

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
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<b>1. Name and Address of Reporting Person*</b> <u>HORN CHARLES L</u>  (Last) (First) (Middle) 7500 DALLAS PARKWAY, SUITE 700  (Street) PLANO TX 75024  (City) (State) (Zip)	<b>2. Issuer Name and Ticker or Trading Symbol</b> ALLIANCE DATA SYSTEMS CORP [ ADS ]	<b>5. Relationship of Reporting Person(s) to Issuer</b> (Check all applicable)  Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) EVP & Chief Financial Officer
	<b>3. Date of Earliest Transaction (Month/Day/Year)</b> 02/15/2018	
<b>4. If Amendment, Date of Original Filed (Month/Day/Year)</b>		

**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	(A) or (D)	Price			
Common Stock	02/15/2018		A <sup>(1)</sup>		1,542	A	(1)	28,022	D	
Common Stock	02/15/2018		A <sup>(2)</sup>		3,085	A	(2)	31,107	D	
Common Stock	02/15/2018		A <sup>(3)</sup>		3,085	A	(3)	34,192	D	
Common Stock	02/15/2018		A <sup>(4)</sup>		851	A	(4)	35,043	D	
Common Stock	02/15/2018		F <sup>(5)</sup>		706	D		\$243.99 33,372 <sup>(6)(7)</sup>	D	

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date					

**Explanation of Responses:**

- The new grant is for 1,542 shares of common stock represented by time-based restricted stock units. The restrictions will lapse on 508 units on 2/15/19, on 509 units on 2/18/20 and on 525 units on 2/16/21, subject to continued employment by the Reporting Person on the vesting dates.
- The new grant is for 3,085 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 2/15/19 and 2/18/20 and with respect to 34% of such shares on 2/16/21 contingent on meeting an EBT metric for 2018 and subject to continued employment by the Reporting Person on the vesting dates.
- The new grant is for 3,085 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 2/18/20 contingent on meeting a relative total shareholder return metric for 2018 and 2019 and subject to continued employment by the Reporting Person on the vesting dates.
- Based on the Company's EBT performance in 2017, 150% of the original award of 1,702 performance-based restricted stock units granted 2/15/17 were earned, resulting in an additional 851 units, for a total of 2,553 units. The restrictions will lapse with respect to 1,276 units on 2/15/19, subject to continued employment by the Reporting Person on the remaining vesting dates.
- Shares withheld by the Company to satisfy the Reporting Person's tax withholding obligation upon the vesting of restricted stock units.
- The total number of securities beneficially owned includes: (a) 14,107 unrestricted shares; (b) 373 unvested units from an award of 1,095 time-based restricted stock units granted 2/17/15; (c) 1,491 unvested units from an award of 4,384 performance-based restricted stock units granted 2/17/15; (d) 960 unvested units from an award of 1,434 time-based restricted stock units granted 2/16/16; (e) 1,711 unvested units from an award of 2,553 performance-based restricted stock units granted 2/16/16; (f) 1,068 unvested units from an award of 1,593 time-based restricted stock units granted 2/15/17; (g) 1,488 unvested units from an award of 2,221 performance-based restricted stock units granted 2/15/17; (h) 3,186 unvested performance-based restricted stock units granted 2/15/17; (i) 1,276 unvested units from an award of 2,553 performance-based restricted stock units granted 2/15/17; (j) the new grant for 1,542 time-based restricted stock units;
- Based on the Company's EBT performance in 2017, 69.7% of the original award of 3,186 performance-based restricted stock units granted 2/15/17, or 2,221 units, were earned. The restrictions will lapse with respect to 733 units on 2/15/19 and with respect to 755 units on 2/18/20, subject to continued employment by the Reporting Person on the remaining vesting dates.

**Remarks:**

(6) Continued from above: (k) the new grant for 3,085 performance-based restricted stock units; and (l) the new grant for 3,085 performance-based restricted stock units.

Cynthia L. Hageman, Attorney 02/20/2018  
in Fact

\*\* Signature of Reporting Person Date

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

\* 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).

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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