

ALLIANCE DATA SYSTEMS CORP
 Form 4
 April 04, 2006

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 *
 UTAY ALAN M

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)
 03/31/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 EVP, CAO, Gen. Counsel, Secy

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 (A) or (D) Price			
Common Stock	03/31/2006		A ⁽¹⁾	647 A \$ 59,391		D	
Common Stock	03/31/2006		F ⁽²⁾	1,487 D \$ 46.43 57,904		D	
Common Stock	04/03/2006		S ⁽³⁾	2,066 D \$ 46.52 55,838 ⁽⁴⁾		D	

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

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shares are vested; (f) 16,210 out of an original 17,778 shares of time-based restricted stock granted 2/3/05, of which 4,358 shares are vested; (g) 6,941 performance-based restricted stock units granted 2/13/06, of which 0 shares are vested; and (h) 6,941 time-based restricted stock units granted 2/13/06, of which 0 shares are vested.

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