% of the amount of each cash advance.
• Foreign Transaction Fee	None.
Penalty Fees	
• Late Payment	Up to $19.
• Over-the-Credit-Limit	$0.
• Returned Payment	Up to $35.

How We Will Calculate Balances: We use a method called "average daily balance" (including new purchases). See *How Do You Calculate the Interest Charge?* below for more details.

Things You Should Know About These Offers

Can You Change My Account Terms?
We can change the terms of your account as permitted by law. When required, we will send you notice before doing so.

How Do You Calculate Variable Rates?
Variable rates may change when the Prime Rate changes. We calculate variable rate by adding a percentage to the Prime Rate published in *The Wall Street Journal* on the 25th day of each month. If the *Journal* is not published on that day, then see the immediately preceding edition. If Prime changes, your new rate will take effect on your next billing period. If your offer discloses a variable rate that changes quarterly, your new rate will take effect on the first day of your January, April, July, and October billing periods.

If the APR associated with an offer is variable, the APR will equal:
Non-Introductory Purchase APR - Prime plus a margin between 16.55% and 19.65%.
Non-Introductory Transfer APR - Prime plus a margin between 16.55% and 19.65%.
Cash Advance APR - Prime plus 21.65%.

What Are The Daily Periodic Rates Used To Calculate My Interest?
The daily periodic rate for your Non-introductory Purchase APR would be between .05425% and .06274%, Non-introductory Transfer APR between .05425% and .06274%, Cash Advance APR .06822%.

How Can I Avoid Paying Interest Charges?
Each month you pay your "New Balance" in full by the due date, you will have a minimum grace period of 25 days with no interest charge on all new 1) purchases, 2) balance transfers, 3) special purchases, and 4) other charges. If you have been paying your account in full with no interest charges applied and you do not pay your next bill in full, prorated interest charges will be assessed. There is no grace period on cash advances, special transfers, or on any new transaction when there is an unpaid balance from a previous bill.

How Is The Interest Charge Applied?
Interest charges accrue from the 1) date of the transaction, 2) date the transaction is processed, or 3) first calendar day of the billing period. Interest charges accrue on every unpaid amount until it is paid in full. This means you may owe interest charges even if you pay the entire "New Balance" one month, but did not do so for the previous month. Unpaid interest charges are added to the proper segment of your account.

How Do You Calculate The Interest Charge?
For each segment of your account, we calculate your total interest charge by multiplying your average daily balance by the daily periodic rate and multiplying the result by the number of days in the billing period. Due to rounding or a minimum interest charge, this calculation may vary slightly from the interest charge actually assessed.

We determine your daily periodic rate by dividing the corresponding Annual Percentage Rates by 365 and rounding to the nearest 1/100,000th of 1%, not to exceed the maximum allowed by applicable law. If the daily periodic rates and corresponding Annual Percentage Rates increase, the interest charge will increase and your minimum payment may be greater.

To determine your average daily balance: 1) add the daily balances together and 2) divide the sum by the number of days in the billing cycle.
To determine your daily balance: 1) take the beginning balance and add in new transactions and the periodic interest charge on the previous day's balance, 2) subtract any payments and credits for that segment as of that day. However, if you paid your previous month's balance in full (or if your balance was zero or a credit amount), new transactions which post to your purchase or special purchase segments are not added to the daily balances. Also, transactions that are subject to a grace period are not added to the daily balances.

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Capital One® Customer Agreement

Welcome to Capital One.
Thank you for opening a credit *Card Account* with us. This Customer Agreement ("Agreement") contains the terms for your Capital One credit *Card*.

Some Definitions.
The meanings of the terms you see in italics appear in the **Glossary** Section. To make the Agreement easy to understand, we will also use the following personal pronouns:

"You," "your," and "yourself" mean each applicant and co-applicant for the *Account*; any person responsible for paying the *Account*; and anyone You authorize to use, access or service the *Account*. It also includes an *Authorized User* as defined in the **Glossary** Section.
"We," "us," "our," and "Capital One" mean Capital One Bank (USA), National Association; and its agents, authorized representatives, successors, and assignees.

Account Documents.
Your *Account* with us is governed by the following documents:

(1) this document;
(2) all *Statements*;
(3) all rewards information and documentation if your *Account* has rewards;
(4) any Privacy Notices describing our limitations on sharing information about you with others;
(5) your *Card* benefits brochure which describes benefits provided by the *Payment Card Network* for your *Card* and *Account*. The most current version of your *Card* benefits brochure will replace all prior versions;
(6) the "Security" Agreement if you have a secured *Card*;
(7) all disclosures and materials provided to you before or when you opened your *Account*, including *Truth in Lending Disclosures*;
(8) all other documents and disclosures relating to your *Account* including those provided online; and
(9) any future changes we make to any of the above things.

Please read these carefully and keep them for future reference. An image of any of these can be used instead of the original.

New Offers.
In the future, we might make new offers to you or forward offers from others that we think you might be interested in. These offers may have new or different terms and documentation for these offers will be provided when we make you the offer. If you accept the offer, your previously disclosed terms will still apply except as modified by the offer.

Account Information.
We need information about you to manage your *Account*. The information we need includes:

(1) your legal name;
(2) a valid U.S. mailing address and residential address (if different);
(3) your date of birth;
(4) your social security number or other government identification number;
(5) your telephone number(s); and
(6) your employment and income information.

You must tell us when this information changes. Please update your address in the manner provided on your *Statement*. You may also update some of this information by logging onto your *Account* on our website or by calling one of our representatives at the telephone number provided on your *Statement* or on the back of your *Card*. We may require you to provide additional documents that are acceptable to us to verify this information or any changes. We maintain the right to restrict or close your *Account* if your information cannot be verified or if you do not provide additional information as requested.

Credit Limits.
When you open your *Account*, you will receive your credit limits. These will also appear on your *Statements*. We might also refer to your credit limits as your credit lines. We may give you different credit limits for the different *Segments* of your *Account*. For example, you might have a different credit limit for purchases than for *Cash Advances*.

You are responsible for keeping track of your *Account* balances and your available credit limits. Do not allow your *Account* to go over any credit limit even if you have authorized us to charge you an overlimit *Fee* for doing so, as described in the **Interest Charges and Fees** section. We may still honor transactions above your credit limits, but our honoring of these transactions will not increase your credit limit.

We may also increase, decrease, restrict, or cancel your credit limit on any *Segment* at any time. This will not affect your obligation to pay us.

Using Your Account.
You promise to follow the terms of this Agreement as long as your *Account* remains open or has a balance. Please sign the *Card* immediately when you receive it. The *Card* is valid during the dates provided on the front. The *Card* is our property, and you will return it to us or destroy it if we ask. You will take reasonable steps to prevent the unauthorized use of your *Card* and *Account*.

We are not responsible if anyone refuses to accept your *Card* for any reason. Also, we may reject any transaction for any reason. Unless we tell you otherwise, we will bill each transaction to the applicable *Segment* of your *Account* and apply it against your available credit limit for the *Account* and *Card* for that *Segment* in each *Billing Cycle*.

You may also obtain *Cash Advances* and *Transfers* if they are permitted for your *Account*. Unless we agree, you may not use a *Transfer* to transfer amounts from other *Accounts* with us or any other company within the Capital One organization.

You must not use, or try to use, the *Card* for any Internet gambling transactions or transactions that are illegal or not permitted by us. You will still be responsible if you do. In addition, these transactions will be subject to this Agreement, and you might have to reimburse the *Payment Card Network* and us for all damages and expenses.

From time to time, due to circumstances beyond our control (such as system failures, fires, floods, natural disasters, or other unpredictable events) our services might be unavailable. When this happens, you might be unable to use your *Card* or obtain information about your *Account*. We will not be responsible or liable if this happens.

Rewards.
Your *Account* might provide you with the opportunity to earn rewards. If it does, we will separately provide you with all information and terms about your rewards. We will include on your *Statements* all rewards you have earned. It might take up to two *Billing Cycles* for your earned rewards to appear on your *Statement*.

Using Your Access Checks.

When we provide you with *Access Checks*, we will tell you whether we will treat them as purchases, *Balance Transfers*, *Cash Advances,* or *Special Transfers*.

Only the person we designate may use *Access Checks*. *Access Checks* may not be used to pay any amount you owe us or any other company within the Capital One organization. We may reject and not pay any *Access Check* for any reason. Some examples of reasons why we may reject and not pay include: your *Account* is delinquent, charged-off, bankrupt, lost/stolen, or closed; our fraud system prevents the offer fulfillment; your *Account* is overlimit; or the checks have expired. Any liability for our wrongful dishonor of an *Access Check* will be limited to your actual damages and will not exceed the amount of the *Access Check*.

When you use an *Access Check*, you will have fewer rights to dispute merchant transactions than with other uses of your *Card*. Please see the "Billing Rights Summary" part of your *Statement* and your other *Truth in Lending Disclosures* for more information.

Stopping Payment of Access Checks.

You may request a stop payment on any Access Check by contacting us as provided on your Statement. We may charge you a Fee to stop payment as described in the Interest Charges and Fees section. If you call us to stop payment, you must also send to us a written request within 14 calendar days.

We will have a reasonable amount of time after your stop payment request to research the situation and complete it. We will not be responsible if we cannot complete the stop payment because the Access Check was already paid, you do not give us the information we asked for or the information you gave us was incorrect. If we cannot stop payment for these reasons, we may still keep the stop payment Fee.

Once we complete a stop payment, we do not have to release the stop payment order unless the same person asks us to. If we re-credit your Account after paying an Access Check following a valid stop payment order, you give us all of your rights against the payee or other holder of the paid Access Check. You also agree to help us in any actions we might later take against that person.

Using a PIN.

We may give you a personal identification number (PIN). For security reasons, you might have to provide the PIN before you are able to complete some transactions using the Card.

With a PIN, you may use your Card to: (1) obtain cash from certain automated teller machines (ATM) or (2) make purchases at certain merchant or retailer point-of-sale devices (POS). You may do these things if the ATM or POS requires entry of a PIN and displays the logo of the Payment Card Network on your Card. We will treat all ATM transactions as Cash Advances and all POS transactions as purchases.

You should keep your PIN secure and not write it down, give it to anyone, or keep it with your Card. If you lose your Card or believe that someone has gained unauthorized access to your PIN, you must contact us immediately.

Authorized Users.

You may ask us to add one or more *Authorized Users* with additional *Cards* on your *Account*. If we agree to your request, we will need certain information about the *Authorized User* to manage your *Account*. This will be the same information you provided about yourself as described in the **Account Information** Section. We may limit an *Authorized User's* ability to initiate certain transactions. If we do, we will tell you about these limitations before adding any new *Authorized User* on your *Account*.

Once we add an *Authorized User* to your *Account*, we may discuss your *Account* with them and provide them with *Account* information. You will be responsible for the *Authorized User's* use of the *Card* and your *Account* as well as anyone else they allow to use your *Card* or *Account*. This will be true even if you did not want, or agree to, the use.

Removing an Authorized User.

If you want to remove an Authorized User from the Account, you must contact us as provided on your Statement and request their removal. We will have a reasonable amount of time after your request to research the situation and remove them. You also must immediately destroy all Cards in their possession and cancel all of their billing arrangements to the Account. We will not do this for you. During this time, you still will be responsible for all amounts they charge to the Account. You will be responsible even if these amounts do not appear on the Account until later. An Authorized User may remove themselves from the Account upon request.

We may close your existing Account and/or issue a new Card with a new Account number.

Your Promise to Pay.

You promise individually and jointly to pay us all amounts due on your Account. This includes amounts where you did not sign a purchase slip or other documents for the transaction. If you use your Card number without presenting your actual Card (such as for mail, telephone, or Internet purchases), this will be treated the same way as if you used the Card in person. If you let someone else use your Card, you are responsible for all transactions that person makes. Your promise to pay us will apply to your estate if you die.

Statements.

We will send you one Statement for all Cards on your Account unless the law does not require or permit us to send a Statement. Statements will be sent at the end of each Billing Cycle when your Account has a debit or credit balance of more than $1.00, or if we have charged any Interest Charges to your Account. Your Statement will show all transactions billed to your Account during the Billing Cycle along with other important Account information.

Disputed Transactions.

You must inspect each Statement you receive and tell us about any errors or questions you have as described in the "Billing Rights Summary" part of your Statement and other Truth in Lending Disclosures. If you do not notify us as provided in those disclosures, we may assume that all information in the Statement is correct.

If you dispute a transaction made by you or someone else on your Account, and we later credit your Account for all or part of the disputed amount, you give us all of your rights against that other person. You also will:

(1) give us any merchandise or other purchases you received in connection with the disputed amount if we ask;
(2) not pursue any claim or reimbursement from the merchant and that other person; and
(3) help us pursue and get reimbursement from the merchant and that other person; your help includes giving us documents that we ask for and that are acceptable to us.

Interest Charges and Fees.

We will charge *Interest Charges* and *Fees* to your *Account* as disclosed to you in your *Statements* and other *Truth in Lending Disclosures*. In general, *Interest Charges* begin to

accrue from the day a transaction occurs. However, we will not charge you interest on any new balances posted to the purchase *Segment* of your *Account* provided you have paid your previous balance in full by the due date.
We will treat the following *Fees* as purchase transactions unless otherwise specified below. These *Fees* apply to your *Account* only if they are provided in your *Truth in Lending Disclosures*. We may increase your *Interest Charges* and *Fees* as described in the **Changes to Your Agreement** section or in your *Truth in Lending Disclosures*.

- Membership Fee. We may charge you this *Fee* as early as your first *Billing Cycle* or the first *Billing Cycle* after this *Fee* becomes effective. If it is an annual *Fee*, we may then charge it approximately once per year. If it is a monthly *Fee*, we may charge it once in each *Billing Cycle*. This *Fee* is payable in advance even if you do not use your *Account*.

- Late Payment Fee. We may charge you this *Fee* if we do not receive your payment in time for us to credit it by the due date shown on your *Statement*.

- Overlimit Fee. If you agree, we may charge you this *Fee* when a transaction causes you to go over or remain over any of your credit limits during any *Billing Cycle*. We may also charge you two additional *Fees* if your balance remains over your credit limits as of the payment due date in future *Billing Cycles*. You will only pay one *Fee* per *Billing Cycle*, even if you go over your limit multiple times in the same cycle.

- Returned Payment Fee. We may charge you this *Fee* each time any payment you make to us is not paid by your financial institution for any reason, even if that institution later pays it.

- Stop Payment Fee. We may charge you this *Fee* each time you request us to stop payment on an *Access Check* or you renew an existing stop payment order as provided in the **Stopping Payment of Access Checks** section.

- Copying Fee. We may charge you a per-page *Fee* for copies of transaction documents or *Statements* unless they are required in resolving a billing dispute.

- Cash Advance Fee. We may charge you this *Fee* each time you obtain a *Cash Advance*. This *Fee* will be treated as a *Cash Advance* transaction.

- Transfer Fee. We may charge you this *Fee* each time you obtain a *Transfer*. This *Fee* will be treated either as a *Special Transfer* or purchase transaction depending on the *Segment* in which the *Transfer* posts.

Transactions Made in Foreign Currencies.
If you make a transaction in a foreign currency, the *Payment Card Network* will convert it into a U.S. dollar amount.
The *Payment Card Network* will use its currency conversion procedures in effect when it processes the transaction. The conversion rate in effect on the processing date might differ from the rate in effect on the transaction or posting date. We do not currently adjust the currency exchange rate or charge any additional currency conversion *Fees*.

No Warranties.
Except as otherwise provided in the "Billing Rights Summary" part of your *Statements*, we are not responsible for any claim you might have regarding the purchases of goods or services made with your *Card*.

Merchant Refunds.
If you are entitled to a refund for goods or services purchased with your *Card*, you will accept these refunds as credits to the purchase *Segment* of your *Account*. We do not control when a merchant sends us your refund. We will also have a reasonable amount of time after we receive your refund to process it.

Minimum Payment.
Your *Statement* will provide instructions for making payments, including the amounts due and the due date for receiving your payment. If applicable, your *Statement* will also include a minimum payment amount. To avoid a late payment *Fee*, you must pay us at least this minimum payment amount by the due date provided in the *Statement*. If you have agreed to incur *Fees* for going over your credit limit, be aware that paying only the minimum payment amount might not be enough to avoid an overlimit *Fee*.

In addition to the minimum payment, you may pay all or part of the total balances on your *Account*. However, you must still pay at least the minimum payment amount each month, even if you paid greater than the minimum on the previous *Statement*. We will continue to charge *Interest Charges* during *Billing Cycles* when you carry a balance regardless of whether your *Statement* includes a minimum payment that is due. If your *Account* is 180 days past due, part of a bankruptcy proceeding or otherwise charges off, the entire balance is immediately due and payable.

Making Payments.
Your payments must be in U.S. dollars from a U.S deposit account and otherwise be acceptable to us. We do not accept cash payments through the mail. You may not make payments with funds from your *Account* or any other credit account with us or any other company within the Capital One organization.

Mailed Payments.
You must mail payments to us at the address provided on your *Statement* or as otherwise instructed by us or our agents. We will credit it to your *Account* on the day we receive it, if:

(1) you send the payment coupon included with your *Statement* in the same envelope with your payment;

(2) you include your *Account* number on your payment; and

(3) your payment arrives at the address indicated on the payment coupon in our processing center by the time indicated on your *Statement*.

If your due date occurs on a day on which we do not receive payments, any payment received the next day which conforms to the above requirements will not be treated as late.

Please allow at least 7 days for postal delivery. Unless we or our agents specifically instruct you to remit payment in a different manner, payments received at any other location or in any other form might not be credited for up to 5 days. This might cause you to be charged late payment *Fees* and additional *Interest Charges*.

Faster Payment Services.
We may make services available that allow you to make faster payments through a customer service representative using a telephone, the Internet, or other payment system. We will describe the terms for using these services before you use them. You do not have to use these other payment services, and we may charge you a *Fee* for using them. If we do, we will tell you the amount of the *Fee* at the time you request the service. We are not responsible if a payment made using our payment services is rejected or not paid. Even if it is, we may still keep the *Fee*.

If you give your *Account* number or other *Account* information to someone else to make a payment for you, we may provide *Account* information to them and process

their payment as if you made it. We may refuse to accept any payment made by someone else for your *Account*. If we accept a payment made by someone else for your *Account*, you will be responsible for the payment made even if that payment is rejected or not paid.

Payment Processing.

We may accept and process payments without losing any of our rights. Even if we credit your payment to your *Account*, we may delay the availability of credit until we confirm that your payment has cleared. We may resubmit and electronically collect returned payments. We may also adjust your *Account* as necessary to correct errors, to process returned and reversed payments, and to handle similar issues.

When you provide an *Item* as payment, you authorize us either to use information from your *Item* to make a one time electronic fund transfer from your deposit account or to process the payment as an *Item*. We will provide additional information about this process on your *Statement* or other documents we send you before your payment. You may contact us and ask that we not process your future *Items* in this way.

When you provide an *Item* as payment, it might also be converted into an electronic image and collected and returned electronically. These electronic images may also be converted to substitute checks. We will not be responsible if an *Item* you provide has physical features that when imaged result in it not being processed as you intended.

How We Apply Your Payments.

We apply your minimum payments to lower Annual Percentage Rate balances before higher ones. We apply any portion of your payment, in excess of your minimum payment, to higher Annual Percentage Rate balances before lower ones.

Items with Restrictive Words, Conditions, or Instructions.

All *Items* that have restrictive words, conditions, limitations, or special instructions added (including *Items* marked with the words "Paid in Full" or similar language) and all accompanying communications must be mailed to and received at: Capital One, P.O. Box 30285, Salt Lake City, UT 84130-0285.
If you make your payment or send any accompanying communications to any other address, we may accept and process the payment without losing any of our rights.

Credit Balances.

We may reject and return to you any payment that creates a credit balance on your *Account*. Any credit balance we allow will not be available until we confirm that your payment has cleared. We may reduce the amount of any credit balance by any new amounts billed to your *Account*. You may contact us as provided on your *Statement* and request a refund of any available credit balance. If you contact us in writing, we will refund your credit balance within 7 *Business Days* from our receipt of your written request.

Account Default.

We may consider you in default of your Agreement with us if:

(1) you do not make any payment when it is due;
(2) any payment you make is rejected, not paid or cannot be processed;
(3) you exceed a credit limit;
(4) a bankruptcy or other insolvency proceeding is filed by or against you;
(5) you die or are legally declared incompetent or incapacitated;
(6) we determine that you made a false, incomplete, or misleading *statement* on any of your *Account* documentation, or you otherwise tried to defraud us;
(7) you do not comply with any term of this Agreement or any other agreement with us; or
(8) you permanently reside outside the United States.

For certain actions, including changing the rates and *Fees* on your *Account*, our options appear in our original offer materials when you opened your *Account*. Remember, paying the *Fees* charged in connection with a default will not by itself cure the default. In addition, if you are in default, we may take the following actions without notifying you, unless the law says that we must notify you:

(1) close or suspend your *Account*;
(2) lower your credit limits;
(3) increase your minimum payment;
(4) demand that you immediately pay the entire balances owing on your *Account* (for example, as described in the Minimum Payment section);
(5) continue to charge you *Interest Charges* and *Fees* as long as your balances remain outstanding; and/or
(6) pursue any other action against you that the law allows, which includes the filing of a lawsuit against you.

You must pay us all of our collection expenses, attorneys' fees and court costs unless the law does not allow us to collect these amounts.

Communications.

We may contact you from time to time regarding your *Account*. We may contact you in any manner we choose unless the law says that we cannot. For example, we may:

(1) contact you by mail, telephone, email, fax, recorded message, text message, or personal visit;
(2) contact you using an automated dialing or similar device ("Autodialer");
(3) contact you at your home and at your place of employment;
(4) contact you on your mobile telephone;
(5) contact you at any time, including weekends and holidays;
(6) contact you with any frequency;
(7) leave prerecorded and other messages on your answering machine/service and with others; and
(8) identify ourselves, your relationship with us, and our purpose for contacting you even if others might hear or read it.

Our contacts with you about your *Account* are not unsolicited and might result from information we obtain from you or others. We may monitor or record any conversation or other communication with you. Unless the law says we cannot, we may modify or suppress caller ID and similar services and identify ourselves on these services in any manner we choose. When you give us or we obtain your mobile telephone number, we may contact you at this number using an Autodialer and can also leave prerecorded and other messages. We may do these things whether we contact you or you contact us.

If you ask us to discuss your *Account* with someone else, you must provide us with documents that we ask for and that are acceptable to us.

Credit Reports.

We may provide information about you and the *Account* to consumer (credit) reporting agencies and others as provided in our Privacy Notices. Information we provide might appear on your and the *Authorize Users'* credit reports. This could include negative information if you do not comply with the terms of this Agreement. We may obtain and use credit and income information about you from consumer (credit) reporting agencies and others as the law allows.

Closing or Suspending Your Account.

You may ask us to close your *Account* by calling or writing us as described on your *Statement*. Your *Statement* will provide additional information about this process, and we may also separately provide you with additional details after your request. This might include payment information. If you use your *Card* or charges post to your *Account* after you ask us to close it, we may keep it open or reopen it.

We may close or suspend your *Account* and your right to obtain credit from us. We may do this at any time and for any reason, permitted by law, even if you are not in default. A suspension of your *Account* might be permanent or temporary.

If your *Account* is closed or suspended for any reason, you must stop using your *Card*. You must also cancel all billing arrangements to the *Account*. We will not do this for you. If we close or permanently suspend your *Account*, you must also destroy all *Cards*. You must still pay us all amounts you owe on the *Account*, even if they are charged after your *Account* is closed or suspended.

Lost or Stolen Card.

You will take reasonable steps to prevent the unauthorized use of your *Card* and *Account*. If your *Card* is lost or stolen or if someone else might be using it without your permission, you must tell us at once. You may tell us by calling the telephone number on the back of your *Card* or on your *Statement* or by writing us at the address on your *Statement*. You will not be responsible for charges made to your *Account* that are found by us to be unauthorized. If we reimburse your *Account* for unauthorized charges made using your *Card*, you will help us investigate, pursue, and get reimbursement from the wrongdoer. Your help includes giving us documents that we ask for and that are acceptable to us.

Changes to Your Agreement.

At any time, we may add, delete, or change any term of this Agreement unless the law prohibits us from doing so. We will give you notice of any changes as required by law. If we do notify you of changes, we will send you a separate notice or inform you on your *Statement*. We may send this notice to you electronically as permitted by law. Our notice will tell you when and how the changes will take effect and describe any rights you have in connection with the changes.

Your variable Annual Percentage Rates (if applicable) can go up or down as the index for the rate goes up or down. If we increase your *Interest Charges* for any other reason we will notify you in writing. If we increase your *Fees* or other terms of your *Account* we will notify you in writing and inform you of your options in advance, including the right to opt out of some of these changes.

We may increase your *Interest Charges* for new transactions and your *Fees* after the first year of the *Account*. Also, if your payment is not received within 60 days after the payment due date, we may increase your *Interest Charges* and *Fees* for existing balances and new transactions at any time. We may change any other terms of your *Account* at any time.

The Law that Applies to Your Agreement.

We make decisions to grant credit and issue you a *Card* from our offices in Virginia. This Agreement will be interpreted using Virginia law. Federal law will be used when it applies.

You waive any applicable statute of limitations as the law allows. Otherwise, the applicable statute of limitations period for all provisions and purposes under this Agreement (including the right to collect debt) will be the longer period provided by Virginia or the jurisdiction where you live. If any part of this Agreement is found to be unenforceable, the remaining parts will remain in effect.

Waiver.

We will not lose any of our rights if we delay taking any action for any reason or if we do not notify you. For example, we may waive your *Interest Charges* or *Fees* without notifying you and without losing our right to charge them in the future. We may always enforce our rights later and may take other actions not listed in this Agreement if the law allows them. You do not have to receive notice from us of any waiver, delay, demand or dishonor. We may proceed against you before proceeding against someone else.

Assignment.

This Agreement will be binding on, and benefit, any of your and our successors and assigns.

You may not transfer your Account or your Agreement to someone else without our written permission.

We may transfer your Account and this Agreement to another company or person without your permission and without prior notice to you. They will take our place under this Agreement. You must pay them and perform all of your obligations to them and not us. If you pay us after you are informed or learn that we have transferred your Account or this Agreement, we can handle your payment in any way we think is reasonable. This includes returning the payment to you or forwarding the payment to the other company or person.

Security Agreement.

This is the Security Agreement referred to in your Capital One secured credit Card application. Terms not defined in this Security Agreement shall have the same meaning as those defined elsewhere in this Agreement.

(1) Collateral. I understand and agree that I have provided security deposit funds from a U.S. funding source to serve as security for my Capital One secured credit Card. I understand and agree that all deposit funds now or hereafter delivered by me or on my behalf to Capital One pursuant to this Security Agreement (collectively, the "Funds") will be used to secure my Capital One secured credit Card Account ("Account"). All Funds will be held in an account (the "Security Account") and/or all amendments, extensions, renewals, or replacements of that Security Account. The Funds are insured by the Federal Deposit Insurance Corporation ("FDIC") to the extent permitted by law. I will have no right to make withdrawals from the Security Account. The Funds will be used as collateral to secure the obligations to Capital One that I incur in connection with my Account ("Obligations"). Capital One will maintain separate records to account for my Funds. Capital One will not send Statements for the Security Account. I understand that if my Account is opened jointly by two persons, Capital One may release Funds relating to joint Accounts upon instruction of any one of the persons in whose name a joint Account has been opened, and will not be liable to any other party to the joint Account for such release. In the case of a joint Account, notice to one joint cardholder will be considered notice to both.

(2) Additional Funds. I may be given the opportunity to provide Capital One with additional Funds, up to an aggregate credit limit established for my Account in order to increase my credit limit. Any additional Funds will be added to the Security Account. If I request a decrease in my credit line, I understand that Capital One may hold Funds in excess of my credit line. I may not withdraw Funds or request a refund of my Funds at any time, other than by paying all of my Obligations to Capital One and closing my Account.

(3) Pledge and Grant of Security Interest to Capital One. I hereby pledge and grant to Capital One, as of the date of my delivery of Funds to Capital One, a security interest in

the Funds for the purpose of securing my Obligations. I irrevocably and unconditionally relinquish all possession and control over and pledge and assign as security to Capital One, as of such date, all of my right, title and interest in and to any and all Funds. Capital One and I acknowledge that subject to Capital One's possession of, and security interest in, the Funds, I retain beneficial ownership of the Funds for FDIC insurance of account purposes. I agree to take any actions requested by Capital One to perfect or protect the first lien position of Capital One's security interest in the Funds. I hereby waive the benefit of my homestead and other exemptions existing under the laws of the Commonwealth of Virginia or other applicable jurisdiction as to my Obligations and/or the Funds.

(4) Interest on Funds. The Security Account is a non-interest bearing account and therefore, no interest will be paid to you unless disclosed in the credit Card offer. Under no circumstances is Capital One obligated to pay interest on the Funds. If interest is earned at any time in the future, it will be added to the Security Account and will constitute proceeds securing my Obligations.

(5) Default. I shall be in default under this Security Agreement if I am in default in any respect as defined in the Agreement, including failing to pay my Obligations at any time when due. Upon any such default, I hereby authorize Capital One to withdraw Funds from the Security Account and to apply such amounts to such Obligations, all without sending me any additional notice or demand for payment. The foregoing rights shall be in addition to all other rights of Capital One provided by law or under this Agreement.

(6) Application of Funds to the Account. If your Account is closed by you or by us, or you are in default on your Account, we may apply the Funds towards any outstanding Obligations on the Account. Within 60 days of applying the Funds to your Account, we will return any excess Funds to you. This application of the Funds will not constitute a payment towards any outstanding Obligations. If you have any outstanding Obligations after your Funds are applied, you will still be responsible for the repayment of that amount, and we may continue to report your Account delinquent as applicable. If your Account becomes subject to bankruptcy proceedings, we will treat the Funds as required by that process. We may, at our discretion, unsecure your Account at any time by returning the Funds to you.

(7) The Law that Applies to Your Account; Assignment. This Security Agreement and Capital One's security interest and rights as pledge hereunder shall be governed by the laws of the Commonwealth of Virginia. Capital One may, in its sole discretion, assign its rights and obligations under this Security Agreement.

(8) Current Address. I understand that it is my duty to keep Capital One informed of my current address and that Capital One will rely upon and use the last address provided by me or the U.S. Postal Service.

(9) Legal Proceedings; Disputes. I agree to be bound by the terms of this Security Agreement. I represent that there are no current lawsuits or bankruptcy proceedings that might affect Capital One's interest in the Funds. I have not and will not attempt to transfer any interest in the Funds to any person other than Capital One or offer the Funds as security for any obligations other than to Capital One. If my Account, my Security Account or my Funds become involved or are likely to become involved in a legal proceeding, I understand that the entire balance of my Funds in the Security Account (even if only one person party to the Security Account is involved) may be restricted until the matter has been resolved. If Capital One hires an attorney to defend or enforce its rights under this Security Agreement or to perform any legal services in connection with this Security Agreement, I will pay Capital One all reasonable attorneys' fees and court costs incurred.

(10) Escheat. I understand that if there is no activity with respect to my Account for a prescribed period of time (generally five years), such Funds may be presumed to have been abandoned and will escheat to and become the property of the Commonwealth of Virginia or other applicable state under applicable law. Once such Funds have been designated as escheatable, any interest on such Funds will cease to accrue or be paid. I will be notified as required by law prior to any action being taken relating to the abandoned amounts.

Glossary.

- **"Access Check"** means any check we send to you to access your *Account*. We may also refer to an *Access Check* as a "convenience check" or a "purchase check."
- **"Account"** means your *Card Account* with us.
- **"Authorized User"** means one or more persons who may use the *Card* but is not responsible for the repayment of the *Account*.
- **"Balance Transfer"** means a *Transfer* posted to the purchase *Segment* of your *Account* unless otherwise described in your *Truth in Lending Disclosures*.
- **"Billing Cycle"** means a period of time that might vary in length but is approximately 30 days. The specific period of time is described on each *Statement*. However, you will have a *Billing Cycle* even if a *Statement* is not required. We will often specify a *Billing Cycle* by the month in which its closing date occurs as provided on the *Statement*. For example, a "March *Billing Cycle*" will have a closing date in March. We may also refer to a *Billing Cycle* as a "Billing Period." If your *Account* balance has charged off, we may switch to quarterly *Billing Cycles* to your *Account*.
- **"Business Day"** means any day in which Capital One's offices are open for the processing of payments and credits.
- **"Card"** means any Capital One credit *Card* associated with your *Account*, which includes all renewals and substitutions. It also means any other access device for your *Account* we give you that allows you to obtain credit, including any *Account* number and any *Access Check*.
- **"Cash Advance"** means using the *Card* to obtain loans in cash or things we consider cash equivalents. Cash equivalents include wire transfers, travelers' checks, money orders, foreign currency, lottery tickets, gaming chips, and wagers. *Cash Advances* are posted to the *Cash Advance Segment* of your *Account* and not to your purchase *Segment*.
- **"Fees"** means charges imposed on your *Account* that are not based on the Annual Percentage Rates.
- **"Interest Charges"** means any charges to your *Account* based on the application of Annual Percentage Rates.
- **"Item"** means a check, draft, money order, or other negotiable instrument you use to pay your *Account*. This includes any image of these instruments. This does not include an *Access Check*.
- **"Payment Card Network"** means Visa Inc., MasterCard International Incorporated, or any other network provider displayed on the *Card*.

- **"Segments"** means the different parts of your *Account* we may establish that are subject to unique pricing, grace periods, or other terms. We create these parts of your *Account* for such things as your purchases, *Cash Advances,* and *Special Transfers*.

- **"Special Transfer"** means a *Transfer,* posted to the *Special Transfer Segment* of your *Account* and not to your purchase *Segment*.

- **"Statement"** means a document or information we provide to you showing *Account* information including, among other things, transactions made to your *Account* during a *Billing Cycle*. We might also refer to your *Statement* as a "Periodic *Statement*" or a "Billing *Statement*."

- **"Transfers"** means balances transferred from other *Accounts* to this *Account* and includes *Balance Transfers* and *Special Transfers*.

- **"Truth in Lending Disclosures"** means any *Account* information we provide to you that is required by the federal Truth in Lending Act and Regulation Z. These include your application and solicitation disclosures, *Account* opening disclosures, subsequent disclosures, *Statements,* and change in terms notices.

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