ELOYALTY CORP Form 4

May 23, 2005

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

Expires:

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response...

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

may continue.

See Instruction

Check this box

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

1(b).

(Last)

(City)

(Print or Type Responses)

1. Name and Address of Reporting Person * MURRAY MICHAEL JOHN

2. Issuer Name and Ticker or Trading

Symbol

ELOYALTY CORP [ELOY]

5. Relationship of Reporting Person(s) to Issuer

(First)

(Street)

(State)

(Middle)

(Zip)

3. Date of Earliest Transaction

(Month/Day/Year)

05/19/2005

X_ Director 10% Owner Other (specify

(Check all applicable)

Officer (give title below)

150 FIELD DRIVE, SUITE 250

4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line)

X 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

LAKE FOREST, IL 60045

		Table	: 1 - MOII-D	ciivative	occui i	ues Acq	lan ca, Disposca (oi, oi benencia	ny Owneu
1.Title of Security	2. Transaction Date (Month/Day/Year)	Date 2A. Deemed 3. 4. Securities Acquired ear) Execution Date, if Transaction(A) or Disposed of			•	5. Amount of Securities	6. Ownership Form: Direct	7. Nature of Indirect	
(Instr. 3)	, ,	any	Code	(D)			Beneficially	(D) or	Beneficial
		(Month/Day/Year)	(Instr. 8)	(Instr. 3, 4 and 5)			Owned	Indirect (I)	Ownership
							Following	(Instr. 4)	(Instr. 4)
					(A)		Reported		
					or		Transaction(s) (Instr. 3 and 4)		
			Code V	Amount	(D)	Price	(mstr. 5 and 1)		
Common Stock	05/19/2005		P	4,000	A	\$ 4.6	32,970	D	
Common Stock	05/19/2005		P	1,000	A	\$ 4.5	33,970	D	
Common Stock	05/19/2005		P	5,500	A	\$ 4.64	39,470	D	

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 Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transactic Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (right to buy)	\$ 4.63	05/20/2005		A	1,200	<u>(1)</u>	05/20/2015	Common Stock	1,200

De

(In

Reporting Owners

Reporting Owner Name / Address	Relationships					
r	Director	10% Owner	Officer	Other		
MURRAY MICHAEL JOHN 150 FIELD DRIVE SUITE 250 LAKE FOREST, IL 60045	X					

Signatures

Robert S. Wert, Attorney-in-fact 05/23/2005

**Signature of Reporting Person Dat

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, shares vest in equal increments over the following 12 months beginning June 30, 2005.
- (2) Not Applicable

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.

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