

SABA SOFTWARE INC  
Form SC 13G  
December 14, 2012

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934  
(Amendment No. \_\_)\*

Saba Software, Inc.  
(Name of Issuer)

Common Stock, par value \$0.001 per share  
(Title of Class of Securities)

784932600  
(CUSIP Number)

December 7, 2012  
(Date of Event Which Requires Filing of This Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)  
 Rule 13d-1(c)  
 Rule 13d-1(d)

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\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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1 NAME OF REPORTING PERSON  
 Ardsley Partners Fund II, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A(a) x  
 GROUP (b) "

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
 Delaware

5	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:	SOLE VOTING POWER
6		0
7		SHARED VOTING POWER
8		680,600 shares of Common Stock
		SOLE DISPOSITIVE POWER
		0
		SHARED DISPOSITIVE POWER
		680,600 shares of Common Stock

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
 680,600 shares of Common Stock

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES " CERTAIN SHARES

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)  
 2.3%

12 TYPE OF REPORTING PERSON  
 PN

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1 NAME OF REPORTING PERSON  
 Ardsley Partners Institutional Fund, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A(a) x  
 GROUP (b) "

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
 Delaware

5	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:	SOLE VOTING POWER
6		0
7		SHARED VOTING POWER
8		570,700 shares of Common Stock
		SOLE DISPOSITIVE POWER
		0
		SHARED DISPOSITIVE POWER
		570,700 shares of Common Stock

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
 570,700 shares of Common Stock

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES "

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)  
 1.9%

12 TYPE OF REPORTING PERSON  
 PN

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1	NAME OF REPORTING PERSON Ardley Offshore Fund, Ltd.
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A(a) x GROUP (b) "
3	SEC USE ONLY
4	CITIZENSHIP OR PLACE OF ORGANIZATION British Virgin Islands
5	SOLE VOTING POWER 0
6	SHARED VOTING POWER 23,700 shares of Common Stock
7	SOLE DISPOSITIVE POWER 0
8	SHARED DISPOSITIVE POWER 23,700 shares of Common Stock
9	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 23,700 shares of Common Stock
10	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES "
11	CERTAIN SHARES PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9) 0.1%
12	TYPE OF REPORTING PERSON CO

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1 NAME OF REPORTING PERSON  
 Ardsley Advisory Partners

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A(a) x  
 GROUP (b) "

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
 New York

5	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:	SOLE VOTING POWER
6		0
7		SHARED VOTING POWER
8		1,275,000 shares of Common Stock
		SOLE DISPOSITIVE POWER
		0
		SHARED DISPOSITIVE POWER
		1,275,000 shares of Common Stock

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
 1,275,000 shares of Common Stock

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES "

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)  
 4.3%

12 TYPE OF REPORTING PERSON  
 PN; IA

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1 NAME OF REPORTING PERSON  
 Ardsley Partners I

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A(a) x  
 GROUP (b) "

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
 New York

5	NUMBER OF	SOLE VOTING POWER
	SHARES	0
6	BENEFICIALLY	SHARED VOTING POWER
	OWNED BY	1,251,300 shares of Common Stock
7	EACH	SOLE DISPOSITIVE POWER
	REPORTING	0
8	PERSON WITH:	SHARED DISPOSITIVE POWER
		1,251,300 shares of Common Stock

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
 1,251,300 shares of Common Stock

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES "

11 CERTAIN SHARES  
 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)  
 4.2%

12 TYPE OF REPORTING PERSON  
 PN

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1 NAME OF REPORTING PERSON  
Philip J. Hempleman

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A(a) x  
GROUP (b) "

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION  
United States

5	NUMBER OF	SOLE VOTING POWER
	SHARES	0
6	BENEFICIALLY	SHARED VOTING POWER
	OWNED BY	1,565,000 shares of Common Stock
7	EACH	SOLE DISPOSITIVE POWER
	REPORTING	0
8	PERSON WITH:	SHARED DISPOSITIVE POWER
		1,565,000 shares of Common Stock

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
1,565,000 shares of Common Stock

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES "

11 CERTAIN SHARES  
PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)  
5.3%

12 TYPE OF REPORTING PERSON  
IN

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Item 1 (a). NAME OF ISSUER

The name of the issuer is Saba Software, Inc. (the "Company").

Item 1(b). ADDRESS OF ISSUER'S PRINCIPAL EXECUTIVE OFFICES

The Company's principal executive offices are located at 2400 Bridge Parkway, Redwood Shores, CA 94065-1166.

Item 2 (a). NAME OF PERSON FILING

This statement is filed by:

- (i) Ardsley Partners Fund II, L.P., a Delaware limited partnership ("AP II"), with respect to the shares of common stock, par value \$0.001 per share ("Common Stock") directly owned by it;
- (ii) Ardsley Partners Institutional Fund, L.P., a Delaware limited partnership ("Ardsley Institutional"), with respect to the shares of Common Stock directly owned by it;
- (iii) Ardsley Offshore Fund, Ltd., a British Virgin Islands corporation ("Ardsley Offshore"), with respect to the shares of Common Stock directly owned by it;
- (iv) Ardsley Advisory Partners, a New York general partnership ("Ardsley") which serves as Investment Manager of Ardsley Offshore and as Investment Adviser of AP II and Ardsley Institutional, with respect to the shares of Common Stock directly owned by Ardsley Offshore, AP II and Ardsley Institutional;
- (v) Ardsley Partners I, a New York general partnership ("Ardsley Partners") which serves as General Partner of AP II and Ardsley Institutional, with respect to the shares of Common Stock owned by AP II and Ardsley Institutional; and
- (vi) Philip J. Hempleman ("Mr. Hempleman"), the Managing Partner of Ardsley and Ardsley Partners, with respect to the shares of Common Stock owned by AP II, Ardsley Institutional, Ardsley Offshore and with respect to the Common Stock owned by certain accounts managed by him directly.

The foregoing persons are hereinafter sometimes collectively referred to as the "Reporting Persons." Any disclosures herein with respect to persons other than the Reporting Persons are made on information and belief after making inquiry to the appropriate party. The filing of this statement should not be construed as an admission that any of the Reporting Persons is, for the purposes of Section 13G of



the Act, the beneficial owner of the Common Stock reported herein.

Item 2(b). ADDRESS OF PRINCIPAL BUSINESS OFFICE OR, IF NONE,  
RESIDENCE

The address of the business office of each of the Reporting Persons, with the exception of Ardsley Offshore, is 262 Harbor Drive, Stamford, Connecticut 06902.

The address of the registered office of Ardsley Offshore is Romasco Place, Wickhams Cay 1, Road Town Tortola, British Virgin Islands.

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## Item 2(c). CITIZENSHIP

AP II and Ardsley Institutional are Delaware limited partnerships. Ardsley Offshore is a British Virgin Islands corporation. Ardsley and Ardsley Partners are New York general partnerships. Mr. Hempleman is a United States citizen.

## Item 2(d). TITLE OF CLASS OF SECURITIES

Common Stock, par value \$0.001 per share.

## Item 2(e). CUSIP NUMBER

784932600

## Item 3. IF THIS STATEMENT IS FILED PURSUANT TO Rules 13d-1(b), OR 13d-2(b) OR (c), CHECK WHETHER THE PERSON FILING IS A:

- (a) .. Broker or dealer registered under Section 15 of the Act;
- (b) .. Bank as defined in Section 3(a)(6) of the Act;
- (c) .. Insurance company as defined in Section 3(a)(19) of the Act;
- (d) .. Investment company registered under Section 8 of the Investment Company Act of 1940;
- (e) .. An investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E);
- (f) .. An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F);
- (g) .. A parent holding company or control person in accordance with Rule 13d-1(b)(1)(ii)(G);
- (h) .. A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act;
- (i) .. A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act;
- (j) .. A non-U.S. institution in accordance with Rule 13d-1(b)(1)(ii)(J);
- (k) .. Group, in accordance with Rule 13d-1(b)(1)(ii)(K).

If filing as a non-U.S. institution in accordance with Rule 13d-1(b)(1)(ii)(J), please specify the type of institution:

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## Item 4. OWNERSHIP

The information required by Items 4(a) – (c) is set forth in Rows 5-11 of the cover page for each Reporting Person hereto and is incorporated herein by reference for each Reporting Person.

The Company's most recent Form 10-Q, filed on January 6, 2012, indicates that the total number of outstanding shares of Common Stock as of December 30, 2011 was 29,785,662. The percentages used herein and in the rest of the Schedule 13G are based upon such number of shares of Common Stock outstanding.



Item 5. OWNERSHIP OF FIVE PERCENT OR LESS OF A CLASS

Not applicable

Item 6. OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON

Ardsley, the Investment Manager of Ardsley Offshore and the Investment Adviser of AP II and Ardsley Institutional, has the power to vote and direct the disposition of the proceeds from the sale of the shares of Common Stock owned by Ardsley Offshore, AP II and Ardsley Institutional, and accordingly may be considered to be the direct "beneficial owner" of such shares of Common Stock.

Ardsley Partners, the General Partner of AP II and Ardsley, shares the power to vote and direct the disposition of the shares of Common Stock owned by AP II and Ardsley Institutional, and accordingly, may be considered to be the direct "beneficial owner" of such shares of Common Stock.

Mr. Hempleman is the Managing Partner of Ardsley and Ardsley Partners and in that capacity directs their operations and therefore may be considered to be the indirect "beneficial owner" of the shares of Common Stock owned by AP II, Ardsley Offshore and Ardsley Institutional. Mr. Hempleman disclaims beneficial ownership of all of the shares of Common Stock reported in this 13G.

Item 7. IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY OR CONTROL PERSON

Not applicable.

Item 8. IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP

Not applicable.

Item 9. NOTICE OF DISSOLUTION OF GROUP

Not applicable.

Item 10. CERTIFICATION

Each of the Reporting Persons hereby makes the following certification:

By signing below each Reporting Person certifies that, to the best of his or its knowledge and belief, the securities referred to above were acquired and are held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

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SIGNATURES

After reasonable inquiry and to the best of his or its knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

DATE: December 14, 2012

ARDSLEY PARTNERS FUND II, L.P.

BY: ARDSLEY PARTNERS I,  
GENERAL PARTNER

BY: /s/ Steve Napoli  
Steve Napoli  
General Partner

ARDSLEY PARTNERS INSTITUTIONAL  
FUND, L.P.

BY: ARDSLEY PARTNERS I,  
GENERAL PARTNER

BY: /s/ Steve Napoli  
Steve Napoli  
General Partner

ARDSLEY OFFSHORE FUND, LTD.

BY: /s/ Steve Napoli  
Steve Napoli  
Director

ARDSLEY ADVISORY PARTNERS

BY: /s/ Steve Napoli  
Steve Napoli  
Partner



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ARDSLEY PARTNERS I

BY: /s/ Steve Napoli  
Steve Napoli  
General Partner

PHILIP J. HEMPLEMAN, INDIVIDUALLY

BY: /s/ Steve Napoli\*  
Steve Napoli  
As attorney in fact for  
Philip J. Hempleman

\*Evidence of Power of Attorney was filed with the Schedule 13G/A filed on February 15, 2006 (Acc-no: 0000902664-06-000895) and is incorporated by reference into this filing.

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EXHIBIT 1

JOINT FILING AGREEMENT  
PURSUANT TO RULE 13d-1(k)

The undersigned acknowledge and agree that the foregoing statement on Schedule 13G is filed on behalf of each of the undersigned and that all subsequent amendments to this statement on Schedule 13G shall be filed on behalf of each of the undersigned without the necessity of filing additional joint filing agreements. The undersigned acknowledge that each shall be responsible for the timely filing of such amendments, and for the completeness and accuracy of the information concerning him or it contained herein and therein, but shall not be responsible for the completeness and accuracy of the information concerning the others, except to the extent that he or it knows or has reason to believe that such information is inaccurate.

DATE: December 14, 2012

ARDSLEY PARTNERS FUND II, L.P.  
BY: ARDSLEY PARTNERS I,  
GENERAL PARTNER

BY: /s/ Steve Napoli  
Steve Napoli  
General Partner

ARDSLEY PARTNERS INSTITUTIONAL  
FUND, L.P.  
BY: ARDSLEY PARTNERS I,  
GENERAL PARTNER

BY: /s/ Steve Napoli  
Steve Napoli  
General Partner

ARDSLEY OFFSHORE FUND, LTD.

BY: /s/ Steve Napoli  
Steve Napoli  
Director

ARDSLEY ADVISORY PARTNERS

BY: /s/ Steve Napoli  
Steve Napoli

Partner

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ARDSLEY PARTNERS I

BY: /s/ Steve Napoli  
Steve Napoli  
General Partner

PHILIP J. HEMPLEMAN, INDIVIDUALLY

BY: /s/ Steve Napoli\*  
Steve Napoli  
As attorney in fact for  
Philip J. Hempleman

\*Evidence of Power of Attorney was filed with the Schedule 13G/A filed on February 15, 2006 (Acc-no: 0000902664-06-000895) and is incorporated by reference into this filing.