WHITE JAMES N

Form 4

August 23, 2007

FORM 4

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

OMB 3235-0287 Number:

burden hours per

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

January 31, Expires: 2005 Estimated average

OMB APPROVAL

Form 4 or Form 5 obligations may continue. See Instruction

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

0.5 response...

1(b).

(Print or Type Responses)

| 1. Name and Address of Reporting Person * WHITE JAMES N | | | 2. Issuer Name and Ticker or Trading Symbol ELOYALTY CORP [ELOY] | 5. Relationship of Reporting Person(s) to Issuer | | | |
|---|-------------|----------|--|--|--|--|--|
| (Last) | (First) | (Middle) | 3. Date of Earliest Transaction | (Check all applicable) | | | |
| 755 PAGE MILL ROAD, SUITE A-200 | | O, SUITE | (Month/Day/Year) 08/21/2007 | Director X 10% Owner Officer (give title below) Other (specify below) | | | |
| | (Street) | | 4. If Amendment, Date Original | 6. Individual or Joint/Group Filing(Check | | | |
| PALO ALTO |), CA 94304 | 41005 | Filed(Month/Day/Year) | Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person | | | |

| (City) | (State) | (Zip) Tabl | e I - Non-D | erivative | Secur | ities Ac | quired, Disposed | of, or Benefic | ally Owned |
|--------------------------------------|--------------------------------------|---|--|--|--------|------------|--|--|---|
| 1.Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transactio Code (Instr. 8) | 4. Securit (n(A) or Di (D) (Instr. 3, | sposed | d of | 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 Indirect Beneficial Ownership (Instr. 4) |
| Common (1) | 08/21/2007 | | Р | 200 | A | \$ 15.5 | 1,562,153 (1) | I | By Shares Held By Ltd Partnership (SHV) (2) |
| Common | | | | | | | 4,154 | I | By Profit Sharing Plan Trust (3) |
| Common (4) | | | | | | | 14,707 (4) | I | By Shares Held By Ltd Partnership (SHAI) (5) |

Edgar Filing: WHITE JAMES N - Form 4

| Common (6) | 37,265 <u>(6)</u> | I | Held By Ltd Partnership (SHQP) (7) |
|------------|-------------------|---|------------------------------------|
| Common (8) | 23,593 (8) | I | By Trust (Trustees) (9) |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474

(9-02)

9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr

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) | 4. Transac Code (Instr. 8 | 5. stiorNumber of S Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 3 | ate | 7. Titl Amou Under Securi (Instr. | nt of lying | 8. Price of Derivative Security (Instr. 5) | |
|---|---|--------------------------------------|------------------------------------|--|---------------------|--------------------|---|--|---|--|
| | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | | | | |
|---|---------------|-----------|---------|-------|--|--|--|
| | Director | 10% Owner | Officer | Other | | | |
| WHITE JAMES N 755 PAGE MILL ROAD, SUITE A-200 PALO ALTO, CA 943041005 | | X | | | | | |

Signatures

By: Robert Yin, by power of attorney 08/23/2007

**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).

Reporting Owners 2

Edgar Filing: WHITE JAMES N - Form 4

- (1) Includes 938,952 shares of Series B Preferred Stock that are currently convertible on a one-for-one basis into shares of Common Stock.
 - Shares held by Sutter Hill Ventures, A California Limited Partnership. The reporting person is a Managing Director of the General
- (2) 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.
- (3) Shares held by SHV Profit Sharing Plan, a retirement trust, for the benefit of the reporting person.
- (4) Includes 8,854 shares of Series B Preferred Stock that are currently convertible on a one-for-one basis into shares of Common Stock
 - Shares held by Sutter Hill Entrepreneurs Fund (AI), L.P. The reporting person is a Managing Director of the General Partner of Sutter
- (5) 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.
- (6) Includes 22,418 shares of Series B Preferred Stock that are currently convertible on a one-for-one basis into shares of Common Stock
- Shares held by Sutter Hill Entrepreneurs Fund (QP), L.P. The reporting person is a Managing Director of the General Partner of Sutter (7) 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.
- (8) Includes 18,189 shares of Series B Preferred Stock that are currently convertible on a one-for-one basis into shares of Common Stock.
- (9) 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.