

Please read this Loan Agreement carefully and save a copy for future reference.

This Discover Personal Loans Loan Agreement ("Loan Agreement") is an agreement between you ("you" and "your") and Capital One, N.A. ("we," "us," "our," and "Discover") governing the terms of your personal loan account with us. (Discover is a division of Capital One N.A.) Additional terms applicable to your personal loan account are disclosed to you in the Truth in Lending Act Disclosure Statement that we provided to you before consummation of your loan.

This Loan Agreement contains an arbitration clause. Arbitration can have a substantial impact on your rights, including your right to a jury trial and your right to participate in a class action lawsuit. You may, however, opt out of the arbitration provision as explained in the "Arbitration of Disputes" section below.

Acceptance of Loan Terms: You accept and agree to all the terms of the loan and this Loan Agreement when you do any of the following:

- (a) Accept these terms online; or
- (b) Use or receive the benefit of the loan proceeds; or
- (c) Endorse a check on the personal loan account governed by this Loan Agreement.

You may, however, opt out of the arbitration provision as explained in the "Arbitration of Disputes" section below.

You promise that (1) all information that you provided to us when applying for your personal loan is true and accurate; (2) you have not misrepresented your identity, or described, presented, or portrayed yourself as a person other than yourself; and (3) you are solvent and are not contemplating any insolvency or bankruptcy proceeding, nor is any insolvency, bankruptcy, receivership, or assignment for the benefit of your creditors pending against you.

PROMISE TO PAY: You promise to pay to Discover the amounts disbursed, up to the "Amount Financed" shown on the Truth in Lending Disclosure Statement, with interest at the Interest Rate provided to you at loan acceptance and all other amounts, that may become due under this Loan Agreement.

You will make consecutive monthly payments in the amounts and in accordance with the information provided at the beginning of your loan, in your Account Center or shown on billing statements that you will receive. You may also contact us to obtain your payment information by calling 1-877-256-2632 (or another telephone number we may subsequently provide to you). You are obligated to make monthly payments by the due date even if you do not receive or have access to monthly payment information.

DISBURSEMENT: We will disburse the loan proceeds to the payee(s) you have instructed us to pay. We rely on the accuracy, authenticity, and completeness of any account or other information you provide to us in disbursing your personal loan. However, we may attempt to verify the accounts to which the loan disbursement will be made, which may delay our disbursement. You promise that any information about the account, or any other disbursement information, that we will use to disburse funds from your personal loan is true, accurate, and correct.

If you have indicated that you intend to use the loan to consolidate debt, then we may require you to use all or a portion of the loan funds to pay down your outstanding loan balances with other creditors. If we require or if you request that the loan funds be used to pay your creditors directly, you may choose the creditors.

You cannot use the loan proceeds to pay for post-secondary education, to pay off a secured loan, or to directly pay any Capital One, N.A. account (with the exception of select Discover personal loans), or to fund any illegal activity or other activity not permitted under this Loan Agreement.

It may take additional time for the creditor to post payments to your account. Please continue to make payments to those accounts to avoid late fees and additional finance charges on those accounts. You agree that any loan funds remaining after payment to your creditors will be disbursed in accordance with your application.

If you requested direct deposit of the loan funds, you agree to have the loan funds deposited directly into your checking/savings account, as indicated on the application.

If we reasonably conclude that we will not be able to disburse some or all the proceeds of your loan in accordance with your instructions, then at our sole discretion we may either issue a check to you or credit your loan account for the amount that we were unable to disburse as you requested.

We may require loan funds to be disbursed by issuing a check to be sent to your physical address. If we require loan funds to be disbursed by check, we encourage you to deposit the check immediately upon receipt. Interest will begin to accrue on your loan from the date the check is issued.

Funds are considered disbursed when they are transmitted from Discover.

INTEREST CALCULATION AND ACCRUAL: Interest will begin to accrue on each disbursement on the date it is disbursed and will continue to accrue on the unpaid balance of all disbursements until you have repaid in full. We calculate interest each day by dividing the Interest Rate by the number of days in the year and multiplying that by the unpaid principal amount at the end of the day.

PREPAYMENT: You may prepay all or part of your loan at any time without penalty.

Iowa and Kansas Residents: NOTICE TO CONSUMER: You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned finance charges in accordance with law

PAYMENTS: We apply payments and credits at our discretion, including in a manner most favorable or convenient for us. Each Payment you make will generally be applied first to accrued and unpaid interest, then to any principal up to the New Amount Due and any Amount Past Due. Any remaining amount will generally be applied to your unpaid principal balance.

Your final payment may be larger or smaller, depending on your payment history. If payments are received late, your final payment may be larger, or if payments are received early, your final payment may be smaller.

If you request that your due date to be on a particular day of the month, or delay in notifying us of your acceptance of your loan, it may increase or decrease the length of your first billing period. A longer first billing period will result in increased finance charges and will increase the amount of your monthly payments. A shorter first billing period will result in decreased finance charges and a smaller final payment.

You agree to pay all outstanding amounts with your final payment. If necessary, we may increase the number of payments so that the amount of the final payment will not be more than twice the amount of the previous required payment. Any portion of the outstanding principal balance that remains unpaid after maturity will bear interest.

Sending cash payments is not allowed. Cash is easily lost or stolen. If you send cash, we may refuse to accept it. You must pay in US Dollars and all checks must be drawn on funds on deposit in the US.

If a third party makes a payment on your account and we return all or a part of such payment, then we may adjust your account for any amount returned. We reserve the right to defend ourselves against any demand to return funds we have received and may agree to a compromise of the demanded amount as part of a settlement.

All payments must be sent to us electronically or at the payment address we provide to you.

While late payments, partial payments, or checks and money orders marked "payment in full," or with any other restrictive endorsement, will breach this Loan Agreement, we may accept such payments without losing any of our rights under this Loan Agreement.

DEFAULT, ACCELERATION, RESTRICTION AND COLLECTION COSTS: You may be in default if (1) we do not receive the full amount of any monthly payment by its due date, (2) you die or are declared legally incompetent or incapacitated, (3) you file bankruptcy or another insolvency proceeding is filed by you or against you, (4) we reasonably believe that you are unable or unwilling to pay, (5) you commit fraud or make a material misrepresentation regarding your loan application or your personal loan account, or (6) you fail to abide by the terms of this Loan Agreement. If you are in default, we can demand upon notice the immediate payment of your outstanding Loan balance. If we do not receive the full amount of any monthly payment by its due date, we may restrict your use of any other Capital One (including Discover) card account or loan account you have with us. We can delay enforcing or not enforce any of our rights under this Loan Agreement without losing or waiving them. If we waive any right on one occasion that waiver will not operate as a waiver as on any other occasion.

If we refer the collection of your loan 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 cost in connection with any appeal.

New Hampshire Residents: If we refer this Loan Agreement to an attorney for collection, you agree to pay our reasonable attorneys' fees. However, if you prevail in (1) any action, suit, or proceeding we bring, or (2) an action brought by you in connection with this Loan Agreement, or (3) if you successfully assert a partial defense or setoff, recoupment, or counterclaim to an action brought by us, the court may withhold from us the entire amount or such portion of the attorneys' fees as the court considers equitable.

Wisconsin Residents: Notwithstanding the provisions of the paragraph marked "**DEFAULT, ACCELERATION, RESTRICTION AND COLLECTION COSTS**" to the contrary, you will be in default hereunder only (1) if the interval between scheduled payments is 2 months or less, and you permit to be outstanding an amount exceeding one full payment that has remained unpaid for more than 10 days after its scheduled due date or deferred due date, or you fail to pay the first payment or the last payment within 40 days of its scheduled due date, or (2) if the interval between scheduled payments is more than 2 months, you permit to be outstanding all or any part of one scheduled payment that has remained unpaid for more than 60 days after its scheduled due date or deferred due date. You may also be in default if you fail to observe any other provision of this Loan Agreement, the breach of which materially impairs your ability to pay the amounts due under this Loan Agreement.

PRIVACY: Our Privacy Policy includes a summary of the personal information we collect, when we may share it 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.

COLLECTING INFORMATION ABOUT YOU: Federal law requires financial institutions to obtain, verify, and record information that identifies each person who opens an account or applies for a loan, including your name, address, date of birth, and other information that allows us to verify your identity. We may also ask you to provide identifying documents.

OUR COMMUNICATION WITH YOU: You agree that Discover, our Affiliates, and agents, including service providers ("Authorized Parties") may contact you, including calls, text message or email, about any current or future accounts or applications, with respect to all products you have with us at any phone number or email (i) you have provided to us, (ii) from which you contacted us, or (iii) which we obtained and believe we can reach you at, even if your phone provider may

charge you message and data rates for calls or texts. You agree that the Authorized Parties may record or monitor any calls between you and the Authorized Parties, and that the Authorized Parties or their service providers may use voiceprint technology for identity verification and fraud prevention purposes. You agree to notify us if you change or discontinue using any phone number you provide. You agree that the Authorized Parties may contact you using an automatic dialer or artificial or pre-recorded voice message. If you no longer wish to be contacted on your cell phone by an automated dialer or artificial or pre-recorded voice message, you must notify us in writing or by telephone. You may provide us written notice cancelling your consent at this address: Discover, PO Box 30937, Salt Lake City, UT 84130-0937. The written notice must include: your name, mailing address, the last four digits of your Account number and the specific cell phone number(s) for which you would like to cancel your consent to be contacted by an automated dialer or artificial or prerecorded voice message. Alternatively, call us at 1-877-256-2632 to submit a request to cancel your consent.

NOTICES: You must give certain notices to us in writing or by telephone. If you change your address, you must notify us of your new address in writing or by telephone within 15 days. Any communications with us required or permitted under the Federal Bankruptcy Code must be in writing, must include your account number, and must be sent to **Discover® Personal Loans, PO Box 30396, Salt Lake City, UT 84130-0396** (or such other address as we shall subsequently provide to you).

All notices and communications from us to you may be given in writing, by telephone, or electronically, at any address you have provided to us for your personal loan account. You acknowledge that notices and communications shall be deemed to have been provided to you, and effective, upon transmission. If your contact information changes, you must notify us.

ASSIGNMENT OF LOAN: We may sell, assign, or transfer your loan or any rights under this Loan Agreement, or any portion thereof, without prior notice to you.

You may not sell, transfer, or assign your loan or any rights under this Loan Agreement, or portion thereof to anyone else. Any attempted sale, transfer, or assignment of your loan or any rights under this Loan Agreement by you to anyone else in violation of this provision shall be null and void.

SERVICING: We may share account information with our affiliates, agents, service providers, or anyone acting on our behalf for any and all purposes arising out of or relating to your personal loan account. We may share such information at any time for marketing and administrative purposes as permitted by law.

MILITARY LENDING ACT:

(1) Statement of the Military Annual Percentage Rate (MAPR).

Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit, including installment loans. In general, the cost of consumer credit to a member of the Armed Forces and their dependents may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account:

- The costs associated with credit insurance premiums;
- Fees for ancillary products sold in connection with the credit transaction;
- Any application fee charged (other than certain application fees for specified credit transactions or accounts); and
- Any participation fee charged (other than certain participation fees for a credit card account).

For more information on whether this applies to you, please contact us at 1-844-DFS-4MIL (1-844-337-4645) anytime 24/7. If calling outside the US, you can contact us at +1-801-451-3730.

(2) Oral Disclosures. If you are a member of the Armed Forces or a dependent of such a member covered by the federal Military Lending Act, before proceeding with this Loan Agreement, if you wish to hear important disclosures and payment information, please call 1-844-DFS-4MIL anytime 24/7. If calling outside the US, you can contact us at +1-801-451-3730.

GOVERNING LAW: Except as set forth in the "Arbitration of Disputes" section below, this Loan Agreement and any claim or dispute arising out of this Loan Agreement will be governed by applicable federal law and, to the extent state law applies, Virginia law, without regard to any conflict of laws principles that may require or permit the application of the laws of any other jurisdiction. However, in the event you default and we file a lawsuit to recover funds loaned to you, the statute of limitations of the state where the lawsuit is filed will apply, without regard to that state's conflicts of laws principles or its "borrowing statute."

CREDIT REPORTS: You authorize us to verify your information and obtain your credit report from consumer reporting agencies, or other third party, at any time before your Loan is repaid in full, for servicing and / or review of your Loan, collection and any other use permitted by law, including to consider you for other products and services. You agree that we may investigate your ability to pay and obtain information about you from other sources, including information to verify your income. If you ask, we will tell you whether a credit report(s) was obtained and the name and address of the credit bureau that was used.

We may report information about your loan to credit bureaus. Late payments, missed payments or other defaults on your loan may be reflected on your credit report. If you believe that specific information that we have reported about your loan is inaccurate, notify us at Discover Personal Loans, PO Box 30396, Salt Lake City, UT 84130-0396 (or such other address as we shall subsequently provide to you).

California and Utah Residents: As required by law, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to a consumer credit reporting agency if you fail to perform the terms of your credit obligations.

New York and Vermont Residents: A consumer credit report may be ordered on you in connection with your application for credit. If you ask, we will tell you whether or not one was ordered and if one was, the name and address of the consumer credit reporting agency that provided it. Subsequent consumer credit reports may be requested or used in connection with an update, renewal, or extension of the credit applied for without further notice to you.

MISCELLANEOUS. No provision of this Loan Agreement shall be modified or limited except by a documented agreement between you and us. The unenforceability of any provision of this Loan Agreement shall not affect the enforceability or validity of any other provision of this Loan Agreement. This Loan Agreement shall apply to any assignee or subsequent holder of the personal loan. The headings in this Loan Agreement are for reference purposes only and do not affect the interpretation of this Loan Agreement in any way.

WARRANTIES: EXCEPT AS EXPRESSLY STATED IN THIS LOAN AGREEMENT, WE MAKE NO REPRESENTATIONS OR WARRANTIES TO YOU, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

LIMITATION OF LIABILITY: IN NO EVENT SHALL WE BE LIABLE TO YOU FOR ANY LOST PROFITS OR SPECIAL, EXEMPLARY, CONSEQUENTIAL OR PUNITIVE DAMAGES, EVEN IF INFORMED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHERMORE, WE MAKE NO REPRESENTATION OR WARRANTY TO YOU REGARDING THE EFFECT THAT THIS LOAN AGREEMENT MAY HAVE UPON YOUR FOREIGN, FEDERAL, STATE OR LOCAL TAX LIABILITY.

This written Loan Agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

ARBITRATION OF DISPUTES:

Agreement to Arbitrate. Unless you reject arbitration for this Loan Agreement in the manner described below, in the event of a dispute between you and us arising out of or relating to this Loan Agreement or the relationships resulting from this Loan Agreement, regardless of when that dispute arose, including, for example, a dispute based on a federal or state statute or local ordinance ("Claim"), either you or we may choose to resolve the Claim by binding arbitration, as described below, instead of in court. Any Claim (except for a Claim challenging the validity or enforceability of this arbitration agreement, including the Class Action Waiver, the failure to comply with the Claim Notice procedure described below, or as otherwise provided in this arbitration agreement) must be resolved by binding arbitration if either party requests it. THIS MEANS IF EITHER YOU OR WE CHOOSE ARBITRATION, NEITHER PARTY WILL HAVE THE RIGHT TO LITIGATE SUCH CLAIM IN COURT OR TO HAVE A JURY TRIAL OR PARTICIPATE IN A CLASS OR REPRESENTATIVE ACTION. ALSO DISCOVERY AND APPEAL RIGHTS ARE LIMITED IN ARBITRATION.

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.

This arbitration agreement does not apply if, on the date you submit your application, you are an active duty covered member of the Armed Forces or a dependent of such a member under the federal Military Lending Act.

CLASS ACTION WAIVER. EXCEPT AS PROVIDED IN THE AMERICAN ARBITRATION ASSOCIATION'S MASS ARBITRATION SUPPLEMENTARY RULES WHEN APPLICABLE, ARBITRATION MUST BE ON AN INDIVIDUAL BASIS. THIS MEANS NEITHER YOU NOR WE MAY JOIN OR CONSOLIDATE CLAIMS IN ARBITRATION BY OR AGAINST OTHER LOAN AGREEMENT HOLDERS, OR LITIGATE IN COURT OR ARBITRATE ANY CLAIMS AS A REPRESENTATIVE OR MEMBER OF A CLASS OR IN A PRIVATE ATTORNEY GENERAL CAPACITY.

The arbitrator may award injunctive relief only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual Claim, unless the applicable state law provides an unwaivable right to seek such relief. The arbitrator may not award class, representative, or public injunctive relief. If a court decides that applicable law precludes enforcement of any of this paragraph's limitations as to a particular Claim or request for relief (e.g., public injunctive relief), then after all appeals from that decision have been exhausted, that Claim or request for relief (and only that Claim or request for relief) must be severed from the arbitration and may be brought in court (but only after the arbitrator issues an award on the arbitrable claims and remedies). Only a court, and not an arbitrator, shall determine the validity, scope, and effect of this Class Action Waiver section.

Your and Our Right to Go to Small Claims Court. Neither you nor we will choose to arbitrate any individual Claim you or we bring in small claims court (or an equivalent court). This means you or we may bring an action in small claims court (or an equivalent court) without being subject to arbitration. However, if a Claim is transferred, removed, or appealed from small claims court to a different court, or if any Claim brought in small claims court exceeds the small claims court limit, you or we may then choose to arbitrate.

Governing Law and Rules. This arbitration agreement is governed by the Federal Arbitration Act ("FAA") and evidences a transaction involving interstate commerce. No state law concerning arbitration applies to this arbitration agreement. Arbitration must proceed only with the American Arbitration Association ("AAA"). The arbitration will be conducted in accordance with the AAA's Consumer Arbitration Rules then in effect, including its Mass Arbitration Supplementary Rules when applicable, but the rules in this arbitration agreement will be followed if there is disagreement between the agreement and the AAA's procedures. If the AAA's procedures change after the Claim is filed, the procedures in effect when the Claim was filed will apply.

For a copy of the AAA's procedures, to file a Claim or for other information, please visit www.adr.org.

If the AAA is completely unavailable, and if you and we cannot agree on a substitute, then either you or we may request that a court with jurisdiction appoint a substitute.

Mass Arbitration Procedure. You and we agree that this section and the AAA's Mass Arbitration Supplementary Rules will apply if your Claim is filed as part of a "mass arbitration," meaning twenty-five (25) or more claims involving the same or similar subject matter and/or issues of law or fact, and where claimant representation is the same or coordinated.

If one is appointed by the AAA, the "Process Arbitrator" will resolve initial disputes in accordance with the AAA's Mass Arbitration Supplementary Rules. Then, counsel for the claimants and our counsel will each select up to twenty-five (25) cases to proceed first in individual arbitration. Unless the parties otherwise agree, no "Merits Arbitrator" under the AAA's Mass Arbitration Supplementary Rules may be assigned more than five (5) cases. Each side will have the right to a final hearing in their selected twenty-five (25) cases, which must occur within 120 days of case selection, unless the parties agree to a different time period.

After the first set of fifty (50) cases are resolved, counsel will meet and confer on ways to improve the efficiency of the proceedings, including settlement discussions, mediation, or changing the number of cases in each stage. If the remaining cases are not resolved after meeting in good faith, each side will select another twenty-five (25) cases to proceed in individual arbitration to a final hearing, which must occur within 90 days of case selection, unless the parties agree to a different time period. Each of these fifty (50) cases will be assigned to a different Merits Arbitrator, unless the parties agree that a single Merits Arbitrator may be assigned up to five (5) cases. After the second set of fifty (50) cases are resolved, counsel will again meet and confer on improving the efficiency of the proceedings.

If the parties do not reach a global resolution after the second set of fifty (50) cases are resolved and conferring in good faith, you and we agree that a Process Arbitrator will be appointed (if one has not yet been appointed by the AAA). Upon either party's motion, the Process Arbitrator can expedite the proceedings by forgoing more rounds of case selection and assigning Merits Arbitrators to all of the remaining cases at once. If no motion is made, the Mass Arbitration Procedures outlined above shall continue with one hundred (100) cases in each round. You and we agree to engage in these Mass Arbitration Procedures in good faith if your case is selected. Any dispute regarding the Mass Arbitration Procedures outlined in this section shall be resolved by the Process Arbitrator or, for cases that have been assigned already, the Merits Arbitrator.

The parties agree that any applicable statute of limitations is tolled while cases proceed through the Mass Arbitration Procedures described in this section.

Fees and Costs. If you wish to begin arbitration against us but you cannot afford to pay your share of the AAA's or arbitrator's costs and you have attempted, but been unable, to obtain a waiver of costs from the AAA, we will advance those costs if you ask us in writing and are acting in good faith. Any such request must be sent to Discover, P.O. Box 30421, Salt Lake City, UT 84130-0035. If you lose the arbitration, the arbitrator will decide whether you must reimburse us for money we advanced for you for the arbitration. If you win the arbitration, we will not ask for reimbursement of money we advanced. The arbitrator may also allocate compensation, expenses, and administrative fees (which include filing and hearing fees) to any party upon the arbitrator's determination that the party's claim or counterclaim was filed for purposes of harassment or is patently frivolous.

Sanctionable Conduct. By submitting an arbitration demand, the party and counsel represent that, as in court, they are complying with the requirements of Federal Rule of Civil Procedure 11(b). The arbitrator is authorized to impose any sanctions available under Federal Rule of Civil Procedure 11 on represented parties and their counsel.

Hearings and Decisions. Arbitration hearings will take place in the federal judicial district where you live, unless the parties otherwise agree or the applicable state substantive law provides otherwise. A single arbitrator will be appointed. The arbitrator must:

- Follow all applicable substantive law;
- Follow applicable statutes of limitations;
- Honor valid claims of privilege; and
- Issue a written decision including the reasons for the award.

The arbitrator shall apply the cost-shifting provisions of Federal Rule of Civil Procedure 68 after entry of an award.

The arbitrator's decision will be final and binding except for any review allowed by the FAA. However, if more than \$100,000 was genuinely in dispute, then either you or we may choose to appeal to a new panel of three arbitrators. The appellate panel is completely free to accept or reject the entire original award or any part of it. The appeal must be filed with the AAA not later than 30 days after the original award issues. Appeal costs will be allocated consistent with the AAA's Consumer Arbitration Rules and Due Process Protocol.

Any arbitration award may be enforced (such as through a judgment) in any court with jurisdiction. Any finding, award, or judgment from an arbitration of any Claim shall apply only to that arbitration. No finding, award, or judgment from any other arbitration shall impact the arbitration of any Claim.

Claim Notice. If you or we have a Claim, before initiating an arbitration proceeding, you or we must give written notice of the Claim ("Claim Notice") at least 30 days before initiating the arbitration proceeding. The statute of limitations for your Claim will be tolled for 30 days from Discover's receipt of your Claim Notice. Your Claim Notice must be personally signed by you, and must include your name, address, and account number and explain in reasonable detail the nature of the Claim and any supporting facts. Any Claim Notice shall be sent to us at Discover, P.O. Box 30938, Salt Lake City, UT 84130-0035 (or such other address as we shall subsequently provide to you). We will send any Claim Notice to the most recent address we have on file for you. The Claim Notice is a condition precedent to the filing of any Claim in arbitration and a court can enjoin the filing or prosecution of an arbitration in breach of this section.

Other Beneficiaries of this Arbitration Agreement. In addition to you and us, the rights and duties described in this arbitration agreement apply to: our affiliates, successors, subsidiaries, and our and their officers, directors and employees; any third party codefendant of a Claim subject to this arbitration agreement; and all joint holders of your Loan Agreement.

Survival of this Arbitration Agreement. This arbitration agreement shall survive:

- satisfaction of your Loan Agreement;
- voluntary payment according to your Loan Agreement or any part of it;
- any legal proceedings to collect money you owe;
- any bankruptcy by you; and
- any sale, assignment, or transfer by us of your Loan Agreement.

Severability. If any part or provision of this arbitration agreement (except as identified in the Class Action Waiver above) is deemed unenforceable or invalid, that part or provision may be severed and the rest of the agreement enforced.

Rejecting this Arbitration Agreement. You have the right to reject arbitration for this Loan Agreement. You may reject the arbitration agreement but only if we receive from you a written notice of rejection within 30 days of the effective date of this arbitration agreement, or the effective date of a modification to this arbitration agreement. You must send the notice of rejection to: Discover, P.O. Box 30938, Salt Lake City, UT 84130-0022.

Your rejection notice must include your name, address, phone number, loan number and personal signature. No one else may sign the rejection notice for you. Your rejection notice must not be sent with any other correspondence. Rejection of arbitration will not affect your other rights or responsibilities under the Customer Agreement. If you reject arbitration, neither you nor we will be subject to the arbitration agreement for this Loan Agreement. Your decision to reject arbitration (or election not to do so), applies to this Loan Agreement, including any joint account holders. Rejection of arbitration for this Loan Agreement will not constitute rejection of any prior or future arbitration agreement between you and us.

Changes to Your Arbitration Agreement. Any change to this arbitration agreement will be governed by this paragraph. We may add to, delete from, or change any term of this arbitration agreement. We will give you advance written notice of any change to this arbitration agreement. Our notice will tell you when and how the changes will take effect, and how you can reject them if you choose. If you did not timely reject arbitration for this Loan Agreement, you may still reject any modifications to the arbitration agreement if you do so within 30 days' of the effective date of the modification. If you later reject any modification to the arbitration agreement, you will be bound by the most recent version of the arbitration agreement to which you agreed.

ADDITIONAL STATE-SPECIFIC PROVISIONS:

California Residents: A married applicant may apply for a separate account.

Iowa and Kansas Residents: NOTICE TO CONSUMER: (1) Do not enter into this Loan Agreement before you read it. (2) You are entitled to a copy of this Loan Agreement.

Maryland Residents: We elect Subtitle 10, Credit Grantor Closed End Credit Provision to Title 12 of the Commercial Law Article of the Annotated Code of Maryland, to govern this Loan Agreement, only to the extent not inconsistent with 12 U.S.C. §1831d and related regulations and opinions.

Missouri Residents: Oral agreements or commitments to loan money, extend credit, or to forbear from enforcing repayment of a debt, including promises to extend or renew such debts, are not enforceable. To protect you (borrower(s)) and us (creditor) from misunderstanding or disappointment, any agreements we reach covering such matters are contained in this writing, which is the complete and exclusive statement of the agreement between us, except as we may later agree in writing to modify it.

Ohio Residents: The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers and that consumer credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

Texas Residents: You give up (waive) your common law rights to receive notice of intent to accelerate and notice of acceleration. This means that you give up the right to receive notice that we intend to demand that you pay all that you owe on this contract at once (accelerate) and notice that we have accelerated.

Wisconsin Residents: If you are a married Wisconsin resident, your signature confirms that this loan obligation is being incurred in the interest of your marriage or family. No provision of any marital property agreement (i.e., premarital agreement), unilateral statement under Section 766.59 of the Wisconsin Statutes, or court decree under Section 766.70 of the Wisconsin Statutes adversely affects the interest of the Lender unless the Lender, prior to the time that the loan is approved, is furnished with a copy of the marital property agreement, a statement, or a decree or has actual knowledge of the adverse provision. If the loan for which you are applying is granted, you will notify us if you have a spouse who needs to receive notification that credit has been extended to you by furnishing your spouse's name and address to us at PO Box 30396, Salt Lake City, UT 84130-0396.

Discover makes loans without regard to race, color, religion, national origin, sex, handicap, or familial status.