

OMB APPROVAL	
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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

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>02/02/2004</u>					
			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 <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	02/02/2004		A		35,740 ⁽¹⁾	A	(1)	162,917	D	
Common Stock	02/03/2004		s ⁽²⁾		1,000	D	\$32	161,917 ⁽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)	\$31.38	02/02/2004		A		129,291 ⁽⁴⁾		02/02/2005	02/02/2014	Common Stock	129,291	(4)	981,691 ⁽⁵⁾	D	

Explanation of Responses:

- The grant is for 35,740 shares of performance-based restricted stock. The restrictions on 100% of the shares may lapse in February 2005 if certain Company financial targets are met. If the restrictions do not lapse in February 2005, the restrictions may lapse in February 2007 if certain performance standards are met.
- The sale reported in this Form 4 was effected pursuant to a Rule 10b5-1 trading plan adopted by the Reporting Person on November 3, 2003. The trading plan was established to sell up to 40,000 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 November 6, 2003 and ending on August 1, 2004, 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.
- The total number of securities beneficially owned includes: (a) 95,800 out of an original 120,000 shares of restricted stock granted 9/1/00, of which 47,800 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; (e) 9,856 shares acquired by the exercising of vested employee stock options; and (f) the new grant for 35,740 shares.
- The new option is for 129,291 shares, of which 42,666 shares will vest on each of 2/2/05 and 2/2/06 and 43,959 shares will vest on 2/2/07.
- 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; (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; and (h) the new option for 129,291 shares.

Remarks:

Leigh Ann K. Epperson, 02/04/2004
Attorney 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.