

ALLIANCE DATA SYSTEMS CORP
 Form 4
 September 24, 2012

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

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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 *
 BENVENISTE LAWRENCE M

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)
 7500 DALLAS PARKWAY, SUITE 700
 (Street)
 PLANO, TX 75024
 (City) (State) (Zip)

3. Date of Earliest Transaction (Month/Day/Year)
 09/21/2012
 4. If Amendment, Date Original Filed(Month/Day/Year)

Director 10% Owner
 Officer (give title below) Other (specify below)
 6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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	09/21/2012		M	2,547	A \$ 36.88	12,573	D
Common Stock	09/21/2012		S	2,547	D \$ 142.546 ⁽¹⁾	10,026	D
Common Stock	09/21/2012		M	2,512	A \$ 53.54	12,538	D
Common Stock	09/21/2012		S	2,512	D \$ 142.506 ⁽²⁾	10,026 ⁽³⁾	D

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) The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$142.54 to \$142.55, inclusive. The reporting person undertakes to provide to Alliance Data Systems Corporation, any security holder of Alliance Data Systems Corporation, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in footnotes (1) and (2) to this Form 4.

(2) The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$142.44 to \$142.56, inclusive.

(3) The total amount of securities beneficially owned includes: (a) 2,388 unvested restricted stock units granted 7/1/08; (b) 3,333 unvested restricted stock units granted 7/1/09; (c) 2,024 unvested restricted stock units granted 6/30/2010; (d) 1,335 unvested restricted stock units granted 6/30/11; and (e) 946 unvested restricted stock units granted 6/29/12.

(4) This is an employee stock option grant that is fully vested.

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.