



Discover Bank
(a Delaware-chartered bank)

September 10, 2018

\$900,000,000
4.650% NOTES DUE 2028 (the “Notes”)

FINAL TERMS AND CONDITIONS

Issuer:	Discover Bank
Expected Issue Ratings*:	Moody’s Investors Service: Baa3 (positive) / Standard & Poor’s: BBB (stable) / Fitch: BBB+ (stable)
Type of Security:	Unsecured senior notes
Aggregate Principal Amount:	\$900,000,000
Trade Date:	September 10, 2018
Settlement Date:	September 13, 2018 (T+3)
Final Maturity Date:	September 13, 2028
Benchmark Treasury:	2.875% UST due August 15, 2028
Benchmark Treasury Spot and Yield:	99-14+ ; 2.939%
Spread to Benchmark Treasury:	+173 bps
Yield to Investors:	4.669%
Coupon:	4.650%
Issue Price to Investors:	99.850% of Aggregate Principal Amount
Interest Payment Dates:	Semi-annually on March 13 and September 13, commencing on March 13, 2019
Day Count Convention:	30/360
Redemption Provision:	Discover Bank may redeem the Notes at any time on or after June 13, 2028 (three months prior to the maturity date of the Notes), in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest, if any, to but excluding the redemption date
Denominations:	\$250,000 denominations and integral multiples of \$1,000 in excess thereof
Use of Proceeds:	Discover Bank expects to use the net proceeds from the sale of the Notes for general corporate purposes
CUSIP/ISIN:	25466AAP6 / US25466AAP66
Joint Book-Running Managers:	Deutsche Bank Securities Inc. Morgan Stanley & Co. LLC MUFG Securities Americas Inc. RBC Capital Markets, LLC
Senior Co-Managers:	Barclays Capital Inc. Merrill Lynch, Pierce, Fenner & Smith Incorporated SG Americas Securities, LLC
Junior Co-Managers:	Samuel A. Ramirez & Company, Inc. TD Securities (USA) LLC

*** Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.**

The Issuer has prepared a preliminary offering circular dated September 10, 2018 (the “Preliminary Offering Circular”) to which this communication relates. Before you invest, you should read the Preliminary Offering Circular and the Final Offering Circular (when available), including the documents incorporated by reference therein, for more information concerning the Issuer and the Notes. The Issuer or the Representatives will arrange to send you a copy of the Preliminary Offering Circular and the Final Offering Circular (when available) if you request it by calling (i) Deutsche Bank Securities Inc. toll-free at 1-800-503-4611, (ii) Morgan Stanley & Co. LLC toll-free at 1-866-718-1649, (iii) MUFG Securities Americas Inc. toll-free at 1-877-649-6848 or (iv) RBC Capital Markets, LLC toll-free at 1-866-375-6829.

The Notes have not been, and are not required to be, registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the “Securities Act”), in reliance upon an exemption provided by Section 3(a)(2) of the Securities Act. The Notes are being offered and sold only to institutional investors that are “accredited investors” as defined in Rule 501 under the Securities Act.

The Notes are not deposits of the Issuer and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency and are subject to investment risk, including possible loss of principal. The Notes are issued by the Issuer and are not obligations of, or guaranteed by, the Issuer’s parent company, Discover Financial Services, or any other affiliate of the Issuer.

We expect that delivery of the Notes will be made to investors on or about September 13, 2018, which will be the third business day following the date of pricing of the Notes (such settlement being referred to as “T+3”). Under Rule 15c6-1 of the U.S. Securities Exchange Act of 1934, as amended, trades in the secondary market generally are required to settle in two business days unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes on any date prior to two business days before delivery will be required, by virtue of the fact that the Notes initially will settle in T+3, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade Notes on any date prior to two business days before delivery should consult their own advisor.