

**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	
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1. Name and Address of Reporting Person* <u>Miller Melisa A</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)  Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>EVP &amp; Pres, Retail Credit Svcs</u>
	3. Date of Earliest Transaction (Month/Day/Year) 02/18/2014	
		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	02/18/2014		A <sup>(1)</sup>		1,263	A	(1)	38,795	D	
Common Stock	02/18/2014		A <sup>(2)</sup>		5,053	A	(2)	43,848 <sup>(3)</sup>	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)		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)					

**Explanation of Responses:**

- The new grant is for 1,263 shares of common stock represented by time-based restricted stock units. The restrictions will lapse on 416 units on 2/18/15, on 417 units on 2/18/16 and on 430 units on 2/21/17, subject to continued employment by the Reporting Person on the vesting dates.
- The new grant is for 5,053 shares of common stock represented by performance-based restricted stock units, which may be adjusted up or down at the time the performance restriction lapses. The restriction may lapse with respect to 33% of such shares on each of 2/18/15 and 2/18/16 and with respect to 34% of such shares on 2/21/17 contingent on meeting an EBT metric for 2014 and subject to continued employment by the Reporting Person on the vesting dates.
- The total number of securities beneficially owned includes: (a) 13,823 unrestricted shares; (b) 531 vested units from an award of 1,560 time-based restricted stock units granted 3/21/11; (c) 3,183 vested units from an award of 9,362 performance-based restricted stock units granted 3/21/11; (d) 1,097 vested units from an award of 3,225 time-based restricted stock units granted 8/22/11; (e) 1,408 vested units from an award of 2,101 time-based restricted stock units granted 2/21/12; (f) 8,450 unvested units from an award of 12,610 performance-based restricted stock units granted 2/21/12; (g) 1,808 unvested time-based restricted stock units granted 2/21/13; (h) 7,232 unvested performance-based restricted stock units granted 2/21/13; (i) the new grant for 1,263 time-based restricted stock units; and (j) the new grant for 5,053 performance-based restricted stock units.

**Remarks:**

Cynthia L. Hageman, Attorney 02/20/2014  
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.