

SABA SOFTWARE INC
Form 8-K
July 21, 2009

UNITED STATES
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 (Date of earliest event reported): July 17, 2009

Saba Software, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-34372
(Commission File Number)

94-3267638
(IRS Employer
Identification No.)

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2400 Bridge Parkway, Redwood Shores,

California
(Address of Principal Executive Offices)

94065-1166
(Zip Code)

Registrant's telephone number, including area code (650) 581-2500

(Former Name or Former Address, if Changed Since Last Report.)

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 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Compensatory Arrangements of Certain Officers.

On July 17, 2009, the Board of Directors (the *Board*) of Saba Software, Inc., a Delaware corporation (the *Company*), approved the recommendation of the Compensation Committee of the Board to modify the Executive Officers Incentive Plan (the *Bonus Plan*).

Pursuant to the modified Bonus Plan, the Company's executive officers are eligible to receive incentive compensation in the form of annual bonuses (the *Annual Bonuses*). Payment of the Annual Bonuses are based on the achievement by the Company of certain fiscal 2010 cash earnings per share financial metrics (the *Financial Metrics*) established by the Board. The Annual Bonuses may be reduced for failure to achieve the minimum Financial Metrics and may be eliminated entirely if the Financial Metrics fall below a certain threshold. In addition, the Annual Bonuses may be increased upon overachievement of the Financial Metrics. The Annual Bonuses awarded under the Bonus Plan generally will be payable in cash after the end of the fiscal year during which such Annual Bonuses were earned. The Compensation Committee or the Board may pay discretionary bonuses in addition to the Annual Bonuses.

In addition, on July 17, 2009, the Board approved the recommendation of the Compensation Committee to adjust the base salaries and Annual Bonuses of certain officers of the Company.

The foregoing summary of the Bonus Plan, as well as the base salaries and Annual Bonuses payable to the Company's Named Executive Officers, is subject to, and qualified in its entirety by, the Bonus Plan, which is attached as Exhibit 10.20 to this Form 8-K, and is incorporated herein by reference in its entirety.

Departure of Director.

On July 17, 2009, Lawrence D. Lenihan, Jr. tendered his resignation from the Board, and the committees of the Board on which he serves, effective as of July 17, 2009. Mr. Lenihan's resignation from the Board did not involve any disagreement with the Company.

Item 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits

10.20 Executive Officers Incentive 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.

Date: July 21, 2009

Saba Software, Inc.
(Registrant)

/s/ William Slater
(Signature)
William Slater
Chief Financial Officer

EXHIBIT INDEX

10.20 Executive Officers Incentive Plan