

ALLIANCE DATA SYSTEMS CORP  
 Form 4  
 April 29, 2008

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**PARKS J MICHAEL**

2. Issuer Name and Ticker or Trading Symbol  
**ALLIANCE DATA SYSTEMS CORP [ADS]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
**17655 WATERVIEW PARKWAY**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**04/28/2008**

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**Chairman and CEO**

**DALLAS, TX 75252-8012**

(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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 Ownership (Instr. 4)
				(A) or (D) Price			
Common Stock	04/28/2008		A <sup>(1)</sup>	102,752	A <u>(1)</u> 235,565	D	
Common Stock	04/28/2008		A <sup>(2)</sup>	84,070	A <u>(2)</u> 319,635 <sup>(3)</sup>	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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**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 Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Transaction (Instr. 6)
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**Reporting Owners**

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PARKS J MICHAEL 17655 WATERVIEW PARKWAY DALLAS, TX 75252-8012	X		Chairman and CEO	

**Signatures**

Leigh Ann K. Epperson, Attorney in Fact  
Date: 04/29/2008

\*\*Signature of Reporting Person Date

**Explanation of Responses:**

- \* 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).
- (1) The new grant is for 102,752 shares of common stock represented by performance-based restricted stock units. The restrictions may lapse on 33,908 shares in each of February 2009 and February 2010, and on 34,936 shares in February 2011 contingent on meeting a corporate operating cash flow target for each of the 2008, 2009 and 2010 performance periods. The restrictions may lapse on any unvested units in February 2011 based on a cumulative three-period corporate operating cash flow target.
- (2) The new grant is for 84,070 shares of common stock represented by time-based restricted stock units. The restrictions will lapse on 27,743 shares in each of February 2009 and February 2010, and on 28,584 shares in February 2011.
- (3) The total amount of securities beneficially owned includes: (a) 1,860 shares purchased in the open market; (b) 15,156 out of an original 23,849 shares of performance-based restricted stock granted 2/3/05, which are fully vested; (c) 12,298 out of an original 21,105 shares of time-based restricted stock granted 2/3/05, which are fully vested; (d) 8,172 out of an original 22,222 shares of time-based restricted stock granted 2/3/05, which are fully vested; (e) 34,388 out of an original 54,112 performance-based restricted stock units granted 2/13/06, which are fully vested; (f) 23,801 out of an original 27,056 time-based restricted stock units granted 2/13/06, of which 14,601 shares are vested; (g) 19,537 performance-based restricted stock units granted 2/21/07, which are fully vested; (h) 17,601 time-based restricted stock units granted 2/21/07, of which 5,808 shares are vested; (i) the new grant for 102,752 performance-based restricted stock units; (continued below)

**Remarks:**

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(3) Continued from above: and (j) the new grant for 84,070 time-based restricted stock units.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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