

VERINT SYSTEMS INC  
Form 4  
April 21, 2016

**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 \*  
SHANKS EARL C

(Last) (First) (Middle)

5110 GARDEN SPRINGS COURT

(Street)

DAYTON, OH 45429

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

VERINT SYSTEMS INC [VRNT]

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

04/20/2016

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)

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)
			Code	V	Amount (A) or (D) Price		
Common Stock	04/20/2016		A		5,675 (1)	A	\$ 0 23,173 D

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)**

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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. Transaction 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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Transaction (Instr. 5)
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SHANKS EARL C 5110 GARDEN SPRINGS COURT DAYTON, OH 45429		X		

## Signatures

/s/ Peter Fante as Attorney in Fact for Earl C. Shanks  
 Signature of Reporting Person: \_\_\_\_\_ Date: 04/21/2016

## 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) Grant of restricted stock units vesting 100% on April 6, 2017.

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. ly included in financial statements have been omitted. These financial statements should be read in connection with the Company's annual financial statements included in the Company's annual report on Form 10-KSB as of June 30, 2002. The financial position and results of operations of the interim periods presented are not necessarily indicative of the results to be expected for the year ended June 30, 2003. NOTE 2 - BASIC AND DILUTED EARNINGS PER COMMON SHARE Basic earnings per common share are computed by dividing net income available to common stockholders by the weighted-average number of common shares outstanding during the period. Diluted earnings per share reflects the potential dilution which could occur if all contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock. A total of 605,000 potentially issuable common shares were excluded from the calculation of diluted earnings (loss) per common share at March 31, 2003 and 2002, because the effects would be anti-dilutive. NOTE 3 - REVENUE RECOGNITION ON LONG TERM SOFTWARE CONTRACTS Revenues from long-term software installations are recognized on the percentage of completion method, measured by the percentage of costs incurred to date to total estimated costs for each contract. Contract costs include all direct material, labor and subcontract costs and those indirect costs relating to contract performance. General and administrative costs are charged to expense as incurred. Provisions for estimated losses on uncompleted contracts are recognized in the period in which such losses are determined. Changes in job

performance, job conditions and estimated profitability, including those arising from contract penalty provisions, and final contract settlements may result in revisions to revenues and costs and are recognized in the period in which the revisions are determined. An amount equal to contract costs attributable to claims is included in revenues when realization is probable and the amount can be reliably estimated. The asset, work performed in excess of billings, represents costs incurred and revenues earned in excess of amounts billed. The liability, Billings in excess of costs, represents billings in excess of costs incurred and revenue recognized. Contract retentions are included in accounts receivable. 8 Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations. General This discussion should be read in conjunction with management's discussion and analysis of financial condition and results of operations included in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2002. The Company is engaged in developing and servicing data processing information products used in hospitals. The Company's main product is an emergency department computer system known as EDNet. In addition, the Company also has a consulting practice which specializes in methods and systems improvements, productivity measurement, cost identification and organizational analysis for all inpatient and outpatient hospital departments, as well as customized software solutions for specific hospital departmental requirements. As of March 31, 2003, the Company has installed its EDNet product in 24 clients, 19 of which have been upgraded to the EDNet Windows version. In addition, the Company is in the process of upgrading 5 additional current clients. Based on a request from a current client, a new product, named ARCNet, was developed for use in same day surgery and ambulatory care departments. ARCNet was installed at that client site and the product has received interest from other clients. All products/clients have annual maintenance contracts for continued support and updates. The Consulting division provides consulting support to major hospitals throughout the country. These services consist primarily of cost benefit evaluations, patient classification for nursing, and productivity management for all other departments. Consulting services are charged on a negotiated fee basis. Results of Operations For the three months ended March 31, 2003 compared with the three months ended March 31, 2002. During the three-month period ended March 31, 2003, the Company had revenues of \$316,632, which represented a 53% increase from \$207,155 for the corresponding period of the prior fiscal year. The 2003 sales consisted of:

	3-month ended 3/31/03 sales	% of Change in 3/31/03 sales	3-month ended 3/31/02 sales	% of Change
Emergency	\$ 180,349	57%	\$ 64,048	31%
Consulting	\$ 136,283	43%	\$ 143,107	69%
	\$ (6,824)	(5%)		
	\$ 316,632	100%	\$ 207,155	100%

53%

9 The increase in revenue resulted from upgrading software projects and new installations at customer sites. Cost of revenues increased 53% to \$143,663 for the three-month period ended March 31, 2003 from \$93,677 for the corresponding period of the prior fiscal year. Selling, general, and administrative costs increased 31% to \$44,687 for the three-month period ended March 31, 2003 from \$34,151 for the corresponding period of the previous fiscal year. Software development costs increased 62% to \$41,448 for the three-month period ended March 31, 2003 from \$25,606 for the corresponding period of the prior fiscal year. The company has elected not to capitalize any of its development expenses. The increases in selling, general and administrative costs and software development costs results from a reallocation of resources. The Company had \$86,834 of income from operations for the three-month period ended March 31, 2003 compared with \$53,721 of income from operations for the corresponding period of the previous year. This increase in income from operations was the result of increased sales. Interest expense increased to \$5,650 for the three-month period ended March 31, 2003 from \$3,796 for the corresponding period of the prior year. The Company's net income per share was \$0.00 as compared to \$0.00 for corresponding period of the previous year. For the nine months ended March 31, 2003 compared with the nine months ended March 31, 2002. During the nine month period ended March 31, 2003 the Company had revenues of \$663,061 which represents a 20% increase from \$553,019 for the corresponding period of the prior fiscal year. The 2003 sales consisted of:

	9-month ended 3/31/03 sales	% of Change in 3/31/03 sales	9-month ended 3/31/02 sales	% of Change
Emergency	\$ 377,738	57%	\$ 344,608	62%
Consulting	\$ 285,323	43%	\$ 208,411	38%
	\$ 76,912	37%		
	\$ 663,061	100%	\$ 553,019	100%

20%

This increase in sales was due mainly to the increase in consulting revenues as well as an increase in EDNet upgrades. Cost of revenues increased 27% to \$355,002 for the nine-month period ended March 31, 2003 from \$279,606 for the corresponding period of the prior fiscal year. 10 Selling, general, and administrative costs increased 72% to \$204,207 for the nine-month period ended March 31, 2003 from \$118,569 for the corresponding period of the previous fiscal year. The increase reflects higher personnel costs. Software development costs increased 12% to \$88,254 for the nine-month period ended March 31, 2003 from \$78,965 for the corresponding period of the prior fiscal year. Development efforts are now focused on product enhancements to meet customer requirements. The Company had \$15,598 of income from operations for the nine-month period ended March 31, 2003 compared with \$75,879 of income from operations for the corresponding period of the previous year. Interest expense decreased to \$13,811 for the nine-month period ended March 31, 2003 from \$15,334 for the corresponding period of the prior year. Interest expense was higher for the nine month period ended March 31, 2002 because of interest that was paid with the retirement of debt. The Company's net income per share was \$0.00 as compared to \$0.00 for the corresponding period of the previous year. Liquidity and Capital Resources The Company's primary needs for capital are to fund an increased sales effort and to keep the software products current in the marketplace. For the nine months ended March 31, 2003 net cash provided by operating activities was \$41,914 as compared to those same activities providing \$24,207 in the nine months ended March 31, 2002, an increase of \$17,707. The Company has sufficient capital for its current operations. However, in order to significantly expand sales, the Company will require additional cash from an external source. At March 31, 2003, the Company had total assets of \$316,319 and shareholders' deficit of (\$214,032) compared to total assets of \$221,558 and shareholders' deficit of (\$215,819) at June 30, 2002, the Company's fiscal year end. The 1% increase in shareholders equity is primarily the result of operations. The company did not capitalize any software costs during the nine months ended March 31, 2003 nor did it capitalize any such costs during the prior year. The Company's cash position increased by \$37,680 during the nine-month period ended March 31, 2003 to \$116,265 up from \$78,585 as of June 30, 2002. The Company had a working capital deficit of (\$233,634) at March 31, 2003 as compared to (\$238,431) at of June 30, 2002. Inflation has not had a significant impact on the Company's operations. 11 Item 3 - Controls and Procedures. Jerald Nelson, our Corporate Treasurer and Chairman of the Board, have concluded that our disclosure controls and procedures are appropriate and effective. He has evaluated these controls and procedures as of a date within 90 days of the filing date of this report on Form 10-QSB. There were no significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses. PART II OTHER INFORMATION Item 6. Exhibits and Reports on Form 8-K 99 Certification under Section 906 of the Sarbanes-Oxley Act (18 U.S.C. Section 1350) 12 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 thereunto duly authorized. Dated: May 20, 2003 TENET INFORMATION SERVICES, INC. /s/ Jerald L. Nelson ----- Jerald L. Nelson Chairman of the Board of Directors 13 Attachment A Form of Certification for Form 10-QSB CERTIFICATIONS\* I, Jerald Nelson, certify that: 1. I have reviewed this quarterly report on Form 10-QSB of Tenet Information Services, Inc.; 2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report; 3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report; 4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have: d) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared; e) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and f) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date; 5. The registrant's other certifying officers and I have disclosed, base on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function): c) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's

ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and d) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and 6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses. Date: May 20, 2003 /s/ Jerald Nelson \_\_\_\_\_ Jerald Nelson Corporate Treasurer, Chairman of the Board 14