

ALLIANCE DATA SYSTEMS CORP

Form 4

February 17, 2017

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

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

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Santillan Laura

2. Issuer Name **and** Ticker or Trading
Symbol
ALLIANCE DATA SYSTEMS
CORP [ADS]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
7500 DALLAS PARKWAY, SUITE
700

3. Date of Earliest Transaction
(Month/Day/Year)
02/15/2017

____ Director ____ 10% Owner
__X__ Officer (give title ____ Other (specify
below) below)
SVP, Chief Acctg. Officer

(Street)
PLANO, TX 75024

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	02/15/2017		A ⁽¹⁾		455	A	11
Common Stock	02/15/2017		A ⁽²⁾		1,824	A	2
Common Stock	02/16/2017		F ⁽³⁾		171	D	\$ 230.95
					23,522	(4) (5)	D

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

**Persons who respond to the collection of
information contained in this form are not
required to respond unless the form**

SEC 1474
(9-02)

displays a currently valid OMB control number.

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction (Instr. 10)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Santillan Laura 7500 DALLAS PARKWAY, SUITE 700 PLANO, TX 75024	SVP, Chief Acctg. Officer

Signatures

Cynthia L. Hageman, Attorney
in Fact 02/17/2017

__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 new grant is for 455 shares of common stock represented by time-based restricted stock units. The restrictions will lapse on 150 units on each of 2/15/18 and 2/15/19 and on 155 units on 2/18/20, subject to continued employment by the Reporting Person on the vesting dates.

The new grant is for 1,824 shares of common stock represented by performance-based restricted stock units, which may be adjusted up or down upon assessment of the EBT performance metric for 2017. Following any such adjustment, restrictions will lapse with respect to 33% of such shares on each of 2/15/18 and 2/15/19 and with respect to 34% of such shares on 2/18/20, subject to continued employment by the Reporting Person on the vesting dates.

(3) Shares withheld by the Company to satisfy the Reporting Person's tax withholding obligation upon the vesting of restricted stock units.

(4) The total number of securities beneficially owned includes: (a) 17,707 unrestricted shares; (b) 400 shares held in an IRA account; (c) 120 unvested units from an award of 352 time-based restricted stock units granted 2/18/14; (d) 649 unvested units from an award of 1,908 performance-based restricted stock units granted 2/18/14; (e) 222 unvested units from an award of 331 time-based restricted stock units granted 2/17/15; (f) 890 unvested units from an award of 1,327 performance-based restricted stock units granted 2/17/15; (g) 274 unvested units from an award of 410 time-based restricted stock units granted 2/16/16; (h) 981 unvested units from an award of 1,464

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performance-based restricted stock units granted 2/16/16; (i) the new grant for 455 time-based restricted stock units; and (j) the new grant for 1,824 performance-based restricted stock units.

- (5) The compensation committee's assessment of EBT performance for 2016 resulted in 89% payout of the original award of 1,644 performance-based restricted stock units granted 2/16/16, and 1,464 units were earned. The restrictions will lapse with respect to 484 units on 2/16/18 and with respect to 497 units on 2/19/19, subject to continued employment by the Reporting Person on the remaining vesting dates.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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