

CHORDIANT SOFTWARE INC  
 Form 4  
 November 21, 2007

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
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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 \*  
 Cunningham David Epp

(Last) (First) (Middle)

C/O CHORDIANT SOFTWARE, INC., 20400 STEVENS CREEK BLVD., SUITE 400

(Street)

CUPERTINO, CA 95014

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
 CHORDIANT SOFTWARE INC [CHRD]

3. Date of Earliest Transaction (Month/Day/Year)  
 11/20/2007

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)  
 V.P. World Wide Sales

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | (A) or (D)  | Price   |  |                                   |
|                                 |                                      |  |                                | Code  | V   | Amount   |                                   |

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)

**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) |        |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------|----------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title  | Amount or Number of Shares |
| Stock Option (Right to Buy)                | \$ 9.25  | 11/20/2007                           |  | A                              | 75,000  | (1) 11/19/2017   | Common Stock  | 75,000 |                            |
| Restricted Stock Units                     | (3)  | 11/10/2007                           |  | A                              | 15,000 (2)  | (2) (2)  | Common Stock  | 15,000 |                            |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                       |       |
|---|---------------|-----------|-----------------------|-------|
|   | Director      | 10% Owner | Officer               | Other |
| Cunningham David Epp<br>C/O CHORDIANT SOFTWARE, INC.<br>20400 STEVENS CREEK BLVD., SUITE 400<br>CUPERTINO, CA 95014 |               |           | V.P. World Wide Sales |       |

## Signatures

/s/ Nancy H. Wojtas  
(Attorney-in-Fact) 11/21/2007

\*\*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).
- (1) Twenty-five per cent (25%) of the shares vest on November 5, 2008 and the remaining shares vest monthly thereafter over thirty-six (36) months.  
The award covers 10,000 shares at target performance levels and 15,000 shares at maximum performance levels. This award is a performance-based restricted stock unit award and is granted subject to the terms of the Performance Share Unit Program (the "PSUP") and the Company's 2005 Equity Incentive Plan. The actual number of shares earned pursuant to the award will be determined after the close of the Company's 2009 fiscal year based on the Company's achievement of performance metrics determined under the PSUP and subject to the reporting persons continuous service with the Company through the date on which the Compensation Committee certifies whether the performance metrics have been met.
- (3) Each restricted stock unit represents a contingent right to receive one share of CHRD common stock.

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.