

ELOYALTY CORP  
Form 4  
May 19, 2009

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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 \*  
FEINBERG HENRY

(Last) (First) (Middle)

C/O TECHNOLOGY CROSSOVER VENTURES, 528 RAMONA STREET

(Street)

PALO ALTO, CA 94301

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
ELOYALTY CORP [ELOY]

3. Date of Earliest Transaction (Month/Day/Year)  
05/15/2009

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

May be part of a 13 (g) group

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**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)		
				(A) or (D)	Code	V	Amount	(D)	Price

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

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SEC 1474 (9-02)

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

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction of Derivative	5. Number	6. Date Exercisable and Expiration Date	7. Title and Amount Underlying Securities
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities (A) or (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)
Non-Qualified Stock Option (right to buy)	\$ 6.9	05/15/2009	A	5,000	(1) 05/15/2019	Common Stock 5,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FEINBERG HENRY C/O TECHNOLOGY CROSSOVER VENTURES 528 RAMONA STREET PALO ALTO, CA 94301	X			May be part of a 13 (g) group

Signatures

Carla S. Newell, authorized signatory for Henry J. Feinberg  
 Date: 05/19/2009  
 \*\*Signature of Reporting Person

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) Annual option grant under the eLoyalty Corporation 1999 Stock Incentive Plan. 25% of the shares will vest on May 31, 2010, with 6.25% vesting each quarter thereafter until fully vested.
- (2) Not applicable.
- (3) Henry J. Feinberg ("Feinberg") is the sole trustee of the Henry J. Feinberg Trust dated 3/28/97. Feinberg disclaims beneficial ownership of the shares except to the extent of his pecuniary interest therein.

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.