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Preliminary Pricing Supplement dated August 1, 2016

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

Preliminary Pricing Supplement No. 20 - Dated Monday, August 1, 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 Guar
100.00 %	1.800 %	\$	Fixed	3.250 %	Semi-Annual	30/360	08/15/2026	2/15/2017	\$16.61	Yes	N

**Callable in whole or in part, at any time on or after 5/15/2026.**

Discover Financial Services may, at its option, at any time on or after 05/15/2026, 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 or the portions of these Discover Financial Services InterNotes called for redemption will not be entitled to any interest on the unredeemed portion of the notes.

Trade Date: Monday, August 8, 2016 @  
12:00 PM ET

## Discover Financial Services

Settlement Date: Thursday, August 11, 2016

Discover Financial Services  
InterNotes

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

Preliminary Pricing  
Supplement No. 20 - Dated  
Monday, August 1, 2016

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

(to: Prospectus dated June 26,  
2015 and Prospectus

Lead Manager: Incapital LLC

Supplement Dated:  
September 8, 2015)

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

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