

ALLIANCE DATA SYSTEMS CORP
Form 4
August 18, 2009

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

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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 *
TUCKER DWAYNE H

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)
17655 WATERVIEW PARKWAY
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
08/14/2009

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP, HR & Corp. Communications

DALLAS, TX 75252-8012

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 Ownership (Instr. 4)	
			Code	V	Amount or Price			
Common Stock	08/14/2009		M		1	A	\$ 12 130,454	D
Common Stock	08/14/2009		M		16,370	A	\$ 41.32 146,824	D
Common Stock	08/14/2009		M		4,604	A	\$ 40.82 151,428	D
Common Stock	08/14/2009		M		33,171	A	\$ 24.03 184,599	D
Common Stock	08/14/2009		M		33,682	A	\$ 31.38 218,281	D

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Common Stock	08/14/2009	M	21,839	A	\$ 15	240,120	D
Common Stock	08/14/2009	M	21,714	A	\$ 43.01	261,834	D
Common Stock	08/14/2009	S	162,158	D	\$ 59.6	99,676 ⁽¹⁾	D

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

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SEC 1474
(9-02)

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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 12	08/14/2009		M	1	<u>(2)</u>	06/07/2011	Common Stock	1
Employee Stock Option (Right to Buy)	\$ 41.32	08/14/2009		M	16,370	<u>(2)</u>	02/03/2015	Common Stock	16,370
Employee Stock Option (Right to Buy)	\$ 40.82	08/14/2009		M	4,604	<u>(2)</u>	03/31/2015	Common Stock	4,604
Employee Stock Option (Right to Buy)	\$ 24.03	08/14/2009		M	33,171	<u>(2)</u>	06/23/2013	Common Stock	33,171

Employee Stock Option (Right to Buy)	\$ 31.38	08/14/2009	M	33,682	(2)	02/02/2014	Common Stock	33,682
Employee Stock Option (Right to Buy)	\$ 15	08/14/2009	M	21,839	(2)	08/31/2010	Common Stock	21,839
Employee Stock Option (Right to Buy)	\$ 43.01	08/14/2009	M	21,714	(2)	02/13/2016	Common Stock	21,714

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
TUCKER DWAYNE H 17655 WATERVIEW PARKWAY DALLAS, TX 75252-8012			EVP, HR & Corp. Communications	

Signatures

Leigh Ann K. Epperson, Attorney
in Fact

08/17/2009

**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).

- The total number of securities beneficially owned includes: (a) 1,805 unvested shares from an original award of 5,306 time-based restricted stock units granted 2/21/07; (b) 4,853 unvested shares from an original award of 9,706 performance-based restricted stock units granted 2/21/07; (c) 40,160 unvested shares from an original award of 59,939 performance-based restricted stock units granted 4/28/08; (d) 32,858 unvested shares from an original award of 49,041 time-based restricted stock units granted 4/28/08; and (e) 20,000 unvested performance-based restricted stock units granted 2/23/09.
- (2) This is an employee stock option grant that is fully vested.
- (3) The total number of derivative securities beneficially owned includes an option for 12,483 shares granted 2/21/07, of which 8,238 shares are fully vested and 4,245 shares will vest on 2/21/10.

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.