

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 \*  
 Iaccarino Michael L

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)  
 EVP & President, Mktg. Svcs.

DALLAS, TX 75252-8012

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)
			Code	V Amount (D) Price			
Common Stock	04/28/2008		A <sup>(1)</sup>	77,064 A (1)	90,649	D	
Common Stock	04/28/2008		A <sup>(2)</sup>	63,053 A (2)	153,702 <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 Beneficially (Instr. 5)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Iaccarino Michael L 17655 WATERVIEW PARKWAY DALLAS, TX 75252-8012			EVP & President, Mktg. Svcs.	

## Signatures

Leigh Ann K. Epperson, Attorney  
in Fact 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 77,064 shares of common stock represented by performance-based restricted stock units. The restrictions may lapse on 25,431 shares in each of February 2009 and February 2010, and on 26,202 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 63,053 shares of common stock represented by time-based restricted stock units. The restrictions will lapse on 20,807 shares in each of February 2009 and February 2010, and on 21,439 shares in February 2011.

(3) The total number of securities beneficially owned includes: (a) 4,434 out of an original 9,000 shares of time-based restricted stock granted 11/17/04, which are fully vested; (b) 2,547 out of an original 3,235 shares of time-based restricted stock units granted 2/13/06, of which 1,447 shares are vested; (c) 2,339 out of an original 3,235 shares of performance-based restricted stock units granted 2/13/06, which are fully vested; (d) 1,903 out of an original 2,588 performance-based restricted stock units granted 2/21/07, which are fully vested; (e) 2,362 out of an original 2,588 time-based restricted stock units granted 2/21/07, of which 628 shares are vested; (f) the new grant for 77,064 performance-based restricted stock units; and (g) the new grant for 63,053 time-based restricted stock units. The grant for 12,235 time-based restricted stock units awarded on 12/21/07 was cancelled on 4/28/08 for no value.

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.