

Edgar Filing: Discover Financial Services - Form 424B2

Discover Financial Services  
 Form 424B2  
 August 21, 2017

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 21, 2017

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

Preliminary Pricing Supplement No. 48 - Dated Monday, August 21, 2017 (to: Prospectus dated June 26, 2015 and Prospectus Supplement Dated July 31, 2017)

Selling Price	Gross Concession <sup>(1)</sup>	Net Proceeds	Coupon Type	Coupon Rate	Coupon Frequency	Day Count Basis	Maturity Date	1st Coupon Date	1st Coupon Amount	Survivor Option	Guarantee
100.00 %	1.350 %	\$	Fixed	3.150 %	Semi-Annual	30/360	08/15/2023	2/15/2018	\$14.44	Yes	

concession of up to 0.9250 % that will be paid to certain securities dealers (the Selected Dealers ).

distribution. Except for Notes sold to level-fee accounts, Notes offered to the public will be offered at the selling price set forth in this Pricing Supplement. Notes sold to level-fee accounts will be sold at the selling price. Notes purchased by Selected Dealers for their own account may be sold at a discount to the selling price as specified in Note (1) above. Notes purchased by Selected Dealers on behalf of level-fee accounts may be sold to such accounts at a discount to the selling price. In either case, such Selected Dealers will not retain any portion of the selling price as compensation.

**Callable in whole or in part, at any time on or after 8/15/2018.**

Discover Financial Services may, at its option, at any time on or after 08/15/2018, redeem these Discover Financial Services InterNotes in whole or in part. Upon redemption, Discover Financial Services will deliver to the holders of these Discover Financial Services InterNotes, within 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. Upon redemption, Discover Financial Services will deliver to the holders of these Discover Financial Services InterNotes 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, Discover Financial Services 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. These Discover Financial Services 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 to be redeemed in part, the redemption price 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 paid in full to the holders of these Discover Financial Services InterNotes or the portions of these Discover Financial Services InterNotes called for redemption.

Selling Price	Gross Concession <sup>(2)</sup>	Net Proceeds	Coupon Type	Coupon Rate	Coupon Frequency	Day Count Basis	Maturity Date	1st Coupon Date	1st Coupon Amount	Survivor Option	Guarantee
---------------	---------------------------------	--------------	-------------	-------------	------------------	-----------------	---------------	-----------------	-------------------	-----------------	-----------

0.00 %    2.000 %    \$    Fixed    4.050 %    Semi-Annual    30/360    08/15/2029    2/15/2018    \$18.56    Yes

(2) Includes a selling concession of up to 1.4500 % that will be paid to the Selected Dealers.

Supplemental Plan of Distribution. Except for Notes sold to level-fee accounts, Notes offered to the public will be offered at the selling price set forth in this Pricing Supplement. Notes sold by Selected Dealers on an agency basis to non-level fee accounts will be sold at the selling price. Notes purchased by Selected Dealers for their own account may be purchased at the selling price less the selling concession specified in Note (2) above. Notes purchased by Selected Dealers on behalf of level-fee accounts may be sold to such accounts at the selling price less the selling concession, in which case, such Selected Dealers will not retain any portion of the selling price as compensation.

**Redemption Information: Callable in whole or in part, at any time on or after 8/15/2019.**

Optional Redemption: Discover Financial Services may, at its option, at any time on or after 08/15/2019, redeem these Discover Financial Services InterNotes in whole or in part on no less than 10 nor more than 30 days prior notice delivered to the holders of these Discover Financial Services InterNotes. These Discover Financial Services InterNotes will be redeemable at a redemption price equal 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. These Discover Financial Services 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 to be redeemed in part only, the notice of redemption will state the portion to be redeemed. Unless Discover Financial Services defaults in payment of the redemption price, on and after the redemption date, interest will cease to accrue on these Discover Financial Services InterNotes or the portions of these Discover Financial Services InterNotes called for redemption.

Trade Date: Monday, August 28, 2017 @ 12:00 PM ET    Discover Financial Services

Settlement Date: Thursday, August 31, 2017    Discover Financial Services InterNotes

Minimum Denomination/Increments: \$1,000.00/\$1,000.00    Preliminary Pricing Supplement No. 48 - Dated Monday, August 21, 2017

Initial trades settle flat and clear SDFS: DTC Book Entry only    (to: Prospectus dated June 26, 2015 and Prospectus Supplement Dated July 31, 2017)

Lead Manager: Incapital LLC

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

InterNotes® is a registered trademark of Incapital Holdings LLC. All Rights

Reserved.