

WELSH CARSON ANDERSON & STOWE VII LP ET AL
Form SC 13G
January 22, 2002

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13G
(Rule 13d-102)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULES 13d-1(b), (c), AND (d) AND AMENDMENTS THERETO FILED
PURSUANT TO RULE 13d-2(b)
(Amendment No.)1

Alliance Data Systems Corporation

(Name of Issuer)

Common Stock, \$.01 par value

(Title of Class of Securities)

018581 10 8

(CUSIP Number)

June 7, 2001

Date of Event Which Requires Filing of this Statement

Check the appropriate box to designate the rule pursuant to which
this Schedule is Filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

1The remainder of this cover page shall be filled out for a reporting
person's initial filing on this form with respect to the subject class of
securities, and for any subsequent amendment containing information which would
alter disclosures provided in a prior cover page. The information required on
the remainder of this cover page shall not be deemed to be "filed" for the
purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise
subject to the liabilities of that section of the Act but shall be subject to
all other provisions of the Act.

Edgar Filing: WELSH CARSON ANDERSON & STOWE VII LP ET AL - Form SC 13G

1) Name of Reporting Person Welsh, Carson,
I.R.S. Identification Anderson & Stowe
No. of Above Person VII, L.P.
(Entities Only)

2) Check the Appropriate Box (a) [X]
if a Member of a Group (b) []

3) SEC Use Only

4) Citizenship or Place of Organization Delaware

Number of Shares Beneficially Owned by Each Reporting Person With:

5) Sole Voting Power 17,922,447 shares of Common Stock

6) Shared Voting Power -0-

7) Sole Dispositive Power 17,922,447 shares of Common Stock

8) Shared Dispositive Power -0-

9) Aggregate Amount Beneficially Owned by Each Reporting Person 17,922,447 shares of Common Stock

10) Check if the Aggregate Amount in Row (9) Excludes Certain Shares

11) Percent of Class Represented by Amount in Row (9) 24.2%

12) Type of Reporting Person PN

CUSIP No. 018581 10 8

Page 3 of 13 Pages

1) Name of Reporting Person Welsh, Carson,
I.R.S. Identification Anderson & Stowe
No. of Above Person VIII, L.P.
(Entities Only)

Edgar Filing: WELSH CARSON ANDERSON & STOWE VII LP ET AL - Form SC 13G

2) Check the Appropriate Box if a Member of a Group (a) [X] (b) []

3) SEC Use Only

4) Citizenship or Place of Organization Delaware

Number of Shares Beneficially Owned by Each Reporting Person With:

5) Sole Voting Power 17,790,349 shares of Common Stock

6) Shared Voting Power -0-

7) Sole Dispositive Power 17,790,349 shares of Common Stock

8) Shared Dispositive Power -0-

9) Aggregate Amount Beneficially Owned by Each Reporting Person 17,790,349 shares of Common Stock

10) Check if the Aggregate Amount in Row (9) Excludes Certain Shares

11) Percent of Class Represented by Amount in Row (9) 24.1%

12) Type of Reporting Person PN

CUSIP No. 018581 10 8

Page 4 of 13 Pages

1) Name of Reporting Person Welsh, Carson, Anderson & Stowe
 I.R.S. Identification No. of Above Person (Entities Only) VI, L.P.

2) Check the Appropriate Box if a Member of a Group (a) [X] (b) []

3) SEC Use Only

4) Citizenship or Place of Organization Delaware

Number of Shares Beneficially Owned by Each Reporting Person

5) Sole Voting Power 5,555,550 shares of Common Stock

Edgar Filing: WELSH CARSON ANDERSON & STOWE VII LP ET AL - Form SC 13G

With:

6)	Shared Voting Power	-0-

7)	Sole Dispositive Power	5,555,550 shares of Common Stock

8)	Shared Dispositive Power	-0-

9)	Aggregate Amount Beneficially Owned by Each Reporting Person	5,555,550 shares of Common Stock

10)	Check if the Aggregate Amount in Row (9) Excludes Certain Shares	

11)	Percent of Class Represented by Amount in Row (9)	7.5%

12)	Type of Reporting Person	PN

CUSIP No. 018581 10 8

Page 5 of 13 Pages

1)	Name of Reporting Person I.R.S. Identification No. of Above Person (Entities Only)	WCAS Capital Partners III, L.P.

2)	Check the Appropriate Box if a Member of a Group	(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>

3)	SEC Use Only	

4)	Citizenship or Place of Organization	Delaware

Number of Shares Beneficially Owned by Each Reporting Person With:	5)	Sole Voting Power 655,555 shares of Common Stock

6)	Shared Voting Power	-0-

7)	Sole Dispositive Power	655,555 shares of Common Stock

8)	Shared Dispositive Power	-0-

Edgar Filing: WELSH CARSON ANDERSON & STOWE VII LP ET AL - Form SC 13G

9) Aggregate Amount Beneficially Owned by Each Reporting Person 655,555 shares of Common Stock

10) Check if the Aggregate Amount in Row (9) Excludes Certain Shares

11) Percent of Class Represented by Amount in Row (9) 0.9%

12) Type of Reporting Person PN

CUSIP No. 018581 10 8

Page 6 of 13 Pages

1) Name of Reporting Person I.R.S. Identification No. of Above Person (Entities Only) WCAS Capital Partners II, L.P.

2) Check the Appropriate Box if a Member of a Group (a) [X] (b) []

3) SEC Use Only

4) Citizenship or Place of Organization Delaware

Number of Shares Beneficially Owned by Each Reporting Person With: 5) Sole Voting Power 268,398 shares of Common Stock

6) Shared Voting Power -0-

7) Sole Dispositive Power 268,398 shares of Common Stock

8) Shared Dispositive Power -0-

9) Aggregate Amount Beneficially Owned by Each Reporting Person 268,398 shares of Common Stock

10) Check if the Aggregate Amount in Row (9) Excludes Certain Shares

11) Percent of Class Represented by Amount in Row (9) 0.4%

Edgar Filing: WELSH CARSON ANDERSON & STOWE VII LP ET AL - Form SC 13G

12) Type of Reporting
Person

PN

CUSIP No. 018581 10 8

Page 7 of 13 Pages

1) Name of Reporting Person I.R.S. Identification No. of Above Person (Entities Only)	WCAS Information Partners, L.P.

2) Check the Appropriate Box if a Member of a Group	(a) [X] (b) []

3) SEC Use Only	

4) Citizenship or Place of Organization	Delaware

Number of Shares Beneficially Owned by Each Reporting Person With:	5) Sole Voting 148,766 shares Power of Common Stock

	6) Shared Voting Power -0-

	7) Sole Disposi- 148,766 shares of tive Power Common Stock

	8) Shared Dis- positive Power -0-

9) Aggregate Amount Beneficially Owned by Each Reporting Person	148,766 shares of Common Stock

10) Check if the Aggregate Amount in Row (9) Excludes Certain Shares	

11) Percent of Class Represented by Amount in Row (9)	0.2%

12) Type of Reporting Person	PN

CUSIP No. 018581 10 8

Page 8 of 13 Pages

Edgar Filing: WELSH CARSON ANDERSON & STOWE VII LP ET AL - Form SC 13G

Schedule 13G

Item 1(a) - Name of Issuer: Alliance Data Systems Corporation

Item 1(b) - Address of Issuer's Principal Executive Offices:

17655 Waterview Parkway
Dallas, Texas 75752

Item 2(a) - Name of Person Filing:

This statement is being filed by Welsh, Carson, Anderson & Stowe VII, L.P., a Delaware limited partnership ("WCAS VII"), Welsh, Carson, Anderson & Stowe VIII, L.P., a Delaware limited partnership ("WCAS VIII"), Welsh, Carson, Anderson & Stowe VI, L.P., a Delaware limited partnership ("WCAS VI"), WCAS Capital Partners III, L.P., a Delaware limited partnership ("WCAS CP III"), WCAS Capital Partners II, L.P., a Delaware limited partnership ("WCAS CP II"), and WCAS Information Partners, L.P., a Delaware limited partnership ("WCAS IP").

Item 2(b) - Address of Principal Business Office:

320 Park Avenue, Suite 2500
New York, New York 10022

Item 2(c) - Place of Organization:

WCAS VII: Delaware
WCAS VIII: Delaware
WCAS VI: Delaware
WCAS CP III: Delaware
WCAS CP II: Delaware
WCAS IP: Delaware

Item 2(d) - Title of Class of Securities:

Common Stock, \$.01 par value

Item 2(e) - CUSIP Number:

018581 10 8

Item 3 - Statements Filed Pursuant to Rules 13d-1(b) or 13d-2(b):

Not applicable.

Item 4 - Ownership.

(a) Amount Beneficially Owned:

CUSIP No. 018581 10 8

Page 9 of 13 Pages

WCAS VII: 17,922,447 shares of Common Stock
WCAS VIII: 17,790,349 shares of Common Stock
WCAS VI: 5,555,550 shares of Common Stock

Edgar Filing: WELSH CARSON ANDERSON & STOWE VII LP ET AL - Form SC 13G

WCAS CP III: 655,555 shares of Common Stock
WCAS CP II: 268,398 shares of Common Stock
WCAS IP: 148,766 shares of Common Stock

(b) Percent of Class:

WCAS VII: 24.2%
WCAS VIII: 24.1%
WCAS VI: 7.5%
WCAS CP III: 0.9%
WCAS CP II: 0.4%
WCAS IP: 0.2%

(c) Number of shares as to which such person has:

(i) sole power to vote or to direct the vote:

WCAS VII: 17,922,447 shares of Common Stock
WCAS VIII: 17,790,349 shares of Common Stock
WCAS VI: 5,555,550 shares of Common Stock
WCAS CP III: 655,555 shares of Common Stock
WCAS CP II: 268,398 shares of Common Stock
WCAS IP: 148,766 shares of Common Stock

(ii) shared power to vote or to direct the vote: -0-

(iii) sole power to dispose or to direct the disposition of:

WCAS VII: 17,922,447 shares of Common Stock
WCAS VIII: 17,790,349 shares of Common Stock
WCAS VI: 5,555,550 shares of Common Stock
WCAS CP III: 655,555 shares of Common Stock
WCAS CP II: 268,398 shares of Common Stock
WCAS IP: 148,766 shares of Common Stock

(iv) shared power to dispose or to direct the disposition of: -0-

Item 5 - Ownership of Five Percent or Less of a Class:

Not applicable.

Item 6 - Ownership of More than Five Percent on Behalf of Another Person:

Not applicable.

Item 7 - Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Company:

Not applicable.

CUSIP No. 018581 10 8

Page 10 of 13 Pages

Item 8 - Identification and Classification of Members of the Group:

See Exhibit 2.

Item 9 - Notice of Dissolution of Group:

Edgar Filing: WELSH CARSON ANDERSON & STOWE VII LP ET AL - Form SC 13G

Not applicable.

Item 10 - Certification:

Not applicable.

CUSIP No. 018581 10 8

Page 11 of 13 Pages

Signature:

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

WELSH, CARSON, ANDERSON & STOWE VII, L.P.
By: WCAS VII Partners, L.P., General
Partner

By /s/ Jonathan M. Rather

General Partner

WELSH, CARSON, ANDERSON & STOWE VIII, L.P.
By: WCAS VIII Associates, L.L.C., General
Partner

By /s/ Jonathan M. Rather

Managing Member

WELSH, CARSON, ANDERSON & STOWE VI, L.P.
By: WCAS VI Partners, L.P., General
Partner

By /s/ Jonathan M. Rather

Attorney-in-Fact

WCAS CAPITAL PARTNERS III, L.P.
By: WCAS CP III Associates, L.L.C., General
Partner

By /s/ Jonathan M. Rather

Managing Member

WCAS CAPITAL PARTNERS II, L.P.
By: WCAS CP II Partners, General Partner

By /s/ Jonathan M. Rather

Attorney-in-Fact

WCAS INFORMATION PARTNERS, L.P.
By: WCAS IP Partners, General Partner

By /s/ Jonathan M. Rather

Attorney-in-Fact

Date: January 16, 2002

CUSIP No. 018581 10 8

Page 12 of 13 Pages

EXHIBIT 1

AGREEMENT OF WELSH, CARSON, ANDERSON & STOWE VII, L.P., WELSH, CARSON, ANDERSON & STOWE VIII, L.P., WELSH, CARSON, ANDERSON & STOWE VI, L.P., WCAS CAPITAL PARTNERS III, L.P., WCAS CAPITAL PARTNERS II, L.P. AND WCAS INFORMATION PARTNERS, L.P.

PURSUANT TO RULE 13d-1(k)

The undersigned hereby agree that the Information Statement on Schedule 13G to which this Agreement is annexed as Exhibit 1 is filed on behalf of each of them in accordance with the provisions of Rule 13d-1(k) under the Securities Exchange Act of 1934, as amended.

WELSH, CARSON, ANDERSON & STOWE VII, L.P.
By: WCAS VII Partners, L.P., General
Partner

By /s/ Jonathan M. Rather

General Partner

WELSH, CARSON, ANDERSON & STOWE VIII, L.P.
By: WCAS VIII Associates, L.L.C., General
Partner

By /s/ Jonathan M. Rather

Managing Member

WELSH, CARSON, ANDERSON & STOWE VI, L.P.
By: WCAS VI Partners, L.P., General
Partner

By /s/ Jonathan M. Rather

Attorney-in-Fact

WCAS CAPITAL PARTNERS III, L.P.
By: WCAS CP III Associates, L.L.C., General
Partner

By /s/ Jonathan M. Rather

Managing Member

WCAS CAPITAL PARTNERS II, L.P.
By: WCAS CP II Partners, General Partner

Edgar Filing: WELSH CARSON ANDERSON & STOWE VII LP ET AL - Form SC 13G

By /s/ Jonathan M. Rather

Attorney-in-Fact

WCAS INFORMATION PARTNERS, L.P.

By: WCAS IP Partners, General Partner

By /s/ Jonathan M. Rather

Attorney-in-Fact

Date: January 16, 2002

CUSIP No. 018581 10 8

Page 13 of 13 Pages

EXHIBIT 2

Identification and Classification
of Members of the Group

Welsh, Carson, Anderson & Stowe VII, L.P., Welsh, Carson, Anderson & Stowe VIII, L.P., Welsh, Carson, Anderson & Stowe VI, L.P., WCAS Capital Partners III, L.P., WCAS Capital Partners II, L.P. and WCAS Information Partners, L.P. are filing this statement on Schedule 13G as a group.

Welsh, Carson, Anderson & Stowe VII, L.P. is a Delaware limited partnership. Its sole general partner is WCAS VII Partners, L.P., a Delaware limited partnership.

Welsh, Carson, Anderson & Stowe VIII, L.P. is a Delaware limited partnership. Its sole general partner is WCAS VIII Associates, L.L.C., a Delaware limited liability company.

WCAS Capital Partners III, L.P. is a Delaware limited partnership. Its sole general partner is WCAS CP III Associates, L.L.C., a Delaware limited liability company.

WCAS Capital Partners II, L.P. is a Delaware limited partnership. Its sole general partner is WCAS CP II Partners, a New Jersey general partnership.

WCAS Information Partners, L.P. is a Delaware limited partnership. Its sole general partner is WCAS IP Partners, a Delaware general partnership.