

ALLIANCE DATA SYSTEMS CORPORATION

BOARD EXECUTIVE COMMITTEE CHARTER

Revised as of December 10, 2009

Function

The Board Executive Committee is a Committee of the Board of Directors (the “Board”) of Alliance Data Systems Corporation (the “Company”). Its primary function is to assist the Board in fulfilling its oversight responsibilities. The Board Executive Committee, during intervals between meetings of the Board, may exercise the power and authority of the Board in the management of the business and the affairs of the Company, and may authorize the seal of the Company to be affixed to all papers that may require it, except with regard to a limited number of matters, which include amending the Certificate of Incorporation or bylaws of the Company, declaring a dividend or authorizing the issuance of capital stock of the Company, adopting an agreement of merger or consolidation on behalf of the Company, and recommending to the stockholders of the Company a sale of substantially all of the assets of the Company or the dissolution of the Company. All actions of the Board Executive Committee shall be submitted for review and ratification by the full Board.

Responsibilities

In meeting its responsibilities, the Board Executive Committee shall:

- Approve any acquisition of the Company where the total consideration paid for the acquisition is greater than \$5 million but does not exceed \$10 million, with the Company’s Chief Executive Officer having the authority to approve such transactions where the total consideration does not exceed \$5 million; provided that prior notice of any such acquisition shall be provided to the Board. Approve the details of any acquisition in excess of \$10 million if the Board has approved the strategy, concept and price range for the acquisition, so long as the cost of the acquisition remains within twenty percent of the range approved by the Board.
- Approve any divestiture of the Company where the total consideration received for the divestiture is greater than \$5 million but does not exceed \$10 million, with the Company’s Chief Executive Officer having the authority to approve such transactions where the total consideration does not exceed \$5 million. Approve the details of any divestiture in excess of \$10 million if the Board has approved the strategy, concept and price range for the divestiture, so long as the cost of the divestiture remains within twenty percent of the range approved by the Board.
- Approve any capital expenditure not within the Annual Operating Plan where the aggregate cost of the expenditure is greater than \$5 million but does not exceed \$10 million, with the Company’s Chief Executive Officer having the authority to approve

such expenditure where the total cost does not exceed \$5 million. Approve the details of any capital expenditure in excess of \$10 million if the Board has approved the strategy, concept and price range for the capital expenditure, so long as the cost of the capital expenditure remains within twenty percent of the range approved by the Board.

- Approve new lease commitments not within the Annual Operating Plan of the Company where the total amount to be paid under the commitment is greater than \$5 million but does not exceed \$10 million, with the Company's Chief Executive Officer having the authority to approve such commitments where the total amount to be paid does not exceed \$5 million. Approve the details of any lease commitment in excess of \$10 million if the Board has approved the strategy, concept and price range for the lease commitment, so long as the cost of the lease commitment remains within twenty percent of the range approved by the Board.
- Have the authority to designate any required officers of the Company to act on behalf of the Company in these transactions.
- Approve any required resolutions to conclude the above transactions as if approved by the Board.
- Have the authority to take action on those items that the Board may later designate.
- Report Board Executive Committee actions to the Board with such recommendations as the Board Executive Committee may deem appropriate.
- Review the Board Executive Committee's charter annually and update when appropriate.
- Meet as frequently as circumstances dictate. The Board Executive Committee may ask members of management or others to attend the meeting or provide pertinent information as necessary.
- Minutes of each meeting are to be prepared and sent to the Board Executive Committee members and the Company's directors who are not members of the Board Executive Committee. If the secretary or assistant secretary of the Company has not taken the minutes, they should be sent to him or her for permanent filing.

Membership

The membership of the Board Executive Committee shall consist of at least four members of the Board who shall serve at the pleasure of the Board.

The duties and responsibilities of a member of the Board Executive Committee are in addition to those duties set out for a member of the Board.

Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Board Executive Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules, and the Board Executive Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.