

Discover Financial Services
Form 424B2
August 08, 2016

The information in this preliminary pricing supplement is not complete and may be changed. This preliminary pricing supplement and the accompanying prospectus supplement and prospectus are not offers to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Preliminary Pricing Supplement dated August 8, 2016

Preliminary Pricing Supplement No. 21 - Dated Monday, August 8, 2016 (to: Prospectus dated June 26, 2015 and Prospectus Supplement Dated: September 8, 2015)

Selling Price	Gross Concession	Net Proceeds	Coupon Type	Coupon Rate	Coupon Frequency	Day Count Basis	Maturity Date	1st Coupon Date	1st Coupon Amount	Survivor Option	Financial Guarantee
100.00 %	2.000 %	\$	Fixed	3.500 %	Semi-Annual	30/360	08/15/2028	2/15/2017	\$17.21	Yes	None

Callable in whole or in part, at any time on or after 5/15/2028.

Discover Financial Services may, at its option, at any time on or after 05/15/2028, redeem these Discover Financial Services InterNotes in full or in part, at the option of Discover Financial Services, at the then-current market value of the notes, plus accrued and unpaid interest, at the discretion of Discover Financial Services, at least 30 days prior notice delivered to the holders of these Discover Financial Services InterNotes. These Discover Financial Services InterNotes will be redeemed at 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest. If fewer than all of these Discover Financial Services InterNotes are to be redeemed, the Trustee will select the Notes for redemption on a pro rata basis, by lot or by such other method in accordance with the DTC's procedures. The notes will be redeemed in denominations of \$1,000 and integral multiples of \$1,000 in excess thereof. If these Discover Financial Services InterNotes are not redeemed in full, the redemption will state the portion to be redeemed. Unless Discover Financial Services defaults in payment of the redemption price, on and after the date of redemption, the holders of these Discover Financial Services InterNotes will receive the redemption price for the portion of the notes redeemed. The redemption price for the portion of these Discover Financial Services InterNotes called for redemption will be the then-current market value of the notes, plus accrued and unpaid interest, at the discretion of Discover Financial Services, at least 30 days prior notice delivered to the holders of these Discover Financial Services InterNotes.

Trade Date: Monday, August 15,
2016 @ 12:00 PM ET
Settlement Date: Thursday,
August 18, 2016

Discover Financial Services

Discover Financial Services InterNotes

Minimum
Denomination/Increments:
\$1,000.00/\$1,000.00

Preliminary Pricing Supplement No. 21 - Dated
Monday, August 8, 2016

Initial trades settle flat and clear
SDFS: DTC Book Entry only

(to: Prospectus dated June 26, 2015 and Prospectus Supplement Dated: September 8, 2015)

Lead Manager: Incapital LLC

Agents: BofA Merrill Lynch,
Citigroup , Morgan Stanley , RBC
Capital Markets, Wells Fargo
Advisors, LLC

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