

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.

Subject to completion

Preliminary Pricing Supplement dated August 8, 2016

Filed under Rule 424(b)(2), Registration Statement No. 333-205280

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's Option | s | FL |
|---------------|------------------|--------------|-------------|-------------|------------------|-----------------|---------------|-----------------|-------------------|-------------------|---|----|
| 100.00 % | 2.000 % | \$ | Fixed | 3.500 % | Semi-Annual | 30/360 | 08/15/2028 | 2/15/2017 | \$17.21 | Yes | | M |

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 whole or in part. Not less than 30 days prior notice delivered to the holders of these Discover Financial Services InterNotes. These Discover Financial Services InterNotes will be redeemed in whole or in part up to 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 InterNotes 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 prospectus supplement 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 redemption price will be the greater of (i) the principal amount of the InterNotes called for redemption plus accrued and unpaid interest, and (ii) the principal amount of the InterNotes called for redemption plus a premium of 100% of the principal amount of the InterNotes called for redemption.

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

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

(to: Prospectus dated June 26, 2015 and
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Lead Manager: Incapital LLC

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

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