SEC Form 4

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FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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 Addre KUBIC MIC	ss of Reporting Person <u>HAEL D</u>) [*]	2. Issuer Name and Ticker or Trading Symbol <u>ALLIANCE DATA SYSTEMS CORP</u> [ADS]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner X Officer (give title below) below)				
(Last) (First) 17655 WATERVIEW PARKWAY		(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 02/03/2005	Vice President, Controller / Chief Accounting Officer				
(Street) DALLAS (City)	TX (State)	75252-8012 (Zip)	4. If Amendment, Date of 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				

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)	Transaction Code (Instr.		4. Securities / Disposed Of (5)			5. Amount of Securities Beneficially Owned Following Reported	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	Transaction(s) (Instr. 3 and 4)		(1130.4)	
Common Stock	02/03/2005		A ⁽¹⁾		2,500	Α	(1)	16,700	D		
Common Stock	02/03/2005		A ⁽²⁾		4,443	Α	(2)	21,143 ⁽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. Transa Code (8)		5. Numb of Derivati Securiti Acquire (A) or Dispose of (D) (II 3, 4 and	ed ed nstr.	6. Date Exerc Expiration Da (Month/Day/Y	ate	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	Amount or Number of Shares				
Employee Stock Option (Right to Buy)	\$41.32	02/03/2005		A ⁽⁴⁾		11,000		(4)	02/03/2015	Common Stock	11,000	(4)	56,112 ⁽⁵⁾	D	

Explanation of Responses:

1. The new grant is for 2,500 shares of performance-based restricted stock. The restrictions on 100% of the shares may lapse in February 2006 if certain Company financial targets are met. If the restrictions do not lapse in February 2006, the restrictions may lapse in February 2008 if certain performance standards are met.

2. The new grant is for 4,443 shares of time-based restricted stock. The restrictions on 1,481 shares will lapse on each of 12/9/05, 12/9/06, and 12/9/07.

3. The total number of securities beneficially owned includes: (a) 7,200 out of an original 12,000 shares of restricted stock granted 11/9/00, which is fully vested; (b) 2,500 shares of performance-based restricted stock granted 2/2/04, of which 0 shares are vested; (c) 4,500 shares acquired by the exercising of vested employee stock options; (d) the new grant for 2,500 shares of performance-based restricted stock; and (e) the new grant for 4,443 shares of time-based restricted stock.

4. The new option is for 11,000 shares, of which 3,630 shares will vest on each of 2/3/06 and 2/3/07 and 3,740 shares will vest on 2/3/08.

5. The total number of derivative securities beneficially owned includes: (a) an option for 6,611 out of an original 11,111 shares granted 10/29/1999, which is fully vested; (b) an option for 17,500 out of an original 26,500 shares granted 9/1/00, which is fully vested; (c) an option for 1 out of an original 12,603 shares granted 6/8/01, which is fully vested; (d) an option for 10,000 shares granted 6/24/03, of which 3,300 shares vested on 6/23/04, 3,300 shares will vest on 6/23/05 and 3,400 shares will vest on 6/23/06; (e) an option for 11,000 shares granted 2/2/04, of which 3,630 shares vested on 2/2/05, 3,630 shares will vest on 2/2/06 and 3,740 shares will vest on 2/2/07; and (f) the new option for 11,000 shares.

Remarks:

Leigh Ann K. Epperson,

Attorney in Fact

02/07/2005

Date

** Signature of Reporting Person

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

 \ast 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.

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