

CAPITAL ONE FINANCIAL CORPORATION

AUDIT AND RISK COMMITTEE OF THE BOARD OF DIRECTORS

AMENDED AND RESTATED CHARTER

The Audit and Risk Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Capital One Financial Corporation (the “Corporation”) to assist the Board in monitoring (i) the integrity of the financial statements and internal controls of the Corporation, (ii) the compliance by the Corporation with legal and regulatory requirements, (iii) the qualifications, independence and performance of the Corporation’s independent auditor, (iv) the performance of the Corporation’s internal auditor; and (v) the processes by which management assesses and manages risk. The Committee shall serve as the audit committee of each of the Corporation’s federally insured financial institution subsidiaries. The Committee shall also perform such other duties as may be specified from time to time as deemed necessary or appropriate to carry out its responsibilities. References in this Charter to the Corporation shall be deemed to include its subsidiaries and affiliates unless the context requires otherwise.

The Committee and its members shall meet all applicable legal requirements, including the composition, independence and financial literacy and expertise requirements of the Sarbanes-Oxley Act of 2002 and implementing SEC rules thereunder (the “Sarbanes-Oxley Act”), the New York Stock Exchange and the applicable federal financial institution regulatory authorities. The Committee shall include at least three members, all of whom shall be financially literate and at least two of whom shall have accounting or financial management expertise.

The Committee shall have the authority to retain special legal, accounting or other consultants to advise the Committee. The Committee may request any officer or employee of the Corporation or the Corporation’s independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The Committee shall meet at least quarterly during the year and hold such special meetings as may be appropriate. After its meetings, the Committee shall report on its deliberations and actions to the Board. In addition, the Committee shall meet separately, periodically, with management, with internal auditors and with independent auditors. The Committee shall also conduct an annual evaluation of its performance of its responsibilities.

In carrying out its responsibilities, the Committee shall maintain free and open means of communications between the directors, the independent auditor, the internal auditor and management of the Corporation. The Committee’s policies and procedures shall remain flexible, in order to best react to changing conditions and circumstances that might have a material effect on the financial accounting and reporting practices of the Corporation. Upon the recommendation of the Committee or if requested by the Board,

the independent auditors shall be requested to attend any full Board meeting to assist in reporting the results of the annual audit or to answer directors' questions.

In carrying out its responsibilities, the Committee shall:

A. **General Duties**

1. Review and reassess annually the adequacy of this Charter and submit it to the Board for approval.
2. Approve the annual budget of the Committee, which may be aggregated with that of the Board and its other committees, including: (i) the compensation of any registered public accounting firm engaged for the purpose of rendering or issuing an audit report or related work or performing other audit, review or attestation services; and (ii) any advisors employed by the Committee.
3. Maintain minutes of meetings and periodically report to the Board on significant results of the Committee's activities.
4. In addition to the activities enumerated herein, perform any other activities consistent with this Charter, the Corporation's by-laws and governing law, as the Committee or the Board deems necessary or appropriate or as required by law or regulation.

B. **Duties Relating to the Independent Auditors and the Conduct of the Audit**

5. Appoint (subject to stockholder ratification in the Committee's discretion as permitted by law), compensate, retain and oversee the work of the independent auditor. The independent auditor shall be ultimately accountable to the Committee and the Committee shall have sole authority to terminate the independent auditor in its discretion.
6. Approve all audit, audit-related and non-audit services provided by the independent auditor according to policies and procedures established by the Committee in accordance with law.
7. Evaluate the independent auditor's qualifications, performance and independence and present conclusions reached by the Committee to the Board of Directors. This evaluation will include, at least annually:
 - (a) A review of the independent auditor's work during the prior year;
 - (b) A review and evaluation of the lead partner of the independent auditor assigned to the Corporation's audit; and
 - (c) A review of periodic reports from the independent auditor describing:

- (i) the internal quality-control procedures of the independent auditor,
 - (ii) any material issues raised by the most recent internal quality-control or peer review of the independent auditor or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, with respect to one or more independent audits carried out by the independent auditor and any steps taken to deal with any such issues; and
 - (iii) any relationships the independent auditor may have with the Corporation that could impair the independent auditor's independence.
- 8. Discuss with the independent auditor the overall scope and plans for its audits, including the adequacy of staffing and budget, any problems or difficulties the auditors may have encountered in connection with such audits and any management letters provided by the independent auditor and the Corporation's response thereto.
- 9. Establish clear policies regarding the hiring of employees or former employees of the independent auditor.

C. Duties Relating to the Internal Auditors

- 10. Oversee the Corporation's internal audit department and review and approve its annual budget.
- 11. Appoint or replace the senior internal auditing executive, as appropriate. The senior internal auditing executive shall report directly to the Committee.
- 12. Review the significant reports to management prepared by the internal auditing department and management's responses.
- 13. Discuss with the internal auditors the overall scope and plans for their audit, including the adequacy of staffing and any problems or difficulties the internal auditors may have encountered in connection with their audit.
- 14. Review periodically reports regarding the internal auditor's assessment of the Corporation's internal controls.

D. Duties Relating to the Corporation's Financial Statements

15. Discuss the quarterly and annual financial statements of the Corporation and its subsidiaries with management and the independent auditor, including the Corporation's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," prior to the filing of such statements with the SEC or as soon as practicable thereafter.
16. In connection with the preparation of quarterly and annual financial statements of the Corporation and its subsidiaries, review, or as appropriate the Chairman on behalf of the Committee shall review, with the independent auditor and management on a timely basis any matters appropriate or required to be discussed by applicable accounting professional standards, including Statement on Auditing Standards No. 61. These discussions shall include, as appropriate, any significant financial reporting issues, judgments about the quality and acceptability of accounting principles, the reasonableness of significant judgments made in connection with the preparation of the Corporation's financial statements and the clarity of the disclosures therein; any analyses prepared by management or the independent auditor with respect thereto; the effect of regulatory and accounting initiatives and off-balance sheet structures on the Corporation's financial statements; and the adequacy of the Corporation's internal controls and the internal auditor's response thereto.
17. Discuss generally earnings press releases and the financial information and any earnings guidance provided to the Corporation's analysts and rating agencies.
18. Review both the acceptability and quality of major changes to the Corporation's accounting principles and practices as suggested by the independent auditor, internal auditor or management, and be responsible for the resolution of any disagreements between management and the independent auditor regarding financial reporting issues.
19. Review with the General Counsel or the attorney(s) designated by the General Counsel any legal matters that may have a material impact on the financial statements.
20. Establish procedures for: (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting control or auditing matters; and (ii) the confidential, anonymous submission by the employees of the Corporation of concerns regarding accounting or auditing matters.

E. Duties Relating to Reporting and Compliance Matters

21. Review with management and the independent auditor the annual management report required to be submitted to the federal financial institution regulatory authorities, including the basis therefor and management's and the independent auditor's assessments of the adequacy and effectiveness of internal controls.
22. Review with management and the Corporation's senior internal auditing executive the Corporation's policies and internal controls with respect to compliance with applicable laws and regulations, and oversee the Corporation's risk management and risk assessment activities with respect thereto.
23. Authorize, review and approve the report of the Committee required by the rules of the SEC to be included in the Corporation's proxy statement for a meeting at which directors are to be elected.
24. Review and respond to any material reports or inquiries received from, and any reports of examination submitted by, the various federal and state financial institution regulatory authorities and management's responses to such reports or inquiries.

F. Duties Relating to Risk Management

25. Ensure that the Corporation has sufficient policies and procedures in place to govern its risk assessment and risk management activities. Review the organizational governance approach to risk management. Approve specific risk management policies as appropriate.
26. Determine whether risk parameters need to be established for each area of enterprise risk and ensure that adequate risk parameters have been set, as appropriate, for such areas. For areas with established risk standards, monitor overall risk exposures against established standards. The Committee shall periodically receive and review reports from other Board committees relating to the significant risk areas overseen by such committees.
27. Meet with management periodically to review the Corporation's major asset risk exposures, the steps management has taken to manage and control such exposures and the overall quality and composition of the Corporation's policies, guidelines and asset portfolios.
28. Review and discuss with management material infrastructure investments and oversee risk management activities relating to such investments

The Committee's job is one of oversight and it recognizes that the Corporation's management is responsible for preparing the Corporation's financial statements and that

the independent auditor is responsible for auditing those financial statements. In addition, the Corporation's management is responsible for managing its risk function and for reporting on its processes and assessments with respect to the Corporation's management of risk. The Committee also recognizes that management and the independent auditor have more time, knowledge, and detailed information about the Corporation than the Committee members have. In carrying out its oversight duties, it is not the Committee's responsibility to plan or conduct audits or to determine that the Corporation's financial statements are complete or accurate or in accordance with generally accepted accounting principles. Accordingly, the Committee is not providing any expert or special assurance as to the Corporation's financial statements, any professional certification as to the independent auditor's work or any expert or special assurances as to the Corporation's management of risk.

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Approved by the Committee on January 24, 2006 and the Board on January 26, 2006.