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

#### ALLIANCE DATA SYSTEMS CORP

Form 4

February 23, 2007

## FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

**OMB** Number:

3235-0287

0.5

January 31, Expires: 2005

**OMB APPROVAL** 

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10% Owner

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Check this box

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

may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Last)

(City)

(Print or Type Responses)

1. Name and Address of Reporting Person \* 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading Pearson Bryan A Issuer Symbol ALLIANCE DATA SYSTEMS CORP [ADS]

(Check all applicable)

(Month/Day/Year) 02/21/2007

3. Date of Earliest Transaction

X\_ Officer (give title Other (specify below) President, Loyalty Services

6. Individual or Joint/Group Filing(Check

(Street) 4. If Amendment, Date Original

(Middle)

(Zip)

Applicable Line)

Director

\_X\_ Form filed by One Reporting Person Form filed by More than One Reporting

Filed(Month/Day/Year)

DALLAS, TX 75252-8012

(First)

17655 WATERVIEW PARKWAY

(State)

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 onAcquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		5. Amount of Securities Beneficially Owned	Form: Direct (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership	
			Code V	Amount	(A) or (D)	Price	Following Reported Transaction(s) (Instr. 3 and 4)	(Instr. 4)	(Instr. 4)
Common Stock	02/21/2007		A(1)	1,967	A	<u>(1)</u>	16,931	D	
Common Stock	02/21/2007		A(2)	1,967	A	<u>(2)</u>	18,898 <u>(3)</u>	D	

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)

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. Transactic Code (Instr. 8)	5. Number out 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)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 63.35	02/21/2007		A(4)	4,628	<u>(4)</u>	02/21/2017	Common Stock	4,628

## **Reporting Owners**

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Pearson Bryan A 17655 WATERVIEW PARKWAY DALLAS, TX 75252-8012

President, Loyalty Services

## **Signatures**

Leigh Ann K. Epperson, Attorney in Fact

02/23/2007

\*\*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 1,967 shares of common stock represented by performance-based restricted stock units. The restrictions on 100% of the shares may lapse in February 2008 if certain Company financial targets are met.
- (2) The new grant is for 1,967 shares of common stock represented by time-based restricted stock units. The restrictions will lapse on 649 shares on each of 2/21/08 and 2/21/09, and on 669 shares on 2/21/10.
  - The total number of securities beneficially owned includes: (a) 850 out of an original 4,800 shares of performance-based restricted stock granted 6/24/03, which are fully vested; (b) 3,200 out of an original 4,000 shares of performance-based restricted stock granted 2/3/05, which are fully vested; (c) 4,444 shares of time based restricted stock granted 2/3/05 of which 2,062 shares are wested; (d) 2,225 shares
- (3) which are fully vested; (c) 4,444 shares of time-based restricted stock granted 2/3/05, of which 2,962 shares are vested; (d) 3,235 shares of time-based restricted stock units granted 2/13/06, of which 1,067 shares are vested; (e) 3,235 shares of performance-based restricted stock units granted 2/13/06, which are fully vested; (f) the new grant for 1,967 performance-based restricted stock units; and (g) the new grant for 1,967 time-based restricted stock units.
- (4) The new option is for 4,628 shares, of which 1,527 shares will vest on each of 2/21/08 and 2/21/09 and 1,574 shares will vest on 2/21/10.

Reporting Owners 2

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The total number of derivative securities beneficially owned includes: (a) an option for 10,000 out of an original 40,404 shares granted 12/1/98, which is fully vested; (b) an option for 8,000 out of an original 18,500 shares granted 6/24/03, which is fully vested; (c) an option for 16,000 shares granted 2/2/04, which is fully vested; (d) an option for 20,000 shares granted 2/3/05, of which 13,200 shares are fully vested and 6,800 shares will vest on 2/3/08; (e) an option for 12,346 shares granted 2/3/05, of which 8,230 shares are fully vested and 4,116 shares will vest on 12/9/07; (f) an option for 7,724 shares granted 2/13/06, of which 2,548 shares vested on 2/13/07, 2,549 shares will vest on 2/13/08 and 2,627 shares will vest on 2/13/09; and (g) the new option for 4,628 shares.

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.