



Important changes to your Capital One Mastercard® Cardholder agreement

These changes take effect on July 29, 2025.

Agreement Terms (Effective Until July 28, 2025)	Updated Agreement Terms (Effective July 29, 2025)
<p>16. Applying your payments</p> <p>Any payments we receive up to and including the amount of your Minimum payment will be applied in the following order:</p> <ul style="list-style-type: none"> • First, to any interest charges shown on your monthly statement; • Second, to any fees shown on your monthly statement; • Third, to any fees which have been charged to your Account but have not yet been shown on a monthly statement; and • Fourth, to any remaining balances shown on your monthly statement. <p>Within each of the above categories, if there are different annual interest rates that apply, the payment will be applied first to the balance with the lowest annual interest rate, and then to the other balances in ascending order, based on their applicable annual interest rates.</p> <p>If you pay more than your Minimum payment, your excess payment will be applied to the remaining balance on your monthly statement as follows:</p> <ul style="list-style-type: none"> • First, we divide all the unpaid Transactions shown on your monthly statement into groups. Transactions that share the same interest rate are placed into the same group. • Second, we pro-rate your excess payment to those different interest rate groups. This means that the percent of your excess payment we apply to a group is the same percent that the balance in that group represents of the total remaining New balance. For example, if the balance in an interest rate group represents 60% of your total remaining New balance, we will apply 60% of your excess payment to that group. <p>If you pay more than your New balance, your excess payment will be applied to Transactions that have not yet appeared on a monthly statement, using the same payment allocation method described above.</p>	<p>16. Applying your payments</p> <p>For non-Quebec Residents:</p> <p>Any payments we receive up to and including the amount of your Minimum payment will be applied in the following order:</p> <ul style="list-style-type: none"> • First, to any interest charges shown on your monthly statement; • Second, to any fees shown on your monthly statement; • Third, to any fees which have been charged to your Account but have not yet been shown on a monthly statement; and • Fourth, to any remaining balances shown on your monthly statement. <p>Within each of the above categories, if there are different annual interest rates that apply, the payment will be applied first to the balance with the lowest annual interest rate, and then to the other balances in ascending order, based on their applicable annual interest rates.</p> <p>If you pay more than your Minimum payment, your excess payment will be applied to the remaining balance on your monthly statement as follows:</p> <ul style="list-style-type: none"> • First, we divide all the unpaid Transactions shown on your monthly statement into groups. Transactions that share the same interest rate are placed into the same group. • Second, we pro-rate your excess payment to those different interest rate groups. This means that the percent of your excess payment we apply to a group is the same percent that the balance in that group represents of the total remaining New balance. For example, if the balance in an interest rate group represents 60% of your total remaining New balance, we will apply 60% of your excess payment to that group. <p>If you pay more than your New balance, your excess payment will be applied to Transactions that have not yet appeared on a monthly statement, using the same payment allocation method described above.</p>

For Quebec Residents:

Any payments we receive will be applied to Transactions that have appeared on a monthly statement. Payments will apply first to Transactions with the highest annual interest rate to the lowest, in descending order.

If multiple Transactions have the same annual interest rate, payments will first be applied to interest charges, then fees, and lastly any remaining balances.

If you pay more than the amount that has appeared on a monthly statement, the rest of your payment will be applied to Transactions that have not yet appeared on a monthly statement, using the same payment allocation method described above.

20. Security funds

In some cases, you may be asked to provide us with Security funds, which we hold as collateral for payment towards amounts you owe to us under this Agreement. By providing us with Security funds and accepting the terms of this Agreement, you agree that if you're in default under this Agreement, you authorize Capital One to set off (and affect compensation, if you're a resident of the province of Quebec) and apply those funds against your obligations under this Agreement (whether or not then immediately due and payable). We can do all of this without notifying you or sending you a demand for payment. You also agree to the following:

- The Security funds do not constitute a deposit with Capital One, and will be held in an Account at a depository institution we select;
- You'll have no right to access or withdraw the Security funds, except when you close your Account as described below, or if there are any adjustments to your Account such that we no longer require some or all the Security funds in which case we will return or credit any applicable amount to you; and
- Any interest earned on the Security funds will become our sole property.

You represent that there are no lawsuits or bankruptcy proceedings that might affect our ability to withdraw and apply the Security funds you provide, and you agree that you haven't and won't transfer or offer any interest in the funds to anybody other than Capital One.

If you close your Account, we'll return or credit any remaining Security funds to you within **150** days of closing your Account, and the payment in full of your obligations under this Agreement, whichever comes last.

20. Security funds

In some cases, you may be asked to provide us with Security funds, which we hold as collateral for payment towards amounts you owe to us under this Agreement. By providing us with Security funds and accepting the terms of this Agreement, you agree that if you're in default under this Agreement, you authorize Capital One to set off (and affect compensation, if you're a resident of the province of Quebec) and apply those funds against your obligations under this Agreement (whether or not then immediately due and payable). We can do all of this without notifying you or sending you a demand for payment. You also agree to the following:

- The Security funds do not constitute a deposit with Capital One, and will be held in an Account at a depository institution we select;
- You'll have no right to access or withdraw the Security funds, except when you close your Account as described below, or if there are any adjustments to your Account such that we no longer require some or all the Security funds in which case we will return or credit any applicable amount to you;
- Express consent is required to increase your credit limit and you may need to provide additional Security funds. If you provide us with additional Security funds but do not provide the required express consent by the expiry date outlined, the additional Security funds will be credited to your Account; and
- Any interest earned on the Security funds will become our sole property.

You represent that there are no lawsuits or bankruptcy proceedings that might affect our ability to withdraw and apply the Security funds you provide, and you agree that you haven't and won't transfer or offer any interest in the funds to anybody other than Capital One.

If you close your Account, we'll return or credit any remaining Security funds to you within **150** days of closing your Account, and the payment in full of your obligations under this Agreement, whichever comes last.