

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 December 6, 2004
(Date of Earliest Event Reported)

VERINT SYSTEMS INC.

(Exact name of registrant as specified in its charter)

Commission File No. 0-15502

Delaware

11-3200514

(State of Incorporation)

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

330 South Service Road, Melville, New York

11747

(Address of principal
executive offices)

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, employees and
consultants under the 2004 Stock Incentive Compensation Plan (the "Incentive
Plan"). Forms of award grants are attached hereto as exhibits and are 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.
- 10.2 Form of Agreement evidencing an award of Restricted Stock 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: December 6, 2004

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.
10.2	Form of Agreement evidencing an award of shares of Restricted Stock under the Verint Systems Inc. 2004 Stock Incentive Compensation Plan.

_____, 200_

[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 ANNIVERSARY OF GRANT]
25% on [SECOND ANNIVERSARY OF GRANT]
25% on [THIRD ANNIVERSARY OF GRANT]
25% on [FOURTH ANNIVERSARY OF 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 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. 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 of the Grantee is terminated for any reason or if the Grantee shall retire or die while in the employ 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, 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.

_____, 200_

[NAME OF RECIPIENT]

Dear [NAME]:

Pursuant to the terms and conditions of the company's 2004 Stock Incentive Comp Plan (the 'Plan'), you have been granted a Restricted Stock Award for [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: \$0.0000

Vesting Schedule: 50% on [SECOND ANNIVERSARY OF GRANT]
25% on [THIRD ANNIVERSARY OF GRANT]
25% on [FOURTH ANNIVERSARY OF 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: _____

RESTRICTED STOCK AWARD AGREEMENT

This Restricted Stock Award Agreement ("Agreement"), dated _____, 200_, is between Verint Systems Inc., a Delaware corporation (the "Company"), and _____ ("Employee").

WITNESSETH:

WHEREAS, the Company has adopted the Verint Systems Inc. Stock Incentive Compensation Plan, as the same may be amended or restated (the "Plan"); and

WHEREAS, capitalized terms used but not defined in this Agreement shall have the meanings set forth in the Plan;

NOW, THEREFORE, the parties, intending to be legally bound, agree as follows:

1 RESTRICTED STOCK

1.1 Grant of Restricted Stock.

- (a) Pursuant to the provisions of the Plan, the Committee hereby awards to the Employee, on the date hereof (the "Date of Grant"), subject to the terms and conditions of the Plan and subject further to the terms and conditions herein set forth, _____ shares of Common Stock (the "Restricted Stock"). If and when the restrictions set forth in Paragraph 1.2 expire in accordance with the terms of this Agreement without forfeiture of the Restricted Stock, and upon the satisfaction of all other applicable conditions as to the Restricted Stock, such shares shall no longer be considered Restricted Stock for purposes of this Agreement.
- (b) As soon as practicable after the Date of Grant, the Company shall direct that a stock certificate or certificates representing shares of Restricted Stock be registered in the name of and issued to the Employee. Such certificate or certificates shall be held in the custody of the Company or its designee until such shares no longer are considered Restricted Stock.
- (c) On or before the issuance of the stock certificate or certificates representing the Restricted Stock, the Employee shall deliver to the Company stock powers endorsed in blank relating to the Restricted Stock, in a form provided by the Company. Employee irrevocably appoints the Company and each of its officers, employees and agents as your true and lawful attorneys with power (i) to sign in Employee's name and on Employee's behalf stock certificates and stock powers covering the Restricted Stock and such other documents and instruments as the Committee deems necessary

or desirable to carry out the terms of this Agreement and (ii) to take such other action as the Committee deems necessary or desirable to effectuate the terms of this Agreement. This power, being coupled with an interest, is irrevocable. Employee agrees to execute such other stock powers and documents as may be reasonably requested from time to time by the Committee to effectuate the terms of this Agreement.

- (d) Each certificate for the Restricted Stock shall bear the following legend (the "Legend"):

"The ownership and transferability of this certificate and the shares of stock represented hereby are subject to the terms and conditions (including forfeiture) of the Verint Systems Inc. Stock Incentive Compensation Plan and a Restricted Stock Award Agreement entered into between the registered owner and Verint Systems Inc. Copies of such Plan and Agreement are on file in the executive offices of Verint Systems Inc."

In addition, the stock certificate or certificates for the Restricted Stock shall be subject to such stop-transfer orders and other restrictions as the Company may deem advisable under the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange or securities association upon which the Common Stock is then listed, and any applicable federal or state securities law, and the Company may cause a legend or legends to be placed on such certificate or certificates to make appropriate reference to such restrictions.

- (e) As soon as administratively practicable following the applicable Vesting Date (as defined in Paragraph 1.3), and upon the satisfaction of all other applicable conditions as to such Vested Percentage (as defined in Paragraph 1.3) of Restricted Stock, including, but not limited to, the payment by the Employee of all applicable withholding taxes, the Company shall deliver or cause to be delivered to the Employee a certificate or certificates for the applicable shares of Restricted Stock which shall not bear the Legend.

1.2 Restrictions.

- (a) The Employee shall have all rights and privileges of a stockholder as to the Restricted Stock, including the right to vote and receive dividends or other distributions with respect to the Restricted Stock, except that the following restrictions shall apply:
- (i) the Employee shall not be entitled to delivery of the certificate or certificates for the Vested Percentage of shares of Restricted Stock until the applicable Vesting Date and upon the satisfaction of all other applicable conditions;
 - (ii) shares of Restricted Stock may not be sold, pledged, assigned, transferred, or otherwise encumbered or disposed of for any reason until the applicable Vesting Dated;

(iii) all shares of Common Stock distributed as a dividend or distribution, if any, with respect to shares of Restricted Stock prior to the applicable Vesting Date shall be delivered to and held by the Company and subject to the same restrictions as the shares of Restricted Stock in respect of which the dividend or distribution was made; and

(iv) all unvested shares of Restricted Stock shall be forfeited and returned to the Company and all rights of the Employee with respect to such shares shall terminate in their entirety on the terms and conditions set forth in Paragraph 1.4.

(b) Any attempt to dispose of unvested shares of Restricted Stock or any interest in such shares in a manner contrary to the restrictions set forth in this Agreement shall be void and of no effect.

1.3 Vesting. Subject to the provisions contained in Paragraphs 1.4, 1.5 and 1.6, the restrictions set forth in Paragraph 1.2 with respect to shares of Restricted Stock shall apply for a period beginning on the Date of Grant and ending on the fourth anniversary of the Date of Grant; provided, however, the applicable percentage of shares of Restricted Stock awarded hereunder (the "Vesting Percentage") shall be deemed vested and no longer subject to restriction under Paragraph 1.2 or forfeiture under Paragraph 1.4 on the applicable vesting date ("Vesting Date") in accordance with the following schedule:

Vesting Date	Vested Percentage
_____ __, 200__	50% [2nd anniversary of grant]
_____ __, 200__	75% [3rd anniversary of grant]
_____ __, 200__	100% [4th anniversary of grant]

1.4 Acceleration; Forfeiture.

(a) If Employee's employment with the Company is terminated due to Employee's death or Disability, then Employee will be entitled to the immediate full vesting on the date of termination of all shares of Restricted Stock.

For purposes of this Agreement, "Disability" means the inability of Employee to properly perform his duties in the employ of the Company by reason of any physical or mental incapacity, in either case for a period of more than one hundred eighty (180) consecutive days, or two hundred ten (210) days in the aggregate in any twelve (12) month period. Whether Employee has a Disability under clause (ii) above will be determined by the Board of Directors (the "Board") of the Company in its sole discretion.

(b) If Employee's employment terminates for any reason other than as set forth in Paragraph 1.4(a) above, all unvested shares of Restricted Stock shall be forfeited by Employee as of the date of termination. In the event of any such forfeiture, all such forfeited shares of Restricted Stock shall become the property of the Company and the certificate or certificates representing such shares of Restricted Stock shall be returned immediately to the Company.

1.5 Withholding.

- (a) The Employee shall not make an election, under Section 83(b) of the Internal Revenue Code of 1986, as amended, to include an amount of income in respect of the Restricted Stock.
- (b) The Committee shall determine the amount of any withholding or other tax required by law to be withheld or paid by the Company with respect to any income recognized by the Employee with respect to the Restricted Stock.
- (c) The Employee shall be required to meet any applicable tax withholding obligation in accordance with the provisions of the Plan.
- (d) The Committee shall be authorized, in its sole discretion, to establish such rules and procedures relating to the use of shares of Common Stock to satisfy tax withholding obligations as it deems necessary or appropriate to facilitate and promote the conformity of the Employee's transactions under the Plan and this Agreement with Rule 16b-3 under the Securities Exchange Act of 1934, as amended, if such Rule is applicable to transaction by the Employee.

1.6 Committee's Discretion. Notwithstanding any provision of this Agreement to the contrary, the Committee shall have discretion to waive any forfeiture of the Restricted Stock and any other conditions set forth in this Agreement.

2 REPRESENTATIONS OF THE EMPLOYEE

The Employee hereby represents to the Company that the Employee has read and fully understands the provisions of this Agreement and the Plan, and the Employee acknowledges that the Employee is relying solely on his or her own advisors with respect to the tax consequences of this award.

3 NOTICES

All notices or communications under this Agreement shall be in writing, addressed as follows:

To the Company:

General Counsel
Verint Systems Inc.
330 South Service Road
Melville, NY 11747-3201
(631) 962-9600

To the Employee:

Any such notice or communication shall be (a) delivered by hand (with written confirmation of receipt) or sent by a nationally recognized overnight delivery service (receipt requested) or (b) be sent certified or registered mail, return receipt requested, postage prepaid, addressed as above (or to such other address as such party may designate in writing from time to time), and the actual date of receipt shall determine the time at which notice was given.

4 ASSIGNMENT; BINDING AGREEMENT

This Agreement shall be binding upon and inure to the benefit of the heirs and representatives of the Employee and the assigns and successors of the Company, but neither this Agreement nor any rights hereunder shall be assignable or otherwise subject to hypothecation by the Employee.

5 ENTIRE AGREEMENT; AMENDMENT

This Agreement represents the entire agreement of the parties with respect to the subject matter hereof, except that the provisions of the Plan are incorporated in this Agreement in their entirety. In the event of any conflict between the provisions of this Agreement and the Plan, the provisions of the Plan shall control. This Agreement may be amended by the Committee without the consent of the Employee except in the case of an amendment adverse to the Employee, in which case the Employee's consent shall be required.

6 GOVERNING LAW

This Agreement and its validity, interpretation, performance and enforcement shall be governed by the laws of the State of New York other than the conflict of laws provisions of such laws.

7 SEVERABILITY

Whenever possible, each provision in this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be held to be prohibited by or invalid under applicable law, then (a) such provision shall be deemed amended to accomplish the objectives of the provision as originally written to the fullest extent permitted by law and (b) all other provisions of this Agreement shall remain in full force and effect.

8 NO RIGHT TO CONTINUED EMPLOYMENT OR PARTICIPATION; EFFECT ON OTHER PLANS

This Agreement shall not confer upon the Employee any right with respect to continued employment by the Company, a Subsidiary or Affiliate, nor shall it interfere in any way with the right of the Company a Subsidiary or Affiliate to terminate the Employee's employment at any time. Payments received by the Employee pursuant to this Agreement shall not be included in the determination of benefits under any pension, group insurance or other benefit plan of the Company or any Subsidiaries or Affiliate in which the Employee may be enrolled or for which the Employee may become eligible, except as may be provided under the terms of such plans or determined by the Board.

9 NO STRICT CONSTRUCTION

No rule of strict construction shall be implied against the Company, the Committee or any other person in the interpretation of any of the terms of the Plan, this Agreement or any rule or procedure established by the Committee.

10 USE OF THE WORD "EMPLOYEE"

Wherever the word "Employee" is used in any provision of this Agreement under circumstances where the provision should logically be construed to apply to the executors, the administrators, or the person or persons to whom the Restricted Stock may be transferred by will or the laws of descent and distribution, the word "Employee" shall be deemed to include such person or persons.

11 FURTHER ASSURANCES

The Employee agrees, upon demand of the Company or the Committee, to do all acts and execute, deliver and perform all additional documents, instruments and agreements (including, without limitation, stock powers with respect to shares of Common Stock issued as a dividend or distribution on Restricted Stock) which may be reasonably required by the Company or the Committee, as the case may be, to implement the provisions and purposes of this Agreement and the Plan.

IN WITNESS WHEREOF, the parties have duly executed this Agreement, as of the day and year first above written.

VERINT SYSTEMS INC.

By: _____
Name:
Title:

EMPLOYEE

Name: