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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 13D
Under the Securities and Exchange Act of 1934

(Amendment No. 3)

Alliance Data Systems Corporation

(Name of Issuer)

Common Stock

(Title of Class of Securities)

018581108

(CUSIP Number)

Allison Bennington, Esq.
ValueAct Capital
One Letterman Drive, Building D, Fourth Floor
San Francisco, CA 94129
(415) 362-3700

(Name, address and telephone number of Person
Authorized to Receive Notices and Communications)

Allison Bennington, Esq.
ValueAct Capital
One Letterman Drive, Building D, Fourth Floor
San Francisco, CA 94129
(415) 362-3700

January 20, 2017

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report
the acquisition that is the subject of this Schedule 13D, and is filing this
schedule because of 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the
following box [ ].

Note: Schedules filed in paper format shall include a signed original and five
copies of the schedule, including all exhibits. See Rule 240.13d-7 for other
parties to whom copies are to be sent.

\*The remainder of this cover page shall be filled out for a reporting person's
initial filing on this form with respect to the subject class of securities,
and for any subsequent amendment containing information which would alter
disclosures provided in a prior cover page.

This information required on the remainder of this cover page shall not be
deemed to be "filed" for the purpose of Section 18 of the Securities Exchange
Act of 1934 ("Act") or otherwise subject to the liabilities of that section of
the Act but shall be subject to all other provisions of the Act (however, see
the Notes).

SCHEDULE 13D

CUSIP NO. 018581108

Page 2 of 12

1. NAME OF REPORTING PERSON/S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE
PERSON (entities only)

ValueAct Capital Master Fund, L.P.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a) [X]
(b) [ ]

3. SEC USE ONLY

4. SOURCE OF FUNDS (See Instructions)\*

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEMS 2(d) or 2(e) [ ]

6. CITIZENSHIP OR PLACE OF ORGANIZATION

British Virgin Islands

7. SOLE VOTING POWER  
0

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY EACH  
PERSON WITH

8. SHARED VOTING POWER  
5,820,000\*\*

9. SOLE DISPOSITIVE POWER  
0

10. SHARED DISPOSITIVE POWER  
5,820,000\*\*

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

5,820,000\*\*

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES [ ]

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

10.1%

14. TYPE OF REPORTING PERSON

PN

\*See Item 3

\*\*See Item 2 and 5

1. NAME OF REPORTING PERSON/S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only)

VA Partners I, LLC

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)   
 (b)

3. SEC USE ONLY

4. SOURCE OF FUNDS\*

00\*

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7. SOLE VOTING POWER  
 0

NUMBER OF  
 SHARES  
 BENEFICIALLY  
 OWNED BY EACH  
 PERSON WITH

8. SHARED VOTING POWER  
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10.1%

14. TYPE OF REPORTING PERSON

00 (LLC)

\*See Item 3

\*\*See Item 2 and 5

CUSIP NO. 018581108

Page 4 of 12

1. NAME OF REPORTING PERSON/S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (entities only)

ValueAct Capital Management, L.P.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)   
(b)

3. SEC USE ONLY

4. SOURCE OF FUNDS\*

00\*

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Delaware

7. SOLE VOTING POWER

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PN

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CUSIP NO. 018581108

Page 5 of 12

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ValueAct Capital Management, LLC

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)

3. SEC USE ONLY

4. SOURCE OF FUNDS\*

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CUSIP NO. 018581108

Page 6 of 12

1. NAME OF REPORTING PERSON/S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE  
PERSON (entities only)

ValueAct Holdings, L.P.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a)

(b)

3. SEC USE ONLY

4. SOURCE OF FUNDS\*

00\*

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PURSUANT TO ITEMS 2(d) or 2(e)

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5,820,000\*\*

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10.1%

14. TYPE OF REPORTING PERSON

PN

\*See Item 3

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CUSIP NO. 018581108

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1. NAME OF REPORTING PERSON/S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE  
PERSON (entities only)

ValueAct Holdings GP, LLC

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\*

(a) (b) 

3. SEC USE ONLY

4. SOURCE OF FUNDS\*

00\*

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEMS 2(d) or 2(e)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7. SOLE VOTING POWER

0

NUMBER OF  
SHARES  
BENEFICIALLY  
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8. SHARED VOTING POWER

5,820,000\*\*

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CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

10.1%

14. TYPE OF REPORTING PERSON

00 (LLC)

\*See Item 3

\*\*See Items 2 and 5

This Amendment No. 3 to the Schedule 13D supplements the information set forth in the Schedule 13D filed by the Reporting Persons with the United States Securities and Exchange Commission (the "SEC"), as amended from time to time (the "Schedule 13D"), relating to the Common Stock (the "Common Stock") of Alliance Data Systems Corporation, a Delaware corporation (the "Issuer"). Capitalized terms contained herein but not otherwise defined shall have the meanings ascribed to such terms in the Schedule 13D.

The information set forth in response to each separate Item below shall be deemed to be a response to all Items where such information is relevant. The Schedule 13D is hereby supplementally amended as follows:

Item 3. Source and Amount of Funds or Other Consideration

The source of funds used for the purchase of the Issuer's securities reflected in this amendment was the working capital of ValueAct Master Fund. The aggregate funds used by these Reporting Persons to make such purchases were \$131,557,171.04.

Item 5. Interest in Securities of the Issuer

(a) and (b). Set forth below is the beneficial ownership of shares of Common Stock of the Issuer for each person named in Item 2. Shares reported as beneficially owned by ValueAct Master Fund are also reported as beneficially owned by (i) ValueAct Management L.P. as the manager of each such investment partnership, (ii) ValueAct Management LLC, as General Partner of ValueAct Management L.P., (iii) ValueAct Holdings, as the sole owner of the limited partnership interests of ValueAct Management L.P. and the membership interests of ValueAct Management LLC and as the majority owner of the membership interests of VA Partners I and (iv) ValueAct Holdings GP, as General Partner of ValueAct Holdings. Shares reported as beneficially owned by ValueAct Master Fund are also reported as beneficially owned by VA Partners I, as General Partner of ValueAct Master Fund. VA Partners I, ValueAct Management L.P., ValueAct Management LLC, ValueAct Holdings and ValueAct Holdings GP also, directly or indirectly, may own interests in one or more than one of the partnerships from time to time. Unless otherwise indicated below, by reason of such relationship ValueAct Master Fund is reported as having shared power to vote or to direct the vote, and shared power to dispose or direct the disposition of, such shares of Common Stock, with VA Partners I (only with respect to ValueAct Master Fund), ValueAct Management L.P., ValueAct Management LLC, ValueAct Holdings and ValueAct Holdings GP.

As of the date hereof, the Reporting Persons beneficially own 5,820,000 shares of Common Stock, representing approximately 10.1% of the Issuer's outstanding Common Stock (which shares may also be deemed to be beneficially owned by VA Partners I). All percentages set forth in this Schedule 13D are based upon the Issuer's reported 57,759,199 outstanding shares of Common Stock as reported on the Issuer's Current Report on Form 10-Q for the quarterly period ended September 30, 2016.

ValueAct Management L.P., ValueAct Management LLC, ValueAct Holdings and ValueAct Holdings GP may each be deemed the beneficial owner of an aggregate of 5,820,000 shares of Common Stock, representing approximately 10.1% of the Issuer's outstanding Common Stock.



(c) The following table sets forth all transactions with respect to shares of Common Stock effected in the previous sixty days by the Reporting Persons, inclusive of any transactions effected through 4:00 p.m., New York City time, on January 24, 2017. Except as otherwise noted below, all such transactions were purchases (or sales) of shares of Common Stock effected in the open market.

Reporting Person	Trade Date	Buy/Sell	Shares	Price/Share
ValueAct Master Fund	01/17/2017	Buy	100,000	\$229.99
	01/17/2017	Buy	100,000	\$229.98
	01/18/2017	Buy	3,200	\$229.96
	01/19/2017	Buy	45,800	\$229.96
	01/20/2017	Buy	101,000	\$229.89
	01/20/2017	Buy	13,400	\$229.82
	01/23/2017	Buy	25,000	\$229.88
	01/23/2017	Buy	25,000	\$229.08
	01/23/2017	Buy	50,000	\$228.94
	01/23/2017	Buy	70,100	\$228.52
	01/24/2017	Buy	40,000	\$225.89

(d) and (e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

The responses to Items 3, 4 and 5 of this Schedule 13D are incorporated herein by reference.

Except for the arrangements described herein or in a previously filed Schedule 13D, to the best knowledge of the Reporting Persons, there are no other contracts, understandings, arrangements or relationships relating to the Issuer's Common Stock which are required to be described hereunder.

Item 7. Material to Be Filed as Exhibits

(1) Joint Filing Agreement.

SIGNATURE

After reasonable inquiry and to the best of his knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below on this Schedule 13D hereby constitutes and appoints Jeffrey W. Ubben, Bradley E. Singer, G. Mason Morfit and Allison Bennington, and each of them, with full power to act without the other, his or its true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or it and in his or its name, place and stead, in any and all capacities (until revoked in writing) to sign any and all amendments to this Schedule 13D, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary fully to all intents and purposes as he or it might or could do in person, thereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

ValueAct Capital Master Fund L.P., by  
VA Partners I, LLC, its General Partner

By: /s/ Bradley E. Singer

Dated: January 24, 2017

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Bradley E. Singer, Chief Operating Officer

VA Partners I, LLC

By: /s/ Bradley E. Singer

Dated: January 24, 2017

-----  
Bradley E. Singer, Chief Operating Officer

ValueAct Capital Management, L.P., by  
ValueAct Capital Management, LLC its  
General Partner

By: /s/ Bradley E. Singer

Dated: January 24, 2017

-----  
Bradley E. Singer, Chief Operating Officer

ValueAct Capital Management, LLC

By: /s/ Bradley E. Singer

Dated: January 24, 2017

-----  
Bradley E. Singer, Chief Operating Officer

ValueAct Holdings, L.P., by  
ValueAct Holdings GP, LLC, its  
General Partner

By: /s/ Bradley E. Singer  
-----

Dated: January 24, 2017

Bradley E. Singer, Chief Operating Officer

ValueAct Holdings GP, LLC

By: /s/ Bradley E. Singer  
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Dated: January 24, 2017

Bradley E. Singer, Chief Operating Officer

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Exhibit 1

JOINT FILING UNDERTAKING

The undersigned parties hereby agree that the Schedule 13D filed herewith (and any amendments thereto) relating to the Common Stock of Alliance Data Systems Corporation, is being filed jointly on behalf of each of them with the Securities and Exchange Commission pursuant to Section 13(d) of the Securities Exchange Act of 1934, as amended.

ValueAct Capital Master Fund L.P., by  
VA Partners I, LLC, its General Partner

By: /s/ Bradley E. Singer

Dated: January 24, 2017

-----  
Bradley E. Singer, Chief Operating Officer

VA Partners I, LLC

By: /s/ Bradley E. Singer

Dated: January 24, 2017

-----  
Bradley E. Singer, Chief Operating Officer

ValueAct Capital Management, L.P., by  
ValueAct Capital Management, LLC its  
General Partner

By: /s/ Bradley E. Singer

Dated: January 24, 2017

-----  
Bradley E. Singer, Chief Operating Officer

ValueAct Capital Management, LLC

By: /s/ Bradley E. Singer

Dated: January 24, 2017

-----  
Bradley E. Singer, Chief Operating Officer

ValueAct Holdings, L.P., by  
ValueAct Holdings GP, LLC, its  
General Partner

By: /s/ Bradley E. Singer

Dated: January 24, 2017

-----  
Bradley E. Singer, Chief Operating Officer

ValueAct Holdings GP, LLC

By: /s/ Bradley E. Singer

Dated: January 24, 2017

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Bradley E. Singer, Chief Operating Officer