

ALLIANCE DATA SYSTEMS CORP  
 Form 4  
 February 17, 2017

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

OMB APPROVAL  
 OMB Number: 3235-0287  
 Expires: January 31, 2015  
 Estimated average burden hours per response... 0.5

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 \*  
 Motes Joseph L III

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)  
 SVP, General Counsel & Secy

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

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

PLANO, TX 75024

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

(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			
Common Stock	02/15/2017		A <sup>(1)</sup>		470	A	4,250	D	
Common Stock	02/15/2017		A <sup>(2)</sup>		941	A	5,191	D	
Common Stock	02/15/2017		A <sup>(3)</sup>		941	A	6,132	D	
Common Stock	02/15/2017		A <sup>(4)</sup>		502	A	6,634	D	
Common Stock	02/16/2017		F <sup>(5)</sup>		108	D	\$ 5,585 <sup>(6)</sup> <sup>(7)</sup> 230.95	D	

Edgar Filing: ALLIANCE DATA SYSTEMS CORP - Form 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. 3 and 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
Motes Joseph L III 7500 DALLAS PARKWAY, SUITE 700 PLANO, TX 75024			SVP, General Counsel & Secy	

## 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 470 shares of common stock represented by time-based restricted stock units. The restrictions will lapse on 155 units on each of 2/15/18 and 2/15/19 and on 160 units on 2/18/20, subject to continued employment by the Reporting Person on the vesting dates.
- (2) The new grant is for 941 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) The new grant is for 941 shares of common stock represented by performance-based restricted stock units, which may be adjusted up or down upon assessment of the relative Total Shareholder Return performance metric for 2017-2018. Following any such adjustment,

## Edgar Filing: ALLIANCE DATA SYSTEMS CORP - Form 4

restrictions will lapse with respect to 100% of such shares on 2/15/19, subject to continued employment by the Reporting Person on the vesting date.

(4) The new grant is for 502 shares of common stock represented by performance-based restricted stock units, which may be adjusted up or down upon assessment of the core earnings per share performance metric for 2017. Following any such adjustment, restrictions will lapse with respect to 50% of such shares on each of 2/15/18 and 2/15/19, subject to continued employment by the Reporting Person on the vesting dates.

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

The total number of securities beneficially owned includes: (a) 829 unrestricted shares; (b) 1,113 unvested units from an award of 1,661 time-based restricted stock units granted 8/17/15; (c) 283 unvested units from an award of 423 time-based restricted stock units granted 2/16/16; (d) 506 unvested units from an award of 755 performance-based restricted stock units granted 2/16/16; (e) the new grant for 470 time-based restricted stock units; (f) the new grant for 941 performance-based restricted stock units; (g) the new grant for 941 performance-based restricted stock units; and (h) the new grant for 502 performance-based restricted stock units.

(7) The compensation committee's assessment of EBT performance for 2016 resulted in 89% payout; however, the compensation committee exercised its discretion to reduce the amount earned to 44.5% of the original award of 1,696 performance-based restricted stock units granted 2/16/16, or 755 units. The restrictions will lapse with respect to 250 units on 2/16/18 and with respect to 256 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.