Talwar Harit Form 4 June 22, 2010

FORM 4

OMB APPROVAL

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16. Form 4 or

January 31, Expires: 2005

Estimated average burden hours per response... 0.5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

See Instruction 1(b).

Form 5

obligations

may continue.

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading Talwar Harit Issuer Symbol Discover Financial Services [DFS] (Check all applicable) (Last) (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year) Director 10% Owner Other (specify X_ Officer (give title 2500 LAKE COOK ROAD 06/18/2010 below) **Executive Vice President** (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting RIVERWOODS, IL 60015 Person

(City)	(State) (Z	Zip) Table	I - Non-D	erivative Securities Ac	quired, Disposed	of, or Beneficia	lly Owned
1.Title of Security (Instr. 3)	2. Transaction Date 2A. Deemed (Month/Day/Year) Execution Date, if any (Month/Day/Year)		3. Transaction Code (Instr. 8)	4. Securities on Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code V	(A) or Amount (D) Price	Reported Transaction(s) (Instr. 3 and 4)		
Common Stock	06/18/2010		A(1)	1,774 A $\frac{\$ 0}{(1)}$	342,363.47	D	
Common Stock					644.56	I	By ESOP

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of	2.	3. Transaction Date		4.	5.	6. Date Exerc		7. Titl	e and	8. Price of	9. Nu
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transacti	onNumber	Expiration D	ate	Amou	int of	Derivative	Deriv
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Under	lying	Security	Secui
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Securi	ities	(Instr. 5)	Bene
	Derivative				Securities			(Instr.	3 and 4)		Own
	Security				Acquired						Follo
					(A) or						Repo
					Disposed						Trans
					of (D)						(Instr
					(Instr. 3,						
					4, and 5)						
									Amount		
									Amount		
						Date	Expiration	T:41-	or Name		
						Exercisable Date	Title Number				
				G 1 W	(A) (B)				of		
				Code V	(A) (D)				Shares		

Reporting Owners

Relationships Reporting Owner Name / Address

> Officer Other Director 10% Owner

Talwar Harit

2500 LAKE COOK ROAD **Executive Vice President**

RIVERWOODS, IL 60015

Signatures

/s/ SimonHalfin as Attorney-in-Fact for Harit 06/22/2010 Talwar

> **Signature of Reporting Person Date

Explanation of Responses:

- If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

The shares represent a portion of the reporting person's salary, net withholdings and deductions, for the most recent pay period and were (1) issued under the Company's Amended and Restated 2007 Omnibus Incentive Plan. For more information, please see the Current Report on Form 8-K which was filed by the Company on December 11, 2009.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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