

ValueAct Capital Master Fund, L.P.  
 Form 4  
 May 10, 2018

**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 \*  
 ValueAct Holdings, L.P.

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)  
 05/08/2018

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 See Remarks

ONE LETTERMAN DRIVE, BUILDING D, 4TH FLOOR

(Street)

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

SAN FRANCISCO, CA 94129

(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                    | 05/08/2018                           |                                                    | P                              | 125,000                                                           | A \$ 201.27                                                                                   | 6,002,400                                                | I                                                     | See Footnotes (1) (2) |
| Common Stock                    | 05/09/2018                           |                                                    | P                              | 77,600                                                            | A \$ 202.65                                                                                   | 6,080,000                                                | I                                                     | See Footnotes (1) (2) |

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form**

SEC 1474 (9-02)

displays a currently valid OMB control number.

**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 Owned Beneficially (Instr. 5) |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------|------------------------------------------------------------------|
|                                            |                                                        |                                      |                                                    | 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       |
| ValueAct Holdings, L.P.<br>ONE LETTERMAN DRIVE<br>BUILDING D, 4TH FLOOR<br>SAN FRANCISCO, CA 94129            | X             | X         |         | See Remarks |
| ValueAct Capital Master Fund, L.P.<br>ONE LETTERMAN DRIVE<br>BUILDING D, 4TH FLOOR<br>SAN FRANCISCO, CA 94129 | X             | X         |         | See Remarks |
| VA Partners I, LLC<br>ONE LETTERMAN DRIVE<br>BUILDING D, 4TH FLOOR<br>SAN FRANCISCO, CA 94129                 | X             | X         |         | See Remarks |
| ValueAct Capital Management, L.P.<br>ONE LETTERMAN DRIVE<br>BUILDING D, 4TH FLOOR<br>SAN FRANCISCO, CA 94129  | X             | X         |         | See Remarks |
| ValueAct Capital Management, LLC<br>ONE LETTERMAN DRIVE<br>BUILDING D, 4TH FLOOR<br>SAN FRANCISCO, CA 94129   | X             | X         |         | See Remarks |
| ValueAct Holdings GP, LLC<br>ONE LETTERMAN DRIVE                                                              | X             | X         |         | See Remarks |

BUILDING D, 4TH FLOOR  
SAN FRANCISCO, CA 94129

## Signatures

|                                                                                                                                                  |            |
|--------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| VALUEACT HOLDINGS, L.P., By: VALUEACT HOLDINGS GP, LLC, its General Partner, By: /s/ Bradley E. Singer, Chief Operating Officer                  | 05/10/2018 |
| **Signature of Reporting Person                                                                                                                  | Date       |
| VALUEACT CAPITAL MASTER FUND, L.P., By: VA PARTNERS I, LLC, its General Partner, By: /s/ Bradley E. Singer, Chief Operating Officer              | 05/10/2018 |
| **Signature of Reporting Person                                                                                                                  | Date       |
| VA PARTNERS I, LLC, By: /s/ Bradley E. Singer, Chief Operating Officer                                                                           | 05/10/2018 |
| **Signature of Reporting Person                                                                                                                  | Date       |
| VALUEACT CAPITAL MANAGEMENT, L.P., By: VALUEACT CAPITAL MANAGEMENT, LLC, its General Partner, By: /s/ Bradley E. Singer, Chief Operating Officer | 05/10/2018 |
| **Signature of Reporting Person                                                                                                                  | Date       |
| VALUEACT CAPITAL MANAGEMENT, LLC, By: /s/ Bradley E. Singer, Chief Operating Officer                                                             | 05/10/2018 |
| **Signature of Reporting Person                                                                                                                  | Date       |
| VALUEACT HOLDINGS GP, LLC, By: /s/ Bradley E. Singer, Chief Operating Officer                                                                    | 05/10/2018 |
| **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) Each reporting person listed herein disclaims beneficial ownership of the reported securities except to the extent of its pecuniary interest therein, and this report shall not be deemed an admission that such person is the beneficial owner of the securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.
- (2) The securities reported herein are held by ValueAct Capital Master Fund, L.P. and may be deemed to be indirectly beneficially owned by (i) VA Partners I, LLC as General Partner of ValueAct Capital Master Fund, L.P., (ii) ValueAct Capital Management, L.P. as the manager of ValueAct Capital Master Fund, L.P., (iii) ValueAct Capital Management, LLC as General Partner of ValueAct Capital Management, L.P., (iv) ValueAct Holdings, L.P. as the sole owner of the limited partnership interests of ValueAct Capital Management, L.P. and the membership interests of ValueAct Capital Management, LLC and as the majority owner of the membership interests of VA Partners I, LLC and (v) ValueAct Holdings GP, LLC as General Partner of ValueAct Holdings, L.P.

### Remarks:

-The reporting persons herein may be deemed to be members of a "group" for purposes of the Securities Exchange Act of 1934.

- Kelly J. Barlow, a Partner at ValueAct Capital, serves on the board of directors of the Issuer. As a result, the other reporting persons herein are deemed to be members of a "group" for purposes of the Securities Exchange Act of 1934.

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.