

HORN CHARLES L
 Form 4
 February 24, 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 *
HORN CHARLES 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)
 ___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
EVP & Chief Financial Officer

(Last) (First) (Middle)
7500 DALLAS PARKWAY, SUITE 700
 (Street)
PLANO, TX 75024
 (City) (State) (Zip)

3. Date of Earliest Transaction (Month/Day/Year)
02/22/2011

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		
				Code V	Amount		
Common Stock	02/22/2011		A ⁽¹⁾	930	A	22,018	D
Common Stock	02/22/2011		F ⁽²⁾	1,573	D	\$ 20,445 ⁽³⁾	D
						77.2	

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

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SEC 1474
 (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)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Rep Trans (Instr
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
						Code	V (A) (D)		

Reporting Owners

Reporting Owner Name / Address

Relationships

Director	10% Owner	Officer	Other
		EVP & Chief Financial Officer	

HORN CHARLES L
7500 DALLAS PARKWAY, SUITE 700
PLANO, TX 75024

Signatures

Cynthia L. Hageman, Attorney
in Fact 02/24/2011

__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).
- Based on the Company's cash EPS growth in 2010, 107% of the original award of 13,296 performance-based restricted stock units
- (1) granted 2/22/10 were earned, resulting in an additional 930 units, for a total of 14,226 units. The restrictions will lapse with respect to 4,742 units on each of 2/22/12 and 2/22/13, subject to continued employment by the Reporting Person on the remaining vesting dates.
 - (2) Shares withheld by the Company to satisfy the Reporting Person's tax withholding obligation upon the vesting of restricted stock units.
- The total number of securities beneficially owned includes: (a) 5,452 unrestricted shares; (b) 3,281 unvested units from an original award
- (3) of 4,896 time-based restricted stock units granted 12/21/09; (c) 2,228 unvested units from an award of 3,324 time-based restricted stock units granted 2/22/10; and (d) 9,484 unvested units from an award of 14,226 performance-based restricted stock units granted 2/22/10.

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.