

Kennedy Bryan J  
Form 4  
February 20, 2019

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
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 \*  
Kennedy Bryan J

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

3. Date of Earliest Transaction (Month/Day/Year)  
02/15/2019

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
EVP & President, Epsilon

(Street)  
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)	
				(A) or (D)	Price			
Common Stock	02/15/2019		A <sup>(1)</sup>	2,742	A	①	126,691.177	D
Common Stock	02/15/2019		A <sup>(2)</sup>	5,483	A	②	132,174.177	D
Common Stock	02/15/2019		A <sup>(3)</sup>	5,483	A	③	137,657.177	D
Common Stock	02/15/2019		F <sup>(4)</sup>	1,576	D	\$ 171.22	136,081.177	D
Common Stock	02/19/2019		F <sup>(4)</sup>	659	D	\$ 174.28	130,693.177	D
						(5) (6) (7)		



## Edgar Filing: Kennedy Bryan J - Form 4

vesting dates.

- (2) The new grant is for 5,483 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 2/18/20 and 2/16/21 and with respect to 34% of such shares on 2/15/22 contingent on meeting an EBT metric for 2019 and subject to continued employment by the Reporting Person on the vesting dates.

- (3) The new grant is for 5,483 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 100% of such shares on 2/16/21 contingent on meeting a relative total shareholder return metric for 2019 and 2020 and subject to continued employment by the Reporting Person on the vesting dates.

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

- (5) The total number of securities beneficially owned includes: (a) 108,754.177 unrestricted shares; (b) 655 unvested units from an award of 1,926 time-based restricted stock units granted 2/15/17; (c) 913 unvested units from an award of 2,687 performance-based restricted stock units granted 2/15/17; (d) 1,211 unvested units from an award of 1,806 time-based restricted stock units granted 2/15/18; (e) 1,837 unvested units from an award of 2,741 performance-based restricted stock units granted 2/15/18; (f) 3,615 unvested performance-based restricted stock units granted 2/15/18; (g) the new grant for 2,742 time-based restricted stock units; (h) the new grant for 5,483 performance-based restricted stock units; and (i) the new grant for 5,483 performance-based restricted stock units.

- (6) Based on the Company's EBT performance in 2018, 75.8% of the original award of 3,615 performance-based restricted stock units granted 2/15/18, or 2,741 units, were earned. The restrictions will lapse with respect to 905 units on 2/18/20 and with respect to 932 units on 2/16/21, subject to continued employment by the Reporting Person on the remaining vesting dates.

- (7) The grant for 3,855 performance-based restricted stock units awarded on 2/15/17 was forfeited due to failure to meet the relative total shareholder return metric for 2017 and 2018.

- (8) The shares are held in the Norma Kay Kennedy Living Trust for the benefit of the Reporting Person's mother. The Reporting Person serves as trustee.

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.