

ALLIANCE DATA SYSTEMS CORP

Form 4

June 08, 2009

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Carter Barry R

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)
06/04/2009

____ Director ____ 10% Owner
____X____ Officer (give title below) ____ Other (specify below)
SVP, Info Technology Officer

DALLAS, TX 75252

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ 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 Indirect Beneficial Ownership (Instr. 4)
Common Stock	06/04/2009		M ⁽¹⁾	V Amount (A) or (D) Price 2,100 A \$ 39.16	25,473	D	
Common Stock	06/04/2009		S ⁽¹⁾	2,100 D \$ 43	23,373	D	
Common Stock	06/05/2009		M ⁽¹⁾	22,900 A \$ 39.16	46,273	D	
Common Stock	06/05/2009		M ⁽¹⁾	2,700 A \$ 41.32	48,973	D	
Common Stock	06/05/2009		S ⁽¹⁾	25,600 D \$ 43.03	23,373	D	

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Common Stock	06/08/2009	<u>M</u> ⁽¹⁾	12,300	A	\$ 41.32	35,673	D
Common Stock	06/08/2009	<u>S</u> ⁽¹⁾	12,300	D	\$ 43.32	23,373 <u>(2)</u> <u>(3)</u>	D

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

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(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)	\$ 39.16	06/04/2009		M ⁽¹⁾		2,100		⁽⁴⁾	09/15/2014	Common Stock	2,100
Employee Stock Option (Right to Buy)	\$ 39.16	06/05/2009		M ⁽¹⁾		22,900		⁽⁴⁾	09/15/2014	Common Stock	22,900
Employee Stock Option (Right to Buy)	\$ 41.32	06/05/2009		M ⁽¹⁾		2,700		⁽⁴⁾	02/03/2015	Common Stock	2,700
Employee Stock Option (Right to Buy)	\$ 41.32	06/08/2009		M ⁽¹⁾		12,300		⁽⁴⁾	02/03/2015	Common Stock	12,300

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Carter Barry R 17655 WATERVIEW PARKWAY DALLAS, TX 75252			SVP, Info Technology Officer	

Signatures

Leigh Ann K. Epperson, Attorney
in Fact 06/08/2009

__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 sale reported in this Form 4 was effected pursuant to a Rule 10b5-1 trading plan adopted by the Reporting Person on April 28, 2009, as amended on June 2, 2009. The trading plan was established to sell up to 47,724 shares of the Company's common stock. Portions of the shares may be sold on specified dates or any time the stock achieves certain pre-arranged minimum prices and may take place beginning

- (1) on May 5, 2009 and ending on August 31, 2009, unless sooner terminated. The Reporting Person will have no control over the timing of any sales under the plan and there can be no assurance that the shares covered by the plan actually will be sold. The Reporting Person entered into the plan for personal tax and financial planning purposes and will continue to have a significant ownership interest in the Company.
- (2) Since the date of the Reporting Person's last ownership report, he acquired 69 shares of ADS common stock through the Company employee stock purchase plan.
- (3) The total number of securities beneficially owned includes: (a) 8,382 unrestricted shares; (b) 572 unvested shares from an original award of 1,682 time-based restricted stock units granted 2/21/07; (c) 5,180 unvested shares from an original award of 7,731 performance-based restricted stock units granted 4/28/08; (d) 4,239 unvested shares from an original award of 6,326 time-based restricted stock units granted 4/28/08; and (e) 5,000 unvested performance-based restricted stock units granted 2/23/09.
- (4) This is an employee stock option grant that is fully vested.
- (5) The total number of derivative securities beneficially owned includes (a) an option for 7,724 shares granted 2/13/06, which is fully vested; and (b) an option for 3,958 shares granted 2/21/07, of which 2,612 shares are fully vested and 1,346 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.

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