

Santillan Laura  
Form 4  
March 23, 2011

**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 \*  
Santillan Laura

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  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
03/21/2011

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
SVP, Chief Acctg. Officer

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 (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		
				Code	V	Amount	
Common Stock	03/21/2011		A <sup>(1)</sup>	1,170	A	15,152	D
Common Stock	03/21/2011		A <sup>(2)</sup>	4,681	A	19,833 <sup>(3)</sup>	D

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

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SEC 1474 (9-02)

**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. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Santillan Laura 7500 DALLAS PARKWAY, SUITE 700 PLANO, TX 75024			SVP, Chief Acctg. Officer	

## Signatures

Cynthia L. Hageman, Attorney  
in Fact 03/23/2011  
\*\*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 1,170 shares of common stock represented by time-based restricted stock units. The restrictions will lapse on 386 units on each of 2/21/12 and 2/21/13 and on 398 units on 2/21/14, subject to continued employment by the Reporting Person on the vesting dates.

(2) The new grant is for 4,681 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 2/21/12 and 2/21/13 and with respect to 34% of such shares on 2/21/14 contingent on meeting an EBT metric for 2011 and subject to continued employment by the Reporting Person on the vesting dates.

(3) The total number of securities beneficially owned includes: (a) 8,182 unrestricted shares; (b) 400 shares held in an IRA account; (c) 1,496 unvested units from an award of 4,400 performance-based restricted stock units granted 2/23/09; (d) 743 unvested units from an award of 1,108 time-based restricted stock units granted 2/22/10; (e) 3,161 unvested units from an award of 4,741 performance-based restricted stock units granted 2/22/10; (f) the new grant for 1,170 time-based restricted stock units; and (g) the new grant for 4,681 performance-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. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.