

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT February 3, 2005
(Date of Earliest Event Reported)

VERINT SYSTEMS INC.

(Exact name of registrant as specified in its charter)

Commission File No. 0-15502

Delaware

(State of Incorporation)

11-3200514

(I.R.S. Employer
Identification No.)

330 South Service Road, Melville, New York

(Address of principal
executive offices)

11747

Zip Code

Registrant's telephone number, including area code: (631) 962-9600

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement

Verint Systems Inc. grants various awards to its directors under the 2004 Stock Incentive Compensation Plan (the "Incentive Plan"). A form of award grant is attached hereto as an exhibit and is hereby incorporated by reference.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits.

The following exhibits are filed as part of this Report:

Exhibit No. Description

10.1 Form of Agreement evidencing a grant of Stock Options under

the Verint Systems Inc. 2004 Stock Incentive Compensation
Plan.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VERINT SYSTEMS INC.

By: /s/Igal Nissim

Name: Igal Nissim
Title: Chief Financial Officer

Dated: February 3, 2005

EXHIBIT INDEX

Exhibit No. -----	Description -----
10.1	Form of Agreement evidencing a grant of Stock Options under the Verint Systems Inc. 2004 Stock Incentive Compensation Plan.

[Name of Recipient]

Dear [Recipient]:

Pursuant to the terms and conditions of the company's 2004 Stock Incentive Comp Plan (the 'Plan'), you have been granted options to purchase [NUMBER] shares (the 'Option') of stock as outlined below.

Granted To: [NAME]
[SOCIAL SECURITY NUMBER]
Grant Date: [DATE]

Options Granted: [NUMBER]
Option Price per Share: \$[PRICE] Total Cost to Exercise: \$[AMOUNT]

Expiration Date: [DATE][10 YEARS FROM GRANT]

Vesting Schedule: 25% on [FIRST CALENDAR QUARTER AFTER GRANT]
25% on [SECOND CALENDAR QUARTER AFTER GRANT]
25% on [THIRD CALENDAR QUARTER AFTER GRANT]
25% on [FOURTH CALENDAR QUARTER AFTER GRANT]

By my signature below, I hereby acknowledge receipt of this Option granted on the date shown above, which has been issued to me under the terms and conditions of the Plan. I further acknowledge receipt of the copy of the Plan and agree to conform to all of the terms and conditions of the Option and the Plan.

Signature: _____ Date: _____

VERINT SYSTEMS INC.

Stock Option Agreement

This STOCK OPTION AGREEMENT governs the terms and conditions of the stock option (the "Option") specified in the Notice of Grant of Stock Options and Option Agreement delivered herewith (the "Notice of Grant") entitling the person to whom the Notice of Grant is addressed (the "Grantee") to purchase from Verint Systems Inc. (the "Corporation") the number of shares (the "Shares") of the Corporation's Common Stock, par value \$.001 per share (the "Common Stock") indicated in the Notice of Grant, subject to adjustment.

1. The Option. The Option is granted pursuant to the Corporation's Stock Option or Compensation Plan indicated in the Notice of Grant (the "Plan") and is effective from and after the effective date specified in the Notice of Grant (the "Date of Grant"). The Grantee, by executing the Notice of Grant and accepting the Option, acknowledges that the Option is in all respects subject to and governed by the terms of this Agreement and of the Plan. The Grantee acknowledges receipt of the Plan and that the provisions of the Plan are incorporated herein by reference in their entirety.

2. The Option Price. The purchase price of the Shares issuable upon exercise of the Option is the price specified in the Notice of Grant, subject to adjustment as provided in the Plan (the "Option Price"), which price is agreed to be not less than the fair market value of the Shares as of the Date of Grant.

3. Exercise of Option.

(a) The exercise of the Option and the acquisition, holding and disposition of the Shares shall be subject to the terms and provisions of the Plan and this Agreement. Neither the Grantee nor the Grantee's legal representatives, legatees or distributees shall be or be deemed to be the holder of any of the Shares unless and until the Option shall have been duly exercised and certificates representing such Shares shall have been issued. Upon payment of the Option Price in accordance with the terms hereof, the Shares shall be fully paid and nonassessable.

(b) Except as otherwise expressly provided in this Agreement or in the Plan, the Option shall become exercisable in the following intervals (the "Exercising Dates"): (i) one-quarter of the total number of Shares shall become exercisable _____; (ii) the second-quarter of the total number of Shares shall become exercisable _____; (iii) the third-quarter of the total number of Shares shall become exercisable _____; and (iv) the final and fourth-quarter of the total number of Shares shall become exercisable _____, provided that the Grantee shall be a full-time employee or remain in the service (if a Director or Consultant) of the Corporation or any parent or

subsidiary of the Corporation at the time of the respective Exercising Date. Following the occurrence of each such Exercising Date, the Option shall remain exercisable as to the Shares for which it becomes exercisable at that date until it is exercised in full or terminates. In no event shall the Option be exercisable after the expiration of ten years from the Date of Grant.

(c) Not less than fifteen nor more than thirty calendar days prior to the date upon which all or any portion of the Option is to be exercised, the person at the time entitled to exercise the Option (the "Option Holder") shall deliver to the Corporation written notice (the "Notice") of his election to exercise all or a part of the Option, which Notice shall specify the date for the exercise of the Option and the number of Shares in respect of which the Option is to be exercised. The date specified in the Notice shall be a business day of the Corporation.

(d) On the date specified in the Notice, the Option Price of the Shares in respect of which the Option is exercised shall be paid in full by the Option Holder, and the Corporation shall deliver to the Option Holder certificates representing the number of Shares in respect of which the Option is being exercised, registered in his name. All or any portion of such payment must be made in immediately available United States dollars; no other form of payment will be accepted.

(e) Unless a registration statement under the Securities Act of 1933, as amended (the "Securities Act"), permitting the sale and delivery of the Shares upon exercise of the Option shall be in effect at the date of such exercise, the Shares shall be issued only in reliance on the Option Holder's representations made hereby and effective the date of such issuance that such Shares are being acquired for investment and not with a present view to distribution; that the Option Holder understands that the Shares have not been registered under the Securities Act and cannot be sold, transferred, pledged or hypothecated unless a registration statement under the Securities Act is in effect with respect thereto or the Corporation has received an opinion of counsel, satisfactory to it, to the effect that such registration is not required; that the Option Holder has such knowledge and experience in financial and business matters as is necessary to evaluate the risks of the investment represented by the purchase of the Shares and is able to bear the economic risk of such investment; that the Option Holder is purchasing the Shares based on an independent evaluation of the long-term prospects of the Corporation; and that the Option Holder has been furnished with such financial and other information relating to the Corporation as the Option Holder has requested. The Corporation may require, as a condition of the issuance of any Shares upon the exercise of the Option, that the person exercising the Option execute and deliver to the Corporation such certificates, agreements or other instruments as in the judgment of the Corporation may be necessary or otherwise appropriate to assure that the Shares are issued in accordance with the Securities Act and all other applicable laws and regulations and that the certificates representing the Shares issued upon such exercise bear any restrictive legend required for such purpose. If, and to the extent that, in the judgment of the Corporation the exercise of the Option may, under applicable laws or regulations in effect at the time of exercise, subject the Corporation to any obligation to withhold or pay amounts for federal, state, local, social security, or any other taxes, the exercise of the Option and the issuance of any Shares thereunder shall be subject to such conditions, including the payment of funds to the Corporation or the offset of amounts otherwise payable by the Corporation, as the Corporation may determine to be necessary or otherwise appropriate to satisfy such obligation.

4. Adjustment of Option. The number of Shares issuable upon exercise of the Option, or the amount and kind of other securities issuable in addition thereto or in lieu thereof upon the occurrence of certain events specified in the Plan, shall be determined and subject to adjustment, as the case may be, in accordance with the procedures specified therein. Any such adjustment shall be made to the nearest whole share, and no fractional shares shall be issued as a result of any adjustment pursuant to this Section. Any such adjustment (whether or not notice is given) shall be effective and binding for all purposes of the Plan.

5. Transfer of Option; Termination of Employment or Service. Neither the Option nor any interest therein shall be assignable or transferable except as expressly permitted by, and in accordance with the applicable terms and conditions of, the Plan. If the employment or service of the Grantee is terminated for any reason or if the Grantee shall retire or die while in the employ or service of the Corporation or any of its subsidiaries, or during the period in which the Option may be exercised after the termination of the Grantee's employment or service, subject to the applicable terms and conditions of this Agreement, the Option may be exercised within the time limits described in the Plan by the person or persons specified therein.

6. Miscellaneous.

(a) As a condition of the grant of the Option, the Grantee hereby agrees, for himself and his personal representatives, successors and assigns, that any dispute which may arise under or as a result of the application of the terms and conditions of this Agreement or the Plan shall be determined by the Board of Directors of the Corporation or any Committee thereof to whom the administration of the Plan is delegated thereunder, which determination shall be final, binding and conclusive.

(b) The existence of the Option shall not be deemed to constitute or confer upon the Option Holder any rights as a shareholder of the Corporation prior to its exercise, and shall not be deemed to affect in any way the right or power of the Corporation or its shareholders to make or authorize to be made (i) any adjustments, recapitalizations, reorganizations or other changes in the capital structure or business of the Corporation, (ii) any merger or consolidation of the Corporation with or into any other corporation or entity, (iii) any issue of bonds, debentures or capital stock entitling the holders thereof to rights, preferences or privileges superior to the holders of shares of Common Stock in respect of such shares, (iv) the dissolution or liquidation of the Corporation, or the sale or transfer of all or any part of its assets or business or (v) any other corporate act or proceeding, whether of a similar character or otherwise.

(c) In the event that the Option Holder shall at any time sell any of the Shares, he shall give written notice of such sale to the Corporation not later than ten days after the date thereof, which notice shall state the number of Shares sold and the amount received upon such sale.

(d) This Agreement shall be binding upon and shall inure to the benefit of any successor or assign of the Corporation and, to the extent provided herein and in the Plan, shall be binding upon and inure to the benefit of the Grantee's legal representatives, successors and assigns.

(e) This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely in such State.

(f) This Agreement, together with the Notice of Grant and the Plan, constitutes the entire agreement and understanding between the Corporation and the Grantee relative to the subject matter hereof and may be amended, modified or superseded, except as otherwise expressly provided in the Plan, only by a written instrument duly executed by the party or parties sought to be bound thereby.