

ALLIANCE DATA SYSTEMS CORP
 Form 4
 February 17, 2017

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

OMB APPROVAL

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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 *
 Miller Melisa 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)

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

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

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 EVP & Pres, Card Services

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 ⁽¹⁾		1,969	A	①	38,365 ⁽⁶⁾	D
Common Stock	02/15/2017		A ⁽²⁾		3,938	A	②	42,303	D
Common Stock	02/15/2017		A ⁽³⁾		3,938	A	③	46,241	D
Common Stock	02/15/2017		A ⁽⁴⁾		2,106	A	④	48,347	D
Common Stock	02/16/2017		F ⁽⁵⁾		557	D	\$ 230.95	43,852 ⁽⁶⁾ ⁽⁷⁾	D

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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 2,106 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.

(6) The total number of securities beneficially owned includes: (a) 21,394 unrestricted shares; (b) 430 unvested units from an award of 1,263 time-based restricted stock units granted 2/18/14; (c) 2,329 unvested units from an award of 6,847 performance-based restricted stock units granted 2/18/14; (d) 889 unvested units from an award of 1,326 time-based restricted stock units granted 2/17/15; (e) 3,555 unvested units from an award of 5,305 performance-based restricted stock units granted 2/17/15; (f) 1,188 unvested units from an award of 1,774 time-based restricted stock units granted 2/16/16; (g) 2,116 unvested units from an award of 3,158 performance-based restricted stock units granted 2/16/16; (h) the new grant for 1,969 time-based restricted stock units; (i) the new grant for 3,938 performance-based restricted stock units; (j) the new grant for 3,938 performance-based restricted stock units; and (k) the new grant for 2,106 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 7,096 performance-based restricted stock units granted 2/16/16, or 3,158 units. The restrictions will lapse with respect to 1,043 units on 2/16/18 and with respect to 1,073 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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