

ALLIANCE DATA SYSTEMS CORP
Form 4
January 05, 2005

FORM 4

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

OMB APPROVAL

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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)
01/03/2005

____ Director _____ 10% Owner
 Officer (give title below) Other (specify below)
Executive Vice President / President Transaction Services

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 Indirect Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	01/03/2005		M ⁽¹⁾	12,416 A \$ 12	58,788	D	
Common Stock	01/03/2005		S ⁽¹⁾	12,416 D \$ 44.75	46,372	D	
Common Stock	01/03/2005		S ⁽¹⁾	14,000 D \$ 44.75	32,372 ⁽²⁾	D	

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

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granted 2/2/04, of which 0 shares are vested.

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

The total number of derivative securities beneficially owned includes: (a) an employee stock option for 115,000 shares granted 9/1/00, which is fully vested; (b) an employee stock option for 1 out of an original 81,917 shares granted 6/8/01, which is fully vested; (c) an employee stock 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; and (d) an employee stock option for 33,682 shares granted 2/2/04, of which 11,115 shares will vest on each of 2/2/05 and 2/2/06 and 11,452 shares will vest on 2/2/07.

- (4)

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.