

ALLIANCE DATA SYSTEMS CORP
 Form 4
 February 17, 2016

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

OMB APPROVAL
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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Pearson Bryan A

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

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)
 ___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
 EVP & President, LoyaltyOne

(Last) (First) (Middle)
 7500 DALLAS PARKWAY, SUITE 700
 (Street)
 PLANO, TX 75024
 (City) (State) (Zip)

3. Date of Earliest Transaction (Month/Day/Year)
 02/16/2016
 4. If Amendment, Date Original Filed (Month/Day/Year)

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

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 (A) 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| Common Stock | 02/16/2016 | | A ⁽¹⁾ | 1,830 | A | 21,056 | D |
| Common Stock | 02/16/2016 | | A ⁽²⁾ | 7,323 | A | 28,379 ⁽³⁾ | D |
| Common Stock | | | | | | 80,841 | I |

By
 2456779
 Ontario
 Inc. ⁽⁴⁾

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 displays a currently valid OMB control number.

SEC 1474
(9-02)

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 (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
| | | | | 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 |
| Pearson Bryan A 7500 DALLAS PARKWAY, SUITE 700 PLANO, TX 75024 | | | EVP & President, LoyaltyOne | |

Signatures

Cynthia L. Hageman, Attorney
in Fact 02/17/2016
**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).
 - (1) The new grant is for 1,830 shares of common stock represented by time-based restricted stock units. The restrictions will lapse on 604 units on each of 2/16/17 and 2/16/18 and on 622 units on 2/19/19, subject to continued employment by the Reporting Person on the vesting dates.
 - (2) The new grant is for 7,323 shares of common stock represented by performance-based restricted stock units, which may be adjusted up or down at the time the performance restriction lapses. The restriction may lapse with respect to 33% of such shares on each of 2/16/17 and 2/16/18 and with respect to 34% of such shares on 2/19/19 contingent on meeting an EBT metric for 2016 and subject to continued employment by the Reporting Person on the vesting dates.
 - (3) The total number of securities beneficially owned includes: (a) 811 unvested units from an award of 2,384 time-based restricted stock units granted 2/21/13; (b) 4,525 unvested units from an award of 13,306 performance-based restricted stock units granted 2/21/13; (c) 1,022 unvested units from an award of 1,525 time-based restricted stock units granted 2/18/14; (d) 5,539 unvested units from an award of

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8,267 performance-based restricted stock units granted 2/18/14; (e) 1,465 unvested time-based restricted stock units granted 2/17/15; (f) 5,864 unvested performance-based restricted stock units granted 2/17/15; (g) the new grant for 1,830 time-based restricted stock units; and (h) the new grant for 7,323 performance-based restricted stock units.

(4) The shares are held by 2456779 Ontario Inc., an Ontario, Canada corporation, of which the reporting person is the sole shareholder.

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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