

WILLIAMS PETER E III  
 Form 4  
 March 12, 2009

**FORM 4**

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

OMB APPROVAL

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**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 \*  
**WILLIAMS PETER E III**

2. Issuer Name and Ticker or Trading Symbol  
**SABA SOFTWARE INC [SABA]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 2400 BRIDGE PARKWAY

3. Date of Earliest Transaction (Month/Day/Year)  
 03/10/2009

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 Exec VP Corporate Development

(Street)  
 REDWOOD  
 SHORES, CA 94065-1166

4. If Amendment, Date Original Filed (Month/Day/Year)

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 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)	Code	V	Amount	(D)	Price

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)**

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Security
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		(Month/Day/Year)		(Instr. 3 and 4)		
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Stock Option (Right to Buy)	\$ 3.63	03/10/2009 <sup>(1)</sup>	D		100,000		<u>(1)</u>	10/31/2009	Common Stock	10
Stock Option (Right to Buy)	\$ 3.63	03/10/2009 <sup>(1)</sup>	A		100,000		<u>(1)</u>	10/31/2013	Common Stock	10
Stock Option (Right to Buy)	\$ 4.93	03/10/2009 <sup>(2)</sup>	D		40,000		<u>(2)</u>	01/27/2012	Common Stock	40
Stock Option (Right to Buy)	\$ 4.93	03/10/2009 <sup>(2)</sup>	A		40,000		<u>(2)</u>	01/27/2016	Common Stock	40
Stock Option (Right to Buy)	\$ 6.4	03/10/2009 <sup>(3)</sup>	D		100,000		<u>(3)</u>	06/28/2012	Common Stock	10
Stock Option (Right to Buy)	\$ 6.4	03/10/2009 <sup>(3)</sup>	A		100,000		<u>(3)</u>	06/28/2016	Common Stock	10
Stock Option (Right to Buy)	\$ 4.53	03/10/2009 <sup>(4)</sup>	D		35,000		<u>(4)</u>	01/11/2014	Common Stock	35
Stock Option (Right to Buy)	\$ 4.53	03/10/2009 <sup>(4)</sup>	A		35,000		<u>(4)</u>	01/11/2018	Common Stock	35

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WILLIAMS PETER E III 2400 BRIDGE PARKWAY			Exec VP Corporate Development	

