

SERENA SOFTWARE INC
 Form 4
 March 16, 2006

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 *
 Theobald Carl

(Last) (First) (Middle)

2755 CAMPUS DRIVE, 3RD FLOOR

(Street)

SAN MATEO, CA 94403-2538

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

SERENA SOFTWARE INC [SRNA]

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

03/10/2006

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)
 Sr. VP, R&D

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	Price	
Common Stock	03/10/2006		M ⁽¹⁾		68,206	A 15.36 <u>(1)</u>	69,483 D
Common Stock	03/10/2006		F ⁽¹⁾		43,652	D \$ 24 <u>(1)</u>	25,831 D
Common Stock	03/10/2006		D		25,831 <u>(2)</u>	D \$ 24	0 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)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

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 Security (Instr. 3 and 4)	8. Amount or Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 15.36	03/10/2006		M	68,206 (1)	(3) 08/18/2014	Common Stock	68,206 (1)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Theobald Carl 2755 CAMPUS DRIVE, 3RD FLOOR SAN MATEO, CA 94403-2538			Sr. VP, R&D	

Signatures

CARL
THEOBALD 03/16/2006

**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) Immediately prior to the merger of Spyglass Merger Corp. with and into the Issuer, the Reporting Person exercised on a "cashless basis" an option to buy 68,206 shares of the Issuer's common stock for \$15.36 per share. In connection with this cashless exercise, the exercise price for the exercise of such option was satisfied by the delivery to the Issuer of 43,652 shares of the Issuer's common stock in satisfaction of the exercise price.

(2) In connection with the merger of Spyglass Merger Corp. with and into the Issuer, shares of the Issuer's common stock were converted into the right to receive \$24.00 per share, without interest.

(3) Prior to 3/10/06, such option would become vested and exercisable with respect to 1/4 of the shares underlying such option on 8/18/05 and the remaining shares underlying such option would become vested and exercisable in equal installments on each one-month anniversary of 8/18/05 until 8/18/08, at which time such option would be fully vested and exercisable. Immediately prior to the effective time of the merger of Spyglass Merger Corp. with and into the Issuer, the option became fully vested and exercisable with respect to all shares underlying such option that were not previously vested and exercisable.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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