

Pearson Bryan A
Form 4
February 25, 2013

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)
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 02/21/2013	<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) EVP & President, LoyaltyOne
7500 DALLAS PARKWAY, SUITE 700 (Street)			4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
(City)	(State)	(Zip)	PLANO, TX 75024	

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)		
				(A) or (D)	Price				
				Code	V	Amount			
Common Stock	02/21/2013		A ⁽¹⁾		6,364	A	108,486	D	
Common Stock	02/21/2013		F ⁽²⁾		8,551	D	\$ 152.33	99,935	D
Common Stock	02/21/2013		A ⁽³⁾		2,384	A	102,319	D	
Common Stock	02/21/2013		A ⁽⁴⁾		9,538	A	111,857	D	
Common Stock	02/22/2013		F ⁽²⁾		5,171	D	\$ 153.07	106,686 ⁽⁵⁾	D

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

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(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
Pearson Bryan A 7500 DALLAS PARKWAY, SUITE 700 PLANO, TX 75024			EVP & President, LoyaltyOne	

Signatures

Cynthia L. Hageman, Attorney
in Fact 02/25/2013

__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).

- Based on the Company's EBT performance in 2012, 150% of the original award of 12,725 performance-based restricted stock units granted 2/21/12 were earned, resulting in an additional 6,364 units, for a total of 19,089 units. The restrictions will lapse with respect to
- (1) 6,299 units on 2/21/14 and with respect to 6,491 units on 2/23/15, subject to continued employment by the Reporting Person on the remaining vesting dates.
 - (2) Shares withheld by the Company to satisfy the Reporting Person's tax withholding obligation upon the vesting of restricted stock units. The new grant is for 2,384 shares of common stock represented by time-based restricted stock units. The restrictions will lapse on 786
 - (3) units on 2/21/14, on 787 units on 2/23/15 and on 811 units on 2/21/16, subject to continued employment by the Reporting Person on the vesting dates.

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- (4) The new grant is for 9,538 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 2/21/14 and 2/23/15 and with respect to 34% of such shares on 2/21/16 contingent on meeting an EBT metric for 2013 and subject to continued employment by the Reporting Person on the vesting dates

- (5) The total number of securities beneficially owned includes: (a) 69,627 unrestricted shares; (b) 1,459 unvested units from an award of 4,291 time-based restricted stock units granted 3/21/11; (c) 8,756 unvested units from an award of 25,748 performance-based restricted stock units granted 3/21/11; (d) 2,132 unvested units from an award of 3,181 time-based restricted stock units granted 2/21/12; (e) 12,790 unvested units from an award of 19,089 performance-based restricted stock units granted 2/21/12; (f) the new grant for 2,384 time-based restricted stock units; and (g) the new grant for 9,538 performance-based restricted stock units.

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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