

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>COBB D KEITH</u> (Last) (First) (Middle) 7500 DALLAS PARKWAY, SUITE 700 (Street) PLANO TX 75024 (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 Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) 11/15/2012	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	
		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> 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)	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	11/15/2012		M		3,724	A	\$41.77	10,209	D	
Common Stock	11/15/2012		S		3,724	D	\$139.025 ⁽¹⁾	6,485	D	
Common Stock	11/15/2012		M		3,547	A	\$36.88	10,032	D	
Common Stock	11/15/2012		S		3,547	D	\$139.017 ⁽²⁾	6,485	D	
Common Stock	11/15/2012		M		2,512	A	\$53.54	8,997	D	
Common Stock	11/15/2012		S		2,512	D	\$139	6,485 ⁽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)	\$41.77	11/15/2012		M			3,724	(4)	07/01/2014	Common Stock	3,724	(4)	6,059	D	
Employee Stock Option (Right to Buy)	\$36.88	11/15/2012		M			3,547	(4)	06/10/2015	Common Stock	3,547	(4)	2,512	D	
Employee Stock Option (Right to Buy)	\$53.54	11/15/2012		M			2,512	(4)	06/12/2016	Common Stock	2,512	(4)	0	D	

Explanation of Responses:

- The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$139.00 to \$139.08, inclusive. The reporting person undertakes to provide to Alliance Data Systems Corporation, any security holder of Alliance Data Systems Corporation, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in footnotes (1) and (2) to this Form 4.
- The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$139.00 to \$139.06, inclusive.
- The total amount of securities beneficially owned includes: (a) 1,365 unvested restricted stock units granted 7/1/08; (b) 1,904 unvested restricted stock units granted 7/1/09; (c) 1,136 unvested restricted stock units granted 6/30/10; (d) 1,211 unvested restricted stock units granted 6/30/11; and (e) 869 unvested restricted stock units granted 6/29/12.
- This is an employee stock option grant that is fully vested.

Remarks:

Cynthia L. Hageman, Attorney 11/16/2012
in Fact

** 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.