

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 <sup>(1)</sup> | D |

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 displays a currently valid OMB control number.**

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

## Reporting Owners

| Reporting Owner Name / Address                                      | Relationships |           |                                |       |
|---|---------------|-----------|--------------------------------|-------|
|   | Director      | 10% Owner | Officer                        | Other |
| TUCKER DWAYNE H<br>17655 WATERVIEW PARKWAY<br>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.