

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

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

3. Date of Earliest Transaction (Month/Day/Year)
02/21/2013

4. If Amendment, Date Original Filed(Month/Day/Year)

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

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 Indirect Beneficial Ownership (Instr. 4)	
				(A) or (D)	Price			
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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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

Table with 9 columns: 1. Title of Derivative Security, 2. Conversion or Exercise Price of Derivative Security, 3. Transaction Date, 3A. Deemed Execution Date, 4. Transaction Code, 5. Number of Derivative Securities, 6. Date Exercisable and Expiration Date, 7. Title and Amount of Underlying Securities, 8. Price of Derivative Security, 9. Number of Derivative Securities.

Reporting Owners

Table with 2 columns: Reporting Owner Name / Address, Relationships. Relationship categories: Director, 10% Owner, Officer, Other.

Signatures

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

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.
(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 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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