

ALLIANCE DATA SYSTEMS CORP  
Form 4  
January 11, 2005

**FORM 4**

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

OMB APPROVAL

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**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 \*  
WELSH PATRICK J

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)  
C/O WELSH, CARSON,  
ANDERSON AND STOWE, 320  
PARK AVENUE, SUITE 2500

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/11/2005

\_\_\_\_ Director  
\_\_\_\_ Officer (give title below)  
 10% Owner  
\_\_\_\_ Other (specify below)

(Street)  
NEW YORK, NY 10022

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 Indirect Beneficial Ownership (Instr. 4)			
			Code	V	Amount	(A) or (D)	Price			
Common Stock	01/11/2005		J <sup>(1)</sup>		4,000,000	D	Ⓛ	12,160,349	I <sup>(2)</sup>	By Welsh, Carson, Anderson & Stowe VIII, L.P. <sup>(2)</sup>
Common Stock	01/11/2005		J <sup>(1)</sup>		255	A	Ⓛ	359	I <sup>(2)</sup>	By WCAS Management Corporation <sup>(2)</sup>
	01/11/2005		J <sup>(1)</sup>		6,520	A	Ⓛ	314,667	D	



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beneficial ownership of any securities, and any proceeds thereof, that exceed his pecuniary interest therein and/or that are not actually distributed to him.

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