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

(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)	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
7500 DALLAS PARKWAY, SUITE 700		
(Street)	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
PLANO, TX 75024		
(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 (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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02/15/2017		A[(1)]		455	A	[(1)]	22,049	D	
Common Stock	02/15/2017		A[(2)]		1,824	A	[(2)]	23,873	D	
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.

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. 4)
				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).

(1) 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.

(2) 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

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.

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.

Explanation of Responses: 3