

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
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1. Name and Address of Reporting Person* <u>PARKS J MICHAEL</u> (Last) (First) (Middle) <u>17655 WATERVIEW PARKWAY</u> (Street) <u>DALLAS TX 75252-8012</u> (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) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input checked="" type="checkbox"/> Other (specify below) <u>Chairman of the Board / CEO and President</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>11/06/2003</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

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	11/06/2003		F		3,200 ⁽¹⁾	D	\$27.72	137,321	D	
Common Stock	11/06/2003		M		9,856 ⁽¹⁾	A	\$9	147,177 ⁽²⁾	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						Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$9	11/06/2003		M			9,856 ⁽¹⁾	(3)	03/09/2007	Common Stock	9,856	(3)	852,400 ⁽⁴⁾	D	

Explanation of Responses:

- 3,200 shares have been delivered to the Company in payment of the exercise price of 9,856 employee stock options.
- The total number of securities beneficially owned includes: (a) 116,800 out of an original 120,000 shares of restricted stock granted 9/1/00, of which 72,000 shares are vested; (b) 4,500 shares purchased in the open market; (c) 18,661 shares of performance-based restricted stock granted 6/24/03, of which 0 shares are vested; (d) less 2,640 shares given as a gift; and (e) 9,856 shares acquired by the exercising of vested employee stock options.
- 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 34,588 out of an original 44,444 shares granted 3/10/97, which is fully vested; (b) an employee stock option for 177,777 shares granted 3/10/97, which is fully vested; (c) an employee stock option for 111,111 shares granted 3/10/97, which is fully vested; (d) an employee stock option for 83,333 shares granted 5/7/99, which is fully vested; (e) an employee stock option for 230,000 shares granted 9/1/00, which is fully vested; (f) an employee stock option for 109,388 shares granted 6/8/01, which is fully vested; and (g) an employee stock option for 106,203 shares granted 6/24/03, of which 35,047 shares will vest on each of 6/23/04 and 6/23/05 and 36,109 shares will vest on 6/23/06.

Remarks:

Jeanette Fitzgerald, Attorney in Fact 11/10/2003

** 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.

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