

WELSH CARSON ANDERSON & STOWE VII LP ET AL  
Form SC 13G/A  
January 21, 2004

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)1

Alliance Data Systems Corporation  
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(Name of Issuer)

Common Stock, \$.01 par value  
-----

(Title of Class of Securities)

018581 10 8  
-----

(CUSIP Number)

December 31, 2003  
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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.

CUSIP No. 018581 10 8

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1)	Name of Reporting Person I.R.S. Identification No. of Above Person (Entities Only)	Welsh, Carson, Anderson & Stowe VII, L.P.
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2)	Check the Appropriate Box if a Member of a Group	(a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>
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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 12,494,942 shares of Common Stock

6) Shared Voting Power -0-

7) Sole Dispositive Power 12,494,942 shares of Common Stock

8) Shared Dispositive Power -0-

9) Aggregate Amount Beneficially Owned by Each Reporting Person 12,494,942 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) 15.6%

12) Type of Reporting Person PN

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

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 5) Sole Voting 17,790,349 shares

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Shares Beneficially Owned by Each Reporting Person With:	Power	of Common Stock
-----		
6)	Shared Voting Power	-0-
-----		
7)	Sole Disposi- tive Power	17,790,349 shares of Common Stock
-----		
8)	Shared Dis- positive 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)	22.3%
-----		
12)	Type of Reporting Person	PN

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1)	Name of Reporting Person I.R.S. Identification No. of Above Person (Entities Only)	Welsh, Carson, Anderson & Stowe 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 With:	5)	Sole Voting Power	3,853,049 shares of Common Stock
-----			
	6)	Shared Voting Power	-0-

7) Sole Dispositive Power 3,853,049 shares of Common Stock

8) Shared Dispositive Power -0-

9) Aggregate Amount Beneficially Owned by Each Reporting Person 3,853,049 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) 4.8%

12) Type of Reporting Person PN

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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) [ 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 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-

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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) 0.8%

12) Type of Reporting Person PN

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

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)

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Excludes Certain Shares

-----  
 11) Percent of Class  
 Represented by 0.3%  
 Amount in Row (9)  
 -----

-----  
 12) Type of Reporting  
 Person PN  
 -----

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

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

-----  
 3) SEC Use Only  
 -----

-----  
 4) Citizenship or Place Delaware  
 of Organization  
 -----

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

-----  
 6) Shared Voting  
 Power -0-  
 -----

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

-----  
 8) Shared Dis-  
 positive Power -0-  
 -----

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

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

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

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12) Type of Reporting  
Person

PN

Amendment No. 1 to Schedule 13G

Reference is hereby made to the statement on Schedule 13G filed with the Securities and Exchange Commission on January 22, 2003 (the "Schedule 13G"). Terms defined in the Schedule 13G are used herein as so defined.

The following Items of the Schedule 13G are hereby amended and restated as follows:

Item 4 - Ownership.

(a) Amount Beneficially Owned:

WCAS VII: 12,494,942 shares of Common Stock  
WCAS VIII: 17,790,349 shares of Common Stock  
WCAS VI: 3,853,049 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

(b) Percent of Class:

WCAS VII: 15.6%  
WCAS VIII: 22.3%  
WCAS VI: 4.8%  
WCAS CP III: 0.8%  
WCAS CP II: 0.3%  
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: 12,494,942 shares of Common Stock  
WCAS VIII: 17,790,349 shares of Common Stock  
WCAS VI: 3,853,049 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: 12,494,942 shares of Common Stock  
WCAS VIII: 17,790,349 shares of Common Stock  
WCAS VI: 3,853,049 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-

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

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Attorney-in-Fact

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

By /s/ Jonathan M. Rather

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Managing Member

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

By /s/ Jonathan M. Rather

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Attorney-in-Fact

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

By /s/ Jonathan M. Rather

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Attorney-in-Fact

Date: January 14, 2004