

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person* <u>Carter Barry R</u> (Last) (First) (Middle) 17655 WATERVIEW PARKWAY (Street) DALLAS TX 75252 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>ALLIANCE DATA SYSTEMS CORP [ADS]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>SVP, Info Technology Officer</u>
	3. Date of Earliest Transaction (Month/Day/Year) 06/04/2009	
		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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	06/04/2009		M ⁽¹⁾		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	
Common Stock	06/08/2009		M ⁽¹⁾		12,300	A	\$41.32	35,673	D	
Common Stock	06/08/2009		S ⁽¹⁾		12,300	D	\$43.32	23,373 ⁽²⁾⁽³⁾	D	

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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Employee Stock Option (Right to Buy)	\$39.16	06/04/2009		M ⁽¹⁾			2,100	(4)	09/15/2014	Common Stock	2,100	(4)	49,582	D	
Employee Stock Option (Right to Buy)	\$39.16	06/05/2009		M ⁽¹⁾			22,900	(4)	09/15/2014	Common Stock	22,900	(4)	26,682	D	
Employee Stock Option (Right to Buy)	\$41.32	06/05/2009		M ⁽¹⁾			2,700	(4)	02/03/2015	Common Stock	2,700	(4)	23,982	D	
Employee Stock Option (Right to Buy)	\$41.32	06/08/2009		M ⁽¹⁾			12,300	(4)	02/03/2015	Common Stock	12,300	(4)	11,682 ⁽⁵⁾	D	

Explanation of Responses:

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

Remarks:

Leigh Ann K. Epperson,
Attorney in Fact

06/08/2009

** Signature of Reporting Person

Date

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

* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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 Number.