

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported):  
October 28, 2021

**Loyalty Ventures Inc.**

(Exact Name of Registrant as Specified in Charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**001-40776**  
(Commission  
File Number)

**87-1353472**  
(IRS Employer  
Identification No.)

**7500 DALLAS PARKWAY, SUITE 700**  
**PLANO, Texas 75024**  
(Address and Zip Code of Principal Executive Offices)

**(214) 494-3000**  
(Registrant's Telephone Number, including Area Code)

**NOT APPLICABLE**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading symbol</u>	<u>Name of each exchange on which registered</u>
Common stock, par value \$0.01 per share	LYLT	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02. Other Events.**

On October 28, 2021, Alliance Data Systems Corporation (“ADS”) issued a press release regarding its results of operations for its third quarter ended September 30, 2021. The results of operations for ADS included the performance of the LoyaltyOne segment of ADS’ business (the “Loyalty Segment”), which will constitute the business of Loyalty Ventures Inc. (the “Company”) following the transfer of all the assets and liabilities of the Loyalty Segment to the Company or its subsidiaries and the distribution of 81% of the outstanding capital stock of the Company pro rata to the holders of ADS common stock as of the close of business on October 27, 2021 (the “Separation”). The Separation is expected to be completed on November 5, 2021. Extracts from this press release that relate to the results of operations of the Loyalty Segment are furnished as Exhibit 99.1.

The historical financial information for the Loyalty Segment included in Exhibit 99.1 has been extracted from ADS’ consolidated financial statements and accounting records and does not necessarily indicate what the Company’s results of operations, financial condition or cash flows would have been had the Company been operating as an independent public company during the period presented, nor is it necessarily indicative of the Company’s future results of operations, financial condition or cash flows.

**Item 7.01 Regulation FD Disclosure.**

On October 28, 2021, ADS issued a press release regarding its results of operations for its third quarter ended September 30, 2021. Extracts from this press release that relate to the results of operations of the Loyalty Segment are furnished as Exhibit 99.1.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<b><u>Exhibit No.</u></b>	<b><u>Document Description</u></b>
99.1	Extracts from ADS’ Press Release dated October 28, 2021 announcing the results of operations for the third quarter ended September 30, 2021.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

The information contained in this report (including Exhibit 99.1) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Loyalty Ventures Inc.

Date: October 28, 2021

By: /s/ Cynthia L. Hageman  
Cynthia L. Hageman  
Executive Vice President, General Counsel  
and Secretary

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**Extracts from Alliance Data Systems Corporation's press release issued October 28, 2021 regarding its results of operations for its third quarter ended September 30, 2021.**

Quotes from Ralph Andretta, president and chief executive officer of Alliance Data:

"We saw positive momentum building in the LoyaltyOne segment as campaign activity picked up late in the quarter for BrandLoyalty, and AIR MILES® reward miles redeemed improved to the highest level since the pandemic began."

"The upcoming spinoff of our LoyaltyOne segment concludes a multi-year Board initiative to simplify Alliance Data's business model and strengthen our enterprise-level capital metrics. At the spin-off date, which is expected to be November 5, 2021, Alliance Data will retain a 19% ownership in, and expects to receive a \$750 million cash distribution from Loyalty Ventures Inc., which we will use for deleveraging. The spin is expected to provide a significant improvement in Alliance Data's capital metrics. Loyalty Ventures will have the opportunity to focus on its own unique strategic priorities and make meaningful investments to drive growth and efficiencies. We are excited about the prospects for both businesses and the long-term potential of each of the companies."

**SEGMENT RESULTS**

**LoyaltyOne:** Segment revenue declined 8% to \$169 million compared to the third quarter of 2020. BrandLoyalty revenue decreased 18%, or \$21 million, due to a decline in retailer programs associated with the continuing impact of COVID-19. AIR MILES revenue increased 9%, or \$6 million, compared to the third quarter of 2020, due in part to higher redemptions, as well as the impact of favorable currency exchange rates. EBT for the LoyaltyOne segment increased 143% to \$45 million due to lower cost of redemptions and amortization expense.

Issuance of AIR MILES reward miles decreased 7% compared to the third quarter of 2020, reflecting certain promotional activity in the prior year not present in the current year. AIR MILES reward miles redeemed increased 30% compared to the third quarter of 2020, reflecting an improvement in travel-related categories.

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**ALLIANCE DATA SYSTEMS CORPORATION**  
**SUMMARY FINANCIAL HIGHLIGHTS**  
(In millions)  
(Unaudited)

	<b>Three Months Ended September 30,</b>			<b>Nine Months Ended September 30,</b>		
	<b>2021</b>	<b>2020</b>	<b>Change</b>	<b>2021</b>	<b>2020</b>	<b>Change</b>
<b>Segment Revenue:</b>						
LoyaltyOne	\$ 169.3	\$ 184.8	(8)%	\$ 496.7	\$ 533.9	(7)%
<b>Segment Earnings Before Taxes:</b>						
LoyaltyOne	\$ 44.5	\$ 18.3	143%	\$ 100.7	\$ 88.9	13%
<b>Key Performance Indicators:</b>						
AIR MILES reward miles issued	1,155	1,240	(7)%	3,406	3,609	(6)%
AIR MILES reward miles redeemed	896	687	30%	2,436	2,289	6%