

DISCOVER BANK PRIVACY POLICY

We are required by federal law to provide you with a copy of our Privacy Policy each year. If you have previously notified us about your privacy preferences, as described in Section 4, it is not necessary to do so again unless you decide to change your preferences.

We Respect Your Privacy

Our mission is to provide you with superior products and services, along with the peace of mind knowing that the security of your personal information is our top priority. We understand your concerns about guarding information about you and your Account. We want to assure you that we have taken steps, and will continue to take steps, to safeguard that information.

This Privacy Policy describes our efforts to meet these objectives. It includes a summary of the following important information:

- A listing of the personal information we collect;
- The circumstances in which we may share information with others;
- The ways we safeguard the confidentiality and security of information; and
- The steps you may take to limit our sharing of such information with others. See Section 4 for complete details.

Please read our Privacy Policy carefully. It will help you understand how we collect and share information.

1. What Personal Information Do We Collect?

To serve you better and manage our business, it is important that we collect and maintain accurate personal information about you. We obtain this information from applications and other forms you submit to us, from your dealings with us and others, from consumer reporting agencies, and from other sources, such as our Web sites. For example:

- We may obtain information such as your name, address and date of birth from applications and other forms you submit to us.
- We may obtain information such as Account balances, payment history, your use of your Account and the types of services you prefer from your transactions and other dealings with us and others.
- We may obtain information such as the balances of your loans with other lenders and your payment history with others from consumer reporting agencies.
- We may obtain information such as your Internet service provider, your email address, your computer's operating system and Web browser, your Web site use and your product and service preferences from your visits to Web sites.

2. Is Personal Information Shared with Others?

We limit the sharing of information with others. Many of the offers you receive for products and services are provided directly to you from us. For example, a retailer may come to us with a special offer for our customers, such as a discount certificate or product upgrade. After careful consideration of the nature of the offer and the company, we will create a list of customers who may be interested in the offer based on certain characteristics. We will send the offer directly to those customers on behalf of the retailer by, for example, including an insert in their Account statement or mailing the offer ourselves. We control the information used to make the offer; we do not share the list or any information about our customers with the retailer. However, please understand that if you do receive this type of offer from us and choose to take advantage of it, the retailer may then learn information about you because only customers with certain characteristics received the offer.

There are, however, circumstances in which we may share the information we collect about you, as described in Section 1, with other companies in order to provide you with access to products and services and to service your Account effectively, as detailed below. We require these companies to adhere to our privacy standards and to use this information only for the limited purpose for which it was shared. We do not allow them to disclose it to others without our prior approval.

a. Sharing Personal Information with Our Corporate Family

Our corporate family offers a variety of products and services that can help you manage your finances. In order to provide you with access to these products and services, we may share the information we collect about you, as described in Section 1, with other members of our corporate family. These companies include financial service providers that offer credit protection, card servicing and payment processing services.

b. Sharing Personal Information with Non-Affiliated Parties for Marketing Purposes

We may share the information we collect about you, as described in Section 1, with non-affiliated third parties in order to provide you with access to products and services offered directly by these companies that may be of value to you. These companies include financial service providers, such as insurance companies, and non-financial companies, such as retailers.

c. Sharing Personal Information with Others

We may share the information we collect about you, as described in Section 1, with companies that perform support or marketing services on our behalf, such as mailing, market research and data processing; other financial institutions with which we have joint marketing agreements; or companies that are our partners for incentive or reward programs. We may also share such information as permitted by law.

3. How Do We Protect the Confidentiality, Security and Integrity of Information about You?

We maintain physical, electronic and procedural safeguards to protect the information we collect about you. Access to such information is restricted to individuals who need it in order to service your Account or provide products and services to you, and who are trained in the proper handling of such information. Employees who violate these confidentiality requirements are subject to our disciplinary process. Where third parties provide support services, we require them to conform to our privacy standards.

It is important that the information we maintain about you is accurate and complete. If you see information in your Account statements or elsewhere which suggests that our information is incomplete or inaccurate, please write to us at Discover Bank, P.O. Box 30416, Salt Lake City, UT 84130 so that we can update this information.

4. How Can You Limit Sharing of Information About You?

We respect your privacy and offer you choices as to whether we may share information about you with others. You have the option to tell us not to share the information we collect about you, as described in Section 1, with non - affiliated third parties. You also have the option to tell us not to share the information we collect about you, as described in Section 1, with companies in our corporate family. If you indicate a preference for either of these options, please understand that you may not receive offers for products and services provided by other companies that could help you lower your costs, maximize your financial resources or manage your finances.

To indicate your preferences, please call us at 1-800-347-7000 (TDD 1-800-347-7454) or write to us at Discover Bank, P.O. Box 30416, Salt Lake City, UT 84130. If you have previously notified us about your privacy preferences, it is not necessary to do so again unless you decide to change your preferences. Your written request should include your name, address, telephone number and Account number(s) and should not be sent with any other correspondence. In order to process your request, we require that the request be provided by you directly and not through a third party. You will need to provide us with your preferences for each Account you have with us.

You may notify us about your preferences at any time. Your request will remain in effect until you notify us otherwise. We will honor your request and not share this information except as permitted by law. For example, federal law permits us to share information about you with consumer reporting agencies, service providers and financial institutions with which we have joint marketing agreements. If you are a new customer, we will not share any information about you, except as permitted by law, for thirty days after we provide this Policy to you in order to give you an opportunity to inform us about your preferences. If you are an existing customer, please understand that you may continue to receive marketing offers directly from other companies that were already in production prior to the processing of your request.

This Privacy Policy is provided to the primary customer listed on the Account. However, any joint customer has the right to notify us about preferences and we will treat that request as applying to the entire Account. We do not share information about former customers, except as permitted by law. This notification supercedes all previously issued Privacy Policies. We reserve the right to amend this Privacy Policy from time to time and we will notify you if we do so.

This Privacy Policy is provided to you by Discover Bank and its subsidiaries, which currently include GTC Insurance Agency, Inc. and Discover Products Inc. It applies to products and services obtained at our retail bank office in Greenwood, Delaware or deposit Accounts opened by mail, by phone, or on our Web sites. It is part of your Account Agreement and provides a further explanation of how we collect and share information. You may have other rights under state laws that apply to this information. Please note that you will also receive privacy notices for any credit card accounts you have with us, as well as other financial products and services provided to you by us and our affiliates. You will need to indicate your preferences for each of these separately as disclosed in the notice.

Vermont Residents – Your state law requires financial institutions to obtain your consent prior to sharing information about you with others. Except as permitted by law, we will not share information we collect about you with non-affiliated third parties or companies in our corporate family unless you call us at 1-800-347-7000 and authorize us to do so.

California Residents – Your state law requires financial institutions to obtain your consent prior to sharing information about you with non-affiliated third parties. Except as permitted by law, we will not share information we collect about you with non-affiliated third parties while you are a resident of California.