

# Example of Terms & Conditions Statement

**APR is a interest rate you pay per year to borrow this money!**

This rate is subject to change (=Variable Rate) based on the Prime Rate. To learn more about Prime Rate, see "How Do You Calculate My Variable Rates?".

On this example the APR is the same for Purchases, Transfers, and Cash Advances, however, other credit cards may have different APR for each.

The promotional (introductory) APR is 0% until January 2023 for Purchases ONLY!

Please note: APR is quoted as a simple interest rate!

## CAPITAL ONE® ACCOUNT TERMS

Interest Rates and Interest Charges	
<b>Annual Percentage Rate (APR) for Purchases</b>	<b>0%</b> introductory APR through your 01/2023 billing period.  After that, your APR will be <b>23.99%</b> . This APR will vary with the market based on the Prime Rate.
<b>APR for Transfers</b>	<b>23.99%</b> .  This APR will vary with the market based on the Prime Rate.
<b>APR for Cash Advances</b>	<b>23.99%</b> .  This APR will vary with the market based on the Prime Rate.
<b>Paying Interest</b>	Your due date is at least 25 days after the close of each billing cycle. We will not charge you 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 transfers on the transaction date.
<b>For Credit Card Tips from the Consumer Financial Protection Bureau</b>	To learn more about factors to consider when applying for or using a credit card, visit the website of the Consumer Financial Protection Bureau at <a href="http://www.consumerfinance.gov/learnmore">http://www.consumerfinance.gov/learnmore</a> .
Fees	
<b>Annual Fee</b>	None.
<b>Transaction Fees</b>	<ul style="list-style-type: none"> <li>• Transfer: <b>3%</b> of the amount of each transferred balance that posts to your account at a promotional APR that we may offer you.  None for balances transferred at the Transfer APR.</li> <li>• Cash Advance: Either <b>\$10</b> or <b>3%</b> of the amount of each cash advance, whichever is greater.</li> </ul>
<b>Penalty Fees</b>	<ul style="list-style-type: none"> <li>• Late Payment: Up to <b>\$40</b>.</li> </ul>

This part states that if you pay off new purchases at least 25 days after the close of each billing cycle, you will not be charged interest on those purchases if paid in full. **This called GRACE PERIOD.**

E.G., your billing cycle is 3/10-4/10. Since your statement date (end of the billing cycle) is April 10th, you have until May 5th (due date) to pay your balance. If you pay the new balance in full before the due date, there will be no interest nor late fees on this balance.

**Be careful!** some cards might not have grace period at all.

Also, in this example the grace period is only for Purchases!

**If you transfer balance to this credit card you will not be charged transactional fee.**

However, if there is a promotion (introductory) APR of 0% for Transfers, you will be charged 3% of the transferred balance. This example does not have any promotional APR for transfer.

**Are There Any Other Penalty Fees Associated With This Card That Are Not Listed In The Box Above?** No. There are no additional Penalty Fees associated with this card.

**What Will My Transfer Fee Be If I Transfer A Balance?** If you transfer a balance at the Transfer APR, that Transfer will not incur a Transfer Fee. Any transferred balance that posts to your account at a promotional APR that we may offer you will incur a 3% Transfer Fee.

**Can You Change My APRs?** While a late payment won't cause your APR to increase, in the future, we may increase your APRs if market conditions change. If we increase your APRs for any reason other than an increase in the Prime Rate, the new APRs will apply only to new transactions you make after we notify you of the change in writing.

**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 My Variable Rates?** Your variable rates may change when the Prime Rate changes. We calculate variable rates by adding a percentage to the Prime Rate published in The Wall Street Journal on the 25th day of December, March, June and September. If the Journal is not published on that day, then see the immediately preceding edition. Variable rates on the following segment(s) will be updated quarterly and will take effect on the first day of your January, April, July and October billing periods:

Non-Introductory Purchase APR: Prime plus 20.74%; Transfer APR: Prime plus 20.74%; Cash Advance APR: Prime plus 20.74%. Any increase in the Prime Rate may increase your Interest Charges and your Minimum Payment.

**How Do You Determine My Credit Line?** We will determine your credit line after a review of your application and your ability to pay.

**What Are The Daily Periodic Rates Used To Calculate My Interest?** The daily periodic rate for your Introductory Purchase APR is 0.00000%, Non-Introductory Purchase APR is 0.06573%, Transfer APR is 0.06573%, and Cash Advance APR is 0.06573%. See "How Do You Calculate The Interest Charge?" section in the enclosed Additional Disclosures.

**How Do You Calculate My Minimum Payment?** If your balance is less than \$25, your minimum payment will be equal to your balance. Otherwise, your minimum payment will be the greater of \$25 or 1% of your balance plus new interest and late payment fees. We will also add any past due amount to your minimum payment. If your Account charges off, the entire balance is due immediately.

**Prime Rate is the lowest rate that banks charge to the best and/or loyal customers** (usually close to the rate that Federal Reserve set). If the Prime Rate increase, your APR will increase as well.

The current Prime Rate in the U.S. is 3.5% as of 04/28/2022 according to the WSJ.

**Daily Periodic Rates refers to daily compound interest.**

It is important to pay attention on what is the compounding period, as it can add up quickly!