#### **ELOYALTY CORP**

Form 4

November 12, 2008

## FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

OMB

3235-0287 Number:

**OMB APPROVAL** 

January 31, Expires: 2005

0.5

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if no longer subject to Section 16. Form 4 or Form 5

Check this box

**SECURITIES** Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue.

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

See Instruction

1. Name and Address of Reporting Person \* **COXE TENCH** 

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

below)

(First)

ELOYALTY CORP [ELOY]

(Check all applicable)

(Last)

(Middle)

3. Date of Earliest Transaction

(Month/Day/Year)

Filed(Month/Day/Year)

11/07/2008

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

755 PAGE MILL ROAD, SUITE A-200

(Street)

4. If Amendment, Date Original

6. Individual or Joint/Group Filing(Check

Applicable Line) \_X\_ Form filed by One Reporting Person

Form filed by More than One Reporting

PALO ALTO, CA 943041005

(City)	(State)	(Zip) Tabl	le I - Non-I	Derivative	Secui	rities Ac	quired, Disposed	of, or Benefic	ially Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	any Code (D) (Month/Day/Year) (Instr. 8) (Instr. 3, 4 and 5)  (A) or		ed of Securities Beneficially d 5) 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)		
Common Stock					(-)		13,818	I	By Ltd Partnership (ROOS) (3)
Common Stock							5,853	I	By Ltd Partnership (SHAI) (4)
Common Stock	11/07/2008		A <u>(1)</u>	1,780	A	\$ 3.54	4,894	D (2)	
Common Stock							14,847	I	By Ltd Partnership (SHQP) (5)

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Common Stock	2,183,260	I	Partnership (SHV) (6)
Common Stock	348,122	I	By Trust (Trustees) (7)

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

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exer	cisable and	7. Title and	8. Price of	9. Nu
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transacti	orNumber	Expiration D	ate	Amount of	Derivative	Deriv
Security	or Exercise		any	Code	of	(Month/Day/	/Year)	Underlying	Security	Secui
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivativ	e		Securities	(Instr. 5)	Bene
	Derivative		•	,	Securities			(Instr. 3 and 4)		Own
	Security				Acquired			,		Follo
					(A) or					Repo
					Disposed					Trans
					of (D)					(Instr
					(Instr. 3,					(211512
					4, and 5)					
					¬, and 3)					
								Amount		
						Data	Evaluation	or		
						Date	Expiration	Title Number		
						Exercisable	Date	of		
				Code V	(A) (D)			Shares		

# **Reporting Owners**

Reporting Owner Name / Address	Kelationships					
	Director	10% Owner	Officer	Other		
COXE TENCH 755 PAGE MILL ROAD, SUITE A-200	X	X				
PALO ALTO, CA 943041005						

## **Signatures**

By: Robert Yin, by power of 11/12/2008 attorney

\*\*Signature of Reporting Person Date

# **Explanation of Responses:**

- If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) These shares were granted under the 1999 Stock Incentive Plan as payment for attending Board of Directors meetings.

Reporting Owners 2

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- (2) The reporting person shares pecuniary interest in these shares with other individuals pursuant to a contractual relationship. The reporting person disclaims beneficial ownership in these shares except as to the reporting person's pecuniary interest in these shares.
- (3) Shares held by a limited partnership of which the reporting person is a trustee of a trust which is the General Partner. The reporting person disclaims beneficial ownership in these shares except as to the reporting person's pecuniary interest therein.
- Shares held by Sutter Hill Entrepreneurs Fund (AI), L.P. The reporting person is a Managing Director of the General Partner of Sutter

  (4) Hill Entrepreneurs Fund (AI), L.P. The reporting person disclaims beneficial ownership in these shares except as to the reporting person's pecuniary interest in the partnership.
- Shares held by Sutter Hill Entrepreneurs Fund (QP), L.P. The reporting person is a Managing Director of the General Partner of Sutter

  (5) Hill Entrepreneurs Fund (QP), L.P. The reporting person disclaims beneficial ownership in these shares except as to the reporting person's pecuniary interest in the partnership.
- Shares held by Sutter Hill Ventures, A California Limited Partnership. The reporting person is a Managing Director of the General

  (6) Partner of Sutter Hill Ventures, A California Limited Partnership. The reporting person disclaims beneficial ownership in these shares except as to the reporting person's pecuniary interest in the partnership.
- (7) Shares held by a trust of which the reporting person is a trustee. The reporting person disclaims beneficial ownership in these shares except as to the reporting person's pecuniary interest in the trust.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.