ALLIANCE DATA SYSTEMS CORP
Form 4
February 07, 2005

FORM 4

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

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
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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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
TUCKER DWAYNE H

(Last) (First) (Middle)

17655 WATERVIEW PARKWAY

(Street)

DALLAS, TX 75252-8012

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
ALLIANCE DATA SYSTEMS CORP [ADS]

3. Date of Earliest Transaction (Month/Day/Year)
02/03/2005

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

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
_____ Director _____ 10% Owner
__X__ Officer (give title below) __X__ Other (specify below)
Executive Vice President / President Transaction Services

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02/03/2005		A(1)		5,893	A	(1)	38,265	D	
Common Stock	02/03/2005		A(2)		5,893	A	(2)	44,158	D	
Common Stock	02/03/2005		A(3)		17,778	A	(3)	61,936 (4)	D	

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

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displays a currently valid OMB control number.

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)	$ 41.32	02/03/2005		A[(5)]		16,370		[(5)]	02/03/2015	Common Stock	16,370

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
TUCKER DWAYNE H 17655 WATERVIEW PARKWAY DALLAS, TX 75252-8012			Executive Vice President	President Transaction Services

Signatures

Leigh Ann K. Epperson, Attorney in Fact	02/07/2005
[**]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).

(1) The new grant is for 5,893 shares of performance-based restricted stock, which may be adjusted up or down at the time the restrictions lapse. The restrictions may lapse based on the performance of the Company relative to the S&P 500 measured as of 12/31/05.

(2) The new grant is for 5,893 shares of time-based restricted stock. The restrictions will lapse on 1,944 shares on each of 2/3/06 and 2/3/07, and on 2,005 shares on 2/3/08.

(3) The new grant is for 17,778 shares of time-based restricted stock. The restrictions on 5,926 shares will lapse on each of 12/9/05, 12/9/06, and 12/9/07.

(4) The total amount of securities beneficially owned includes: (a) 1,266 shares acquired through the Company employee stock purchase program; (b) 1,028 out of an original 35,000 shares of restricted stock granted 9/1/00, which is fully vested; (c) 24,982 shares acquired by the exercising of vested employee stock options; (d) 5,096 shares of performance-based restricted stock granted 2/2/04, of which 0 shares are vested; (e) the new grant for 5,893 shares of performance-based restricted stock; (f) the new grant for 5,893 shares of time-based

restricted stock; and (g) the new grant for 17,778 shares of time-based restricted stock.

(5) The new option is for 16,370 shares, of which 5,402 shares will vest on each of 2/3/06 and 2/3/07 and 5,566 shares will vest on 2/3/08.

(6) The total number of derivative securities beneficially owned includes: (a) an option for 115,000 shares granted 9/1/00, which is fully vested; (b) an option for 1 out of an original 81,917 shares granted 6/8/01, which is fully vested; (c) an option for 33,171 shares granted 6/24/03, of which 10,946 shares vested on 6/23/04, 10,946 shares will vest on 6/23/05, and 11,279 shares will vest on 6/23/06; (d) an option for 33,682 shares granted 2/2/04, of which 11,115 shares vested on 2/2/05, 11,115 shares will vest on 2/2/06 and 11,452 shares will vest on 2/2/07; and (e) the new option for 16,370 shares.

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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