

07-1619-CD  
Discover Bank vs Walter Haight

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DISCOVER BANK, ISSUER OF  
DISCOVER CARD, BY ITS AGENT  
DISCOVER FINANCIAL SERVICES, INC.,  
Plaintiff

CIVIL DIVISION

vs.

No. 07-1619-ED

WALTER B. HAIGHT

Defendant

**COMPLAINT**

Filed on behalf of Plaintiff, DISCOVER  
BANK, ISSUER OF DISCOVER CARD, BY  
ITS AGENT DISCOVER FINANCIAL  
SERVICES, INC.

Counsel of Record for this party:

STOCK & GRIMES, LLP  
Paul V. Ressler, Esq.  
PA I.D. #25626

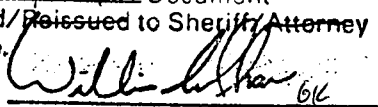
21 Yost Boulevard, Ste. 301  
Pittsburgh, PA 15221-5283  
(412) 824-6944


**NOTICE TO PLEAD:**

**To Defendant:**

**YOU ARE HEREBY NOTIFIED**  
**TO FILE A RESPONSE TO THE**  
**COMPLAINT FILED HEREIN**  
**WITHIN TWENTY (20) DAYS OF**  
**SERVICE OF SAME OR JUDGMENT**  
**MAY BE ENTERED AGAINST YOU**

Feb 5, 2009 Document  
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for service.

  
Deputy Prothonotary

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William A. Shaw  
Prothonotary/Clerk of Courts

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION**

<b>DISCOVER BANK, ISSUER OF</b>	:	
<b>DISCOVER CARD, BY ITS AGENT</b>	:	
<b>DISCOVER FINANCIAL SERVICES, INC.,:</b>		
<b>Plaintiff,</b>	:	
<b>vs.</b>	:	<b>No.</b>
<b>WALTER B. HAIGHT</b>	:	
<b>Defendant.</b>	:	

**NOTICE TO DEFEND**

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this Complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the Court without further notice for any money claimed in the Complaint or for any claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

**YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE OR KNOW A LAWYER, THEN YOU SHOULD GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.**

**LAWYER REFERRAL SERVICE  
COURT ADMINISTRATOR  
CLEARFIELD COUNTY COURTHOUSE  
SECOND & MARKET STREETS  
CLEARFIELD, PA 16830  
TELEPHONE: 814-765-2641 EXT, 50-51**

**COMPLAINT**

AND NOW, comes the plaintiff, DISCOVER BANK, BY ITS AGENT DISCOVER FINANCIAL SERVICES, INC., by and through its attorneys, STOCK & GRIMES, LLP., 21 YOST BOULEVARD, SUITE 301, PITTSBURGH, PA 15221 and makes the following statement:

1. Plaintiff, DISCOVER BANK, is a duly organized banking institution under the laws of the state of Delaware, and has its principal place of business at PO Box 6011, Dover, Delaware 19903-6011.
2. Discover Financial Services, LLC, is a duly authorized agent of Plaintiff, Discover Bank, Issuer of Discover Card, and is the custodian of the financial records of Plaintiff, Discover Financial Services, LLC, has been granted authority by Plaintiff to process credit card payments and to bring lawsuits on its behalf to collect delinquent accounts.
3. The Defendant, WALTER B. HAIGHT, is an adult individual with a last known address of 60 Bowmans Hill Road, CLEARFIELD, CLEARFIELD County, Pennsylvania 16830-7401.

4. Defendant submitted an application to Plaintiff for an open-end credit card account and was issued a credit card with identifying account number of 6011 0020 1070 4435.

5. The original credit card application submitted by Defendant to Plaintiff has admittedly been either lost or destroyed by Plaintiff and is not accessible.

6. The terms and conditions governing the aforementioned account are set forth in the Discover Financial Services Card Member Agreement, which is attached hereto as Plaintiff's Exhibit "A". A copy of the same was supplied to Defendant upon issuance of the card.

7. Defendant, through use of the aforementioned line of credit, on numerous occasions, made or authorized the purchase of various items of merchandise and/or services from authorized merchants, and/or used the card to obtain cash advances.

8. Defendant has been provided with monthly account statements, accurately itemizing all purchases, payments, penalties, and accrued interest which were debited and credited to the account. A photocopy of the final statement mailed to Defendant, supporting the current balance due and owing is attached hereto and incorporated herein as Plaintiff's Exhibit "B". Plaintiff will provide the remaining statements to Defendant upon request.

9. Defendant made no written objection to the above mentioned Statements of Account submitted by Plaintiff to Defendant.

10. Defendant has failed to pay the balance due and owing on the aforesaid account in the sum of TWELVE THOUSAND FOUR HUNDRED SEVENTY FOUR AND 60/100 (\$12,474.60) plus costs of this action and reasonable attorney fees in the amount of \$3,118.65, as provided by the Discover Financial Services Cardmember Agreement.

11. THIS COMMUNICATION IS FROM A DEBT COLLECTOR. THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

WHEREFORE, Plaintiff prays this Honorable Court to enter judgment in favor of Plaintiff and against Defendant, in the sum of TWELVE THOUSAND FOUR HUNDRED SEVENTY FOUR AND 60/100 (\$12,474.60) plus costs of this action, and reasonable attorney fees in the sum of \$3,118.65.

Respectfully submitted,

STOCK & GRIMES, LLP

BY:



Paul V. Ressler, Esquire

PA I.D. #25626

Attorney for Plaintiff

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION**

<b>DISCOVER BANK, ISSUER OF DISCOVER CARD, BY ITS AGENT DISCOVER FINANCIAL SERVICES, INC., Plaintiff,</b>	: : : : : : :	<b>No.</b>
<b>vs. WALTER B. HAIGHT Defendant.</b>		

**VERIFICATION**


The undersigned, **PAUL V. RESSLER, ESQ.**, hereby states that he is the attorney for the Plaintiff, Discover Bank, Issuer of Discover Card, by its agent Discover Financial Services, Inc., who is located outside this jurisdiction and in order to file the within document in an expedient and timely manner, he is authorized to take this verification on behalf of said Plaintiff in the within action and verifies that the statements made in the foregoing Complaint are true and correct to the best of his knowledge, information, and belief, based upon information provided to him by the Plaintiff.

An Verification signed by the Plaintiff will be provided to Defendant or counsel for Defendant upon request.

The undersigned understands that false statements herein are made subject to the penalties of 18 PA.S.C.A. § 4904, relating to unsworn falsification to authorities.

Respectfully submitted,

STOCK & GRIMES, LLP

By:   
Paul V. Ressler, Esquire  
21 Yost Boulevard, Ste. 301  
Pittsburgh, PA 15221  
(412) 824-6944  
ID No. 25626  
Attorney for Plaintiff

ATTORNEY: STOCK  
ACCOUNT NUMBER: 6011002010704435  
BALANCE: \$12474.60  
CARDMEMBER (S): WALTER BLAIR HAIGHT

STATE OF OHIO  
COUNTY OF FRANKLIN

Nicole Rose, personally appeared before me, this day and after being duly sworn, according to law, upon his/her oath and says:

I am a Legal Placement Account Manager for **DFS SERVICES LLC.**, the servicing agent of DISCOVER BANK, an FDIC insured Delaware State Bank.

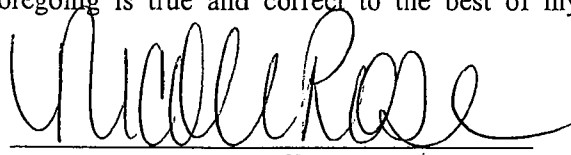
THAT this affidavit is made on the basis of my personal knowledge and in support of Plaintiff's suit on account against the Debtor(s)

THAT, in my capacity as Legal Placement Account Manager, I have control over and access to records regarding the Discover Card Account of the above referenced Debtor(s), further, that I have personally inspected said Account and statements regarding the balance due on said account. DFS SERVICES, LLC. maintains these records in the ordinary course of business.

THAT the annexed statement of account is a true and correct statement of what is now due and owing Discover Bank on the account, and exhibit A is a copy of the Cardmember Agreement between Discover Bank and the above referenced Debtor(s). The Cardmember Agreement governs the terms and conditions of the relationship between Discover Bank and the Debtor(s) in connection with the account.


Based on my review of the account records, to the best of my knowledge and belief the above referenced Debtor(s) is not engaged in the military service of the United States and is a resident of the State and of the Country in which this action has been filed.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.



Affiant

Sworn and Subscribed before me,  
This day of Wednesday, August 15, 2007.

  
NOTARY

KRIS LAROSA  
Notary Public, State of Ohio  
My Commission Expires  
April 25, 2010



## IMPORTANT INFORMATION ABOUT YOUR DISCOVER® PLATINUM CARD ACCOUNT

### CARDMEMBER AGREEMENT

The terms and conditions of your Account, including how we calculate finance charges, our fees and an Arbitration of Disputes section. *You have the right to reject the arbitration provision with respect to your new Account within 30 days after receiving your Card, as explained in the "Acceptance of Agreement and Right to Reject Arbitration" section. SEE PAGES 1 - 12*

### PRIVACY POLICY

A summary of the personal information we collect, when it may be shared with others, and how we safeguard the confidentiality and security of information. *You may limit our sharing of such information with others . . . . . SEE PAGES 13 - 16*

### BILLING RIGHTS

Important information about your rights and our responsibilities under the Fair Credit Billing Act . . . . .  
..... *SEE PAGES 16 - 17*

### DESCRIPTION OF COVERAGE

The terms and conditions of the Scheduled Air Travel Accident Insurance and the Secondary Rental Car Collision Coverage that is provided at no charge to you when you use your Card to purchase airline tickets or rent an automobile . . . . . *SEE PAGES 17 - 23*

Exhibit "A"

## CARDMEMBER AGREEMENT

Please read this Agreement carefully before using your Discover® Card Account. It contains the terms and conditions of your Account, some of which may have changed from earlier materials provided to you. In the event of any differences, this Agreement shall control.

We respect your privacy. See the Privacy Section on page 9 and our Privacy Policy for additional information.

The Arbitration of Disputes Section on page 11 includes a waiver of a number of rights, including the right to a jury trial. Acceptance of Agreement and Right to Reject Arbitration section on page 2 describes the procedure you must follow if you desire to reject the Arbitration of Disputes Section.

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**AGREEMENT TERMS.** The word "Account" means your Discover Card Account. The word "Card" means any one or more Discover Cards issued to you or someone else with your authorization. The words "you", "your", or "yours" refer to, in addition to you, the Cardmember, any

other person or persons who are also contractually liable under this Agreement. The words "we", "us" and "our" refer to Discover Bank, the issuer of your Discover Card. The words "Authorized User" mean any person whom you authorize to use your Account or a Card, whether you notify us or not. The words "Pricing Schedule" mean the document accompanying your Card and listing the Finance Charge rates that apply to your Account. The Pricing Schedule is part of this Agreement.

**ACCEPTANCE OF AGREEMENT AND THE RIGHT TO REJECT ARBITRATION.** The use of your Account or a Card by you or an Authorized User, or your failure to cancel your Account within 30 days after receiving a Card, means you accept this Agreement, including the Arbitration of Disputes provision on pages 11-12. You may, however, reject the Arbitration of Disputes section by providing us a notice of rejection within 30 days after receiving a Card, at the following address: Discover Card, P.O. Box 30938, Salt Lake City, UT 84130-0938. If you were previously subject to arbitration with respect to any account with us, this right to reject arbitration will not apply to you. Your rejection notice must include your name, address, telephone number, Account number and signature and must not be sent with any other correspondence. Calling us to indicate that you reject the Arbitration of Disputes section or sending a rejection notice in a manner or format that does not comply with all applicable requirements is insufficient notice. In order to process your notice, we require that the notice be provided by you directly and not through a third party. Rejection of arbitration will not affect your other rights or responsibilities under this Agreement or your obligation to arbitrate disputes under any other account as to which you and we have agreed to arbitrate disputes. If you do not send a rejection notice, you will be obligated by the Arbitration of Disputes section with respect to this and any prior account you have had with us, even if you have previously sent a rejection notice with respect to that prior account.

**USE OF YOUR ACCOUNT.** Your Account may be used for:

- **Purchases** - to purchase or lease goods or services from participating merchants by presenting your Card or Account number or by using promotional checks, which we may furnish to you, in accordance with such additional terms and conditions as we may offer from time to time.
- **Cash Advances** - to obtain cash advances from participating automated teller machines, financial institutions or other locations, the purchase of lottery tickets, racetrack wagers, vouchers redeemable for cash or for casino chips, money orders, traveler's checks, savings bonds, foreign currency, and wire transfers, or by means of checks which we may furnish to you, all in accordance with such additional terms and conditions as we may offer from time to time.
- **Balance Transfers** - to transfer balances from other creditors or to make other transactions by means of balance transfer coupons or checks, in accordance with such additional terms and conditions as we may offer from time to time.

In addition, your Account may be used to guarantee reservations at participating establishments. You will be liable for guaranteed reservations that are not cancelled prior to the time specified by the establishment.

Your Account may be used for personal, family, household and charitable purposes. Your Account may not be used to obtain loans to purchase, carry or trade in securities, to pay any amount you owe under this Agreement or for any transactions that are unlawful where you reside or



where you are physically located when you use the Account to initiate the transaction "Prohibited Transactions". Prior to its use, each Card must be signed by the person to whom it is issued. We are not responsible for the refusal of anyone to accept or honor a Card or to accept checks that we have provided you. You must return any Card or unused checks to us upon request.

If a merchant fails to provide your purchase to your satisfaction and you request a credit to your Account, we will investigate the dispute. If we resolve the dispute in your favor, we will issue a credit to your Account and you will be deemed to have assigned to us your claim against the merchant and/or any third party for the credited amount. Upon our request, you agree to provide us with written evidence of such assignment.

Your rights and responsibilities under the Fair Credit Billing Act described in the billing rights summary on pages 16-17 and on the back of your monthly billing statement apply only to credit card transactions. The Special Rule for Credit Card Purchases does not apply to purchases made with a balance transfer check, cash advance, or promotional purchase check. Therefore, if you have a problem with the quality of goods or services that you purchased with a balance transfer check, promotional purchase check, cash advance check or the proceeds of a cash advance, you do not have the right to withhold payment of the amount due.

**AUTHORIZED USERS.** If you want to cancel the authority of a current Authorized User to use your Account or a Card, you must notify us in writing or by telephone and destroy any Card in that person's possession. None of your rights under this Agreement (other than to pay amounts owed) may be exercised by any person not a party to this Agreement acting pursuant to a power of attorney, without our separate written agreement (which we are not obligated to give).

**UNAUTHORIZED USE.** If a Card is lost or stolen, or if you think that someone is using your Account or a Card without your permission, notify us immediately. You can notify us by telephoning 1-800-DISCOVER (1-800-347-2683), or by writing DISCOVER CARD, PO Box 15156, Wilmington, DE 19886-1002. You agree to assist us in determining the facts relating to any theft or possible unauthorized use of your Account or a Card and to comply with such procedures as we may require in connection with our investigation. If you have enrolled in an automatic billing arrangement, such as a monthly gym membership, and wish to continue the automatic billing arrangement, you must provide the merchant with your new Account number.

**CREDIT LIMIT-AVAILABLE CREDIT.** We will advise you of your Account credit limit. We may impose a lower limit that will apply to cash advances, referred to as the cash advance credit limit. We may also impose a lower limit that will apply to balance transfers, referred to as the balance transfer credit limit. You agree not to allow your unpaid balance, including Finance Charges and fees, to exceed your Account credit limit. If you exceed your Account credit limit, we may request immediate payment of the amount by which you exceed your Account credit limit.

We may increase or decrease your Account credit limit, your cash advance credit limit, or your balance transfer credit limit without notice. The credit available for your use may, from time to time, be less than your Account credit limit. For purposes of determining your available credit, we reserve the right to postpone for up to 15 business days reducing your unpaid balances by the amount of any payment that we

receive. Your available credit will not be increased by the amount of any credit balance.

**PROMISE TO PAY.** You agree to pay us in U.S. Dollars for all purchases, cash advances and balance transfers including applicable Finance Charges and other charges or fees, incurred by you or anyone you authorize or permit to use your Account or a Card, even if you do not notify us that others are using your Account or a Card. We will convert purchases and cash advances made in a foreign currency to U.S. Dollars at the rate we are charged on the date of conversion. If you pay us in other than U.S. Dollars, we may refuse to accept the payment or charge your Account our cost to convert your payment to U.S. Dollars. All checks must be drawn on funds on deposit in the U.S. You may not use a cash advance check, balance transfer check or coupon, or any other promotional check drawn on any Discover Bank credit card account to make payments on your Account.

If your Account is a joint Account, each of you agrees to be liable individually and jointly for the entire amount owed on your Account. We can accept late payments or partial payments or checks and money orders marked "payment in full" or with any other restrictive endorsement without losing any of our rights under this Agreement.

**MONTHLY BILLING STATEMENT.** We will send you a billing statement after each monthly billing period in which you have a debit or credit balance, unless we waive our right to do so as permitted by law. The billing statement will show all purchases, cash advances, balance transfers, Finance Charges and other charges or fees and all payments or other credits posted to your Account during the billing period. It will show your New Balance, Minimum Payment Due and Payment Due Date.

**MONTHLY PAYMENT OPTIONS.** You may at any time pay the entire New Balance shown on your billing statement, but each month you must pay at least the Minimum Payment Due. All payments must be made in accordance with the terms, including the payment cutoff time, stated on your monthly billing statement, and we will credit your Account in accordance with those terms. In addition, we reserve the right to change those terms without prior notice as permitted by law. We will apply payments and credits to the New Balance shown on your current billing statement in order of the Annual Percentage Rate applicable to the balance of each transaction category (as referenced in the Periodic Finance Charges Section), generally from lowest to highest beginning with the balance subject to the lowest Annual Percentage Rate. We then apply payments and credits to any new transactions using the same method. However, we have the right to apply payments and credits to balances with higher Annual Percentage Rates prior to balances with lower Annual Percentage Rates, such as when there are two initial special rates applicable to your Account and the lower Annual Percentage Rate will expire before the higher Annual Percentage Rate.

**MINIMUM MONTHLY PAYMENT.** The Minimum Payment Due each month will be the greater of: (i) \$15 or the New Balance if the New Balance is less than \$15; or (ii) any amount past due plus the greater of (a) 2% of the New Balance (excluding current Period Finance Charges, Late and Overlimit Fees) or (b) current Period Finance Charges plus Late and Overlimit Fees plus \$15 (not to exceed 3% of the New Balance), with (a) and (b) rounded up to the nearest dollar. However, the Minimum Payment Due will never exceed the New Balance. In calculating the Minimum Payment Due, we may subtract certain fees added to your Account during the billing period. We may also include in your Minimum

Payment Due all or a portion of the amount by which your outstanding balance exceeds your Account credit limit as of the last day of the billing period. Paying the Minimum Payment Due may be insufficient to bring your Account balance below your Account credit limit and, consequently, may not avoid the imposition of an additional Overlimit Fee described in the Overlimit Fee Section. We may from time to time allow you to not make a minimum monthly payment, and will notify you when this option is available. If you take advantage of this offer and do not make a minimum monthly payment, finance charges and any applicable fees will accrue on your Account in accordance with this Agreement, and you must pay the Minimum Payment Due for the following billing periods.

**CREDIT BALANCES.** We will refund any credit balance within seven business days from receipt of your written request. If you do not request a refund, we will automatically refund credit balances greater than \$1.00 that remain in your Account after 6 months.

**BALANCE TRANSFERS.** We may periodically offer you the opportunity to transfer balances from other creditors or to make other transactions to your Account by means of balance transfer coupons or checks. Each offer will contain an initial special rate, which will be the Annual Percentage Rate that will apply to transferred balances for the time period specified in the offer, subject to the Default Rate Plan Section, and may contain a Balance Transfer Transaction Fee Finance Charge for each balance transfer made during the term of the offer, as disclosed in the offer and as set forth in the Pricing Schedule, if applicable. After the expiration of this time period, the Annual Percentage Rate that applies for purchases will apply to transferred balances. Balance transfers subject to the initial special rate are referred to as special rate balance transfers; balance transfers for which the initial special rate has expired are referred to as purchase rate balance transfers. Each offer will contain an expiration date. If you attempt to transfer balances by means of a check after the expiration date, we will treat the transaction as a cash advance. We will not make balance transfers attempted by means of a coupon after the expiration date.

**PERIODIC FINANCE CHARGES.** Periodic Finance Charges are imposed on all transactions from the date the transaction is posted to your Account until the date you pay your entire New Balance, by making payments or receiving credits. However, if you paid the New Balance on your previous billing statement by the Payment Due Date shown on that statement, and you pay the New Balance by the Payment Due Date on your current billing statement, we will not impose Periodic Finance Charges on new purchases, that is, purchases first appearing on the current statement. We call this the "grace period." There is no grace period on balance transfers or cash advances.

We sort your transactions into groups of purchases, cash advances, and balance transfers and then further sort the transactions within each group by their Annual Percentage Rate. For example, purchases subject to a promotional rate and purchases subject to a standard rate would be separate groups. We refer to these groups as transaction categories. At the end of each billing period, we compute balances and Periodic Finance Charges for each day of the billing period for each transaction category. We use the following equation to compute Periodic Finance Charges for each transaction category: Average Daily Balance x number of days in the billing period x Daily Periodic Rate. (You may refer to the finance charge summary on your billing statement for these amounts.) Then we add up the Periodic Finance Charges for each transaction

category to get the total Periodic Finance Charges for your Account. The Average Daily Balance is shown as zero if, because of the grace period, no Periodic Finance Charges apply to the balance in a transaction category.

We use the two-cycle average daily balance (including new transactions) method of calculating the balance upon which we impose Periodic Finance Charges. This means if you did not pay the New Balance shown on the billing statement you received during the previous billing period by the Payment Due Date shown on that statement, we will impose Periodic Finance Charges on new purchases that first appeared on that billing statement, as well as new purchases that first appear on the current billing statement, unless we already imposed Periodic Finance Charges on the purchases on your previous billing statement.

We compute the Average Daily Balance for each transaction category by adding up all the daily balances in a billing period for a transaction category and dividing the total by the number of days in the billing cycle. We compute the daily balance for each transaction category on each day by first adding the following to the previous day's daily balance: transactions made that day, fees charged that day and Periodic Finance Charges accrued on the previous day's daily balance; and by then subtracting any credits and payments that are applied against the balance of the transaction category on that day. In calculating the daily balance for the previous billing period, we consider the "previous day's daily balance" to have been zero on the first day of the billing period. If a transaction is posted to your Account after the close of the billing period in which it occurs, we will treat the transaction as having occurred on the first day of the billing period in which it is posted to your Account.

All fees charged to your Account are added to the standard purchase transaction category with the exception of Cash Advance Transaction Fee Finance Charges which are added to the applicable cash advance transaction category and Balance Transfer Transaction Fee Finance Charges which are added to the applicable balance transfer transaction category. When the special rate expires, we move the unpaid balance of the balance transfer and the Balance Transfer Transaction Fee Finance Charges to the standard purchase transaction category. However, if the special rate has been terminated under the Default Rate Plan, we leave the unpaid balance of the balance transfer and the Balance Transfer Transaction Fee Finance Charges in the applicable balance transfer transaction category until the special rate would have expired.

The Daily Periodic Rate and corresponding Annual Percentage Rate that apply to each transaction category are either fixed rates or variable rates as set forth in your Pricing Schedule or in any special offers you receive from us. The Daily Periodic Rate is 1/365th of the corresponding Annual Percentage Rate. Variable Annual Percentage Rates are determined by adding a specified number of percentage points to the Prime Rate. This is shown on the Pricing Schedule as "Prime + (percentage points)." For purposes of this Agreement, the Prime Rate is the highest rate of interest listed as the "prime rate" in the Money Rates section of *The Wall Street Journal* on the last business day of the month. The Prime Rate is merely a pricing index and does not represent the lowest or best interest rate available to a borrower at any bank at any given time. If you have a variable rate, your Annual Percentage Rate will increase or decrease when the Prime Rate changes. This change will be effective beginning with the first day of the billing period that begins during the same

month as the change in the Prime Rate. An increase in the Annual Percentage Rate will usually result in an increase in your Minimum Payment Due.

**DEFAULT RATE PLAN.** We will review your Account on the last day of each billing period to determine the Annual Percentage Rates that will apply to your Account. If we did not receive at least the Minimum Payment Due by the Payment Due Date, then the standard ANNUAL PERCENTAGE RATE for purchases will be increased by five percentage points, not to exceed 28.99%, and remain as either a fixed or variable rate based on the type of rate in effect before the increase. In addition, any special rate on balance transfers and any introductory or promotional rate on purchases that currently applies to your Account, and any such rate that we have previously offered to you, will terminate and increase to be the same rate and change to be the same type (fixed or variable) as the new standard Annual Percentage Rate for purchases. If any other Annual Percentage Rate applicable to your Account, such as your Annual Percentage Rate for cash advances, is less than or equal to the new standard Annual Percentage Rate for purchases, it will change to be the same type (fixed or variable) as the new rate and if it is less, it will increase to the new rate. If any rate exceeds the new rate, it will not increase or change type. The Prime Rate is the index for any variable rates. Any increased rate and change in type will apply beginning with the first day of the billing period in which we did not receive at least the Minimum Payment Due by the Payment Due Date.

If your standard Annual Percentage Rate for purchases was increased under this or any previous version of the Default Rate Plan and, for any nine consecutive billing periods ending after April 1, 2006, you pay at least the Minimum Payment Due, if any, by the Payment Due Date, then your Annual Percentage Rate for your new purchases will be reduced and your Annual Percentage Rate for your existing purchase balance may be reduced. Any reduced Annual Percentage Rates will apply beginning with the first day of your tenth billing period.

**CASH ADVANCE TRANSACTION FEE FINANCE CHARGES.** Unless otherwise specified in a cash advance offer, we will charge you a Cash Advance Transaction Fee Finance Charge of 3% of the amount of each new cash advance with a minimum Cash Advance Transaction Fee Finance Charge of \$5.00 and no maximum. The imposition of Cash Advance Transaction Fee Finance Charges may result in an Annual Percentage Rate for cash advances that is higher than the nominal Annual Percentage Rate. All forms of cash advances, including the use of Discover Card checks, regardless of the purpose for which used, are subject to Cash Advance Transaction Fee Finance Charges. To obtain the total Finance Charge on cash advances for each billing period, we add any Cash Advance Transaction Fee Finance Charges for the billing period charged under this Section to any Periodic Finance Charges calculated under the Periodic Finance Charges Section for each cash advance transaction category and add up these amounts.

**BALANCE TRANSFER TRANSACTION FEE FINANCE CHARGES.** If the balance transfer offer you receive contains a Balance Transfer Transaction Fee Finance Charge, we will charge you a Balance Transfer Transaction Fee Finance Charge for the amount of each balance transfer made under that offer. If there is a Balance Transfer Transaction Fee Finance Charge in conjunction with the offer you received when you applied for an Account, it will be in the amount set forth in the Pricing Schedule. The imposition of Balance Transfer Transaction Fee Finance

Charges may result in an Annual Percentage Rate for balance transfers that is higher than the nominal Annual Percentage Rate. To obtain the total Finance Charge on balance transfers for each billing period, we add any Balance Transfer Transaction Fee Finance Charges calculated under the Periodic Finance Charges section for each balance transfer transaction category and add up these amounts.

**MINIMUM FINANCE CHARGE.** We will charge you a minimum FINANCE CHARGE of \$.50 for any billing period in which some FINANCE CHARGE of less than \$.50 would otherwise be imposed.

**LATE FEE.** We will charge you a Late Fee if you have failed, as of the Payment Due Date, to make the Minimum Payment Due that was required to be paid for that billing period. The amount of the Late Fee is based on the sum of all outstanding purchases, cash advances, balance transfers, other charges, other fees and Finance Charges at the end of that billing period. If the sum is equal to or less than \$500, the Late Fee is \$15, and if the sum is greater than \$500, the Late Fee is \$39.

**OVERLIMIT FEE.** We will charge you an Overlimit Fee each time that, as of the close of a billing period, your outstanding Account balance exceeds your Account credit limit. This fee may be charged even if the transaction which causes you to exceed your Account credit limit is authorized by us or if you exceed your Account credit limit due to the posting of Finance Charges or fees to your Account. The amount of the Overlimit Fee is based on the sum of all outstanding purchases, cash advances, balance transfers, other charges, other fees and Finance Charges at the end of the billing period. If the sum is equal to or less than \$500 and you exceed your credit limit, the Overlimit Fee is \$15. If the sum is greater than \$500 and you exceed your credit limit, the Overlimit Fee is \$39.

**RETURNED PAYMENT FEE.** We will charge you a Returned Payment Fee of \$35 each time you pay us with a check or other instrument that is returned unpaid. This fee will also apply if a debit transaction to a deposit account from which you have authorized us in writing, electronically, or orally to periodically deduct all or a part of an amount you owe us under this Agreement is returned unpaid. We will charge you this fee the first time any payment is returned unpaid, even if it is paid upon resubmission.

**RETURNED DISCOVER CARD CHECK FEE.** We will charge you a Returned Discover Card Check Fee of \$29 each time we decline to honor a Discover Card cash advance check, balance transfer check, promotional purchase check, or other promotional check.

**STOP PAYMENT FEE.** We may charge a Stop Payment Fee of \$15.00 each time we stop payment at your request on a cash advance check, balance transfer check, promotional purchase check, or other promotional check.

**PAY-BY-PHONE FEE.** We may from time to time allow you to make payments by authorizing us over the telephone to transfer or pay funds from a deposit account to your Account. We will charge a Pay-by-Phone Fee of \$15 for each such transfer or payment.

**RESEARCH FEE.** We may charge you a Research Fee of \$5.00 for each copy of a billing statement or sales slip that you request. However, we will not charge a fee if you request copies in connection with a billing error.

**DEFAULT-ACCELERATION-COLLECTION COSTS.** You are in default if you become insolvent; if you file a bankruptcy petition or have one filed against you; if we have a reasonable belief that you are unable or

unwilling to repay your obligations to us; if you are declared incompetent by a court or if a court appoints a guardian for you or a conservator for your assets; if you die; if you fail to comply with the terms of this Agreement, including failing to make a required payment when due, exceeding your Account credit limit, or using your Card or Account for a Prohibited Transaction; or if you fail to make a required payment when due on any other account you have with us. If you are in default, we may declare the entire balance of your Account immediately due and payable without notice. If we refer the collection of your Account to an attorney or employ an attorney to represent us with regard to recovery of money that you owe us, we may charge you reasonable attorneys' fees and court or other collection costs as permitted by law and as actually incurred by us, including fees and costs in connection with any appeal. We may delay enforcing or not enforce any of our rights under this Agreement without losing or waiving any of them.

**CANCELLATION.** You may cancel your Account by notifying us in writing or by telephone and returning or destroying every Card and unused check that we have provided you. Of course, you will still be responsible to pay any amount you owe us according to the terms of this Agreement. If your Account is a joint Account, either Cardmember may cancel the Account, but you will both remain responsible to pay any amount owed to us according to the terms of this Agreement. We may cancel or suspend your Account at any time without notice. We may choose not to renew your Account (beyond the expiration date shown on the face of a Card) without notice.

**PRIVACY.** We respect the privacy of information about you and your Account. Our Privacy Policy includes a summary of the personal information we collect, when it may be shared with others, how we safeguard the confidentiality and security of information and the steps you may take to limit our sharing of such information with others. Please read it carefully as it is part of your Cardmember Agreement. As indicated in our Privacy Policy, we may report to credit reporting agencies and other creditors the status and payment history of your Account, including negative credit information. Late payments, missed payments, or other defaults on your Account may be reflected in your credit report. We normally report to such credit reporting agencies each month. If you believe that our report of your Account status is inaccurate or incomplete, please write us at the following address: Discover Card, PO Box 15316, Wilmington DE 19850-5316. Please include your name, address, home telephone number and Account number.

We may from time to time review your credit, employment and income records. Our personnel may listen to or record telephone calls between you and our representatives without notice to you as permitted by law. We may use any medium, including but not limited to mail, live telephone calls, automated telephone equipment, prerecorded telephone calls, and e-mail to contact you about your Account or offer you products or services that may be of value to you. If you prefer not to be contacted in one or more of these ways, call us at 1-800-DISCOVER or write to us at Discover Card, P.O. Box 15354, Wilmington, DE 19850. We provide various methods by which you can obtain information about your Account. We will only release such information to you, any Authorized User that our records indicate is an authorized buyer on your Account, and any other person with your prior permission, in addition to as provided in our Privacy Policy or as required by law. Our security measures cannot insure against unauthorized inquiries. You agree that

we will not be responsible for the release of information to anyone who, even if without your authorization or permission, has gained possession of a Card or has learned other identifying characteristics about you such as your personal identification number, Account number or social security number.

**ELECTRONIC COMMUNICATIONS.** We may offer you the opportunity to receive certain notices from us electronically rather than through the mail, including monthly billing statements and change of terms notices. The terms and conditions for receiving these electronic communications will be described in the offer.

**CREDIT AUTHORIZATIONS.** Certain transactions will require our authorization prior to completion of the transaction. In some cases, you may be asked to provide identification. We have the right not to authorize a transaction for security or other reasons. Also, if our authorization system is not working, we may not be able to authorize a transaction. We will not be liable to you if any of these events happen.

**CHANGE OF TERMS.** We may change any term or part of this Agreement, including, but not limited to, any finance charge rate, fee or method of computing any balance upon which the finance charge rate is assessed, or add any new term or part to this Agreement. If required by law we will send you a written or electronically delivered notice at least 15 days before the change is to become effective. We may apply any such change to the outstanding balance of your Account on the effective date of the change and to new charges made after that date. You may be offered the opportunity to reject some of the changes, and if you do, you must notify us in writing or electronically within 15 days after the mailing of the notice of change at the address provided in the notice of change, in which case your Account will be closed and you must pay us the balance that you owe us under the existing terms of the unchanged Agreement. Otherwise, you will have agreed to the changes in the notice. Use of your Account after the effective date of the change will be deemed acceptance of the new terms as of such effective date, even if you previously notified us that you did not agree to the change. We may also change any term of any product, service, or benefit offered in connection with your Account. We will notify you as required by law or by the terms of the product, service, or benefit.

**CHANGE OF ADDRESS OR TELEPHONE NUMBER.** If you change your address or telephone number you must notify us of your new address or telephone number within 15 days.

**ASSIGNMENT OF ACCOUNT.** We may sell, assign or transfer your Account or any portion thereof without notice to you. You may not sell, assign or transfer your Account without first obtaining our prior written consent.

**CLAIM NOTICES.** In the event that you or we have a claim that arises from or relates to your Account, any prior account you had with us, your application, the relationships which result from your Account or the enforceability of the Agreement or any prior agreement, before initiating, joining or participating in any judicial or arbitration proceeding, as either an individual litigant or member of a class ("Proceeding"), the complaining party shall give the other party: (1) a written notice of the claim ("Claim Notice"), at least 15 days before initiating any Proceeding, explaining in reasonable detail the nature of the claim and any supporting facts; and (2) a reasonable good faith opportunity to resolve the claim without the necessity of a Proceeding. This includes any claims involving our parent corporation, subsidiaries, affiliates (including, with

out limitation, Discover Financial Services LLC), predecessors, successors, assigns, as well as the officers, directors and employees of each of these entities. Any Claim Notice shall be sent to us at P.O. Box 8040, Hilliard, Ohio 43026 (or such other address as we shall subsequently provide to you) (the "Claim Notice Address") or to you at your address appearing in our records or, if you are represented by counsel, to your attorney at your attorney's office.

**ARBITRATION OF DISPUTES.** In the event of any past, present or future claim or dispute (whether based upon contract, tort, statute, common law or equity) between you and us arising from or relating to your Account, any prior account you have had with us, your application, the relationships which result from your Account or the enforceability or scope of this arbitration provision, of the Agreement or of any prior agreement, you or we may elect to resolve the claim or dispute by binding arbitration.

IF EITHER YOU OR WE ELECT ARBITRATION, NEITHER YOU NOR WE SHALL HAVE THE RIGHT TO LITIGATE THAT CLAIM IN COURT OR TO HAVE A JURY TRIAL ON THAT CLAIM. PRE-HEARING DISCOVERY RIGHTS AND POST-HEARING APPEAL RIGHTS WILL BE LIMITED. NEITHER YOU NOR WE SHALL BE ENTITLED TO JOIN OR CONSOLIDATE CLAIMS IN ARBITRATION BY OR AGAINST OTHER CARDMEMBERS WITH RESPECT TO OTHER ACCOUNTS, OR LITIGATE IN COURT OR ARBITRATE ANY CLAIMS AS A REPRESENTATIVE OR MEMBER OF A CLASS OR IN A PRIVATE ATTORNEY GENERAL CAPACITY ("Class Action Waiver"). Notwithstanding anything else to the contrary in this arbitration provision, only a court, and not an arbitrator, shall determine the validity and effect of the Class Action Waiver. Even if all parties have opted to litigate a claim in court, you or we may elect arbitration with respect to any claim made by a new party or any new claims later asserted in that lawsuit, and nothing undertaken therein shall constitute a waiver of any rights under this arbitration provision.

We will not invoke our right to arbitrate an individual claim you bring in small claims court or your state's equivalent court, if any, so long as the claim is pending only in that court and does not exceed \$5,000.00.

Your Account involves interstate commerce, and this provision shall be governed by the Federal Arbitration Act (FAA). The arbitration shall be conducted, at the option of whoever files the arbitration claim, by either the American Arbitration Association (AAA) or the National Arbitration Forum (NAF) in accordance with their procedures in effect when the claim is filed. For a copy of their procedures, to file a claim or for other information, contact AAA at 335 Madison Avenue, Floor 10, New York, NY 10017-5905, [www.adr.org](http://www.adr.org) (phone 1-800-778-7879) or NAF at P.O. Box 50191, Minneapolis, MN 55405 (phone 1-800-474-2371). No other arbitration forum will be permitted, except as agreed to pursuant to either the Change of Terms section or a writing signed by both parties. Unless consented to by all parties, no arbitration may be administered by any administrator that has any formal or informal policy, rule or procedure that is inconsistent with or purports to override the terms of this section. At your written request, we will advance any arbitration filing, administrative and hearing fees which you would be required to pay to pursue a claim or dispute as a result of our electing to arbitrate that claim or dispute. Send requests to P.O. Box 15192, Wilmington, DE 19886-1020. The arbitrator will decide who will ultimately be responsible for paying those fees. You will only be responsible for paying or reimbursing our arbitration filing, administrative or hearing fees to the extent you

would have been responsible for paying "attorneys' fees and court or other collection costs" had the action proceeded in court. In no event will you be required to pay any fees or costs incurred by us in connection with an arbitration proceeding where such a payment or reimbursement is prohibited by applicable law.

Any arbitration hearing will take place in the federal judicial district where you reside. The arbitrator shall follow applicable substantive law to the extent consistent with the FAA and applicable statutes of limitations and shall honor claims of privilege recognized at law and shall be authorized to award all remedies permitted by the substantive laws that would apply if the action were pending in court. If requested by any party, the arbitrator shall write an opinion containing the reasons for the award. The arbitrator's decision will be final and binding except for any appeal rights under the FAA and except that if the amount in controversy exceeds \$100,000.00, any party may appeal the award within 30 days to a three-arbitrator panel, which shall review the award *de novo*. Unless applicable law provides otherwise, the appealing party will pay the cost of the appeal, regardless of its outcome. However, we will consider in good faith any reasonable request for us to bear the fees charged by the arbitration administrator and the arbitrators in connection with the appeal. Judgment upon any award by the arbitrator may be enforced in any court having jurisdiction.

Our rights and obligations under this arbitration provision shall inure to the benefit of and be binding upon our parent corporations, subsidiaries, affiliates (including, without limitation, Discover Financial Services LLC), predecessors, successors, assigns, as well as the officers, directors and employees of each of these entities, and will also inure to the benefit of any third party named as a co-defendant with us or with any of the foregoing in a claim which is subject to this arbitration provision. Your rights and obligations under this arbitration provision shall inure to the benefit of and be binding upon all persons contractually liable under this Agreement and all Authorized Users of the Account. This arbitration provision shall survive termination of your Account as well as voluntary payment in full by you, any legal proceedings by us to collect a debt owed by you, any bankruptcy by you and any sale by us of your Account.

**SEVERABILITY.** If any part of this Agreement becomes unenforceable, it will not make any other part unenforceable, except that if the Class Action Waiver set forth above in the Arbitration of Disputes section is invalidated in any proceeding in which you and we are involved, then the Arbitration of Disputes section will be void with respect to that proceeding.

**COMPLIANCE WITH INTEREST RATE LIMITATIONS.** We intend that this Agreement will comply with applicable interest rate limitations. You will not be required to pay Finance Charges or other charges at a rate that is greater than the maximum amount permitted by law. If it is ever finally determined that, but for this Section, the Finance Charges or other charges under this Agreement would exceed the maximum lawful amount, the Finance Charges and other charges will be reduced to the maximum lawful amount. Any excess amount that you have already paid will be used to reduce the outstanding balance of your Account or will be refunded to you by means of a check in our discretion.

**GOVERNING LAW.** This Agreement and any claim or dispute arising out of this Agreement will be governed by applicable federal law and, to the extent state law applies, Delaware law.

## PRIVACY POLICY

### 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 that accepts the Discover Card may come to us with a special offer for Cardmembers, 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 Cardmembers who may be interested in the offer based on certain characteristics. We will send the offer directly to those Cardmembers on behalf of the retailer by, for example, including an insert in their monthly billing 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 Cardmembers 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 Cardmembers 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

We are part of the Morgan Stanley family of companies. Our corporate family offers a wide 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 mortgage lending services, securities and asset management services, investment opportunities and mutual funds, and may include non-financial service providers in the future as our corporate family continues to grow.

#### 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, including those that accept the Discover Card, 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 cobrand credit card programs 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 monthly billing statements or elsewhere which suggests that our information is incomplete or inaccurate, please write to us at Discover Card, P.O. Box 30943, Salt Lake City, UT 84130-0943 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 certain information we collect about you, as described in Section 1, with companies in our corporate family. However, this option is limited to information about your eligibility for credit obtained from your

application, such as your income, and from consumer reporting agencies, such as your credit history. 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 1-800-225-5202 or write to us at Discover Card, P.O. Box 30961, Salt Lake City, UT 84130-0961. 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 credit card 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. It also permits us to share information about our experiences and transactions with you, such as your Account balance and payment history with us, with other members of our corporate family. If you are a new Cardmember, 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 Cardmember, 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 Cardmember listed on the Account. However, any joint Cardmember 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 the family of Discover Cards for consumers and the products and services offered in connection with those Cards, including the Wallet Protection card registration service (with the exception of any information registered in connection with the service, which will not be shared). It is part of your Cardmember 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 other 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-DISCOVER 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.

## Your Billing Rights

### KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

#### 1. Notify Us in Case of Errors or Questions About Your Bill

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet of paper at the address listed on your bill for Notice of Billing Errors. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- your name and Account number.
- your dollar amount of the suspected error.
- describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

If you have authorized us to pay your credit card bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the payment, your letter must reach us three business days before the automatic payment is scheduled to occur.

#### 2. Your Rights and Our Responsibilities After We Receive Your Written Notice

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your Account credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we didn't make a mistake, you may have to pay the finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write us within ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is. If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your bill was correct.

### 3. Special Rule For Credit Card Purchases

If you have a problem with the quality of goods or services that you purchased with a credit card, and you tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the goods or services. There are two limitations on this right:

- (a) you must have made the purchase in your home state or, if not within your home state, within 100 miles of your current mailing address; and
- (b) the purchase price must have been more than \$50.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the goods or services.

## DESCRIPTION OF COVERAGE

**SCHEDULED AIR TRAVEL ACCIDENT INSURANCE.** Discover® Platinum Cardmembers are provided with up to \$500,000 Scheduled Air Travel Accident\* protection. Whenever you use your Discover Platinum Card (the "credit card") to charge your entire Common Carrier Fare Ticket on any Commercial Aircraft operated by a Scheduled Air Carrier under a license for the transportation of passengers for hire (herein called Scheduled Air Carrier), you automatically receive this valuable coverage at no additional cost.

The benefits of the Policy providing your coverage are governed primarily by the law of a state other than Florida.

\*Coverage is underwritten by National Union Fire Insurance Company of Pittsburgh, PA (the "Insurance Company"), with offices in New York, NY. Certain limitations and exclusions apply.

### PLAN FEATURES

Benefit Amount: \$500,000 Family Aggregate Principal Sum

**ACCIDENTAL DEATH BENEFITS.** Insurance coverage will be equal to the benefit amount for accidental loss of life. The loss must occur within one year of the accident that caused the injury. Family Aggregate Principal Sum means the total amount of insurance in force on the Cardmember, his or her spouse and their dependent children for any one accident. If more than one Insured Person dies as the result of the injuries received in any one accident, the Family Aggregate Principal Sum will be pro-rated and paid in accordance with the claim payment and beneficiary provisions of the Policy. Once the Family Aggregate Principal Sum is paid for any one Insured Person in a Family that occurs as the result of any one accident, no further benefits are payable for further deaths in that Family due to injuries received in the same accident.

Maximum Accidental Death benefits payable under the Policy, if more than one Cardmember suffers a loss from the same accident, are limited to an aggregate of \$20,000,000 for all Cardmembers combined. Any reduction of benefits necessary to comply with this limitation will be made on a proportionate basis to each Cardmember up to this aggregate limit of liability. As used herein, Cardmember means cardmember, his or her insured spouse and insured dependent children. This aggregate limit does not replace or in any way affect the Family Aggregate Principal Sum stated under the Policy.

"Injury" means bodily injury: (a) which is sustained as a direct result of an unintended, unanticipated accident that is external to the body and that occurs while the injured person's coverage under this Policy is in force, and

(b) which directly (independent of sickness, disease, mental infirmity, bodily infirmity or any other cause) causes a covered loss.

**DISAPPEARANCE BENEFITS.** We will presume you suffered loss of life due to an accident if: you are riding in a Scheduled Air Carrier that is involved in a covered accident and as a result of the accident, the Scheduled Air Carrier is wrecked, sinks, or disappears; and your body is not found within one (1) year of the accident.

The total of all benefits payable for you, your spouse and your dependent children from the same accident will not exceed the \$500,000 Family Aggregate Principal Sum.

**ELIGIBILITY.** This automatic insurance is provided to eligible holders of the credit card whose names appear on the credit card, their spouses and their unmarried dependent children under age 19 (age 23 if attending school on a full-time basis and fully dependent on you for support). However, the age limit does not apply to a child who is incapable of self-sustaining employment by reason of mental or physical incapacity.

**EFFECTIVE DATES.** Your insurance under this plan is effective on the later of: 1) July 1, 2001; or 2) the date you become an eligible person. Your insurance under this plan will cease on the earlier of: 1) the date the insurance coverage is terminated; or 2) on the date you cease to be an eligible holder of the credit card.

**THE BENEFICIARY.** Unless you designate otherwise with a beneficiary designation form, your death benefit will be paid, in equal shares, to the first surviving class of those that follow: (1) your spouse; (2) your children; (3) your parents; or (4) your brothers and sisters. If no class has a survivor, the beneficiary is your estate. You may change your beneficiary by writing to the Insurance Company at: Accident & Health Division, 500 West Madison Street, Suite 2250, Chicago, IL 60661.

**CLAIM PROCEDURE.** Claim forms may be obtained through the Insurance Company. Claims for benefits must be filed with the Insurance Company within 90 days or as soon as reasonably possible after the loss occurs.

**PLAN OF INSURANCE COVERAGE.** You, as a Cardmember, and your spouse and children will be covered against injuries that result in an accidental death while as a passenger in or on, including getting in or out of, or on or off of, any Scheduled Air Carrier if the Common Carrier Fare Ticket for the flight was charged to your credit card.

Companion tickets issued for free with the purchase of a full-fare common carrier ticket and used by a spouse or dependent child will be considered as fully charged to the credit card, if the corresponding full Common Carrier Fare Ticket is charged to the credit card.

Coverage is effective when you board the Scheduled Air Carrier, provided the full Common Carrier Fare Ticket is purchased, or the travel reservation is made for the companion tickets, prior to boarding such Scheduled Air Carrier. Coverage ends when you alight from the Scheduled Air Carrier.

**EXCLUSIONS.** Benefits are not payable if the loss is caused by or results from: 1) self-inflicted injury or suicide; 2) sickness, disease, or mental incapacity or bodily infirmity whether directly or indirectly; 3) infections of any kind regardless of how contracted, except bacterial infections that are directly caused by botulism, ptomaine poisoning or an accidental cut or wound independent and in the absence of any underlying sickness, disease or condition including but not limited to diabetes; 4) committing or attempting to commit a felony; 5) war or act of war, declared or undeclared; or (6) travel or flight in or on any vehicle used for aerial navigation, as a pilot, operator or crew member.



**LIMITATIONS.** Benefits will only be payable under one Cardmember account, the credit card under which the Common Carrier Fare Tickets were fully charged.

Benefits are not payable for losses due to injury sustained while on a trip for which the tickets were purchased with a frequent flyer voucher.

Complete provisions pertaining to this plan of insurance are contained in Policy #9029072 issued by National Union Fire Insurance Company of Pittsburgh, PA with offices in New York, NY. The premium for this insurance is paid by Discover Financial Services LLC, out of income derived from its credit card operations.

Please read this Description of Coverage. Keep it in a safe place with your other insurance documents. This Description of Coverage (Form Number S3036SDOC) is not a contract of insurance but is simply an informative statement to each eligible individual of the principal provisions of the insurance while in effect.

If a conflict exists between a statement in this Description of Coverage and any provisions in the Policy, the Policy will govern. Claims administered by: A&H Claims Department, P.O. Box 15701, Wilmington, DE 19850-5701, (800) 551-0824.

**SECONDARY RENTAL CAR COLLISION COVERAGE PROVIDED TO DISCOVER PLATINUM CARDMEMBERS DESCRIPTION OF COVERAGE.**

**COVERAGE DESCRIPTION:**

- Secondary Rental Car Collision Coverage will reimburse You or the Rental Agency for Covered Damages as a result of Collision Damage on an excess basis (over and above any amount due from any other valid and collectible insurance or any other form of reimbursement payable by those responsible for the loss) on a secondary basis. Covered Damages are those amounts, up to \$25,000 per incident, on claims for Collision Damage to the Rented Automobile for which You or any authorized driver is legally responsible to the Rental Agency. In no event will We be liable beyond the amounts actually paid by either You or the Rental Agency. Reimbursement will be on an Actual Cash Value basis.
- From the amount of reimbursement due, the amount of any valid and collectible insurance, or the sum of \$0 (whichever is greater), shall be deducted.

**DEFINITIONS:**

- Actual Cash Value means the cost to repair or replace the Rented Automobile at the time of Collision Damage, less depreciation.
- Collision Damage means the direct and accidental damage to a Rented Automobile caused by upset or collision with another object.
- Eligible Card means the Discover Platinum credit card.
- Loss of Use means the charges imposed by the Rental Agency, for which You are liable, due to Collision Damage to the Rented Automobile, for the period of time the vehicle is being repaired.
- Rental Agency means a commercial automobile rental company licensed under the laws of the applicable jurisdiction.
- Rented Automobile means a four-wheeled private passenger-type motor vehicle or a mini-van manufactured and designed to transport a maximum of eight passengers and used exclusively to carry passengers. It must be designed for travel on public roads and rented from a licensed Rental Agency.

• We, Us and Our means Virginia Surety Company, Inc.

• You or Your means the eligible Cardholder, hereinafter referred to as Cardmember, his or her spouse, and unmarried children under the age of 19 (or age 23 if a full-time student at an accredited college or university). Spouse includes domestic partner, which means a person designated by and listed as a domestic partner on the account of the primary Cardmember, who is at least 18 years of age, and who during the past 12 months: a) has resided in the same household as the primary Cardmember, and b) has been jointly responsible with the Cardmember for each other's financial obligations.

**HOW TO GET COVERAGE:**

- Initiate and pay for the entire rental transaction with Your Eligible Card. If a coupon or voucher of any kind is initially applied toward payment of the Rented Automobile, at least one day of rental must be charged to Your Eligible Card; and
- Decline the collision/loss damage waiver offered by the Rental Agency; and
- You must rent the car in Your own name and sign the rental car contract. Coverage does not apply if You pay for someone else to rent the car.
- It is not necessary for You to notify Us at the time of rental.

**WHO IS COVERED:**

- You

**WHERE YOU'RE COVERED:**

- Coverage is available in the fifty (50) United States of America and Canada. Coverage is not applicable where precluded by law or in violation of the territory terms of the rental agreement or prohibited by individual merchants.

**PERIOD OF COVERAGE:**

- Coverage begins when You pick up the car and ends when You turn it in to the Rental Agency.
- The period of coverage shall not exceed thirty-one (31) consecutive days.

**EXCLUDED RENTAL VEHICLE:**

- Trucks; recreational vehicles; campers; pickup trucks; minibuses; full-size vans mounted on truck chassis; vehicles manufactured to seat more than eight occupants; vehicles when used to carry, haul or transport any type of cargo or property; off-road vehicles; trailers; motorbikes; motorcycles; and motor scooters; antique motor vehicles (which means vehicles over 25 years old or any vehicle which has not been manufactured for 10 years or more); limousines; high-value motor vehicles (those whose replacement value exceeds \$50,000); limited-edition motor vehicles (which are high-value, exotic, high-performance or collector-type vehicles); special-interest or exotic cars (including Aston Martin, Bentley, Bricklin, Daimler, DeLorean, Excalibur, Ferrari, Jensen, Lamborghini, Lotus, Maserati, Porsche, Rolls Royce or similar vehicles, selected models of BMW, Mercedes-Benz, Cadillac, and Lincoln).

**WHAT IS NOT COVERED:**

- Coverage is not all-inclusive, which means it does not cover such things as personal injury, personal liability, or personal property. In other words, it does not cover You for damage to someone else's vehicle, or property, Your property or personal property inside the vehicle. It does not cover You for any injury to any party.

- Losses resulting from any dishonest, fraudulent or criminal act.
- Loss resulting from forgery.
- Loss that occurs while You are in violation of the Rental Agreement.
- Loss due to driving while intoxicated (as defined by the laws of the jurisdiction where the loss occurred), or under the influence of any narcotic unless prescribed by a physician, reckless driving, or due to contraband or illegal activities.
- Intentional loss or damage.
- Loss resulting from hostility of any kind (including declared war, undeclared war, invasion, rebellion, riot, civil commotion, or insurrection) or confiscation by authorities.
- Loss due to nuclear reaction or radioactive contamination.
- Loss as a result of hail, lightning, flood, earthquake, windstorm, water, or other weather-related causes.
- Loss resulting from falling objects, fire, theft or larceny, explosion, malicious mischief or vandalism.
- Loss or theft of personal belongings.
- Loss caused by someone other than You.
- Loss due to wear and tear, gradual depreciation, freezing, mechanical or electrical breakdown or failure.
- Blowouts and tire damage unless the loss is coincident with a covered loss.
- Depreciation, administrative, Loss of Use, or other fees charged by the Rental Agency.
- A single rental/contract of more than thirty-one (31) consecutive days.
- Back-to-back rentals for more than thirty-one (31) consecutive days (a back-to-back rental is two or more rentals of the same or different vehicles within the same city, with the first ending and next beginning within a 24-hour period).
- Leases or mini-leases.
- Expenses assumed, waived, or paid by the Rental Agency or its insurer.
- Any obligation You assume under any agreement (other than the standard rental car agreement).
- Loss resulting from an authorized driver's lack of reasonable care in protecting the Rented Automobile before or after the loss occurs including, but not limited to, mysterious disappearance of the rental car keys, leaving the rental car running while unattended, etc.
- Damage sustained on any road not regularly maintained by a municipal, state, or federal entity.
- Loss or damage resulting from use of vehicles unlicensed for road use.
- Expenses reimbursed by your insurer, employer, or employer's insurer.
- Loss resulting from use of the Rented Automobile in tests, races, or contests.
- Loss resulting from use of the Rented Automobile to carry passengers and property for hire.
- Losses occurring in states or countries where prohibited by law.
- Losses not reported within the time period provided, as stipulated in the claim procedure.
- Coverage will not pay for, or duplicate, the collision/loss damage waiver offered by the Rental Agency.

#### HOW TO FILE A CLAIM:

- After Collision Damage occurs, You must contact the administrator, Aon Innovative Solutions, P.O. Box 220, Golden, CO 80402, so coverage can be verified and a claim form sent to You. You must report any Collision Damage within 45 days of the incident, or We will not be able to honor Your claim.
- Report within 24 hours any damage or loss to the appropriate official representative, including the police and Rental Agency.
- Complete and sign the claim form and attach all appropriate documentation, including a copy of:
  - The account statement showing the Rental Agency transaction; and
  - The automobile rental agreement (front and back); and
  - The police report; and
  - The initial claim report submitted to the automobile Rental Agency; and
  - The paid claim presented by the Rental Agency for the Collision Damage for which You are responsible; and
  - Proof of submission of the loss to and the results of any settlement or denial by the applicable insurance carrier(s); and
  - If no other insurance is applicable, a notarized statement from You to that effect; and
  - Any other documentation We may request.
- Be sure to submit all above required documentation to the administrator within 180 days of the incident, or as soon as reasonably possible, or the claim will not be honored.
- It is a condition of this coverage that You, as often as may be reasonably required by Us, will submit, and within Your power cause others to submit, to examinations under oath and will produce for examination all writings, books of account, bills, invoices and vouchers, or certified copies thereof, at such reasonable time and place as We may designate and will permit extracts and copies thereof to be made.
- If payment is made under the Secondary Rental Car Collision Coverage, We are entitled to recover such amounts from other parties or persons. Any party or person to or for whom We make payment must transfer to Us his or her rights to recovery against any other party or person. You must do everything necessary to secure these rights and must do nothing that would jeopardize them, or these rights will be recovered from You. However, We will not require reimbursement against Your personal insurance carrier, but You agree to repay Us for any reimbursement, up to the amount of any recovery from Your personal insurance carrier.

#### FOR NEW YORK RESIDENTS:

The amounts of insurance set forth in this section are the maximum allowed by New York law. Actual amounts of insurance may be lower under the coverage:

- Secondary Rental Car Collision Coverage will reimburse You or the Rental Agency for Covered Damages as a result of Collision Damage on an excess basis (over and above any amount due from any other valid and collectible insurance or any other form of reimbursement payable by those responsible for the loss) except when the Rented Automobile is used outside the United States, its territories and possessions, or when the Eligible Card was issued to You as an employee of an organization which has provided the Eligible Card for business use, in which case coverage is primary.

Secondary Rental Car Collision Coverage is an insurance program.  
Reminder: Please refer to the Insurance Disclosures section.

CDW (2/00)

**Insurance Disclosures:**

Secondary Rental Car Collision Coverage is provided under a master policy of insurance issued by Virginia Surety Company, Inc. (herein referred to as Company). All information in this Description of Coverage (DOC) about these benefits is subject to the terms and conditions of the master policy.

Coverage under Secondary Rental Car Collision Coverage is effective July 1, 2001. Insurance benefits are provided to Cardmember accountholders (individuals who have an open and active Discover Platinum credit card account) free of charge and enrollment is automatic. This DOC replaces all prior DOCs, program descriptions, advertising and/or brochures by any party. We reserve the right to change the benefits and features of all these programs.

Discover Financial Services LLC, or the Company can cancel or choose not to renew the Insurance coverages for all Insureds. If this happens, Discover Financial Services LLC, will notify the Cardmember accountholder at least 30 days in advance of the expiration of the policy or as permitted by law. Such notices need not be given if substantially similar replacement coverage takes effect without interruption and is provided by the same insurer. Insurance benefits will still apply to car rentals commenced prior to the date of such cancellation or non-renewal, provided all other terms and conditions of coverage are met.

The insurance benefit applies to you, the Insured, whose cards are issued by U.S. financial institutions. These benefits do not apply if Your Eligible Card privileges have been suspended or cancelled. However, insurance benefits will still apply to car rentals commenced prior to the date that Your Eligible Card account is suspended or cancelled provided all other terms and conditions of coverage are met.

All parties are expected to exercise due diligence and prudent judgement to avoid or diminish any loss to the property insured under this program. Coverage will be void if, at any time, the Cardmember has concealed or misrepresented any material fact or circumstance concerning this coverage or the subject thereof or the Cardmember's interest herein, or in the case of any fraud or false swearing by the Insured relating thereto. No person or entity other than the Cardmember shall have any legal or equitable right, remedy, or claim for insurance proceeds and/or damages under or arising out of this coverage. Salvage may be requested by the administrator. If salvage is requested, it must be remitted to the administrator at the Cardmember's expense. Failure to remit requested salvage may result in denial of the claim.

No action at law or in equity shall be brought to recover on this coverage prior to the expiration of 60 days after proof of loss has been furnished in accordance with the requirements of this DOC.

ID (2/00)



New Balance  
\$12,474.60

Minimum Payment Due  
\$12,474.60

Payment Due Date  
August 14, 2007

Account number ending in 4435  
Enter Amount Enclosed Below

\$   
Please make check payable to Discover Card.  
Minimum payment due includes a past due  
amount of \$2,325.00.

15 SDSN6A01 0005050  
WALTER HAIGHT  
60 BOWMANS HILL RD  
CLEARFIELD PA 16830-7401

Make a payment now or schedule  
one in advance. It's fast, easy,  
secure - and free! Visit us today at  
Discovercard.com/payments

PO BOX 15251  
WILMINGTON DE 19886-5251

Address, e-mail or telephone change? Print change in space  
above, or go to Discovercard.com. Print your e-mail address to  
receive important Account information and special offers.

000006011002010704435124746000000001247460

## Discover More Card Account Summary

Account number ending in 4435		Closing Date: July 15, 2007	page 1 of 1
Payment Due Date	August 14, 2007	Previous Balance	\$12,474.60
Minimum Payment Due	\$12,474.60	Payments And Credits	- 0.00
Credit Limit	\$12,500.00	Purchases	+ 0.00
Credit Available	\$0.00	Cash Advances	+ 0.00
Cash Credit Limit	\$0.00	Balance Transfers	+ 0.00
Cash Credit Available	\$0.00	Finance Charges	+ 0.00
		New Balance	= \$12,474.60

## Cashback Bonus®

Cashback Bonus® Anniversary  
Date: June 15

Opening Cashback Bonus Balance	\$ 0.00
New Cashback Bonus Earned	+ 0.00
Cashback Bonus Balance Available to Redeem	\$ 0.00

## How Can We Help You?

Please have your Discover Card available.  
Manage your account online at Discovercard.com  
Customer Service: 1-800-DISCOVER (1-800-347-2683)

For Account Inquiries, write to us at:  
Discover More Card, PO Box 30943  
Salt Lake City, UT 84130  
TDD (Telecommunications Device for the Deaf):  
For assistance, see reverse side.

## Transactions

\$0 Fraud Liability Guarantee Use your Discover Card with confidence.

## Information For You

While we are permitted under the Cardmember Agreement to increase the APRs on your Account because your payment was late, we have chosen not to do so at this time. We have terminated, however, any introductory or promotional rate on purchases and any special balance transfer rate, and applied the standard APR for purchases to your outstanding balance of purchases and balance transfers. However, we reserve the right to increase the APRs on your Account if you fail to pay the minimum payment due by the payment due date. See the Default Rate Plan section of the Cardmember Agreement for details.

## Finance Charge Summary

	Average Daily Balances	Daily Periodic Rates	Nominal ANNUAL PERCENTAGE RATES	ANNUAL PERCENTAGE RATES	Periodic FINANCE CHARGES	Transaction Fee FINANCE CHARGES
current billing period: 30 days						
Purchases	\$0	0.05751%	20.99% V	20.99%	\$0	none
Cash Advances	\$0	0.05751%	20.99% F	20.99%	\$0	\$0
previous billing period: 15 days						
Purchases	\$0	0.05751%	20.99% V	20.99%	\$0	none

The rates that apply to your Account are either fixed (F) or they may vary (V) as noted above.

Exhibit B

# In The Court of Common Pleas of Clearfield County, Pennsylvania

Service # 1 of 1 Services

Sheriff Docket # **103268**

DISCOVER BANK, Issuer of Discover Card

Case # 07-1619-CD

vs.

WALTER B. HAIGHT

TYPE OF SERVICE COMPLAINT

## SHERIFF RETURNS

NOW February 04, 2008 AFTER DILIGENT SEARCH IN MY BAILIWICK I RETURNED THE WITHIN COMPLAINT "NOT FOUND" AS TO WALTER B HAIGHT, DEFENDANT. 60 BOWMANS HILL ROAD, CLEARFIELD, PA. "VACANT".

SERVED BY: /

## Return Costs

PURPOSE	VENDOR	CHECK #	AMOUNT
SURCHARGE	RESSLER	16799	10.00
SHERIFF HAWKINS	RESSLER	16798	16.00

FILED  
012:00cm  
FEB 04 2008  
LM

William A. Shaw  
Prothonotary/Clerk of Courts

Sworn to Before me This

So Answers,

\_\_\_\_\_ Day of \_\_\_\_\_ 2008

  
Chester A. Hawkins  
Sheriff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DISCOVER BANK, ISSUER OF  
DISCOVER CARD, BY ITS AGENT  
DISCOVER FINANCIAL SERVICES, INC.,  
Plaintiff

CIVIL DIVISION

vs.

No. 07-1619-CD

WALTER B. HAIGHT

Defendant

**COMPLAINT**

Filed on behalf of Plaintiff, DISCOVER  
BANK, ISSUER OF DISCOVER CARD, BY  
ITS AGENT DISCOVER FINANCIAL  
SERVICES, INC.

Counsel of Record for this party:

STOCK & GRIMES, LLP  
Paul V. Ressler, Esq.  
PA I.D. #25626

21 Yost Boulevard, Ste. 301  
Pittsburgh, PA 15221-5283  
(412) 824-6944

**NOTICE TO PLEAD:**

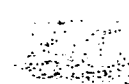
**To Defendant:**

**YOU ARE HEREBY NOTIFIED**  
**TO FILE A RESPONSE TO THE**  
**COMPLAINT FILED HEREIN**  
**WITHIN TWENTY (20) DAYS OF**  
**SERVICE OF SAME OR JUDGMENT**  
**MAY BE ENTERED AGAINST YOU**

I hereby certify this to be a true  
and attested copy of the original  
statement filed in this case.

OCT 03 2007

Attest.



*William A. [Signature]*  
Prothonotary/  
Clerk of Courts

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION**

<b>DISCOVER BANK, ISSUER OF</b>	:	
<b>DISCOVER CARD, BY ITS AGENT</b>	:	
<b>DISCOVER FINANCIAL SERVICES, INC.,:</b>	:	
<b>Plaintiff,</b>	:	
<b>vs.</b>	:	<b>No.</b>
<b>WALTER B. HAIGHT</b>	:	
<b>Defendant.</b>	:	

**NOTICE TO DEFEND**

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this Complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the Court without further notice for any money claimed in the Complaint or for any claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

**YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE OR KNOW A LAWYER, THEN YOU SHOULD GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.**

**LAWYER REFERRAL SERVICE  
COURT ADMINISTRATOR  
CLEARFIELD COUNTY COURTHOUSE  
SECOND & MARKET STREETS  
CLEARFIELD, PA 16830  
TELEPHONE: 814-765-2641 EXT, 50-51**

**COMPLAINT**

AND NOW, comes the plaintiff, DISCOVER BANK, BY ITS AGENT DISCOVER FINANCIAL SERVICES, INC., by and through its attorneys, STOCK & GRIMES, LLP., 21 YOST BOULEVARD, SUITE 301, PITTSBURGH, PA 15221 and makes the following statement:

1. Plaintiff, DISCOVER BANK, is a duly organized banking institution under the laws of the state of Delaware, and has its principal place of business at PO Box 6011, Dover, Delaware 19903-6011.
2. Discover Financial Services, LLC, is a duly authorized agent of Plaintiff, Discover Bank, Issuer of Discover Card, and is the custodian of the financial records of Plaintiff, Discover Financial Services, LLC, has been granted authority by Plaintiff to process credit card payments and to bring lawsuits on its behalf to collect delinquent accounts.
3. The Defendant, WALTER B. HAIGHT, is an adult individual with a last known address of 60 Bowmans Hill Road, CLEARFIELD, CLEARFIELD County, Pennsylvania 16830-7401.

4. Defendant submitted an application to Plaintiff for an open-end credit card account and was issued a credit card with identifying account number of 6011 0020 1070 4435.

5. The original credit card application submitted by Defendant to Plaintiff has admittedly been either lost or destroyed by Plaintiff and is not accessible.

6. The terms and conditions governing the aforementioned account are set forth in the Discover Financial Services Card Member Agreement, which is attached hereto as Plaintiff's Exhibit "A". A copy of the same was supplied to Defendant upon issuance of the card.

7. Defendant, through use of the aforementioned line of credit, on numerous occasions, made or authorized the purchase of various items of merchandise and/or services from authorized merchants, and/or used the card to obtain cash advances.

8. Defendant has been provided with monthly account statements, accurately itemizing all purchases, payments, penalties, and accrued interest which were debited and credited to the account. A photocopy of the final statement mailed to Defendant, supporting the current balance due and owing is attached hereto and incorporated herein as Plaintiff's Exhibit "B". Plaintiff will provide the remaining statements to Defendant upon request.

9. Defendant made no written objection to the above mentioned Statements of Account submitted by Plaintiff to Defendant.

10. Defendant has failed to pay the balance due and owing on the aforesaid account in the sum of TWELVE THOUSAND FOUR HUNDRED SEVENTY FOUR AND 60/100 (\$12,474.60) plus costs of this action and reasonable attorney fees in the amount of \$3,118.65, as provided by the Discover Financial Services Cardmember Agreement.

11. THIS COMMUNICATION IS FROM A DEBT COLLECTOR. THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

WHEREFORE, Plaintiff prays this Honorable Court to enter judgment in favor of Plaintiff and against Defendant, in the sum of TWELVE THOUSAND FOUR HUNDRED SEVENTY FOUR AND 60/100 (\$12,474.60) plus costs of this action, and reasonable attorney fees in the sum of \$3,118.65.

Respectfully submitted,

STOCK & GRIMES, LLP

BY: 

Paul V. Ressler, Esquire

PA I.D. #25626

Attorney for Plaintiff



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

DISCOVER BANK, ISSUER OF  
DISCOVER CARD, BY ITS AGENT  
DISCOVER FINANCIAL SERVICES, INC.,  
Plaintiff,

vs.

WALTER B. HAIGHT

Defendant.

:  
:  
:  
:  
: No.  
:  
:

VERIFICATION

The undersigned, **PAUL V. RESSLER, ESQ.**, hereby states that he is the attorney for the Plaintiff, Discover Bank, Issuer of Discover Card, by its agent Discover Financial Services, Inc., who is located outside this jurisdiction and in order to file the within document in an expedient and timely manner, he is authorized to take this verification on behalf of said Plaintiff in the within action and verifies that the statements made in the foregoing Complaint are true and correct to the best of his knowledge, information, and belief, based upon information provided to him by the Plaintiff.

An Verification signed by the Plaintiff will be provided to Defendant or counsel for Defendant upon request.

The undersigned understands that false statements herein are made subject to the penalties of 18 PA.S.C.A. § 4904, relating to unsworn falsification to authorities.

Respectfully submitted,

STOCK & GRIMES, LLP

By:



Paul V. Ressler, Esquire  
21 Yost Boulevard, Ste. 301  
Pittsburgh, PA 15221  
(412) 824-6944  
ID No. 25626  
Attorney for Plaintiff

ATTORNEY: STOCK  
ACCOUNT NUMBER: 6011002010704435  
BALANCE: \$12474.60  
CARDMEMBER (S): WALTER BLAIR HAIGHT

STATE OF OHIO  
COUNTY OF FRANKLIN

Nicole Rose, personally appeared before me, this day and after being duly sworn, according to law, upon his/her oath and says:

I am a Legal Placement Account Manager for **DFS SERVICES LLC.**, the servicing agent of DISCOVER BANK, an FDIC insured Delaware State Bank.

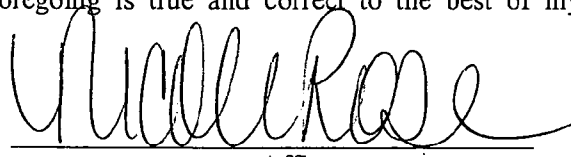
THAT this affidavit is made on the basis of my personal knowledge and in support of Plaintiff's suit on account against the Debtor(s)

THAT, in my capacity as Legal Placement Account Manager, I have control over and access to records regarding the Discover Card Account of the above referenced Debtor(s), further, that I have personally inspected said Account and statements regarding the balance due on said account. DFS SERVICES, LLC. maintains these records in the ordinary course of business.

THAT the annexed statement of account is a true and correct statement of what is now due and owing Discover Bank on the account, and exhibit A is a copy of the Cardmember Agreement between Discover Bank and the above referenced Debtor(s). The Cardmember Agreement governs the terms and conditions of the relationship between Discover Bank and the Debtor(s) in connection with the account.


Based on my review of the account records, to the best of my knowledge and belief the above referenced Debtor(s) is not engaged in the military service of the United States and is a resident of the State and of the Country in which this action has been filed.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.



Affiant

Sworn and Subscribed before me,  
This day of Wednesday, August 15, 2007.

  
NOTARY

KRIS LAROSA  
Notary Public, State of Ohio  
My Commission Expires  
April 25, 2010



## IMPORTANT INFORMATION ABOUT YOUR DISCOVER® PLATINUM CARD ACCOUNT

### CARDMEMBER AGREEMENT

The terms and conditions of your Account, including how we calculate finance charges, our fees and an Arbitration of Disputes section. *You have the right to reject the arbitration provision with respect to your new Account within 30 days after receiving your Card, as explained in the "Acceptance of Agreement and Right to Reject Arbitration" section. SEE PAGES 1 - 12*

### PRIVACY POLICY

A summary of the personal information we collect, when it may be shared with others, and how we safeguard the confidentiality and security of information. *You may limit our sharing of such information with others . . . . . SEE PAGES 13 - 16*

### BILLING RIGHTS

Important information about your rights and our responsibilities under the Fair Credit Billing Act . . . . .  
.....*SEE PAGES 16 - 17*

### DESCRIPTION OF COVERAGE

The terms and conditions of the Scheduled Air Travel Accident Insurance and the Secondary Rental Car Collision Coverage that is provided at no charge to you when you use your Card to purchase airline tickets or rent an automobile . . . . .*SEE PAGES 17 - 23*

Exhibit "A"

## CARDMEMBER AGREEMENT

Please read this Agreement carefully before using your Discover® Card Account. It contains the terms and conditions of your Account, some of which may have changed from earlier materials provided to you. In the event of any differences, this Agreement shall control.

We respect your privacy. See the Privacy Section on page 9 and our Privacy Policy for additional information.

The Arbitration of Disputes Section on page 11 includes a waiver of a number of rights, including the right to a jury trial. Acceptance of Agreement and Right to Reject Arbitration section on page 2 describes the procedure you must follow if you desire to reject the Arbitration of Disputes Section.

### CARDMEMBER AGREEMENT

Agreement Terms .....	1
Acceptance of Agreement and Right to Reject Arbitration .....	2
Use of Your Account .....	2
Authorized Users .....	3
Unauthorized Use .....	3
Credit Limit-Available Credit .....	3
Promise to Pay .....	4
Monthly Billing Statement .....	4
Monthly Payment Options .....	4
Minimum Monthly Payment .....	4
Credit Balances .....	5
Balance Transfers .....	5
Periodic Finance Charges .....	5
Default Rate Plan .....	7
Cash Advance Transaction Fee Finance Charges .....	7
Balance Transfer Transaction Fee Finance Charges .....	7
Minimum Finance Charge .....	8
Late Fee .....	8
Overlimit Fee .....	8
Returned Payment Fee .....	8
Returned Discover Card Check Fee .....	8
Stop Payment Fee .....	8
Pay-by-Phone Fee .....	8
Research Fee .....	8
Default-Acceleration-Collection Costs .....	8
Cancellation .....	9
Privacy .....	9
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**AGREEMENT TERMS.** The word "Account" means your Discover Card Account. The word "Card" means any one or more Discover Cards issued to you or someone else with your authorization. The words "you", "your", or "yours" refer to, in addition to you, the Cardmember, any

other person or persons who are also contractually liable under this Agreement. The words "we", "us" and "our" refer to Discover Bank, the issuer of your Discover Card. The words "Authorized User" mean any person whom you authorize to use your Account or a Card, whether you notify us or not. The words "Pricing Schedule" mean the document accompanying your Card and listing the Finance Charge rates that apply to your Account. The Pricing Schedule is part of this Agreement.

**ACCEPTANCE OF AGREEMENT AND THE RIGHT TO REJECT ARBITRATION.** The use of your Account or a Card by you or an Authorized User, or your failure to cancel your Account within 30 days after receiving a Card, means you accept this Agreement, including the Arbitration of Disputes provision on pages 11-12. You may, however, reject the Arbitration of Disputes section by providing us a notice of rejection within 30 days after receiving a Card, at the following address: Discover Card, P.O. Box 30938, Salt Lake City, UT 84130-0938. If you were previously subject to arbitration with respect to any account with us, this right to reject arbitration will not apply to you. Your rejection notice must include your name, address, telephone number, Account number and signature and must not be sent with any other correspondence. Calling us to indicate that you reject the Arbitration of Disputes section or sending a rejection notice in a manner or format that does not comply with all applicable requirements is insufficient notice. In order to process your notice, we require that the notice be provided by you directly and not through a third party. Rejection of arbitration will not affect your other rights or responsibilities under this Agreement or your obligation to arbitrate disputes under any other account as to which you and we have agreed to arbitrate disputes. If you do not send a rejection notice, you will be obligated by the Arbitration of Disputes section with respect to this and any prior account you have had with us, even if you have previously sent a rejection notice with respect to that prior account.

**USE OF YOUR ACCOUNT.** Your Account may be used for:

- Purchases - to purchase or lease goods or services from participating merchants by presenting your Card or Account number or by using promotional checks, which we may furnish to you, in accordance with such additional terms and conditions as we may offer from time to time.
- Cash Advances - to obtain cash advances from participating automated teller machines, financial institutions or other locations, the purchase of lottery tickets, racetrack wagers, vouchers redeemable for cash or for casino chips, money orders, traveler's checks, savings bonds, foreign currency, and wire transfers, or by means of checks which we may furnish to you, all in accordance with such additional terms and conditions as we may offer from time to time.
- Balance Transfers - to transfer balances from other creditors or to make other transactions by means of balance transfer coupons or checks, in accordance with such additional terms and conditions as we may offer from time to time.

In addition, your Account may be used to guarantee reservations at participating establishments. You will be liable for guaranteed reservations that are not cancelled prior to the time specified by the establishment.

Your Account may be used for personal, family, household and charitable purposes. Your Account may not be used to obtain loans to purchase, carry or trade in securities, to pay any amount you owe under this Agreement or for any transactions that are unlawful where you reside or

where you are physically located when you use the Account to initiate the transaction "Prohibited Transactions". Prior to its use, each Card must be signed by the person to whom it is issued. We are not responsible for the refusal of anyone to accept or honor a Card or to accept checks that we have provided you. You must return any Card or unused checks to us upon request.

If a merchant fails to provide your purchase to your satisfaction and you request a credit to your Account, we will investigate the dispute. If we resolve the dispute in your favor, we will issue a credit to your Account and you will be deemed to have assigned to us your claim against the merchant and/or any third party for the credited amount. Upon our request, you agree to provide us with written evidence of such assignment.

Your rights and responsibilities under the Fair Credit Billing Act described in the billing rights summary on pages 16-17 and on the back of your monthly billing statement apply only to credit card transactions. The Special Rule for Credit Card Purchases does not apply to purchases made with a balance transfer check, cash advance, or promotional purchase check. Therefore, if you have a problem with the quality of goods or services that you purchased with a balance transfer check, promotional purchase check, cash advance check or the proceeds of a cash advance, you do not have the right to withhold payment of the amount due.

**AUTHORIZED USERS.** If you want to cancel the authority of a current Authorized User to use your Account or a Card, you must notify us in writing or by telephone and destroy any Card in that person's possession. None of your rights under this Agreement (other than to pay amounts owed) may be exercised by any person not a party to this Agreement acting pursuant to a power of attorney, without our separate written agreement (which we are not obligated to give).

**UNAUTHORIZED USE.** If a Card is lost or stolen, or if you think that someone is using your Account or a Card without your permission, notify us immediately. You can notify us by telephoning 1-800-DISCOVER (1-800-347-2683), or by writing DISCOVER CARD, PO Box 15156, Wilmington, DE 19886-1002. You agree to assist us in determining the facts relating to any theft or possible unauthorized use of your Account or a Card and to comply with such procedures as we may require in connection with our investigation. If you have enrolled in an automatic billing arrangement, such as a monthly gym membership, and wish to continue the automatic billing arrangement, you must provide the merchant with your new Account number.

**CREDIT LIMIT-AVAILABLE CREDIT.** We will advise you of your Account credit limit. We may impose a lower limit that will apply to cash advances, referred to as the cash advance credit limit. We may also impose a lower limit that will apply to balance transfers, referred to as the balance transfer credit limit. You agree not to allow your unpaid balance, including Finance Charges and fees, to exceed your Account credit limit. If you exceed your Account credit limit, we may request immediate payment of the amount by which you exceed your Account credit limit.

We may increase or decrease your Account credit limit, your cash advance credit limit, or your balance transfer credit limit without notice. The credit available for your use may, from time to time, be less than your Account credit limit. For purposes of determining your available credit, we reserve the right to postpone for up to 15 business days reducing your unpaid balances by the amount of any payment that we

receive. Your available credit will not be increased by the amount of any credit balance.

**PROMISE TO PAY.** You agree to pay us in U.S. Dollars for all purchases, cash advances and balance transfers including applicable Finance Charges and other charges or fees, incurred by you or anyone you authorize or permit to use your Account or a Card, even if you do not notify us that others are using your Account or a Card. We will convert purchases and cash advances made in a foreign currency to U.S. Dollars at the rate we are charged on the date of conversion. If you pay us in other than U.S. Dollars, we may refuse to accept the payment or charge your Account our cost to convert your payment to U.S. Dollars. All checks must be drawn on funds on deposit in the U.S. You may not use a cash advance check, balance transfer check or coupon, or any other promotional check drawn on any Discover Bank credit card account to make payments on your Account.

If your Account is a Joint Account, each of you agrees to be liable individually and jointly for the entire amount owed on your Account. We can accept late payments or partial payments or checks and money orders marked "payment in full" or with any other restrictive endorsement without losing any of our rights under this Agreement.

**MONTHLY BILLING STATEMENT.** We will send you a billing statement after each monthly billing period in which you have a debit or credit balance, unless we waive our right to do so as permitted by law. The billing statement will show all purchases, cash advances, balance transfers, Finance Charges and other charges or fees and all payments or other credits posted to your Account during the billing period. It will show your New Balance, Minimum Payment Due and Payment Due Date.

**MONTHLY PAYMENT OPTIONS.** You may at any time pay the entire New Balance shown on your billing statement, but each month you must pay at least the Minimum Payment Due. All payments must be made in accordance with the terms, including the payment cutoff time, stated on your monthly billing statement, and we will credit your Account in accordance with those terms. In addition, we reserve the right to change those terms without prior notice as permitted by law. We will apply payments and credits to the New Balance shown on your current billing statement in order of the Annual Percentage Rate applicable to the balance of each transaction category (as referenced in the Periodic Finance Charges Section), generally from lowest to highest beginning with the balance subject to the lowest Annual Percentage Rate. We then apply payments and credits to any new transactions using the same method. However, we have the right to apply payments and credits to balances with higher Annual Percentage Rates prior to balances with lower Annual Percentage Rates, such as when there are two initial special rates applicable to your Account and the lower Annual Percentage Rate will expire before the higher Annual Percentage Rate.

**MINIMUM MONTHLY PAYMENT.** The Minimum Payment Due each month will be the greater of: (i) \$15 or the New Balance if the New Balance is less than \$15; or (ii) any amount past due plus the greater of (a) 2% of the New Balance (excluding current Period Finance Charges, Late and Overlimit Fees) or (b) current Period Finance Charges plus Late and Overlimit Fees plus \$15 (not to exceed 3% of the New Balance), with (a) and (b) rounded up to the nearest dollar. However, the Minimum Payment Due will never exceed the New Balance. In calculating the Minimum Payment Due, we may subtract certain fees added to your Account during the billing period. We may also include in your Minimum

Payment Due all or a portion of the amount by which your outstanding balance exceeds your Account credit limit as of the last day of the billing period. Paying the Minimum Payment Due may be insufficient to bring your Account balance below your Account credit limit and, consequently, may not avoid the imposition of an additional Overlimit Fee described in the Overlimit Fee Section. We may from time to time allow you to not make a minimum monthly payment, and will notify you when this option is available. If you take advantage of this offer and do not make a minimum monthly payment, finance charges and any applicable fees will accrue on your Account in accordance with this Agreement, and you must pay the Minimum Payment Due for the following billing periods.

**CREDIT BALANCES.** We will refund any credit balance within seven business days from receipt of your written request. If you do not request a refund, we will automatically refund credit balances greater than \$1.00 that remain in your Account after 6 months.

**BALANCE TRANSFERS.** We may periodically offer you the opportunity to transfer balances from other creditors or to make other transactions to your Account by means of balance transfer coupons or checks. Each offer will contain an initial special rate, which will be the Annual Percentage Rate that will apply to transferred balances for the time period specified in the offer, subject to the Default Rate Plan Section, and may contain a Balance Transfer Transaction Fee Finance Charge for each balance transfer made during the term of the offer, as disclosed in the offer and as set forth in the Pricing Schedule, if applicable. After the expiration of this time period, the Annual Percentage Rate that applies for purchases will apply to transferred balances. Balance transfers subject to the initial special rate are referred to as special rate balance transfers; balance transfers for which the initial special rate has expired are referred to as purchase rate balance transfers. Each offer will contain an expiration date. If you attempt to transfer balances by means of a check after the expiration date, we will treat the transaction as a cash advance. We will not make balance transfers attempted by means of a coupon after the expiration date.

**PERIODIC FINANCE CHARGES.** Periodic Finance Charges are imposed on all transactions from the date the transaction is posted to your Account until the date you pay your entire New Balance, by making payments or receiving credits. However, if you paid the New Balance on your previous billing statement by the Payment Due Date shown on that statement, and you pay the New Balance by the Payment Due Date on your current billing statement, we will not impose Periodic Finance Charges on new purchases, that is, purchases first appearing on the current statement. We call this the "grace period." There is no grace period on balance transfers or cash advances.

We sort your transactions into groups of purchases, cash advances, and balance transfers and then further sort the transactions within each group by their Annual Percentage Rate. For example, purchases subject to a promotional rate and purchases subject to a standard rate would be separate groups. We refer to these groups as transaction categories. At the end of each billing period, we compute balances and Periodic Finance Charges for each day of the billing period for each transaction category. We use the following equation to compute Periodic Finance Charges for each transaction category: Average Daily Balance x number of days in the billing period x Daily Periodic Rate. (You may refer to the finance charge summary on your billing statement for these amounts.) Then we add up the Periodic Finance Charges for each transaction

category to get the total Periodic Finance Charges for your Account. The Average Daily Balance is shown as zero if, because of the grace period, no Periodic Finance Charges apply to the balance in a transaction category.

We use the two-cycle average daily balance (including new transactions) method of calculating the balance upon which we impose Periodic Finance Charges. This means if you did not pay the New Balance shown on the billing statement you received during the previous billing period by the Payment Due Date shown on that statement, we will impose Periodic Finance Charges on new purchases that first appeared on that billing statement, as well as new purchases that first appear on the current billing statement, unless we already imposed Periodic Finance Charges on the purchases on your previous billing statement.

We compute the Average Daily Balance for each transaction category by adding up all the daily balances in a billing period for a transaction category and dividing the total by the number of days in the billing cycle. We compute the daily balance for each transaction category on each day by first adding the following to the previous day's daily balance: transactions made that day, fees charged that day and Periodic Finance Charges accrued on the previous day's daily balance; and by then subtracting any credits and payments that are applied against the balance of the transaction category on that day. In calculating the daily balance for the previous billing period, we consider the "previous day's daily balance" to have been zero on the first day of the billing period. If a transaction is posted to your Account after the close of the billing period in which it occurs, we will treat the transaction as having occurred on the first day of the billing period in which it is posted to your Account.

All fees charged to your Account are added to the standard purchase transaction category with the exception of Cash Advance Transaction Fee Finance Charges which are added to the applicable cash advance transaction category and Balance Transfer Transaction Fee Finance Charges which are added to the applicable balance transfer transaction category. When the special rate expires, we move the unpaid balance of the balance transfer and the Balance Transfer Transaction Fee Finance Charges to the standard purchase transaction category. However, if the special rate has been terminated under the Default Rate Plan, we leave the unpaid balance of the balance transfer and the Balance Transfer Transaction Fee Finance Charges in the applicable balance transfer transaction category until the special rate would have expired.

The Daily Periodic Rate and corresponding Annual Percentage Rate that apply to each transaction category are either fixed rates or variable rates as set forth in your Pricing Schedule or in any special offers you receive from us. The Daily Periodic Rate is 1/365th of the corresponding Annual Percentage Rate. Variable Annual Percentage Rates are determined by adding a specified number of percentage points to the Prime Rate. This is shown on the Pricing Schedule as "Prime + (percentage points)." For purposes of this Agreement, the Prime Rate is the highest rate of interest listed as the "prime rate" in the Money Rates section of *The Wall Street Journal* on the last business day of the month. The Prime Rate is merely a pricing index and does not represent the lowest or best interest rate available to a borrower at any bank at any given time. If you have a variable rate, your Annual Percentage Rate will increase or decrease when the Prime Rate changes. This change will be effective beginning with the first day of the billing period that begins during the same

month as the change in the Prime Rate. An Increase in the Annual Percentage Rate will usually result in an increase in your Minimum Payment Due.

**DEFAULT RATE PLAN.** We will review your Account on the last day of each billing period to determine the Annual Percentage Rates that will apply to your Account. If we did not receive at least the Minimum Payment Due by the Payment Due Date, then the standard ANNUAL PERCENTAGE RATE for purchases will be increased by five percentage points, not to exceed 28.99%, and remain as either a fixed or variable rate based on the type of rate in effect before the increase. In addition, any special rate on balance transfers and any introductory or promotional rate on purchases that currently applies to your Account, and any such rate that we have previously offered to you, will terminate and increase to be the same rate and change to be the same type (fixed or variable) as the new standard Annual Percentage Rate for purchases. If any other Annual Percentage Rate applicable to your Account, such as your Annual Percentage Rate for cash advances, is less than or equal to the new standard Annual Percentage Rate for purchases, it will change to be the same type (fixed or variable) as the new rate and if it is less, it will increase to the new rate. If any rate exceeds the new rate, it will not increase or change type. The Prime Rate is the index for any variable rates. Any increased rate and change in type will apply beginning with the first day of the billing period in which we did not receive at least the Minimum Payment Due by the Payment Due Date.

If your standard Annual Percentage Rate for purchases was increased under this or any previous version of the Default Rate Plan and, for any nine consecutive billing periods ending after April 1, 2006, you pay at least the Minimum Payment Due, if any, by the Payment Due Date, then your Annual Percentage Rate for your new purchases will be reduced and your Annual Percentage Rate for your existing purchases balance may be reduced. Any reduced Annual Percentage Rates will apply beginning with the first day of your tenth billing period.

**CASH ADVANCE TRANSACTION FEE FINANCE CHARGES.** Unless otherwise specified in a cash advance offer, we will charge you a Cash Advance Transaction Fee Finance Charge of 3% of the amount of each new cash advance with a minimum Cash Advance Transaction Fee Finance Charge of \$5.00 and no maximum. The imposition of Cash Advance Transaction Fee Finance Charges may result in an Annual Percentage Rate for cash advances that is higher than the nominal Annual Percentage Rate. All forms of cash advances, including the use of Discover Card checks, regardless of the purpose for which used, are subject to Cash Advance Transaction Fee Finance Charges. To obtain the total Finance Charge on cash advances for each billing period, we add any Cash Advance Transaction Fee Finance Charges for the billing period charged under this Section to any Periodic Finance Charges calculated under the Periodic Finance Charges Section for each cash advance transaction category and add up these amounts.

**BALANCE TRANSFER TRANSACTION FEE FINANCE CHARGES.** If the balance transfer offer you receive contains a Balance Transfer Transaction Fee Finance Charge, we will charge you a Balance Transfer Transaction Fee Finance Charge for the amount of each balance transfer made under that offer. If there is a Balance Transfer Transaction Fee Finance Charge in conjunction with the offer you received when you applied for an Account, it will be in the amount set forth in the Pricing Schedule. The imposition of Balance Transfer Transaction Fee Finance

Charges may result in an Annual Percentage Rate for balance transfers that is higher than the nominal Annual Percentage Rate. To obtain the total Finance Charge on balance transfers for each billing period, we add any Balance Transfer Transaction Fee Finance Charges calculated under the Periodic Finance Charges section for each balance transfer transaction category and add up these amounts.

**MINIMUM FINANCE CHARGE.** We will charge you a minimum FINANCE CHARGE of \$.50 for any billing period in which some FINANCE CHARGE of less than \$.50 would otherwise be imposed.

**LATE FEE.** We will charge you a Late Fee if you have failed, as of the Payment Due Date, to make the Minimum Payment Due that was required to be paid for that billing period. The amount of the Late Fee is based on the sum of all outstanding purchases, cash advances, balance transfers, other charges, other fees and Finance Charges at the end of that billing period. If the sum is equal to or less than \$500, the Late Fee is \$15, and if the sum is greater than \$500, the Late Fee is \$39.

**OVERLIMIT FEE.** We will charge you an Overlimit Fee each time that, as of the close of a billing period, your outstanding Account balance exceeds your Account credit limit. This fee may be charged even if the transaction which causes you to exceed your Account credit limit is authorized by us or if you exceed your Account credit limit due to the posting of Finance Charges or fees to your Account. The amount of the Overlimit Fee is based on the sum of all outstanding purchases, cash advances, balance transfers, other charges, other fees and Finance Charges at the end of the billing period. If the sum is equal to or less than \$500 and you exceed your credit limit, the Overlimit Fee is \$15. If the sum is greater than \$500 and you exceed your credit limit, the Overlimit Fee is \$39.

**RETURNED PAYMENT FEE.** We will charge you a Returned Payment Fee of \$35 each time you pay us with a check or other instrument that is returned unpaid. This fee will also apply if a debit transaction to a deposit account from which you have authorized us in writing, electronically, or orally to periodically deduct all or a part of an amount you owe us under this Agreement is returned unpaid. We will charge you this fee the first time any payment is returned unpaid, even if it is paid upon resubmission.

**RETURNED DISCOVER CARD CHECK FEE.** We will charge you a Returned Discover Card Check Fee of \$29 each time we decline to honor a Discover Card cash advance check, balance transfer check, promotional purchase check, or other promotional check.

**STOP PAYMENT FEE.** We may charge a Stop Payment Fee of \$15.00 each time we stop payment at your request on a cash advance check, balance transfer check, promotional purchase check, or other promotional check.

**PAY-BY-PHONE FEE.** We may from time to time allow you to make payments by authorizing us over the telephone to transfer or pay funds from a deposit account to your Account. We will charge a Pay-by-Phone Fee of \$15 for each such transfer or payment.

**RESEARCH FEE.** We may charge you a Research Fee of \$5.00 for each copy of a billing statement or sales slip that you request. However, we will not charge a fee if you request copies in connection with a billing error.

**DEFAULT-ACCELERATION-COLLECTION COSTS.** You are in default if you become insolvent; if you file a bankruptcy petition or have one filed against you; if we have a reasonable belief that you are unable or

unwilling to repay your obligations to us; if you are declared incompetent by a court or if a court appoints a guardian for you or a conservator for your assets; if you die; if you fail to comply with the terms of this Agreement, including failing to make a required payment when due, exceeding your Account credit limit, or using your Card or Account for a Prohibited Transaction; or if you fail to make a required payment when due on any other account you have with us. If you are in default, we may declare the entire balance of your Account immediately due and payable without notice. If we refer the collection of your Account to an attorney or employ an attorney to represent us with regard to recovery of money that you owe us, we may charge you reasonable attorneys' fees and court or other collection costs as permitted by law and as actually incurred by us, including fees and costs in connection with any appeal. We may delay enforcing or not enforce any of our rights under this Agreement without losing or waiving any of them.

**CANCELLATION.** You may cancel your Account by notifying us in writing or by telephone and returning or destroying every Card and unused check that we have provided you. Of course, you will still be responsible to pay any amount you owe us according to the terms of this Agreement. If your Account is a Joint Account, either Cardmember may cancel the Account, but you will both remain responsible to pay any amount owed to us according to the terms of this Agreement. We may cancel or suspend your Account at any time without notice. We may choose not to renew your Account (beyond the expiration date shown on the face of a Card) without notice.

**PRIVACY.** We respect the privacy of information about you and your Account. Our Privacy Policy includes a summary of the personal information we collect, when it may be shared with others, how we safeguard the confidentiality and security of information and the steps you may take to limit our sharing of such information with others. Please read it carefully as it is part of your Cardmember Agreement. As indicated in our Privacy Policy, we may report to credit reporting agencies and other creditors the status and payment history of your Account, including negative credit information. Late payments, missed payments, or other defaults on your Account may be reflected in your credit report. We normally report to such credit reporting agencies each month. If you believe that our report of your Account status is inaccurate or incomplete, please write us at the following address: Discover Card, PO Box 15316, Wilmington DE 19850-5316. Please include your name, address, home telephone number and Account number.

We may from time to time review your credit, employment and income records. Our personnel may listen to or record telephone calls between you and our representatives without notice to you as permitted by law. We may use any medium, including but not limited to mail, live telephone calls, automated telephone equipment, prerecorded telephone calls, and e-mail to contact you about your Account or offer you products or services that may be of value to you. If you prefer not to be contacted in one or more of these ways, call us at 1-800-DISCOVER or write to us at Discover Card, P.O. Box 15354, Wilmington, DE 19850. We provide various methods by which you can obtain information about your Account. We will only release such information to you, any Authorized User that our records indicate is an authorized buyer on your Account, and any other person with your prior permission. In addition to as provided in our Privacy Policy or as required by law. Our security measures cannot insure against unauthorized inquiries. You agree that

we will not be responsible for the release of information to anyone who, even if without your authorization or permission, has gained possession of a Card or has learned other identifying characteristics about you such as your personal identification number, Account number or social security number.

**ELECTRONIC COMMUNICATIONS.** We may offer you the opportunity to receive certain notices from us electronically rather than through the mail, including monthly billing statements and change of terms notices. The terms and conditions for receiving these electronic communications will be described in the offer.

**CREDIT AUTHORIZATIONS.** Certain transactions will require our authorization prior to completion of the transaction. In some cases, you may be asked to provide identification. We have the right not to authorize a transaction for security or other reasons. Also, if our authorization system is not working, we may not be able to authorize a transaction. We will not be liable to you if any of these events happen.

**CHANGE OF TERMS.** We may change any term or part of this Agreement, including, but not limited to, any finance charge rate, fee or method of computing any balance upon which the finance charge rate is assessed, or add any new term or part to this Agreement. If required by law we will send you a written or electronically delivered notice at least 15 days before the change is to become effective. We may apply any such change to the outstanding balance of your Account on the effective date of the change and to new charges made after that date. You may be offered the opportunity to reject some of the changes, and if you do, you must notify us in writing or electronically within 15 days after the mailing of the notice of change at the address provided in the notice of change, in which case your Account will be closed and you must pay us the balance that you owe us under the existing terms of the unchanged Agreement. Otherwise, you will have agreed to the changes in the notice. Use of your Account after the effective date of the change will be deemed acceptance of the new terms as of such effective date, even if you previously notified us that you did not agree to the change. We may also change any term of any product, service, or benefit offered in connection with your Account. We will notify you as required by law or by the terms of the product, service, or benefit.

**CHANGE OF ADDRESS OR TELEPHONE NUMBER.** If you change your address or telephone number you must notify us of your new address or telephone number within 15 days.

**ASSIGNMENT OF ACCOUNT.** We may sell, assign or transfer your Account or any portion thereof without notice to you. You may not sell, assign or transfer your Account without first obtaining our prior written consent.

**CLAIM NOTICES.** In the event that you or we have a claim that arises from or relates to your Account, any prior account you had with us, your application, the relationships which result from your Account or the enforceability of the Agreement or any prior agreement, before initiating, joining or participating in any judicial or arbitration proceeding, as either an individual litigant or member of a class ("Proceeding"), the complaining party shall give the other party: (1) a written notice of the claim ("Claim Notice"), at least 15 days before initiating any Proceeding, explaining in reasonable detail the nature of the claim and any supporting facts; and (2) a reasonable good faith opportunity to resolve the claim without the necessity of a Proceeding. This includes any claims involving our parent corporation, subsidiaries, affiliates (including, with



out limitation, Discover Financial Services LLC), predecessors, successors, assigns, as well as the officers, directors and employees of each of these entities. Any Claim Notice shall be sent to us at P.O. Box 8040, Hilliard, Ohio 43026 (or such other address as we shall subsequently provide to you) (the "Claim Notice Address") or to you at your address appearing in our records or, if you are represented by counsel, to your attorney at your attorney's office.

**ARBITRATION OF DISPUTES.** In the event of any past, present or future claim or dispute (whether based upon contract, tort, statute, common law or equity) between you and us arising from or relating to your Account, any prior account you have had with us, your application, the relationships which result from your Account or the enforceability or scope of this arbitration provision, of the Agreement or of any prior agreement, you or we may elect to resolve the claim or dispute by binding arbitration.

IF EITHER YOU OR WE ELECT ARBITRATION, NEITHER YOU NOR WE SHALL HAVE THE RIGHT TO LITIGATE THAT CLAIM IN COURT OR TO HAVE A JURY TRIAL ON THAT CLAIM. PRE-HEARING DISCOVERY RIGHTS AND POST-HEARING APPEAL RIGHTS WILL BE LIMITED. NEITHER YOU NOR WE SHALL BE ENTITLED TO JOIN OR CONSOLIDATE CLAIMS IN ARBITRATION BY OR AGAINST OTHER CARDMEMBERS WITH RESPECT TO OTHER ACCOUNTS, OR LITIGATE IN COURT OR ARBITRATE ANY CLAIMS AS A REPRESENTATIVE OR MEMBER OF A CLASS OR IN A PRIVATE ATTORNEY GENERAL CAPACITY ("Class Action Waiver"). Notwithstanding anything else to the contrary in this arbitration provision, only a court, and not an arbitrator, shall determine the validity and effect of the Class Action Waiver. Even if all parties have opted to litigate a claim in court, you or we may elect arbitration with respect to any claim made by a new party or any new claims later asserted in that lawsuit, and nothing undertaken therein shall constitute a waiver of any rights under this arbitration provision.

We will not invoke our right to arbitrate an individual claim you bring in small claims court or your state's equivalent court, if any, so long as the claim is pending only in that court and does not exceed \$5,000.00.

Your Account involves interstate commerce, and this provision shall be governed by the Federal Arbitration Act (FAA). The arbitration shall be conducted, at the option of whoever files the arbitration claim, by either the American Arbitration Association (AAA) or the National Arbitration Forum (NAF) in accordance with their procedures in effect when the claim is filed. For a copy of their procedures, to file a claim or for other information, contact AAA at 335 Madison Avenue, Floor 10, New York, NY 10017-5905, [www.adr.org](http://www.adr.org) (phone 1-800-778-7879) or NAF at P.O. Box 50191, Minneapolis, MN 55405 (phone 1-800-474-2371). No other arbitration forum will be permitted, except as agreed to pursuant to either the Change of Terms section or a writing signed by both parties. Unless consented to by all parties, no arbitration may be administered by any administrator that has any formal or informal policy, rule or procedure that is inconsistent with or purports to override the terms of this section. At your written request, we will advance any arbitration filing, administrative and hearing fees which you would be required to pay to pursue a claim or dispute as a result of our electing to arbitrate that claim or dispute. Send requests to P.O. Box 15192, Wilmington, DE 19886-1020. The arbitrator will decide who will ultimately be responsible for paying those fees. You will only be responsible for paying or reimbursing our arbitration filing, administrative or hearing fees to the extent you

would have been responsible for paying "attorneys' fees and court or other collection costs" had the action proceeded in court. In no event will you be required to pay any fees or costs incurred by us in connection with an arbitration proceeding where such a payment or reimbursement is prohibited by applicable law.

Any arbitration hearing will take place in the federal judicial district where you reside. The arbitrator shall follow applicable substantive law to the extent consistent with the FAA and applicable statutes of limitations and shall honor claims of privilege recognized at law and shall be authorized to award all remedies permitted by the substantive laws that would apply if the action were pending in court. If requested by any party, the arbitrator shall write an opinion containing the reasons for the award. The arbitrator's decision will be final and binding except for any appeal rights under the FAA and except that if the amount in controversy exceeds \$100,000.00, any party may appeal the award within 30 days to a three-arbitrator panel, which shall review the award *de novo*. Unless applicable law provides otherwise, the appealing party will pay the cost of the appeal, regardless of its outcome. However, we will consider in good faith any reasonable request for us to bear the fees charged by the arbitration administrator and the arbitrators in connection with the appeal. Judgment upon any award by the arbitrator may be enforced in any court having jurisdiction.

Our rights and obligations under this arbitration provision shall inure to the benefit of and be binding upon our parent corporations, subsidiaries, affiliates (including, without limitation, Discover Financial Services LLC), predecessors, successors, assigns, as well as the officers, directors and employees of each of these entities, and will also inure to the benefit of any third party named as a co-defendant with us or with any of the foregoing in a claim which is subject to this arbitration provision. Your rights and obligations under this arbitration provision shall inure to the benefit of and be binding upon all persons contractually liable under this Agreement and all Authorized Users of the Account. This arbitration provision shall survive termination of your Account as well as voluntary payment in full by you, any legal proceedings by us to collect a debt owed by you, any bankruptcy by you and any sale by us of your Account.

**SEVERABILITY.** If any part of this Agreement becomes unenforceable, it will not make any other part unenforceable, except that if the Class Action Waiver set forth above in the Arbitration of Disputes section is invalidated in any proceeding in which you and we are involved, then the Arbitration of Disputes section will be void with respect to that proceeding.

**COMPLIANCE WITH INTEREST RATE LIMITATIONS.** We intend that this Agreement will comply with applicable interest rate limitations. You will not be required to pay Finance Charges or other charges at a rate that is greater than the maximum amount permitted by law. If it is ever finally determined that, but for this Section, the Finance Charges or other charges under this Agreement would exceed the maximum lawful amount, the Finance Charges and other charges will be reduced to the maximum lawful amount. Any excess amount that you have already paid will be used to reduce the outstanding balance of your Account or will be refunded to you by means of a check in our discretion.

**GOVERNING LAW.** This Agreement and any claim or dispute arising out of this Agreement will be governed by applicable federal law and, to the extent state law applies, Delaware law.

## PRIVACY POLICY

### 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 our 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 that accepts the Discover® Card may come to us with a special offer for Cardmembers, 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 Cardmembers who may be interested in the offer based on certain characteristics. We will send the offer directly to those Cardmembers on behalf of the retailer by, for example, including an insert in their monthly billing 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 Cardmembers 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 Cardmembers 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

We are part of the Morgan Stanley family of companies. Our corporate family offers a wide 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 mortgage lending services, securities and asset management services, investment opportunities and mutual funds, and may include non-financial service providers in the future as our corporate family continues to grow.

#### 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, including those that accept the Discover Card, 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 cobrand credit card programs 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 monthly billing statements or elsewhere which suggests that our information is incomplete or inaccurate, please write to us at Discover Card, P.O. Box 30943, Salt Lake City, UT 84130-0943 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 certain information we collect about you, as described in Section 1, with companies in our corporate family. However, this option is limited to information about your eligibility for credit obtained from your

application, such as your income, and from consumer reporting agencies, such as your credit history. 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 1-800-225-5202 or write to us at Discover Card, P.O. Box 30961, Salt Lake City, UT 84130-0961. 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 credit card 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. It also permits us to share information about our experiences and transactions with you, such as your Account balance and payment history with us, with other members of our corporate family. If you are a new Cardmember, 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 Cardmember, 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 Cardmember listed on the Account. However, any joint Cardmember 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 the family of Discover Cards for consumers and the products and services offered in connection with those Cards, including the Wallet Protection card registration service (with the exception of any information registered in connection with the service, which will not be shared). It is part of your Cardmember 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 other 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-DISCOVER 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.

## **Your Billing Rights**

### **KEEP THIS NOTICE FOR FUTURE USE**

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

#### **1. Notify Us in Case of Errors or Questions About Your Bill**

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet of paper at the address listed on your bill for Notice of Billing Errors. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- your name and Account number.
- your dollar amount of the suspected error.
- describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

If you have authorized us to pay your credit card bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the payment, your letter must reach us three business days before the automatic payment is scheduled to occur.

#### **2. Your Rights and Our Responsibilities After We Receive Your Written Notice**

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your Account credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we didn't make a mistake, you may have to pay the finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write us within ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is. If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your bill was correct.

### 3. Special Rule For Credit Card Purchases

If you have a problem with the quality of goods or services that you purchased with a credit card, and you tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the goods or services. There are two limitations on this right:

- (a) you must have made the purchase in your home state or, if not within your home state, within 100 miles of your current mailing address; and
- (b) the purchase price must have been more than \$50.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the goods or services.

## DESCRIPTION OF COVERAGE

**SCHEDULED AIR TRAVEL ACCIDENT INSURANCE.** Discover® Platinum Cardmembers are provided with up to \$500,000 Scheduled Air Travel Accident\* protection. Whenever you use your Discover Platinum Card (the "credit card") to charge your entire Common Carrier Fare Ticket on any Commercial Aircraft operated by a Scheduled Air Carrier under a license for the transportation of passengers for hire (herein called Scheduled Air Carrier), you automatically receive this valuable coverage at no additional cost.

The benefits of the Policy providing your coverage are governed primarily by the law of a state other than Florida.

\*Coverage is underwritten by National Union Fire Insurance Company of Pittsburgh, PA (the "Insurance Company"), with offices in New York, NY. Certain limitations and exclusions apply.

### PLAN FEATURES

Benefit Amount: \$500,000 Family Aggregate Principal Sum

**ACCIDENTAL DEATH BENEFITS.** Insurance coverage will be equal to the benefit amount for accidental loss of life. The loss must occur within one year of the accident that caused the injury. Family Aggregate Principal Sum means the total amount of insurance in force on the Cardmember, his or her spouse and their dependent children for any one accident. If more than one Insured Person dies as the result of the injuries received in any one accident, the Family Aggregate Principal Sum will be pro-rated and paid in accordance with the claim payment and beneficiary provisions of the Policy. Once the Family Aggregate Principal Sum is paid for any one Insured Person in a Family that occurs as the result of any one accident, no further benefits are payable for further deaths in that Family due to injuries received in the same accident.

Maximum Accidental Death benefits payable under the Policy, if more than one Cardmember suffers a loss from the same accident, are limited to an aggregate of \$20,000,000 for all Cardmembers combined. Any reduction of benefits necessary to comply with this limitation will be made on a proportionate basis to each Cardmember up to this aggregate limit of liability. As used herein, Cardmember means cardmember, his or her insured spouse and insured dependent children. This aggregate limit does not replace or in any way affect the Family Aggregate Principal Sum stated under the Policy.

"Injury" means bodily injury: (a) which is sustained as a direct result of an unintended, unanticipated accident that is external to the body and that occurs while the injured person's coverage under this Policy is in force, and

(b) which directly (independent of sickness, disease, mental infirmity, bodily infirmity or any other cause) causes a covered loss.

**DISAPPEARANCE BENEFITS.** We will presume you suffered loss of life due to an accident if: you are riding in a Scheduled Air Carrier that is involved in a covered accident and as a result of the accident, the Scheduled Air Carrier is wrecked, sinks, or disappears; and your body is not found within one (1) year of the accident.

The total of all benefits payable for you, your spouse and your dependent children from the same accident will not exceed the \$500,000 Family Aggregate Principal Sum.

**ELIGIBILITY.** This automatic insurance is provided to eligible holders of the credit card whose names appear on the credit card, their spouses and their unmarried dependent children under age 19 (age 23 if attending school on a full-time basis and fully dependent on you for support). However, the age limit does not apply to a child who is incapable of self-sustaining employment by reason of mental or physical incapacity.

**EFFECTIVE DATES.** Your insurance under this plan is effective on the later of: 1) July 1, 2001; or 2) the date you become an eligible person. Your insurance under this plan will cease on the earlier of: 1) the date the insurance coverage is terminated; or 2) on the date you cease to be an eligible holder of the credit card.

**THE BENEFICIARY.** Unless you designate otherwise with a beneficiary designation form, your death benefit will be paid, in equal shares, to the first surviving class of those that follow: (1) your spouse; (2) your children; (3) your parents; or (4) your brothers and sisters. If no class has a survivor, the beneficiary is your estate. You may change your beneficiary by writing to the Insurance Company at: Accident & Health Division, 500 West Madison Street, Suite 2250, Chicago, IL 60661.

**CLAIM PROCEDURE.** Claim forms may be obtained through the Insurance Company. Claims for benefits must be filed with the Insurance Company within 90 days or as soon as reasonably possible after the loss occurs.

**PLAN OF INSURANCE COVERAGE.** You, as a Cardmember, and your spouse and children will be covered against injuries that result in an accidental death while as a passenger in or on, including getting in or out of, or on or off of, any Scheduled Air Carrier if the Common Carrier Fare Ticket for the flight was charged to your credit card.

Companion tickets issued for free with the purchase of a full-fare common carrier ticket and used by a spouse or dependent child will be considered as fully charged to the credit card, if the corresponding full Common Carrier Fare Ticket is charged to the credit card.

Coverage is effective when you board the Scheduled Air Carrier, provided the full Common Carrier Fare Ticket is purchased, or the travel reservation is made for the companion tickets, prior to boarding such Scheduled Air Carrier. Coverage ends when you alight from the Scheduled Air Carrier.

**EXCLUSIONS.** Benefits are not payable if the loss is caused by or results from: 1) self-inflicted injury or suicide; 2) sickness, disease, or mental incapacity or bodily infirmity whether directly or indirectly; 3) infections of any kind regardless of how contracted, except bacterial infections that are directly caused by botulism, ptomaine poisoning or an accidental cut or wound independent and in the absence of any underlying sickness, disease or condition including but not limited to diabetes; 4) committing or attempting to commit a felony; 5) war or act of war, declared or undeclared; or (6) travel or flight in or on any vehicle used for aerial navigation, as a pilot, operator or crew member.

**LIMITATIONS.** Benefits will only be payable under one Cardmember account, the credit card under which the Common Carrier Fare Tickets were fully charged.

Benefits are not payable for losses due to injury sustained while on a trip for which the tickets were purchased with a frequent flyer voucher.

Complete provisions pertaining to this plan of insurance are contained in Policy #9029072 issued by National Union Fire Insurance Company of Pittsburgh, PA with offices in New York, NY. The premium for this insurance is paid by Discover Financial Services LLC, out of income derived from its credit card operations.

Please read this Description of Coverage. Keep it in a safe place with your other insurance documents. This Description of Coverage (Form Number S30365DOC) is not a contract of insurance but is simply an informative statement to each eligible individual of the principal provisions of the insurance while in effect.

If a conflict exists between a statement in this Description of Coverage and any provisions in the Policy, the Policy will govern. Claims administered by: A&H Claims Department, P.O. Box 15701, Wilmington, DE 19850-5701, (800) 551-0824.

#### **SECONDARY RENTAL CAR COLLISION COVERAGE PROVIDED TO DISCOVER PLATINUM CARDMEMBERS DESCRIPTION OF COVERAGE.**

##### **COVERAGE DESCRIPTION:**

- Secondary Rental Car Collision Coverage will reimburse You or the Rental Agency for Covered Damages as a result of Collision Damage on an excess basis (over and above any amount due from any other valid and collectible insurance or any other form of reimbursement payable by those responsible for the loss) on a secondary basis. Covered Damages are those amounts, up to \$25,000 per incident, on claims for Collision Damage to the Rented Automobile for which You or any authorized driver is legally responsible to the Rental Agency. In no event will We be liable beyond the amounts actually paid by either You or the Rental Agency. Reimbursement will be on an Actual Cash Value basis.
- From the amount of reimbursement due, the amount of any valid and collectible insurance, or the sum of \$0 (whichever is greater), shall be deducted.

##### **DEFINITIONS:**

- Actual Cash Value means the cost to repair or replace the Rented Automobile at the time of Collision Damage, less depreciation.
- Collision Damage means the direct and accidental damage to a Rented Automobile caused by upset or collision with another object.
- Eligible Card means the Discover Platinum credit card.
- Loss of Use means the charges imposed by the Rental Agency, for which You are liable, due to Collision Damage to the Rented Automobile, for the period of time the vehicle is being repaired.
- Rental Agency means a commercial automobile rental company licensed under the laws of the applicable jurisdiction.
- Rented Automobile means a four-wheeled private passenger-type motor vehicle or a mini-van manufactured and designed to transport a maximum of eight passengers and used exclusively to carry passengers. It must be designed for travel on public roads and rented from a licensed Rental Agency.

• We, Us and Our means Virginia Surety Company, Inc.

• You or Your means the eligible Cardholder, hereinafter referred to as Cardmember, his or her spouse, and unmarried children under the age of 19 (or age 23 if a full-time student at an accredited college or university). Spouse includes domestic partner, which means a person designated by and listed as a domestic partner on the account of the primary Cardmember, who is at least 18 years of age, and who during the past 12 months: a) has resided in the same household as the primary Cardmember, and b) has been jointly responsible with the Cardmember for each other's financial obligations.

##### **HOW TO GET COVERAGE:**

- Initiate and pay for the entire rental transaction with Your Eligible Card. If a coupon or voucher of any kind is initially applied toward payment of the Rented Automobile, at least one day of rental must be charged to Your Eligible Card; and
- Decline the collision/loss damage waiver offered by the Rental Agency; and
- You must rent the car in Your own name and sign the rental car contract. Coverage does not apply if You pay for someone else to rent the car.
- It is not necessary for You to notify Us at the time of rental.

##### **WHO IS COVERED:**

- You

##### **WHERE YOU'RE COVERED:**

- Coverage is available in the fifty (50) United States of America and Canada. Coverage is not applicable where precluded by law or in violation of the territory terms of the rental agreement or prohibited by individual merchants.

##### **PERIOD OF COVERAGE:**

- Coverage begins when You pick up the car and ends when You turn it in to the Rental Agency.
- The period of coverage shall not exceed thirty-one (31) consecutive days.

##### **EXCLUDED RENTAL VEHICLE:**

- Trucks; recreational vehicles; campers; pickup trucks; minibuses; full-size vans mounted on truck chassis; vehicles manufactured to seat more than eight occupants; vehicles when used to carry, haul or transport any type of cargo or property; off-road vehicles; trailers; motorbikes; motorcycles; and motor scooters; antique motor vehicles (which means vehicles over 25 years old or any vehicle which has not been manufactured for 10 years or more); limousines; high-value motor vehicles (those whose replacement value exceeds \$50,000); limited-edition motor vehicles (which are high-value, exotic, high-performance or collector-type vehicles); special-interest or exotic cars (including Aston Martin, Bentley, Bricklin, Daimler, DeLorean, Excalibur, Ferrari, Jensen, Lamborghini, Lotus, Maserati, Porsche, Rolls Royce or similar vehicles, selected models of BMW, Mercedes-Benz, Cadillac, and Lincoln).

##### **WHAT IS NOT COVERED:**

- Coverage is not all-inclusive, which means it does not cover such things as personal injury, personal liability, or personal property. In other words, it does not cover You for damage to someone else's vehicle, or property, Your property or personal property inside the vehicle. It does not cover You for any injury to any party.

- Losses resulting from any dishonest, fraudulent or criminal act.
- Loss resulting from forgery.
- Loss that occurs while You are in violation of the Rental Agreement.
- Loss due to driving while intoxicated (as defined by the laws of the jurisdiction where the loss occurred), or under the influence of any narcotic unless prescribed by a physician, reckless driving, or due to contraband or illegal activities.
- Intentional loss or damage.
- Loss resulting from hostility of any kind (including declared war, undeclared war, invasion, rebellion, riot, civil commotion, or insurrection) or confiscation by authorities.
- Loss due to nuclear reaction or radioactive contamination.
- Loss as a result of hail, lightning, flood, earthquake, windstorm, water, or other weather-related causes.
- Loss resulting from falling objects, fire, theft or larceny, explosion, malicious mischief or vandalism.
- Loss or theft of personal belongings.
- Loss caused by someone other than You.
- Loss due to wear and tear, gradual depreciation, freezing, mechanical or electrical breakdown or failure.
- Blowouts and tire damage unless the loss is coincident with a covered loss.
- Depreciation, administrative, Loss of Use, or other fees charged by the Rental Agency.
- A single rental/contract of more than thirty-one (31) consecutive days.
- Back-to-back rentals for more than thirty-one (31) consecutive days (a back-to-back rental is two or more rentals of the same or different vehicles within the same city, with the first ending and next beginning within a 24-hour period).
- Leases or mini-leases.
- Expenses assumed, waived, or paid by the Rental Agency or its insurer.
- Any obligation You assume under any agreement (other than the standard rental car agreement).
- Loss resulting from an authorized driver's lack of reasonable care in protecting the Rented Automobile before or after the loss occurs including, but not limited to, mysterious disappearance of the rental car keys, leaving the rental car running while unattended, etc.
- Damage sustained on any road not regularly maintained by a municipal, state, or federal entity.
- Loss or damage resulting from use of vehicles unlicensed for road use.
- Expenses reimbursed by your insurer, employer, or employers insurer.
- Loss resulting from use of the Rented Automobile in tests, races, or contests.
- Loss resulting from use of the Rented Automobile to carry passengers and property for hire.
- Losses occurring in states or countries where prohibited by law.
- Losses not reported within the time period provided, as stipulated in the claim procedure.
- Coverage will not pay for, or duplicate, the collision/loss damage waiver offered by the Rental Agency.

#### HOW TO FILE A CLAIM:

- After Collision Damage occurs, You must contact the administrator, Aon Innovative Solutions, P.O. Box 220, Golden, CO 80402, so coverage can be verified and a claim form sent to You. You must report any Collision Damage within 45 days of the incident, or We will not be able to honor Your claim.
- Report within 24 hours any damage or loss to the appropriate official representative, including the police and Rental Agency.
- Complete and sign the claim form and attach all appropriate documentation, including a copy of:
  - The account statement showing the Rental Agency transaction; and
  - The automobile rental agreement (front and back); and
  - The police report; and
  - The initial claim report submitted to the automobile Rental Agency; and
  - The paid claim presented by the Rental Agency for the Collision Damage for which You are responsible; and
  - Proof of submission of the loss to and the results of any settlement or denial by the applicable insurance carrier(s); and
  - If no other insurance is applicable, a notarized statement from You to that effect; and
  - Any other documentation We may request.
- Be sure to submit all above required documentation to the administrator within 180 days of the incident, or as soon as reasonably possible, or the claim will not be honored.
- It is a condition of this coverage that You, as often as may be reasonably required by Us, will submit, and within Your power cause others to submit, to examinations under oath and will produce for examination all writings, books of account, bills, invoices and vouchers, or certified copies thereof, at such reasonable time and place as We may designate and will permit extracts and copies thereof to be made.
- If payment is made under the Secondary Rental Car Collision Coverage, We are entitled to recover such amounts from other parties or persons. Any party or person to or for whom We make payment must transfer to Us his or her rights to recovery against any other party or person. You must do everything necessary to secure these rights and must do nothing that would jeopardize them, or these rights will be recovered from You. However, We will not require reimbursement against Your personal insurance carrier, but You agree to repay Us for any reimbursement, up to the amount of any recovery from Your personal insurance carrier.

#### FOR NEW YORK RESIDENTS:

The amounts of insurance set forth in this section are the maximum allowed by New York law. Actual amounts of insurance may be lower under the coverage:

- Secondary Rental Car Collision Coverage will reimburse You or the Rental Agency for Covered Damages as a result of Collision Damage on an excess basis (over and above any amount due from any other valid and collectible insurance or any other form of reimbursement payable by those responsible for the loss) except when the Rented Automobile is used outside the United States, its territories and possessions, or when the Eligible Card was issued to You as an employee of an organization which has provided the Eligible Card for business use, in which case coverage is primary.

Secondary Rental Car Collision Coverage is an insurance program.  
Reminder: Please refer to the Insurance Disclosures section.

CDW (2/00)

**Insurance Disclosures:**

Secondary Rental Car Collision Coverage is provided under a master policy of insurance issued by Virginia Surety Company, Inc. (herein referred to as Company). All information in this Description of Coverage (DOC) about these benefits is subject to the terms and conditions of the master policy.

Coverage under Secondary Rental Car Collision Coverage is effective July 1, 2001. Insurance benefits are provided to Cardmember accountholders (individuals who have an open and active Discover Platinum credit card account) free of charge and enrollment is automatic. This DOC replaces all prior DOCs, program descriptions, advertising and/or brochures by any party. We reserve the right to change the benefits and features of all these programs.

Discover Financial Services LLC, or the Company can cancel or choose not to renew the Insurance coverages for all Insureds. If this happens, Discover Financial Services LLC, will notify the Cardmember accountholder at least 30 days in advance of the expiration of the policy or as permitted by law. Such notices need not be given if substantially similar replacement coverage takes effect without interruption and is provided by the same insurer. Insurance benefits will still apply to car rentals commenced prior to the date of such cancellation or non-renewal, provided all other terms and conditions of coverage are met.

The insurance benefit applies to you, the Insured, whose cards are issued by U.S. financial institutions. These benefits do not apply if Your Eligible Card privileges have been suspended or cancelled. However, insurance benefits will still apply to car rentals commenced prior to the date that Your Eligible Card account is suspended or cancelled provided all other terms and conditions of coverage are met.

All parties are expected to exercise due diligence and prudent judgement to avoid or diminish any loss to the property insured under this program. Coverage will be void if, at any time, the Cardmember has concealed or misrepresented any material fact or circumstance concerning this coverage or the subject thereof or the Cardmember's interest herein, or in the case of any fraud or false swearing by the Insured relating thereto. No person or entity other than the Cardmember shall have any legal or equitable right, remedy, or claim for insurance proceeds and/or damages under or arising out of this coverage. Salvage may be requested by the administrator. If salvage is requested, it must be remitted to the administrator at the Cardmember's expense. Failure to remit requested salvage may result in denial of the claim.

No action at law or in equity shall be brought to recover on this coverage prior to the expiration of 60 days after proof of loss has been furnished in accordance with the requirements of this DOC.

ID (2/00)



New Balance  
\$12,474.60

Minimum Payment Due  
\$12,474.60

Payment Due Date  
August 14, 2007

Account number ending in 4435  
Enter Amount Enclosed Below

\$

Please make check payable to Discover Card.  
Minimum payment due includes a past due  
amount of \$2,325.00.

15 SDSN6A01 0005050

WALTER HAIGHT  
60 BOWMANS HILL RD  
CLEARFIELD PA 16830-7401

Make a payment now or schedule  
one in advance. It's fast, easy,  
secure - and free! Visit us today at  
Discovercard.com/payments

PO BOX 15251  
WILMINGTON DE 19886-5251

Address, e-mail or telephone change? Print change in space  
above, or go to Discovercard.com. Print your e-mail address to  
receive important Account information and special offers.

000006011002010704435124746000000001247460

## Discover More Card Account Summary

Account number ending in	4435	Closing Date: July 15, 2007	page 1 of 1
Payment Due Date	August 14, 2007	Previous Balance	\$12,474.60
Minimum Payment Due	\$12,474.60	Payments And Credits	- 0.00
Credit Limit	\$12,500.00	Purchases	+ 0.00
Credit Available	\$0.00	Cash Advances	+ 0.00
Cash Credit Limit	\$0.00	Balance Transfers	+ 0.00
Cash Credit Available	\$0.00	Finance Charges	+ 0.00
		New Balance	= \$12,474.60

## Cashback Bonus®

Cashback Bonus® Anniversary  
Date: June 15

Opening Cashback Bonus Balance	\$ 0.00
New Cashback Bonus Earned	+ 0.00
Cashback Bonus Balance Available to Redeem	\$ 0.00

## How Can We Help You?

Please have your Discover Card available.  
Manage your account online at Discovercard.com  
Customer Service: 1-800-DISCOVER (1-800-347-2683)

For Account Inquiries, write to us at:  
Discover More Card, PO Box 30943  
Salt Lake City, UT 84130  
TDD (Telecommunications Device for the Deaf):  
For assistance, see reverse side.

## Transactions

\$0 Fraud Liability Guarantee Use your Discover Card with confidence.

## Information For You

While we are permitted under the Cardmember Agreement to increase the APRs on your Account because your payment was late, we have chosen not to do so at this time. We have terminated, however, any introductory or promotional rate on purchases and any special balance transfer rate, and applied the standard APR for purchases to your outstanding balance of purchases and balance transfers. However, we reserve the right to increase the APRs on your Account if you fail to pay the minimum payment due by the payment due date. See the Default Rate Plan section of the Cardmember Agreement for details.

## Finance Charge Summary

	Average Daily Balances	Daily Periodic Rates	Nominal ANNUAL PERCENTAGE RATES	ANNUAL PERCENTAGE RATES	Periodic FINANCE CHARGES	Transaction Fee FINANCE CHARGES
current billing period: 30 days						
Purchases	\$0	0.05751%	20.99% V	20.99%	\$0	none
Cash Advances	\$0	0.05751%	20.99% F	20.99%	\$0	\$0
previous billing period: 15 days						
Purchases	\$0	0.05751%	20.99% V	20.99%	\$0	none

The rates that apply to your Account are either fixed (F) or they may vary (V) as noted above.

Exhibit B



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA

DISCOVER BANK, ISSUER OF DISCOVER  
CARD, BY ITS AGENT DISCOVER FINANCIAL  
SERVICES, INC.,

Plaintiff.

vs.

WALTER B. HAIGHT,  
Defendant,

CIVIL DIVISION

No. 07-1619-CD

**PRAECIPE TO REINSTATE  
THE COMPLAINT**

Filed on behalf of Plaintiff,  
Discover Bank, Issuer of Discover  
Card, By Its Agent Discover  
Financial Services, Inc.

Counsel of Record for this party:

STOCK & GRIMES, LLP  
PA ID #13657  
BY: Paul V. Ressler, Esquire  
PA ID #25626

21 Yost Boulevard, Suite 301  
Pittsburgh, PA 15221-5283  
(412) 824-6944

**FILED**  
mja:39/201  
FEB 05 2009

Atty. pd. 7.00

1 Compl. Reinstated

to Sheriff

5 William A. Shaw  
Prothonotary/Clerk of Courts

(60)

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA**

DISCOVER BANK, ISSUER OF DISCOVER	}	CIVIL DIVISION
CARD, BY ITS AGENT DISCOVER	}	
FINANCIAL SERVICES, INC.,	}	
Plaintiff,	}	
vs.	}	No. 07-1619-CD
WALTER B. HAIGHT,	}	
Defendant.	}	

**PRAECIPE TO REINSTATE THE COMPLAINT**

To the Prothonotary:

You are hereby directed to reinstate the Complaint in the above captioned case on behalf of the Plaintiff, Discover Bank.

Respectfully submitted

STOCK & GRIMES, LLP

BY:



Paul V. Ressler, Esquire  
Attorney for Plaintiff  
Discover Bank

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

NO: 07-1619-CD

**FILED**

DISCOVER BANK, ISSUER  
vs  
WALTER B. HAIGHT

SERVICE # 1 OF 1

COMPLAINT

MAR 10 2009

5 6/3:30/2

William A. Shaw

Prothonotary/Clerk of Courts

SERVE BY: 03/07/2009

HEARING:

PAGE: 105221

DEFENDANT: WALTER B. HAIGHT  
ADDRESS: 452 SPRUCE STREET  
CLEARFIELD, PA 16830

ALTERNATE ADDRESS

SERVE AND LEAVE WITH: DEFENDANT/AAR

CIRCLE IF THIS HIGHLIGHTED ADDRESS IS:

VACANT

OCCUPIED

ATTEMPTS

2-11-09 N/A

2-19-09

3-2-09 N/A

2-24-09 N/A

2-27-09 N/A

3-3-09 N/A

**SHERIFF'S RETURN**

NOW, \_\_\_\_\_ AT \_\_\_\_\_ AM / PM **SERVED** THE WITHIN

COMPLAINT ON WALTER B. HAIGHT, DEFENDANT

BY HANDING TO \_\_\_\_\_ / \_\_\_\_\_

A TRUE AND ATTESTED COPY OF THE ORIGINAL DOCUMENT AND MADE KNOW TO HIM / HER THE CONTENTS THEREOF.

ADDRESS SERVED \_\_\_\_\_

NOW \_\_\_\_\_ AT \_\_\_\_\_ AM / PM **POSTED** THE WITHIN

COMPLAINT FOR WALTER B. HAIGHT

AT (ADDRESS) \_\_\_\_\_

NOW 3-10-09 AT 3<sup>30</sup> AM / PM AFTER DILIGENT SEARCH IN MY BAILIWICK,

I MAKE RETURN OF **NOT FOUND** AS TO WALTER B. HAIGHT

REASON UNABLE TO LOCATE NOT FOUND

SWORN TO BEFORE ME THIS

\_\_\_\_\_ DAY OF \_\_\_\_\_ 2009

So Answers: CHESTER A. HAWKINS, SHERIFF

BY:

*[Signature]*  
Deputy Signature

S. Hunter  
Print Deputy Name

FILED

MAR 10 2009

William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA

DISCOVER BANK, ISSUER OF DISCOVER  
CARD, BY ITS AGENT DISCOVER FINANCIAL  
SERVICES, INC.,

Plaintiff,

vs.

WALTER B. HAIGHT,  
Defendant.

CIVIL DIVISION

No. 07-1619-CD

**COMPLAINT**

Filed on behalf of Plaintiff, Discover  
Bank, Issuer of Discover Card, by its  
Agent Discover Financial Services, Inc.

Counsel of Record for this party:

STOCK & GRIMES, LLP  
PA I.D. #13657

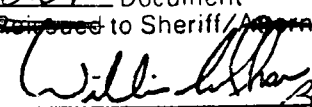
BY: PAUL V. RESSLER, ESQUIRE  
PA I.D. #25626  
FIRM # 739

**NOTICE TO PLEAD:**

**To Defendant:**

**YOU ARE HEREBY NOTIFIED  
TO FILE A RESPONSE TO THE  
COMPLAINT FILED HEREIN  
WITHIN TWENTY (20) DAYS OF  
SERVICE OF SAME OR JUDGMENT  
MAY BE ENTERED AGAINST YOU.**

21 Yost Boulevard, Suite 301  
Pittsburgh, PA 15221-5283  
(412) 824-6944

215109 Document  
Reinstated/~~Reinstated~~ to Sheriff/~~Attorney~~  
for service.  
  
~~Deputy~~ Prothonotary

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION**

**DISCOVER BANK, ISSUER OF** :  
**DISCOVER CARD, BY ITS AGENT** :  
**DISCOVER FINANCIAL SERVICES, INC.,:**  
**Plaintiff,** :  
**vs.** : **No.**  
**WALTER B. HAIGHT** :  
**Defendant.** :

**NOTICE TO DEFEND**

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this Complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the Court without further notice for any money claimed in the Complaint or for any claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

**YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE OR KNOW A LAWYER, THEN YOU SHOULD GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.**

**LAWYER REFERRAL SERVICE  
COURT ADMINISTRATOR  
CLEARFIELD COUNTY COURTHOUSE  
SECOND & MARKET STREETS  
CLEARFIELD, PA 16830  
TELEPHONE: 814-765-2641 EXT, 50-51**

**COMPLAINT**

AND NOW, comes the plaintiff, DISCOVER BANK, BY ITS AGENT DISCOVER FINANCIAL SERVICES, INC., by and through its attorneys, STOCK & GRIMES, LLP., 21 YOST BOULEVARD, SUITE 301, PITTSBURGH, PA 15221 and makes the following statement:

1. Plaintiff, DISCOVER BANK, is a duly organized banking institution under the laws of the state of Delaware, and has its principal place of business at PO Box 6011, Dover, Delaware 19903-6011.
2. Discover Financial Services, LLC, is a duly authorized agent of Plaintiff, Discover Bank, Issuer of Discover Card, and is the custodian of the financial records of Plaintiff, Discover Financial Services, LLC, has been granted authority by Plaintiff to process credit card payments and to bring lawsuits on its behalf to collect delinquent accounts.
3. The Defendant, WALTER B. HAIGHT, is an adult individual with a last known address of 60 Bowmans Hill Road, CLEARFIELD, CLEARFIELD County, Pennsylvania 16830-7401.

4. Defendant submitted an application to Plaintiff for an open-end credit card account and was issued a credit card with identifying account number of 6011 0020 1070 4435.

5. The original credit card application submitted by Defendant to Plaintiff has admittedly been either lost or destroyed by Plaintiff and is not accessible.

6. The terms and conditions governing the aforementioned account are set forth in the Discover Financial Services Card Member Agreement, which is attached hereto as Plaintiff's Exhibit "A". A copy of the same was supplied to Defendant upon issuance of the card.

7. Defendant, through use of the aforementioned line of credit, on numerous occasions, made or authorized the purchase of various items of merchandise and/or services from authorized merchants, and/or used the card to obtain cash advances.

8. Defendant has been provided with monthly account statements, accurately itemizing all purchases, payments, penalties, and accrued interest which were debited and credited to the account. A photocopy of the final statement mailed to Defendant, supporting the current balance due and owing is attached hereto and incorporated herein as Plaintiff's Exhibit "B". Plaintiff will provide the remaining statements to Defendant upon request.

9. Defendant made no written objection to the above mentioned Statements of Account submitted by Plaintiff to Defendant.

10. Defendant has failed to pay the balance due and owing on the aforesaid account in the sum of TWELVE THOUSAND FOUR HUNDRED SEVENTY FOUR AND 60/100 (\$12,474.60) plus costs of this action and reasonable attorney fees in the amount of \$3,118.65, as provided by the Discover Financial Services Cardmember Agreement.

11. THIS COMMUNICATION IS FROM A DEBT COLLECTOR. THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

WHEREFORE, Plaintiff prays this Honorable Court to enter judgment in favor of Plaintiff and against Defendant, in the sum of TWELVE THOUSAND FOUR HUNDRED SEVENTY FOUR AND 60/100 (\$12,474.60) plus costs of this action, and reasonable attorney fees in the sum of \$3,118.65.

Respectfully submitted,

STOCK & GRIMES, LLP

BY:



Paul V. Ressler, Esquire

PA I.D. #25626

Attorney for Plaintiff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION

DISCOVER BANK, ISSUER OF  
DISCOVER CARD, BY ITS AGENT  
DISCOVER FINANCIAL SERVICES, INC.,  
Plaintiff,

:  
:  
:  
:  
:  
:  
:

No.

vs.

WALTER B. HAIGHT

Defendant.

**VERIFICATION**

The undersigned, **PAUL V. RESSLER, ESQ.**, hereby states that he is the attorney for the Plaintiff, Discover Bank, Issuer of Discover Card, by its agent Discover Financial Services, Inc., who is located outside this jurisdiction and in order to file the within document in an expedient and timely manner, he is authorized to take this verification on behalf of said Plaintiff in the within action and verifies that the statements made in the foregoing Complaint are true and correct to the best of his knowledge, information, and belief, based upon information provided to him by the Plaintiff.

An Verification signed by the Plaintiff will be provided to Defendant or counsel for Defendant upon request.

The undersigned understands that false statements herein are made subject to the penalties of 18 PA.S.C.A. § 4904, relating to unsworn falsification to authorities.

Respectfully submitted,

STOCK & GRIMES, LLP

By:



Paul V. Ressler, Esquire  
21 Yost Boulevard, Ste. 301  
Pittsburgh, PA 15221  
(412) 824-6944  
ID No. 25626  
Attorney for Plaintiff



ATTORNEY: STOCK  
ACCOUNT NUMBER: 6011002010704435  
BALANCE: \$12474.60  
CARDMEMBER (S): WALTER BLAIR HAIGHT

STATE OF OHIO  
COUNTY OF FRANKLIN

Nicole Rose, personally appeared before me, this day and after being duly sworn, according to law, upon his/her oath and says:

I am a Legal Placement Account Manager for **DFS SERVICES LLC.**, the servicing agent of DISCOVER BANK, an FDIC insured Delaware State Bank.

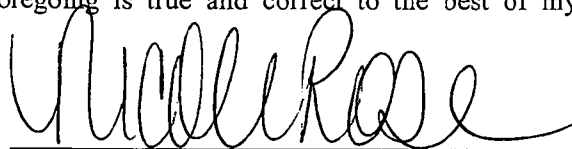
THAT this affidavit is made on the basis of my personal knowledge and in support of Plaintiff's suit on account against the Debtor(s)

THAT, in my capacity as Legal Placement Account Manager, I have control over and access to records regarding the Discover Card Account of the above referenced Debtor(s), further, that I have personally inspected said Account and statements regarding the balance due on said account. DFS SERVICES, LLC. maintains these records in the ordinary course of business.

THAT the annexed statement of account is a true and correct statement of what is now due and owing Discover Bank on the account, and exhibit A is a copy of the Cardmember Agreement between Discover Bank and the above referenced Debtor(s). The Cardmember Agreement governs the terms and conditions of the relationship between Discover Bank and the Debtor(s) in connection with the account.

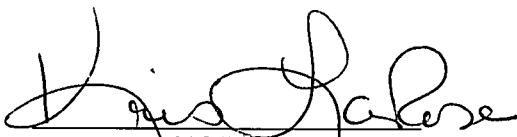
Based on my review of the account records, to the best of my knowledge and belief the above referenced Debtor(s) is not engaged in the military service of the United States and is a resident of the State and of the Country in which this action has been filed.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.



Affiant

Sworn and Subscribed before me,  
This day of Wednesday, August 15, 2007.

  
NOTARY

KRIS LAROSA  
Notary Public, State of Ohio  
My Commission Expires  
April 25, 2010

Department of Defense Manpower Data Center

SEP-11-2007 12:01:49



Military Status Report  
Pursuant to the Servicemembers Civil Relief Act

◀ Last Name	First/Middle	Begin Date	Active Duty Status	Service/Agency
HAIGHT		Based on the information you have furnished, the DMDC does not possess any information indicating that the individual is currently on active duty.		

Upon searching the information data banks of the Department of Defense Manpower Data Center, based on the information that you provided, the above is the current status of the individual as to all branches of the Military.

Mary M. Snavelly-Dixon, Director  
Department of Defense - Manpower Data Center  
1600 Wilson Blvd., Suite 400  
Arlington, VA 22209-2593

The Defense Manpower Data Center (DMDC) is an organization of the Department of Defense that maintains the Defense Enrollment and Eligibility Reporting System (DEERS) database which is the official source of data on eligibility for military medical care and other eligibility systems.

The Department of Defense strongly supports the enforcement of the Servicemembers Civil Relief Act [50 USCS Appx. §§ 501 et seq] (SCRA) (formerly the Soldiers' and Sailors' Civil Relief Act of 1940). DMDC has issued hundreds of thousands of "does not possess any information indicating that the individual is currently on active duty" responses, and has experienced a small error rate. In the event the individual referenced above, or any family member, friend, or representative asserts in any manner that the individual is on active duty, or is otherwise entitled to the protections of the SCRA, you are strongly encouraged to obtain further verification of the person's active duty status by contacting that person's Military Service via the "defenselink.mil" URL provided below. If you have evidence the person is on active-duty and you fail to obtain this additional Military Service verification, provisions of the SCRA may be invoked against you.

If you obtain further information about the person ( e.g., an SSN, improved accuracy of DOB, a middle name), you can submit your request again at this Web site and we will provide a new certificate for that query.

This response reflects current active duty status only. For historical information, please contact the Military Service SCRA points-of-contact.

See: <http://www.defenselink.mil/faq/pis/PC09SLDR.html>

WARNING: This certificate was provided based on a name and Social Security number (SSN) provided by the requester. Providing an erroneous name or SSN will cause an erroneous certificate to be provided.

Report ID: *KXVPGUGTNL*



## IMPORTANT INFORMATION ABOUT YOUR DISCOVER® PLATINUM CARD ACCOUNT

### CARDMEMBER AGREEMENT

The terms and conditions of your Account, including how we calculate finance charges, our fees and an Arbitration of Disputes section. You have the right to reject the arbitration provision with respect to your new Account within 30 days after receiving your Card, as explained in the "Acceptance of Agreement and Right to Reject Arbitration" section. SEE PAGES 1 - 12

### PRIVACY POLICY

A summary of the personal information we collect, when it may be shared with others, and how we safeguard the confidentiality and security of information. You may limit our sharing of such information with others ..... SEE PAGES 13 - 16

### BILLING RIGHTS

Important information about your rights and our responsibilities under the Fair Credit Billing Act ..... SEE PAGES 16 - 17

### DESCRIPTION OF COVERAGE

The terms and conditions of the Scheduled Air Travel Accident Insurance and the Secondary Rental Car Collision Coverage that is provided at no charge to you when you use your Card to purchase airline tickets or rent an automobile ..... SEE PAGES 17 - 23

Exhibit "A"

## CARDMEMBER AGREEMENT

Please read this Agreement carefully before using your Discover® Card Account. It contains the terms and conditions of your Account, some of which may have changed from earlier materials provided to you. In the event of any differences, this Agreement shall control.

We respect your privacy. See the Privacy Section on page 9 and our Privacy Policy for additional information.

The Arbitration of Disputes Section on page 11 includes a waiver of a number of rights, including the right to a jury trial. Acceptance of Agreement and Right to Reject Arbitration section on page 2 describes the procedure you must follow if you desire to reject the Arbitration of Disputes Section.

### CARDMEMBER AGREEMENT

Agreement Terms	1
Acceptance of Agreement and Right to	
Reject Arbitration	2
Use of Your Account	2
Authorized Users	3
Unauthorized Use	3
Credit Limit-Available Credit	3
Promise to Pay	4
Monthly Billing Statement	4
Monthly Payment Options	4
Minimum Monthly Payment	4
Credit Balances	5
Balance Transfers	5
Periodic Finance Charges	5
Default Rate Plan	7
Cash Advance Transaction Fee Finance Charges	7
Balance Transfer Transaction Fee Finance Charges	7
Minimum Finance Charge	8
Late Fee	8
Overlimit Fee	8
Returned Payment Fee	8
Returned Discover Card Check Fee	8
Stop Payment Fee	8
Pay-by-Phone Fee	8
Research Fee	8
Default-Acceleration-Collection Costs	8
Cancellation	9
Privacy	9
Electronic Communications	10
Credit Authorizations	10
Change of Terms	10
Change of Address or Telephone Number	10
Assignment of Account	10
Claim Notices	10
Arbitration of Disputes	11
Severability	12
Compliance with Interest Rate Limitations	12
Governing Law	12

**AGREEMENT TERMS.** The word "Account" means your Discover Card Account. The word "Card" means any one or more Discover Cards issued to you or someone else with your authorization. The words "you", "your", or "yours" refer to, in addition to you, the Cardmember, any

other person or persons who are also contractually liable under this Agreement. The words "we", "us" and "our" refer to Discover Bank, the issuer of your Discover Card. The words "Authorized User" mean any person whom you authorize to use your Account or a Card, whether you notify us or not. The words "Pricing Schedule" mean the document accompanying your Card and listing the Finance Charge rates that apply to your Account. The Pricing Schedule is part of this Agreement.

**ACCEPTANCE OF AGREEMENT AND THE RIGHT TO REJECT ARBITRATION.** The use of your Account or a Card by you or an Authorized User, or your failure to cancel your Account within 30 days after receiving a Card, means you accept this Agreement, including the Arbitration of Disputes provision on pages 11-12. You may, however, reject the Arbitration of Disputes section by providing us a notice of rejection within 30 days after receiving a Card, at the following address: Discover Card, P.O. Box 30938, Salt Lake City, UT 84130-0938. If you were previously subject to arbitration with respect to any account with us, this right to reject arbitration will not apply to you. Your rejection notice must include your name, address, telephone number, Account number and signature and must not be sent with any other correspondence. Calling us to indicate that you reject the Arbitration of Disputes section or sending a rejection notice in a manner or format that does not comply with all applicable requirements is insufficient notice. In order to process your notice, we require that the notice be provided by you directly and not through a third party. Rejection of arbitration will not affect your other rights or responsibilities under this Agreement or your obligation to arbitrate disputes under any other account as to which you and we have agreed to arbitrate disputes. If you do not send a rejection notice, you will be obligated by the Arbitration of Disputes section with respect to this and any prior account you have had with us, even if you have previously sent a rejection notice with respect to that prior account.

**USE OF YOUR ACCOUNT.** Your Account may be used for:

- Purchases - to purchase or lease goods or services from participating merchants by presenting your Card or Account number or by using promotional checks, which we may furnish to you, in accordance with such additional terms and conditions as we may offer from time to time.
- Cash Advances - to obtain cash advances from participating automated teller machines, financial institutions or other locations, the purchase of lottery tickets, racetrack wagers, vouchers redeemable for cash or for casino chips, money orders, traveler's checks, savings bonds, foreign currency, and wire transfers, or by means of checks which we may furnish to you, all in accordance with such additional terms and conditions as we may offer from time to time.
- Balance Transfers - to transfer balances from other creditors or to make other transactions by means of balance transfer coupons or checks, in accordance with such additional terms and conditions as we may offer from time to time.

In addition, your Account may be used to guarantee reservations at participating establishments. You will be liable for guaranteed reservations that are not cancelled prior to the time specified by the establishment.

Your Account may be used for personal, family, household and charitable purposes. Your Account may not be used to obtain loans to purchase, carry or trade in securities, to pay any amount you owe under this Agreement or for any transactions that are unlawful where you reside or

where you are physically located when you use the Account to initiate the transaction "Prohibited Transactions". Prior to its use, each Card must be signed by the person to whom it is issued. We are not responsible for the refusal of anyone to accept or honor a Card or to accept checks that we have provided you. You must return any Card or unused checks to us upon request.

If a merchant fails to provide your purchase to your satisfaction and you request a credit to your Account, we will investigate the dispute. If we resolve the dispute in your favor, we will issue a credit to your Account and you will be deemed to have assigned to us your claim against the merchant and/or any third party for the credited amount. Upon our request, you agree to provide us with written evidence of such assignment.

Your rights and responsibilities under the Fair Credit Billing Act described in the billing rights summary on pages 16-17 and on the back of your monthly billing statement apply only to credit card transactions. The Special Rule for Credit Card Purchases does not apply to purchases made with a balance transfer check, cash advance, or promotional purchase check. Therefore, if you have a problem with the quality of goods or services that you purchased with a balance transfer check, promotional purchase check, cash advance check, or the proceeds of a cash advance, you do not have the right to withhold payment of the amount due.

**AUTHORIZED USERS.** If you want to cancel the authority of a current Authorized User to use your Account or a Card, you must notify us in writing or by telephone and destroy any Card in that person's possession. None of your rights under this Agreement (other than to pay amounts owed) may be exercised by any person not a party to this Agreement acting pursuant to a power of attorney, without our separate written agreement (which we are not obligated to give).

**UNAUTHORIZED USE.** If a Card is lost or stolen, or if you think that someone is using your Account or a Card without your permission, notify us immediately. You can notify us by telephoning 1-800-DISCOVER (1-800-347-2683), or by writing DISCOVER CARD, PO Box 15156, Wilmington, DE 19886-1002. You agree to assist us in determining the facts relating to any theft or possible unauthorized use of your Account or a Card and to comply with such procedures as we may require in connection with our investigation. If you have enrolled in an automatic billing arrangement, such as a monthly gym membership, and wish to continue the automatic billing arrangement, you must provide the merchant with your new Account number.

**CREDIT LIMIT-AVAILABLE CREDIT.** We will advise you of your Account credit limit. We may impose a lower limit that will apply to cash advances, referred to as the cash advance credit limit. We may also impose a lower limit that will apply to balance transfers, referred to as the balance transfer credit limit. You agree not to allow your unpaid balance, including Finance Charges and fees, to exceed your Account credit limit. If you exceed your Account credit limit, we may request immediate payment of the amount by which you exceed your Account credit limit.

We may increase or decrease your Account credit limit, your cash advance credit limit, or your balance transfer credit limit without notice. The credit available for your use may, from time to time, be less than your Account credit limit. For purposes of determining your available credit, we reserve the right to postpone for up to 15 business days reducing your unpaid balances by the amount of any payment that we

receive. Your available credit will not be increased by the amount of any credit balance.

**PROMISE TO PAY.** You agree to pay us in U.S. Dollars for all purchases, cash advances and balance transfers including applicable Finance Charges and other charges or fees, incurred by you or anyone you authorize or permit to use your Account or a Card, even if you do not notify us that others are using your Account or a Card. We will convert purchases and cash advances made in a foreign currency to U.S. Dollars at the rate we are charged on the date of conversion. If you pay us in other than U.S. Dollars, we may refuse to accept the payment or charge your Account our cost to convert your payment to U.S. Dollars. All checks must be drawn on funds on deposit in the U.S. You may not use a cash advance check, balance transfer check or coupon, or any other promotional check drawn on any Discover Bank credit card account to make payments on your Account.

If your Account is a joint Account, each of you agrees to be liable individually and jointly for the entire amount owed on your Account. We can accept late payments or partial payments or checks and money orders marked "payment in full" or with any other restrictive endorsement without losing any of our rights under this Agreement.

**MONTHLY BILLING STATEMENT.** We will send you a billing statement after each monthly billing period in which you have a debit or credit balance, unless we waive our right to do so as permitted by law. The billing statement will show all purchases, cash advances, balance transfers, Finance Charges and other charges or fees and all payments or other credits posted to your Account during the billing period. It will show your New Balance, Minimum Payment Due and Payment Due Date.

**MONTHLY PAYMENT OPTIONS.** You may at any time pay the entire New Balance shown on your billing statement, but each month you must pay at least the Minimum Payment Due. All payments must be made in accordance with the terms, including the payment cutoff time, stated on your monthly billing statement, and we will credit your Account in accordance with those terms. In addition, we reserve the right to change those terms without prior notice as permitted by law. We will apply payments and credits to the New Balance shown on your current billing statement in order of the Annual Percentage Rate applicable to the balance of each transaction category (as referenced in the Periodic Finance Charges Section), generally from lowest to highest beginning with the balance subject to the lowest Annual Percentage Rate. We then apply payments and credits to any new transactions using the same method. However, we have the right to apply payments and credits to balances with higher Annual Percentage Rates prior to balances with lower Annual Percentage Rates, such as when there are two initial special rates applicable to your Account and the lower Annual Percentage Rate will expire before the higher Annual Percentage Rate.

**MINIMUM MONTHLY PAYMENT.** The Minimum Payment Due each month will be the greater of: (i) \$15 or the New Balance if the New Balance is less than \$15; or (ii) any amount past due plus the greater of (a) 2% of the New Balance (excluding current Period Finance Charges, Late and Overlimit Fees) or (b) current Period Finance Charges plus Late and Overlimit Fees plus \$15 (not to exceed 3% of the New Balance), with (a) and (b) rounded up to the nearest dollar. However, the Minimum Payment Due will never exceed the New Balance. In calculating the Minimum Payment Due, we may subtract certain fees added to your Account during the billing period. We may also include in your Minimum

Payment Due all or a portion of the amount by which your outstanding balance exceeds your Account credit limit as of the last day of the billing period. Paying the Minimum Payment Due may be insufficient to bring your Account balance below your Account credit limit and, consequently, may not avoid the imposition of an additional Overlimit Fee described in the Overlimit Fee Section. We may from time to time allow you to not make a minimum monthly payment, and will notify you when this option is available. If you take advantage of this offer and do not make a minimum monthly payment, finance charges and any applicable fees will accrue on your Account in accordance with this Agreement, and you must pay the Minimum Payment Due for the following billing periods.

**CREDIT BALANCES.** We will refund any credit balance within seven business days from receipt of your written request. If you do not request a refund, we will automatically refund credit balances greater than \$1.00 that remain in your Account after 6 months.

**BALANCE TRANSFERS.** We may periodically offer you the opportunity to transfer balances from other creditors or to make other transactions to your Account by means of balance transfer coupons or checks. Each offer will contain an initial special rate, which will be the Annual Percentage Rate that will apply to transferred balances for the time period specified in the offer, subject to the Default Rate Plan Section, and may contain a Balance Transfer Transaction Fee Finance Charge for each balance transfer made during the term of the offer, as disclosed in the offer and as set forth in the Pricing Schedule, if applicable. After the expiration of this time period, the Annual Percentage Rate that applies for purchases will apply to transferred balances. Balance transfers subject to the initial special rate are referred to as special rate balance transfers; balance transfers for which the initial special rate has expired are referred to as purchase rate balance transfers. Each offer will contain an expiration date. If you attempt to transfer balances by means of a check after the expiration date, we will treat the transaction as a cash advance. We will not make balance transfers attempted by means of a coupon after the expiration date.

**PERIODIC FINANCE CHARGES.** Periodic Finance Charges are imposed on all transactions from the date the transaction is posted to your Account until the date you pay your entire New Balance, by making payments or receiving credits. However, if you paid the New Balance on your previous billing statement by the Payment Due Date shown on that statement, and you pay the New Balance by the Payment Due Date on your current billing statement, we will not impose Periodic Finance Charges on new purchases, that is, purchases first appearing on the current statement. We call this the "grace period." There is no grace period on balance transfers or cash advances.

We sort your transactions into groups of purchases, cash advances, and balance transfers and then further sort the transactions within each group by their Annual Percentage Rate. For example, purchases subject to a promotional rate and purchases subject to a standard rate would be separate groups. We refer to these groups as transaction categories. At the end of each billing period, we compute balances and Periodic Finance Charges for each day of the billing period for each transaction category. We use the following equation to compute Periodic Finance Charges for each transaction category: Average Daily Balance x number of days in the billing period x Daily Periodic Rate. (You may refer to the finance charge summary on your billing statement for these amounts.) Then we add up the Periodic Finance Charges for each transaction

category to get the total Periodic Finance Charges for your Account. The Average Daily Balance is shown as zero if, because of the grace period, no Periodic Finance Charges apply to the balance in a transaction category.

We use the two-cycle average daily balance (including new transactions) method of calculating the balance upon which we impose Periodic Finance Charges. This means if you did not pay the New Balance shown on the billing statement you received during the previous billing period by the Payment Due Date shown on that statement, we will impose Periodic Finance Charges on new purchases that first appeared on that billing statement, as well as new purchases that first appear on the current billing statement, unless we already imposed Periodic Finance Charges on the purchases on your previous billing statement.

We compute the Average Daily Balance for each transaction category by adding up all the daily balances in a billing period for a transaction category and dividing the total by the number of days in the billing cycle. We compute the daily balance for each transaction category on each day by first adding the following to the previous day's daily balance: transactions made that day, fees charged that day and Periodic Finance Charges accrued on the previous day's daily balance; and by then subtracting any credits and payments that are applied against the balance of the transaction category on that day. In calculating the daily balance for the previous billing period, we consider the "previous day's daily balance" to have been zero on the first day of the billing period. If a transaction is posted to your Account after the close of the billing period in which it occurs, we will treat the transaction as having occurred on the first day of the billing period in which it is posted to your Account.

All fees charged to your Account are added to the standard purchase transaction category with the exception of Cash Advance Transaction Fee Finance Charges which are added to the applicable cash advance transaction category and Balance Transfer Transaction Fee Finance Charges which are added to the applicable balance transfer transaction category. When the special rate expires, we move the unpaid balance of the balance transfer and the Balance Transfer Transaction Fee Finance Charges to the standard purchase transaction category. However, if the special rate has been terminated under the Default Rate Plan, we leave the unpaid balance of the balance transfer and the Balance Transfer Transaction Fee Finance Charges in the applicable balance transfer transaction category until the special rate would have expired.

The Daily Periodic Rate and corresponding Annual Percentage Rate that apply to each transaction category are either fixed rates or variable rates as set forth in your Pricing Schedule or in any special offers you receive from us. The Daily Periodic Rate is 1/365th of the corresponding Annual Percentage Rate. Variable Annual Percentage Rates are determined by adding a specified number of percentage points to the Prime Rate. This is shown on the Pricing Schedule as "Prime + (percentage points)." For purposes of this Agreement, the Prime Rate is the highest rate of interest listed as the "prime rate" in the Money Rates section of *The Wall Street Journal* on the last business day of the month. The Prime Rate is merely a pricing index and does not represent the lowest or best interest rate available to a borrower at any bank at any given time. If you have a variable rate, your Annual Percentage Rate will increase or decrease when the Prime Rate changes. This change will be effective beginning with the first day of the billing period that begins during the same

month as the change in the Prime Rate. An increase in the Annual Percentage Rate will usually result in an increase in your Minimum Payment Due.

**DEFAULT RATE PLAN.** We will review your Account on the last day of each billing period to determine the Annual Percentage Rates that will apply to your Account. If we did not receive at least the Minimum Payment Due by the Payment Due Date, then the standard ANNUAL PERCENTAGE RATE for purchases will be increased by five percentage points, not to exceed 28.99%, and remain as either a fixed or variable rate based on the type of rate in effect before the increase. In addition, any special rate on balance transfers and any introductory or promotional rate on purchases that currently applies to your Account, and any such rate that we have previously offered to you, will terminate and increase to be the same rate and change to be the same type (fixed or variable) as the new standard Annual Percentage Rate for purchases. If any other Annual Percentage Rate applicable to your Account, such as your Annual Percentage Rate for cash advances, is less than or equal to the new standard Annual Percentage Rate for purchases, it will change to be the same type (fixed or variable) as the new rate and if it is less, it will increase to the new rate. If any rate exceeds the new rate, it will not increase or change type. The Prime Rate is the index for any variable rates. Any increased rate and change in type will apply beginning with the first day of the billing period in which we did not receive at least the Minimum Payment Due by the Payment Due Date.

If your standard Annual Percentage Rate for purchases was increased under this or any previous version of the Default Rate Plan and, for any nine consecutive billing periods ending after April 1, 2006, you pay at least the Minimum Payment Due, if any, by the Payment Due Date, then your Annual Percentage Rate for your new purchases will be reduced and your Annual Percentage Rate for your existing purchase balance may be reduced. Any reduced Annual Percentage Rates will apply beginning with the first day of your tenth billing period.

**CASH ADVANCE TRANSACTION FEE FINANCE CHARGES.** Unless otherwise specified in a cash advance offer, we will charge you a Cash Advance Transaction Fee Finance Charge of 3% of the amount of each new cash advance with a minimum Cash Advance Transaction Fee Finance Charge of \$5.00 and no maximum. The imposition of Cash Advance Transaction Fee Finance Charges may result in an Annual Percentage Rate for cash advances that is higher than the nominal Annual Percentage Rate. All forms of cash advances, including the use of Discover Card checks, regardless of the purpose for which used, are subject to Cash Advance Transaction Fee Finance Charges. To obtain the total Finance Charge on cash advances for each billing period, we add any Cash Advance Transaction Fee Finance Charges for the billing period charged under this Section to any Periodic Finance Charges calculated under the Periodic Finance Charges Section for each cash advance transaction category and add up these amounts.

**BALANCE TRANSFER TRANSACTION FEE FINANCE CHARGES.** If the balance transfer offer you receive contains a Balance Transfer Transaction Fee Finance Charge, we will charge you a Balance Transfer Transaction Fee Finance Charge for the amount of each balance transfer made under that offer. If there is a Balance Transfer Transaction Fee Finance Charge in conjunction with the offer you received when you applied for an Account, it will be in the amount set forth in the Pricing Schedule. The imposition of Balance Transfer Transaction Fee Finance

Charges may result in an Annual Percentage Rate for balance transfers that is higher than the nominal Annual Percentage Rate. To obtain the total Finance Charge on balance transfers for each billing period, we add any Balance Transfer Transaction Fee Finance Charges calculated under the Periodic Finance Charges section for each balance transfer transaction category and add up these amounts.

**MINIMUM FINANCE CHARGE.** We will charge you a minimum FINANCE CHARGE of \$.50 for any billing period in which some FINANCE CHARGE of less than \$.50 would otherwise be imposed.

**LATE FEE.** We will charge you a Late Fee if you have failed, as of the Payment Due Date, to make the Minimum Payment Due that was required to be paid for that billing period. The amount of the Late Fee is based on the sum of all outstanding purchases, cash advances, balance transfers, other charges, other fees and Finance Charges at the end of that billing period. If the sum is equal to or less than \$500, the Late Fee is \$15, and if the sum is greater than \$500, the Late Fee is \$39.

**OVERLIMIT FEE.** We will charge you an Overlimit Fee each time that, as of the dose of a billing period, your outstanding Account balance exceeds your Account credit limit. This fee may be charged even if the transaction which causes you to exceed your Account credit limit is authorized by us or if you exceed your Account credit limit due to the posting of Finance Charges or fees to your Account. The amount of the Overlimit Fee is based on the sum of all outstanding purchases, cash advances, balance transfers, other charges, other fees and Finance Charges at the end of the billing period. If the sum is equal to or less than \$500 and you exceed your credit limit, the Overlimit Fee is \$15. If the sum is greater than \$500 and you exceed your credit limit, the Overlimit Fee is \$39.

**RETURNED PAYMENT FEE.** We will charge you a Returned Payment Fee of \$35 each time you pay us with a check or other instrument that is returned unpaid. This fee will also apply if a debit transaction to a deposit account from which you have authorized us in writing, electronically, or orally to periodically deduct all or a part of an amount you owe us under this Agreement is returned unpaid. We will charge you this fee the first time any payment is returned unpaid, even if it is paid upon resubmission.

**RETURNED DISCOVER CARD CHECK FEE.** We will charge you a Returned Discover Card Check Fee of \$29 each time we decline to honor a Discover Card cash advance check, balance transfer check, promotional purchase check, or other promotional check.

**STOP PAYMENT FEE.** We may charge a Stop Payment Fee of \$15.00 each time we stop payment at your request on a cash advance check, balance transfer check, promotional purchase check, or other promotional check.

**PAY-BY-PHONE FEE.** We may from time to time allow you to make payments by authorizing us over the telephone to transfer or pay funds from a deposit account to your Account. We will charge a Pay-by-Phone Fee of \$15 for each such transfer or payment.

**RESEARCH FEE.** We may charge you a Research Fee of \$5.00 for each copy of a billing statement or sales slip that you request. However, we will not charge a fee if you request copies in connection with a billing error.

**DEFAULT-ACCELERATION-COLLECTION COSTS.** You are in default if you become insolvent; if you file a bankruptcy petition or have one filed against you; if we have a reasonable belief that you are unable or

unwilling to repay your obligations to us; if you are declared incompetent by a court or if a court appoints a guardian for you or a conservator for your assets; if you die; if you fail to comply with the terms of this Agreement, including failing to make a required payment when due, exceeding your Account credit limit, or using your Card or Account for a Prohibited Transaction; or if you fail to make a required payment when due on any other account you have with us. If you are in default, we may declare the entire balance of your Account immediately due and payable without notice. If we refer the collection of your Account to an attorney or employ an attorney to represent us with regard to recovery of money that you owe us, we may charge you reasonable attorneys' fees and court or other collection costs as permitted by law and as actually incurred by us, including fees and costs in connection with any appeal. We may delay enforcing or not enforce any of our rights under this Agreement without losing or waiving any of them.

**CANCELLATION.** You may cancel your Account by notifying us in writing or by telephone and returning or destroying every Card and unused check that we have provided you. Of course, you will still be responsible to pay any amount you owe us according to the terms of this Agreement. If your Account is a joint Account, either Cardmember may cancel the Account, but you will both remain responsible to pay any amount owed to us according to the terms of this Agreement. We may cancel or suspend your Account at any time without notice. We may choose not to renew your Account (beyond the expiration date shown on the face of a Card) without notice.

**PRIVACY.** We respect the privacy of information about you and your Account. Our Privacy Policy includes a summary of the personal information we collect, when it may be shared with others, how we safeguard the confidentiality and security of information and the steps you may take to limit our sharing of such information with others. Please read it carefully as it is part of your Cardmember Agreement. As indicated in our Privacy Policy, we may report to credit reporting agencies and other creditors the status and payment history of your Account, including negative credit information. Late payments, missed payments, or other defaults on your Account may be reflected in your credit report. We normally report to such credit reporting agencies each month. If you believe that our report of your Account status is inaccurate or incomplete, please write us at the following address: Discover Card, PO Box 15316, Wilmington DE 19850-5316. Please include your name, address, home telephone number and Account number.

We may from time to time review your credit, employment and income records. Our personnel may listen to or record telephone calls between you and our representatives without notice to you as permitted by law. We may use any medium, including but not limited to mail, live telephone calls, automated telephone equipment, prerecorded telephone calls, and e-mail to contact you about your Account or offer you products or services that may be of value to you. If you prefer not to be contacted in one or more of these ways, call us at 1-800-DISCOVER or write to us at Discover Card, P.O. Box 15354, Wilmington, DE 19850. We provide various methods by which you can obtain information about your Account. We will only release such information to you, any Authorized User that our records indicate is an authorized buyer on your Account, and any other person with your prior permission, in addition to as provided in our Privacy Policy or as required by law. Our security measures cannot insure against unauthorized inquiries. You agree that

we will not be responsible for the release of information to anyone who, even if without your authorization or permission, has gained possession of a Card or has learned other identifying characteristics about you such as your personal identification number, Account number or social security number.

**ELECTRONIC COMMUNICATIONS.** We may offer you the opportunity to receive certain notices from us electronically rather than through the mail, including monthly billing statements and change of terms notices. The terms and conditions for receiving these electronic communications will be described in the offer.

**CREDIT AUTHORIZATIONS.** Certain transactions will require our authorization prior to completion of the transaction. In some cases, you may be asked to provide identification. We have the right not to authorize a transaction for security or other reasons. Also, if our authorization system is not working, we may not be able to authorize a transaction. We will not be liable to you if any of these events happen.

**CHANGE OF TERMS.** We may change any term or part of this Agreement, including, but not limited to, any finance charge rate, fee or method of computing any balance upon which the finance charge rate is assessed, or add any new term or part to this Agreement. If required by law we will send you a written or electronically delivered notice at least 15 days before the change is to become effective. We may apply any such change to the outstanding balance of your Account on the effective date of the change and to new charges made after that date. You may be offered the opportunity to reject some of the changes, and if you do, you must notify us in writing or electronically within 15 days after the mailing of the notice of change at the address provided in the notice of change, in which case your Account will be closed and you must pay us the balance that you owe us under the existing terms of the unchanged Agreement. Otherwise, you will have agreed to the changes in the notice. Use of your Account after the effective date of the change will be deemed acceptance of the new terms as of such effective date, even if you previously notified us that you did not agree to the change. We may also change any term of any product, service, or benefit offered in connection with your Account. We will notify you as required by law or by the terms of the product, service, or benefit.

**CHANGE OF ADDRESS OR TELEPHONE NUMBER.** If you change your address or telephone number you must notify us of your new address or telephone number within 15 days.

**ASSIGNMENT OF ACCOUNT.** We may sell, assign or transfer your Account or any portion thereof without notice to you. You may not sell, assign or transfer your Account without first obtaining our prior written consent.

**CLAIM NOTICES.** In the event that you or we have a claim that arises from or relates to your Account, any prior account you had with us, your application, the relationships which result from your Account or the enforceability of the Agreement or any prior agreement, before initiating, joining or participating in any judicial or arbitration proceeding, as either an individual litigant or member of a class ("Proceeding"), the complaining party shall give the other party: (1) a written notice of the claim ("Claim Notice"), at least 15 days before initiating any Proceeding, explaining in reasonable detail the nature of the claim and any supporting facts; and (2) a reasonable good faith opportunity to resolve the claim without the necessity of a Proceeding. This includes any claims involving our parent corporation, subsidiaries, affiliates (including, with



out limitation, Discover Financial Services LLC), predecessors, successors, assigns, as well as the officers, directors and employees of each of these entities. Any Claim Notice shall be sent to us at P.O. Box 8040, Hilliard, Ohio 43026 (or such other address as we shall subsequently provide to you) (the "Claim Notice Address") or to you at your address appearing in our records or, if you are represented by counsel, to your attorney at your attorney's office.

**ARBITRATION OF DISPUTES.** In the event of any past, present or future claim or dispute (whether based upon contract, tort, statute, common law or equity) between you and us arising from or relating to your Account, any prior account you have had with us, your application, the relationships which result from your Account or the enforceability or scope of this arbitration provision, of the Agreement or of any prior agreement, you or we may elect to resolve the claim or dispute by binding arbitration.

IF EITHER YOU OR WE ELECT ARBITRATION, NEITHER YOU NOR WE SHALL HAVE THE RIGHT TO LITIGATE THAT CLAIM IN COURT OR TO HAVE A JURY TRIAL ON THAT CLAIM. PRE-HEARING DISCOVERY RIGHTS AND POST-HEARING APPEAL RIGHTS WILL BE LIMITED. NEITHER YOU NOR WE SHALL BE ENTITLED TO JOIN OR CONSOLIDATE CLAIMS IN ARBITRATION BY OR AGAINST OTHER CARDMEMBERS WITH RESPECT TO OTHER ACCOUNTS, OR LITIGATE IN COURT OR ARBITRATE ANY CLAIMS AS A REPRESENTATIVE OR MEMBER OF A CLASS OR IN A PRIVATE ATTORNEY GENERAL CAPACITY ("Class Action Waiver"). Notwithstanding anything else to the contrary in this arbitration provision, only a court, and not an arbitrator, shall determine the validity and effect of the Class Action Waiver. Even if all parties have opted to litigate a claim in court, you or we may elect arbitration with respect to any claim made by a new party or any new claims later asserted in that lawsuit, and nothing undertaken therein shall constitute a waiver of any rights under this arbitration provision.

We will not invoke our right to arbitrate an individual claim you bring in small claims court or your state's equivalent court, if any, so long as the claim is pending only in that court and does not exceed \$5,000.00.

Your Account involves interstate commerce, and this provision shall be governed by the Federal Arbitration Act (FAA). The arbitration shall be conducted, at the option of whoever files the arbitration claim, by either the American Arbitration Association (AAA) or the National Arbitration Forum (NAF) in accordance with their procedures in effect when the claim is filed. For a copy of their procedures, to file a claim or for other information, contact AAA at 335 Madison Avenue, Floor 10, New York, NY 10017-5905, [www.adr.org](http://www.adr.org) (phone 1-800-778-7879) or NAF at P.O. Box 50191, Minneapolis, MN 55405 (phone 1-800-474-2371). No other arbitration forum will be permitted, except as agreed to pursuant to either the Change of Terms section or a writing signed by both parties. Unless consented to by all parties, no arbitration may be administered by any administrator that has any formal or informal policy, rule or procedure that is inconsistent with or purports to override the terms of this section. At your written request, we will advance any arbitration filing, administrative and hearing fees which you would be required to pay to pursue a claim or dispute as a result of our electing to arbitrate that claim or dispute. Send requests to P.O. Box 15192, Wilmington, DE 19886-1020. The arbitrator will decide who will ultimately be responsible for paying those fees. You will only be responsible for paying or reimbursing our arbitration filing, administrative or hearing fees to the extent you

would have been responsible for paying "attorneys' fees and court or other collection costs" had the action proceeded in court. In no event will you be required to pay any fees or costs incurred by us in connection with an arbitration proceeding where such a payment or reimbursement is prohibited by applicable law.

Any arbitration hearing will take place in the federal judicial district where you reside. The arbitrator shall follow applicable substantive law to the extent consistent with the FAA and applicable statutes of limitations and shall honor claims of privilege recognized at law and shall be authorized to award all remedies permitted by the substantive laws that would apply if the action were pending in court. If requested by any party, the arbitrator shall write an opinion containing the reasons for the award. The arbitrator's decision will be final and binding except for any appeal rights under the FAA and except that if the amount in controversy exceeds \$100,000.00, any party may appeal the award within 30 days to a three-arbitrator panel, which shall review the award *de novo*. Unless applicable law provides otherwise, the appealing party will pay the cost of the appeal, regardless of its outcome. However, we will consider in good faith any reasonable request for us to bear the fees charged by the arbitration administrator and the arbitrators in connection with the appeal. Judgment upon any award by the arbitrator may be enforced in any court having jurisdiction.

Our rights and obligations under this arbitration provision shall inure to the benefit of and be binding upon our parent corporations, subsidiaries, affiliates (including, without limitation, Discover Financial Services LLC), predecessors, successors, assigns, as well as the officers, directors and employees of each of these entities, and will also inure to the benefit of any third party named as a co-defendant with us or with any of the foregoing in a claim which is subject to this arbitration provision. Your rights and obligations under this arbitration provision shall inure to the benefit of and be binding upon all persons contractually liable under this Agreement and all Authorized Users of the Account. This arbitration provision shall survive termination of your Account as well as voluntary payment in full by you, any legal proceedings by us to collect a debt owed by you, any bankruptcy by you and any sale by us of your Account.

**SEVERABILITY.** If any part of this Agreement becomes unenforceable, it will not make any other part unenforceable, except that if the Class Action Waiver set forth above in the Arbitration of Disputes section is invalidated in any proceeding in which you and we are involved, then the Arbitration of Disputes section will be void with respect to that proceeding.

**COMPLIANCE WITH INTEREST RATE LIMITATIONS.** We intend that this Agreement will comply with applicable interest rate limitations. You will not be required to pay Finance Charges or other charges at a rate that is greater than the maximum amount permitted by law. If it is ever finally determined that, but for this Section, the Finance Charges or other charges under this Agreement would exceed the maximum lawful amount, the Finance Charges and other charges will be reduced to the maximum lawful amount. Any excess amount that you have already paid will be used to reduce the outstanding balance of your Account or will be refunded to you by means of a check in our discretion.

**GOVERNING LAW.** This Agreement and any claim or dispute arising out of this Agreement will be governed by applicable federal law and, to the extent state law applies, Delaware law.

## PRIVACY POLICY

### 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 that accepts the Discover® Card may come to us with a special offer for Cardmembers, 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 Cardmembers who may be interested in the offer based on certain characteristics. We will send the offer directly to those Cardmembers on behalf of the retailer by, for example, including an insert in their monthly billing 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 Cardmembers 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 Cardmembers 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

We are part of the Morgan Stanley family of companies. Our corporate family offers a wide 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 mortgage lending services, securities and asset management services, investment opportunities and mutual funds, and may include non-financial service providers in the future as our corporate family continues to grow.

#### 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, including those that accept the Discover Card, 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 cobrand credit card programs 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 monthly billing statements or elsewhere which suggests that our information is incomplete or inaccurate, please write to us at Discover Card, P.O. Box 30943, Salt Lake City, UT 84130-0943 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 certain information we collect about you, as described in Section 1, with companies in our corporate family. However, this option is limited to information about your eligibility for credit obtained from your

application, such as your income, and from consumer reporting agencies, such as your credit history. 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 1-800-225-5202 or write to us at Discover Card, P.O. Box 30961, Salt Lake City, UT 84130-0961. 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 credit card 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. It also permits us to share information about our experiences and transactions with you, such as your Account balance and payment history with us, with other members of our corporate family. If you are a new Cardmember, 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 Cardmember, 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 Cardmember listed on the Account. However, any joint Cardmember 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 the family of Discover Cards for consumers and the products and services offered in connection with those Cards, including the Wallet Protection card registration service (with the exception of any information registered in connection with the service, which will not be shared). It is part of your Cardmember 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 other 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-DISCOVER 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.

## Your Billing Rights

### KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

#### 1. Notify Us in Case of Errors or Questions About Your Bill

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet of paper at the address listed on your bill for Notice of Billing Errors. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- your name and Account number.
- your dollar amount of the suspected error.
- describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

If you have authorized us to pay your credit card bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the payment, your letter must reach us three business days before the automatic payment is scheduled to occur.

#### 2. Your Rights and Our Responsibilities After We Receive Your Written Notice

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your Account credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we didn't make a mistake, you may have to pay the finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write us within ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is. If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your bill was correct.

### 3. Special Rule For Credit Card Purchases

If you have a problem with the quality of goods or services that you purchased with a credit card, and you tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the goods or services. There are two limitations on this right:

- (a) you must have made the purchase in your home state or, if not within your home state, within 100 miles of your current mailing address; and
- (b) the purchase price must have been more than \$50.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the goods or services.

## DESCRIPTION OF COVERAGE

**SCHEDULED AIR TRAVEL ACCIDENT INSURANCE.** Discover® Platinum Cardmembers are provided with up to \$500,000 Scheduled Air Travel Accident\* protection. Whenever you use your Discover Platinum Card (the "credit card") to charge your entire Common Carrier Fare Ticket on any Commercial Aircraft operated by a Scheduled Air Carrier under a license for the transportation of passengers for hire (herein called Scheduled Air Carrier), you automatically receive this valuable coverage at no additional cost.

The benefits of the Policy providing your coverage are governed primarily by the law of a state other than Florida.

\*Coverage is underwritten by National Union Fire Insurance Company of Pittsburgh, PA (the "Insurance Company"), with offices in New York, NY. Certain limitations and exclusions apply.

### PLAN FEATURES

Benefit Amount: \$500,000 Family Aggregate Principal Sum

**ACCIDENTAL DEATH BENEFITS.** Insurance coverage will be equal to the benefit amount for accidental loss of life. The loss must occur within one year of the accident that caused the injury. Family Aggregate Principal Sum means the total amount of insurance in force on the Cardmember, his or her spouse and their dependent children for any one accident. If more than one Insured Person dies as the result of the injuries received in any one accident, the Family Aggregate Principal Sum will be pro-rated and paid in accordance with the claim payment and beneficiary provisions of the Policy. Once the Family Aggregate Principal Sum is paid for any one Insured Person in a Family that occurs as the result of any one accident, no further benefits are payable for further deaths in that Family due to injuries received in the same accident.

Maximum Accidental Death benefits payable under the Policy, if more than one Cardmember suffers a loss from the same accident, are limited to an aggregate of \$20,000,000 for all Cardmembers combined. Any reduction of benefits necessary to comply with this limitation will be made on a proportionate basis to each Cardmember up to this aggregate limit of liability. As used herein, Cardmember means cardmember, his or her insured spouse and insured dependent children. This aggregate limit does not replace or in any way affect the Family Aggregate Principal Sum stated under the Policy.

"Injury" means bodily injury: (a) which is sustained as a direct result of an unintended, unanticipated accident that is external to the body and that occurs while the injured person's coverage under this Policy is in force, and

(b) which directly (independent of sickness, disease, mental infirmity, bodily infirmity or any other cause) causes a covered loss.

**DISAPPEARANCE BENEFITS.** We will presume you suffered loss of life due to an accident if: you are riding in a Scheduled Air Carrier that is involved in a covered accident and as a result of the accident, the Scheduled Air Carrier is wrecked, sinks, or disappears; and your body is not found within one (1) year of the accident.

The total of all benefits payable for you, your spouse and your dependent children from the same accident will not exceed the \$500,000 Family Aggregate Principal Sum.

**ELIGIBILITY.** This automatic insurance is provided to eligible holders of the credit card whose names appear on the credit card, their spouses and their unmarried dependent children under age 19 (age 23 if attending school on a full-time basis and fully dependent on you for support). However, the age limit does not apply to a child who is incapable of self-sustaining employment by reason of mental or physical incapacity.

**EFFECTIVE DATES.** Your insurance under this plan is effective on the later of: 1) July 1, 2001; or 2) the date you become an eligible person. Your insurance under this plan will cease on the earlier of: 1) the date the insurance coverage is terminated; or 2) on the date you cease to be an eligible holder of the credit card.

**THE BENEFICIARY.** Unless you designate otherwise with a beneficiary designation form, your death benefit will be paid, in equal shares, to the first surviving class of those that follow: (1) your spouse; (2) your children; (3) your parents; or (4) your brothers and sisters. If no class has a survivor, the beneficiary is your estate. You may change your beneficiary by writing to the Insurance Company at: Accident & Health Division, 500 West Madison Street, Suite 2250, Chicago, IL 60661.

**CLAIM PROCEDURE.** Claim forms may be obtained through the Insurance Company. Claims for benefits must be filed with the Insurance Company within 90 days or as soon as reasonably possible after the loss occurs.

**PLAN OF INSURANCE COVERAGE.** You, as a Cardmember, and your spouse and children will be covered against injuries that result in an accidental death while as a passenger in or on, including getting in or out of, or on or off of, any Scheduled Air Carrier if the Common Carrier Fare Ticket for the flight was charged to your credit card.

Companion tickets issued for free with the purchase of a full-fare common carrier ticket and used by a spouse or dependent child will be considered as fully charged to the credit card, if the corresponding full Common Carrier Fare Ticket is charged to the credit card.

Coverage is effective when you board the Scheduled Air Carrier, provided the full Common Carrier Fare Ticket is purchased, or the travel reservation is made for the companion tickets, prior to boarding such Scheduled Air Carrier. Coverage ends when you alight from the Scheduled Air Carrier.

**EXCLUSIONS.** Benefits are not payable if the loss is caused by or results from: 1) self-inflicted injury or suicide; 2) sickness, disease, or mental incapacity or bodily infirmity whether directly or indirectly; 3) infections of any kind regardless of how contracted, except bacterial infections that are directly caused by botulism, ptomaine poisoning or an accidental cut or wound independent and in the absence of any underlying sickness, disease or condition including but not limited to diabetes; 4) committing or attempting to commit a felony; 5) war or act of war, declared or undeclared; or (6) travel or flight in or on any vehicle used for aerial navigation, as a pilot, operator or crew member.

**LIMITATIONS.** Benefits will only be payable under one Cardmember account, the credit card under which the Common Carrier Fare Tickets were fully charged.

Benefits are not payable for losses due to injury sustained while on a trip for which the tickets were purchased with a frequent flyer voucher.

Complete provisions pertaining to this plan of insurance are contained in Policy #9029072 issued by National Union Fire Insurance Company of Pittsburgh, PA with offices in New York, NY. The premium for this insurance is paid by Discover Financial Services LLC, out of income derived from its credit card operations.

Please read this Description of Coverage. Keep it in a safe place with your other insurance documents. This Description of Coverage (Form Number S30365DOC) is not a contract of insurance but is simply an informative statement to each eligible individual of the principal provisions of the insurance while in effect.

If a conflict exists between a statement in this Description of Coverage and any provisions in the Policy, the Policy will govern. Claims administered by: A&H Claims Department, P.O. Box 15701, Wilmington, DE 19850-5701, (800) 551-0824.

**SECONDARY RENTAL CAR COLLISION COVERAGE PROVIDED TO DISCOVER PLATINUM CARDMEMBERS DESCRIPTION OF COVERAGE.**

**COVERAGE DESCRIPTION:**

- Secondary Rental Car Collision Coverage will reimburse You or the Rental Agency for Covered Damages as a result of Collision Damage on an excess basis (over and above any amount due from any other valid and collectible insurance or any other form of reimbursement payable by those responsible for the loss) on a secondary basis. Covered Damages are those amounts, up to \$25,000 per incident, on claims for Collision Damage to the Rented Automobile for which You or any authorized driver is legally responsible to the Rental Agency. In no event will We be liable beyond the amounts actually paid by either You or the Rental Agency. Reimbursement will be on an Actual Cash Value basis.
- From the amount of reimbursement due, the amount of any valid and collectible insurance, or the sum of \$0 (whichever is greater), shall be deducted.

**DEFINITIONS:**

- Actual Cash Value means the cost to repair or replace the Rented Automobile at the time of Collision Damage, less depreciation.
- Collision Damage means the direct and accidental damage to a Rented Automobile caused by upset or collision with another object.
- Eligible Card means the Discover Platinum credit card.
- Loss of Use means the charges imposed by the Rental Agency, for which You are liable, due to Collision Damage to the Rented Automobile, for the period of time the vehicle is being repaired.
- Rental Agency means a commercial automobile rental company licensed under the laws of the applicable jurisdiction.
- Rented Automobile means a four-wheeled private passenger-type motor vehicle or a mini-van manufactured and designed to transport a maximum of eight passengers and used exclusively to carry passengers. It must be designed for travel on public roads and rented from a licensed Rental Agency.

- We, Us and Our means Virginia Surety Company, Inc.

- You or Your means the eligible Cardholder, hereinafter referred to as Cardmember, his or her spouse, and unmarried children under the age of 19 (or age 23 if a full-time student at an accredited college or university). Spouse includes domestic partner, which means a person designated by and listed as a domestic partner on the account of the primary Cardmember, who is at least 18 years of age, and who during the past 12 months: a) has resided in the same household as the primary Cardmember, and b) has been jointly responsible with the Cardmember for each other's financial obligations.

**HOW TO GET COVERAGE:**

- Initiate and pay for the entire rental transaction with Your Eligible Card. If a coupon or voucher of any kind is initially applied toward payment of the Rented Automobile, at least one day of rental must be charged to Your Eligible Card; and
- Decline the collision/loss damage waiver offered by the Rental Agency; and
- You must rent the car in Your own name and sign the rental car contract. Coverage does not apply if You pay for someone else to rent the car.
- It is not necessary for You to notify Us at the time of rental.

**WHO IS COVERED:**

- You

**WHERE YOU'RE COVERED:**

- Coverage is available in the fifty (50) United States of America and Canada. Coverage is not applicable where precluded by law or in violation of the territory terms of the rental agreement or prohibited by individual merchants.

**PERIOD OF COVERAGE:**

- Coverage begins when You pick up the car and ends when You turn it in to the Rental Agency.
- The period of coverage shall not exceed thirty-one (31) consecutive days.

**EXCLUDED RENTAL VEHICLE:**

- Trucks; recreational vehicles; campers; pickup trucks; minibuses; full-size vans mounted on truck chassis; vehicles manufactured to seat more than eight occupants; vehicles when used to carry, haul or transport any type of cargo or property; off-road vehicles; trailers; motorbikes; motorcycles; and motor scooters; antique motor vehicles (which means vehicles over 25 years old or any vehicle which has not been manufactured for 10 years or more); limousines; high-value motor vehicles (those whose replacement value exceeds \$50,000); limited-edition motor vehicles (which are high-value, exotic, high-performance or collector-type vehicles); special-interest or exotic cars (including Aston Martin, Bentley, Bricklin, Daimler, DeLorean, Excalibur, Ferrari, Jensen, Lamborghini, Lotus, Maserati, Porsche, Rolls Royce or similar vehicles, selected models of BMW, Mercedes-Benz, Cadillac, and Lincoln).

**WHAT IS NOT COVERED:**

- Coverage is not all-inclusive, which means it does not cover such things as personal injury, personal liability, or personal property. In other words, it does not cover You for damage to someone else's vehicle, or property, Your property or personal property inside the vehicle. It does not cover You for any injury to any party.

- Losses resulting from any dishonest, fraudulent or criminal act.
- Loss resulting from forgery.
- Loss that occurs while You are in violation of the Rental Agreement.
- Loss due to driving while Intoxicated (as defined by the laws of the jurisdiction where the loss occurred), or under the influence of any narcotic unless prescribed by a physician, reckless driving, or due to contraband or illegal activities.
- Intentional loss or damage.
- Loss resulting from hostility of any kind (including declared war, undeclared war, invasion, rebellion, riot, civil commotion, or insurrection) or confiscation by authorities.
- Loss due to nuclear reaction or radioactive contamination.
- Loss as a result of hail, lightning, flood, earthquake, windstorm, water, or other weather-related causes.
- Loss resulting from falling objects, fire, theft or larceny, explosion, malicious mischief or vandalism.
- Loss or theft of personal belongings.
- Loss caused by someone other than You.
- Loss due to wear and tear, gradual depreciation, freezing, mechanical or electrical breakdown or failure.
- Blowouts and tire damage unless the loss is coincident with a covered loss.
- Depreciation, administrative, Loss of Use, or other fees charged by the Rental Agency.
- A single rental/contract of more than thirty-one (31) consecutive days.
- Back-to-back rentals for more than thirty-one (31) consecutive days (a back-to-back rental is two or more rentals of the same or different vehicles within the same city, with the first ending and next beginning within a 24-hour period).
- Leases or mini-leases.
- Expenses assumed, waived, or paid by the Rental Agency or its insurer.
- Any obligation You assume under any agreement (other than the standard rental car agreement).
- Loss resulting from an authorized driver's lack of reasonable care in protecting the Rented Automobile before or after the loss occurs including, but not limited to, mysterious disappearance of the rental car keys, leaving the rental car running while unattended, etc.
- Damage sustained on any road not regularly maintained by a municipal, state, or federal entity.
- Loss or damage resulting from use of vehicles unlicensed for road use.
- Expenses reimbursed by your insurer, employer, or employer's insurer.
- Loss resulting from use of the Rented Automobile in tests, races, or contests.
- Loss resulting from use of the Rented Automobile to carry passengers and property for hire.
- Losses occurring in states or countries where prohibited by law.
- Losses not reported within the time period provided, as stipulated in the claim procedure.
- Coverage will not pay for, or duplicate, the collision/loss damage waiver offered by the Rental Agency.

#### HOW TO FILE A CLAIM:

- After Collision Damage occurs, You must contact the administrator, Aon Innovative Solutions, P.O. Box 220, Golden, CO 80402, so coverage can be verified and a claim form sent to You. You must report any Collision Damage within 45 days of the incident, or We will not be able to honor Your claim.
- Report within 24 hours any damage or loss to the appropriate official representative, including the police and Rental Agency.
- Complete and sign the claim form and attach all appropriate documentation, including a copy of:
  - The account statement showing the Rental Agency transaction; and
  - The automobile rental agreement (front and back); and
  - The police report; and
  - The initial claim report submitted to the automobile Rental Agency; and
  - The paid claim presented by the Rental Agency for the Collision Damage for which You are responsible; and
  - Proof of submission of the loss to and the results of any settlement or denial by the applicable insurance carrier(s); and
  - If no other insurance is applicable, a notarized statement from You to that effect; and
  - Any other documentation We may request.
- Be sure to submit all above required documentation to the administrator within 180 days of the incident, or as soon as reasonably possible, or the claim will not be honored.
- It is a condition of this coverage that You, as often as may be reasonably required by Us, will submit, and within Your power cause others to submit, to examinations under oath and will produce for examination all writings, books of account, bills, invoices and vouchers, or certified copies thereof, at such reasonable time and place as We may designate and will permit extracts and copies thereof to be made.
- If payment is made under the Secondary Rental Car Collision Coverage, We are entitled to recover such amounts from other parties or persons. Any party or person to or for whom We make payment must transfer to Us his or her rights to recovery against any other party or person. You must do everything necessary to secure these rights and must do nothing that would jeopardize them, or these rights will be recovered from You. However, We will not require reimbursement against Your personal insurance carrier, but You agree to repay Us for any reimbursement, up to the amount of any recovery from Your personal insurance carrier.

#### FOR NEW YORK RESIDENTS:

The amounts of insurance set forth in this section are the maximum allowed by New York law. Actual amounts of insurance may be lower under the coverage:

- Secondary Rental Car Collision Coverage will reimburse You or the Rental Agency for Covered Damages as a result of Collision Damage on an excess basis (over and above any amount due from any other valid and collectible insurance or any other form of reimbursement payable by those responsible for the loss) except when the Rented Automobile is used outside the United States, its territories and possessions, or when the Eligible Card was issued to You as an employee of an organization which has provided the Eligible Card for business use, in which case coverage is primary.

Secondary Rental Car Collision Coverage is an Insurance program.  
Reminder: Please refer to the Insurance Disclosures section.

CDW (2/00)

**Insurance Disclosures:**

Secondary Rental Car Collision Coverage is provided under a master policy of insurance issued by Virginia Surety Company, Inc. (herein referred to as Company). All information in this Description of Coverage (DOC) about these benefits is subject to the terms and conditions of the master policy.

Coverage under Secondary Rental Car Collision Coverage is effective July 1, 2001. Insurance benefits are provided to Cardmember accountholders (individuals who have an open and active Discover Platinum credit card account) free of charge and enrollment is automatic. This DOC replaces all prior DOCs, program descriptions, advertising and/or brochures by any party. We reserve the right to change the benefits and features of all these programs.

Discover Financial Services LLC, or the Company can cancel or choose not to renew the Insurance coverages for all Insureds. If this happens, Discover Financial Services LLC, will notify the Cardmember accountholder at least 30 days in advance of the expiration of the policy or as permitted by law. Such notices need not be given if substantially similar replacement coverage takes effect without interruption and is provided by the same insurer. Insurance benefits will still apply to car rentals commenced prior to the date of such cancellation or non-renewal, provided all other terms and conditions of coverage are met.

The insurance benefit applies to you, the Insured, whose cards are issued by U.S. financial institutions. These benefits do not apply if Your Eligible Card privileges have been suspended or cancelled. However, insurance benefits will still apply to car rentals commenced prior to the date that Your Eligible Card account is suspended or cancelled provided all other terms and conditions of coverage are met.

All parties are expected to exercise due diligence and prudent judgement to avoid or diminish any loss to the property insured under this program. Coverage will be void if, at any time, the Cardmember has concealed or misrepresented any material fact or circumstance concerning this coverage or the subject thereof or the Cardmember's interest herein, or in the case of any fraud or false swearing by the Insured relating thereto. No person or entity other than the Cardmember shall have any legal or equitable right, remedy, or claim for insurance proceeds and/or damages under or arising out of this coverage. Salvage may be requested by the administrator. If salvage is requested, it must be remitted to the administrator at the Cardmember's expense. Failure to remit requested salvage may result in denial of the claim.

No action at law or in equity shall be brought to recover on this coverage prior to the expiration of 60 days after proof of loss has been furnished in accordance with the requirements of this DOC.

ID (2/00)



New Balance  
\$12,474.60

Minimum Payment Due  
\$12,474.60



Account number ending in 4435  
Enter Amount Enclosed Below

Payment Due Date  
August 14, 2007

\$   
Please make check payable to Discover Card.  
Minimum payment due includes a past due  
amount of \$2,325.00.

15 SDSN6A01 0005050  
WALTER HAIGHT  
60 BOWMANS HILL RD  
CLEARFIELD PA 16830-7401

Make a payment now or schedule  
one in advance. It's fast, easy,  
secure - and free! Visit us today at  
Discovercard.com/payments

PO BOX 15251   
WILMINGTON DE 19886-5251  


Address, e-mail or telephone change? Print change in space  
above, or go to Discovercard.com. Print your e-mail address to  
receive important Account information and special offers.

000006011002010704435124746000000001247460

### Discover More Card Account Summary

Account number ending in 4435  
Payment Due Date August 14, 2007  
Minimum Payment Due \$12,474.60  
Credit Limit \$12,500.00  
Credit Available \$0.00  
Cash Credit Limit \$0.00  
Cash Credit Available \$0.00

Closing Date: July 15, 2007

page 1 of 1

Previous Balance	\$12,474.60
Payments And Credits	- 0.00
Purchases	+ 0.00
Cash Advances	+ 0.00
Balance Transfers	+ 0.00
Finance Charges	+ 0.00
New Balance	= \$12,474.60

### Cashback Bonus®

Opening Cashback Bonus Balance	\$ 0.00
New Cashback Bonus Earned	+ 0.00

Cashback Bonus® Anniversary  
Date: June 15

Cashback Bonus Balance	\$ 0.00
Available to Redeem	\$ 0.00

### How Can We Help You?

Please have your Discover Card available.  
Manage your account online at Discovercard.com  
Customer Service: 1-800-DISCOVER (1-800-347-2683)

For Account Inquiries, write to us at:  
Discover More Card, PO Box 30943  
Salt Lake City, UT 84130  
TDD (Telecommunications Device for the Deaf):  
For assistance, see reverse side.

### Transactions

\$0 Fraud Liability Guarantee Use your Discover Card with confidence.

### Information For You

While we are permitted under the Cardmember Agreement to increase the APRs on your Account because your payment was late, we have chosen not to do so at this time. We have terminated, however, any introductory or promotional rate on purchases and any special balance transfer rate, and applied the standard APR for purchases to your outstanding balance of purchases and balance transfers. However, we reserve the right to increase the APRs on your Account if you fail to pay the minimum payment due by the payment due date. See the Default Rate Plan section of the Cardmember Agreement for details.

### Finance Charge Summary

	Average Daily Balances	Daily Periodic Rates	Nominal ANNUAL PERCENTAGE RATES	ANNUAL PERCENTAGE RATES	Periodic FINANCE CHARGES	Transaction Fee FINANCE CHARGES
current billing period: 30 days						
Purchases	\$0	0.05751%	20.99% V	20.99%	\$0	none
Cash Advances	\$0	0.05751%	20.99% F	20.99%	\$0	\$0
previous billing period: 15 days						
Purchases	\$0	0.05751%	20.99% V	20.99%	\$0	none

The rates that apply to your Account are either fixed (F) or they may vary (V) as noted above.

Exhibit B



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 105221  
NO: 07-1619-CD  
SERVICES 1

COMPLAINT

PLAINTIFF: DISCOVER BANK, ISSUER  
vs.  
DEFENDANT: WALTER B. HAIGHT

SHERIFF RETURN

RETURN COSTS

Description	Paid By	CHECK #	AMOUNT
SURCHARGE	RESSLER	18519	10.00
SHERIFF HAWKINS	RESSLER	18519	17.00

FILED  
0/8:30LH  
APR 30 2009  
William A. Shaw  
Prothonotary/Clerk of Courts

Sworn to Before Me This

\_\_\_\_\_ Day of \_\_\_\_\_ 2009

So Answers,

*Chester A. Hawkins*

Chester A. Hawkins  
Sheriff

**IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA  
CIVIL DIVISION**

DISCOVER BANK, DISCOVER CARD, DISCOVER  
FINANCIAL SERVICES, INC.,  
Plaintiffs

vs.

WALTER B. HAIGHT,  
Defendant

\*  
\*  
\*  
\*  
\*  
\*

NO. 2007-1619-CD

**ORDER**

NOW, this 24<sup>th</sup> day of June, 2013, upon the Court's review of the docket and noting no activity for a period of over four years, it is the ORDER of this Court that the case be moved to inactive status. The Prothonotary shall code the case in Full Court as Z-INACTA.

BY THE COURT,



FREDRIC J. AMMERMAN  
President Judge

ICC Atty P. Ressler  
0/8:38pm  
JUN 25 2013  
ICC debt  
William A. Shaw  
Prothonotary Clerk of Courts  
66

FILED

JUN 25 2013

William A. Shaw  
Prothonotary Clerk of Courts

def't  
60 Bowmans Hill Rd  
Chantrel PA 16830