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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

December 15, 2009

Alliance Data Systems Corporation

(Exact name of registrant as specified in its charter)

Delaware

001-15749

31-1429215

(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(I.R.S. Employer  
Identification No.)

17655 Waterview Parkway, Dallas, Texas

75252

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(972) 348-5100

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 7.01 Regulation FD Disclosure.**

On December 15, 2009, Alliance Data Systems Corporation provided to market analysts an IR Update announcing that its Epsilon business has signed an expansion agreement with Capital One Financial Corporation to support its No Hassle Rewards<sup>SM</sup> customer loyalty program. A copy of this IR Update is attached hereto as Exhibit 99.1.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

99.1 IR Update dated December 15, 2009 announcing an agreement with Capital One Financial Corporation.

Note: The information contained in this report (including Exhibit 99.1) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Alliance Data Systems Corporation

December 15, 2009

By: *Edward J. Heffernan*

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*Name: Edward J. Heffernan*

*Title: President and Chief Executive Officer*

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Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	IR Update dated December 15, 2009 announcing an agreement with Capital One Financial Corporation.

## Investor Relations Update

December 15, 2009

### **Alliance Data's Epsilon Signs Expansion Agreement with Capital One**

Alliance Data's Epsilon business announced today that it has signed an expansion agreement with Capital One Financial Corporation (NYSE: COF) to support its *No Hassle Rewards*<sup>SM</sup> customer loyalty program.

Epsilon has been providing permission-based email marketing, and database hosting and marketing services for Capital One since 2003 and 2004, respectively.

Under the terms of the expanded agreement, Epsilon will integrate SONAR, Epsilon's proprietary marketing solution to enhance Capital One's ability to provide consistent and personalized messaging across key customer touch points.

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