



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

May 19, 2009

Christopher Greene, Esq.
Assistant General Counsel
Discover Financial Services
2500 Lake Cook Road
Riverwoods, Illinois 60015

Dear Mr. Greene:

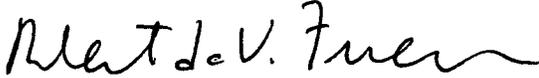
This is in response to the request from Discover Financial Services (“DFS”), Riverwoods, Illinois, for confidential treatment of its initial filings of the FR Y-9C, FR Y-9LP, and FR Y-11 regulatory reports for the March 31, 2009, reporting date (“first quarter 2009 reports”).

You have indicated that DFS will file first quarter 2009 reports for the first time with the Federal Reserve and that much of the information to be provided is not publicly available. You have requested confidential treatment of the reports for one quarter to avoid the potential for inaccurate or misleading information about DFS becoming publicly available, which could have adverse financial and reputational consequences for the company.

Based on all the facts of record, including the information provided in your request and other supervisory information, the Director of the Division of Banking Supervision and Regulation, acting under delegated authority and with the concurrence of the General Counsel, grants confidential treatment of DFS’s first quarter 2009 reports. The Federal Reserve is aware of the magnitude and complexity of the work that DFS must perform to develop the reporting systems that comply with the Board’s regulatory reporting requirements for bank holding companies. In this light, DFS has been granted confidential treatment of its first quarter 2009 reports to ensure that your organization will continue to devote the necessary resources to become fully compliant with the Board’s regulatory reporting requirements as soon as possible.

Please contact Jonathan McGinn at the Federal Reserve Bank of Chicago at (312) 322-6371 if you have any questions.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Robert deV. Frierson". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Robert deV. Frierson
Deputy Secretary of the Board

cc: Jonathan McGinn
Federal Reserve Bank of Chicago