



Discover Bank
(a Delaware-chartered bank)

March 10, 2014

\$400,000,000
4.250% NOTES DUE 2026 (the "Notes")
FINAL TERMS AND CONDITIONS

| | |
|------------------------------------|--|
| Issuer: | Discover Bank |
| Expected Issue Ratings*: | Moody's Investors Service: Baa3 / Standard & Poor's: BBB / Fitch: BBB |
| Type of Security: | Unsecured, unsubordinated notes |
| Aggregate Principal Amount: | \$400,000,000 |
| Trade Date: | March 10, 2014 |
| Settlement Date: | March 13, 2014 (T+3) |
| Final Maturity: | March 13, 2026 |
| Benchmark Treasury: | 2.75% UST due 2/15/24 |
| Benchmark Treasury Spot and Yield: | 99-23; 2.782% |
| Spread to Benchmark: | T + 150 bps |
| Yield to Investors: | 4.282% |
| Coupon: | 4.250% |
| Issue Price to Investors: | 99.702% of principal amount |
| Interest Payment Dates: | Semi-annually on March 13 and September 13, commencing on September 13, 2014 |
| Record Dates: | The close of business on March 1 or September 1, as the case may be (whether or not a business day), next preceding each Interest Payment Date |
| Day Count Convention: | 30/360 |
| Redemption Provision: | The Notes are not subject to redemption at the option of the Bank or repayment at the option of the holders prior to maturity |
| Denominations: | \$250,000 denominations and integral multiples of \$1,000 in excess thereof |
| Use of Proceeds: | The Issuer expects to use the net proceeds from the sale of the Notes for general corporate purposes |
| CUSIP/ISIN: | 25466A AE1/US25466AAE10 |
| Joint Book-Running Managers: | Deutsche Bank Securities Inc. Merrill Lynch, Pierce, Fenner & Smith Incorporated RBS Securities Inc. |
| Co-Managers: | Barclays Capital Inc. J.P. Morgan Securities LLC Mischler Financial Group, Inc. |

* Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

The Issuer has prepared a preliminary offering circular dated March 10, 2014 (the "Preliminary Offering Circular") to which this communication relates. Before you invest, you should read the Preliminary Offering Circular and the Final Offering Circular (when available), including the documents incorporated by reference therein, for more information concerning the Issuer and the Notes. The Issuer or the Representatives will arrange to send you a copy of the Preliminary Offering Circular and the Final Offering Circular (when available) if you request it by calling (i) Deutsche Bank Securities Inc. toll-free at 1-800-503-4611; (ii) Merrill Lynch, Pierce, Fenner & Smith Incorporated. toll-free at 1-800-294-1322 or (iii) RBS Securities Inc. toll-free at 1-866-884-2071.

The Notes have not been, and are not required to be, registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), in reliance upon an exemption provided by Section 3(a)(2) of the Securities Act. The Notes are being offered and sold only to institutional investors that are "accredited investors" as defined in Rule 501 under the Securities Act.

The Notes are not deposits of the Issuer and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency and are subject to investment risk, including possible loss of principal. The Notes are issued by the Issuer and are not obligations of, or guaranteed by, the Issuer's parent company, Discover Financial Services, or any other affiliate of the Issuer.