

ALLIANCE DATA SYSTEMS CORP

Form 4

September 20, 2010

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
JENSEN KENNETH R

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)
7500 DALLAS PARKWAY, SUITE
700

3. Date of Earliest Transaction
(Month/Day/Year)
09/17/2010

☒ Director ☐ 10% Owner
☐ Officer (give title below) ☐ Other (specify below)

(Street)
PLANO, TX 75024

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

(City) (State) (Zip)

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 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)
Common Stock	09/17/2010		M	42,000	A \$ 12	60,214	D
Common Stock	09/17/2010		F ⁽¹⁾	7,920	D \$ 63.64	52,294 ⁽²⁾	D

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

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information contained in this form are not
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(9-02)

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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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 12	09/17/2010		M	42,000	(3) 06/08/2011	Common Stock 42,000

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
JENSEN KENNETH R 7500 DALLAS PARKWAY, SUITE 700 PLANO, TX 75024	X

Signatures

Leigh Ann K. Epperson, Attorney
in Fact 09/20/2010

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) 7,920 shares and \$28.80 have been delivered to the Company in payment of the exercise price of 42,000 employee stock options.

The total amount of securities beneficially owned includes: (a) 44,080 unrestricted shares; (b) 1,091 shares of restricted stock granted 6/24/03; (c) 621 shares of restricted stock granted 7/1/04; (d) 616 shares of restricted stock granted 6/10/05; (e) 458 shares of restricted stock granted 6/12/06; (f) 2,388 unvested restricted stock units granted 7/1/08; (g) 1,904 unvested restricted stock units granted 7/1/09; and (h) 1,136 unvested restricted stock units granted 6/30/10.

(3) This is an employee stock option grant that is fully vested.

The total number of derivative securities beneficially owned includes: (a) an option for 6,208 shares granted 6/24/03, which is fully vested; (b) an option for 3,724 shares granted 7/1/04, which is fully vested; (c) an option for 3,547 shares granted 6/10/05, which is fully vested; and (d) an option for 2,512 shares granted 6/12/06, which is fully vested.

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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