

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>UTAY ALAN M</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) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>EVP, CAO, Gen. Counsel, Secy</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>04/26/2010</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	04/26/2010		M		29,900	A	\$14.93	113,328	D	
Common Stock	04/26/2010		M		13,182	A	\$14.67	126,510	D	
Common Stock	04/26/2010		S		43,082	D	\$76.31	83,428 ⁽¹⁾	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)	\$14.93	04/26/2010		M			29,900	(2)	08/29/2011	Common Stock	29,900	(2)	111,693	D	
Employee Stock Option (Right to Buy)	\$14.67	04/26/2010		M			13,182	(2)	09/25/2012	Common Stock	13,182	(2)	98,511 ⁽³⁾	D	

Explanation of Responses:

- The total number of securities beneficially owned includes: (a) 38,342 unrestricted shares; (b) 16,674 unvested shares from an original award of 49,041 time-based restricted stock units granted 4/28/08; (c) 11,792 unvested shares from an award of 17,600 performance-based restricted stock units granted 2/23/09; (d) 3,324 unvested time-based restricted stock units granted 2/22/10; and (e) 13,296 unvested performance-based restricted stock units granted 2/22/10.
- This is an employee stock option grant that is fully vested.
- The total number of derivative securities beneficially owned includes: (a) an option for 28,919 shares granted 6/24/03, which is fully vested; (b) an option for 29,472 shares granted 2/2/04, which is fully vested; (c) an option for 13,812 shares granted 2/3/05, which is fully vested; (d) an option for 16,565 shares granted 2/13/06, which is fully vested; and (e) an option for 9,743 shares granted 2/21/07, which is fully vested.

Remarks:

Leigh Ann K. Epperson, 04/28/2010
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.