SERENA SOFTWARE INC
Form 424B3
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PROSPECTUS

Serena Software, Inc.

Offer to Exchange

$200,000,000 principal amount of its 10 $^{3}/_{8}$% Senior Subordinated Notes due 2016, which have been registered under the Securities Act of 1933, for any and all of its outstanding 10 $^{3}/_{8}$% Senior Subordinated Notes due 2016.

We are conducting the exchange offer in order to provide you with an opportunity to exchange your unregistered notes for freely tradable notes that have been registered under the Securities Act.

The Exchange Offer

We will exchange all outstanding notes that are validly tendered and not validly withdrawn for an equal principal amount of exchange notes that are freely tradable.

You may withdraw tenders of outstanding notes at any time prior to the expiration date of the exchange offer.

The exchange offer expires at 5:00 p.m., New York City time, on August 31, 2006, unless extended. We do not currently intend to extend the expiration date.

The exchange of outstanding notes for exchange notes in the exchange offer will not be a taxable event for U.S. federal income tax purposes.

The terms of the exchange notes to be issued in the exchange offer are substantially identical to the outstanding notes, except that the exchange notes will be freely tradable.

Resales of the Exchange Offer

The exchange notes may be sold in the over-the-counter market, in negotiated transactions or through a combination of such methods. We do not plan to list the notes on any national market or securities exchange.

All untendered outstanding notes will continue to be subject to the restrictions on transfer set forth in the outstanding notes and in the indenture. In general, the outstanding notes may not be offered or sold, unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Other than in connection with the exchange offer, we do not currently anticipate that we will register the outstanding notes under the Securities Act.

If you are a broker-dealer and you receive exchange notes for your own account, you must acknowledge that you will deliver a prospectus in connection with any resale of the exchange notes. By making such acknowledgement, you will not be deemed to admit that you are an underwriter under the Securities Act. Broker-dealers may use this prospectus in connection with any resale of exchange notes received in exchange for outstanding notes where the outstanding notes were acquired by the broker-dealer as a result of market-making activities or trading activities. We will make this prospectus available to any broker-dealer for use in any such resale for a period of up to 90 days after the date of this prospectus. A broker-dealer may not participate in the exchange offer with respect to outstanding notes acquired other than as a result of market-making activities or trading activities. See Plan of Distribution.

See Risk Factors beginning on page 16 for a discussion of certain risks that you should consider before participating in the exchange offer.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the exchange notes to be distributed in the exchange offer or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is July 31, 2006.

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You should rely only on the information contained in this prospectus or in any related free writing prospectus. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front of the prospectus.

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PROSPECTUS SUMMARY

The following summary contains basic information about us and this offering. It likely does not contain all the information that is important to you. You should read the entire prospectus, including the financial data and related notes, before making an investment decision. Unless the context otherwise requires, in this prospectus, Serena, we, our and us, refer to Serena Software, Inc. and its subsidiaries.

Our fiscal year ends on January 31 and, except as otherwise provided, references in this prospectus to a fiscal year mean the fiscal year ended on January 31 of such year. Fiscal year 2006, for example, refers to the fiscal year ended January 31, 2006.

Our Company

We are the largest global independent software company in terms of revenue focused solely on managing change across information technology, or IT, environments. Our products and services are used to manage and control change in mission critical technology and business process applications. Our software configuration management, business process management, helpdesk and requirements management solutions enable our customers to improve process consistency, enhance software integrity, mitigate risks, support regulatory compliance and boost productivity. Our revenue is generated by software licenses, maintenance contracts and professional services. Our customers rely on our software products, which are typically embedded within their IT environment, and are generally accompanied by renewable annual maintenance contracts. For the three fiscal years ended January 31, 2006, our maintenance revenue has grown at a compound annual growth rate of 32.2%, with an annual gross margin ranging from 87.5% to 90.3%. For the fiscal year ended January 31, 2006, we generated total revenue of $255.8 million and maintenance revenue of $136.0 million. For the three months ended April 30, 2006, we generated total revenue of $54.9 million and maintenance revenue of $31.4 million (on an aggregated predecessor/successor company basis).

Our software and services are of critical importance to our customers, who make significant investments in developing applications and automating IT processes around our software solutions. We have a diversified, global customer base with over 15,000 installations of our products at customer sites worldwide. Our customers include 96 of the Fortune 100 companies and industry leaders in the finance, telecommunications, automotive and transportation, healthcare, energy and power, equipment and machinery and technology industries, with no single customer accounting for 4% or more of our total revenue for the fiscal year ended January 31, 2006. During the same period, we generated 65.8%, 30.3% and 3.9% of our total revenue in North America, Europe and the Asia Pacific region, respectively.

Revenue generated from software licenses, maintenance contracts and professional services accounted for 35.4%, 53.2% and 11.4%, respectively, of our total revenue for the fiscal year ended January 31, 2006. Software license revenue is generated by the sale of perpetual software licenses to existing and new customers, and includes both upfront licenses as well as follow-on license purchases as customers expand capacity, add additional applications and users and develop a need for additional products to satisfy a broader set of requirements. Software licenses are generally accompanied by annual maintenance contracts, which are typically priced between 17% and 21% of the software license price. The annual maintenance contracts provide customers the right to obtain available updates, bug fixes and telephone support for our applications. We typically collect maintenance fees at the time the maintenance contract is entered into and recognize ratably such fees over the term of the contract. Professional services revenue is generated through services such as best practices implementations to facilitate the optimal installation and usage of our software, and technical consulting and education services.

We benefit from a high degree of revenue stability for several reasons. First, our revenue is generated predominantly from our existing customer base. For example, for the fiscal year ended January 31, 2006, approximately 86% of our software license revenue resulted from sales to existing customers. Second, under our

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standard maintenance contracts, we charge additional maintenance fees upon increases in the number of licensed users or the addition of processing power on the customer s mainframe computer system. Third, our customer base has historically renewed maintenance contracts with us at a high rate. The dollar value from our renewed annual maintenance contracts for the fiscal year ended January 31, 2006 was approximately 90% of the dollar value from such maintenance contracts in the preceding fiscal year. We refer to this percentage in this prospectus as our maintenance contract renewal rate. In addition, we have historically been able to increase our mainframe software list prices annually. Our revenue stability is also enhanced by the fact that much of our license revenue comes from contracts of relatively small dollar amounts. For example, approximately 46% of our software license revenue for the fiscal year ended January 31, 2006 was related to licensing contracts of less than $100,000.

Our Products and Services

We develop, market and support an integrated, cross-platform suite of software products for managing and controlling change across both distributed systems and mainframe platforms. A distributed system platform allows applications to share resources over a distributed network using operating systems such as UNIX, Linux and Windows. A mainframe platform uses a centralized system with high processing power to support high-volume applications. Our solutions improve process consistency and enhance the integrity of software our customers create or modify. This helps protect our customers valuable application assets and improve software developer productivity, operational efficiency, application availability and customers return on IT investments, all of which ultimately reduces the costs of managing their IT environment. Our products serve a variety of market and customer needs and are grouped as follows:

ChangeMan: Software change management solution for many platform types and operating systems. Our *ChangeMan* product family includes a broad array of products that manage change on distributed system and mainframe platforms using operating systems such as z/OS, UNIX, LINUX, Windows and AS/400.

TeamTrack: Enterprise process management solution to map, track, and enforce IT requests and related operations processes. Our *TeamTrack* product allows customers to build and deploy integrated business processes that extend to all participants in a project, including departmental users, customers, suppliers and business partners.

RTM: Requirements and traceability management solution for tracking and managing software requirements. *RTM* is a critical tool in the development of application software that enables multiple users to quickly and easily access and monitor the specifications necessary for a successful project.

ProcessView Composer: Defines and models customer application software requirements, including business processes, user interfaces, system connections and application data. Our *ProcessView Composer* solution provides users and IT professionals a shared, visual way to communicate, collaborate and prototype software application functions prior to coding.

Collage: Enterprise-class Web content management solution. Our *Collage* solution manages change implementation workflow across the content on an organization s Internet, intranet and extranet sites.

StarTool: Application testing, implementation and problem analysis for mainframe systems. Our *StarTool* solution improves mainframe application availability through file and data management, data comparison, fault analysis, application performance management, input/output optimization and application test debugging.

In connection with the licensing of our software products, we typically enter into annual maintenance contracts that provide customers the right to obtain available updates, bug fixes and telephone support for our applications. In addition, we provide professional services on a global basis to our customers to deploy best practices implementations to facilitate the optimal installation and usage of our software. Our professional services offerings also include technical consulting and education services.

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The Merger and the Acquisition Transactions

On November 11, 2005, Spyglass Merger Corp. and Serena Software, Inc. entered into a merger agreement, pursuant to which Spyglass Merger Corp., or Spyglass, merged with and into Serena. This transaction occurred on March 10, 2006 and is referred to in this prospectus as the merger. Upon completion of the merger, each share of Serena common stock issued and outstanding immediately prior to the effective time of the merger (other than shares held in the treasury of Serena, owned by Spyglass or any direct or indirect wholly owned subsidiary of Spyglass or Serena that was not an employee benefit trust or held by stockholders who were entitled to and who properly exercised appraisal rights under Delaware law) was converted into the right to receive $24.00 in cash, without interest. In addition, in connection with the merger, the Douglas D. Troxel Living Trust, or the Troxel Trust, and the Change Happens Foundation, each of which is an affiliate of Douglas D. Troxel, our founder and one of our directors, exchanged equity interests in Serena, which were valued for purposes of such exchange at approximately $154.1 million, for equity investments in the surviving corporation. The Troxel Trust and the Change Happens Foundation are referred to together in this prospectus as the Troxel investors.

As described below and in The Merger and the Acquisition Transactions, Management and Related Party Transactions Agreements Related to the Merger, our Chief Executive Officer and our Chief Financial Officer each made an equity investment in the surviving corporation in connection with the merger. Other members of our management made equity investments in the surviving corporation through retention of their stock options or the acquisition of common stock. These managers and our Chief Executive Officer and our Chief Financial Officer are referred to collectively in this prospectus as the management participants. The aggregate value of the equity participation by the management participants was approximately $16.2 million, on a pre-tax basis, not including $4.5 million, on a pre-tax basis, of equity interests in the surviving corporation related to the roll-over of unvested restricted stock. Investment funds affiliated with or designated by Silver Lake Partners, or Silver Lake, invested $335.5 million in equity securities of Spyglass in connection with the merger. These investment funds are referred to as the Silver Lake investors.

The purchase of Serena by the Silver Lake investors and the management participants was financed by borrowings under our senior secured credit agreement, the issuance of the outstanding senior subordinated notes, the equity investment and participation described above and Serena s cash on hand.

The offering of the outstanding notes, the initial borrowings under our senior secured credit agreement, the equity investment and participation by the Silver Lake investors, the Troxel investors and the management participants, the merger and the other related transactions are collectively referred to in this prospectus as the acquisition transactions. For a more complete description of the acquisition transactions, see The Merger and the Acquisition Transactions, Related Party Transactions Agreements Related to the Merger and Description of Certain Other Indebtedness Senior Secured Credit Agreement.

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Summary of Terms of the Exchange Offer

On March 10, 2006, we completed the private offering of our outstanding 10 3/8% Senior Subordinated Notes due 2016, or the outstanding notes. References to the notes in this prospectus are references to both the outstanding notes and the exchange notes. This prospectus is part of a registration statement covering the exchange of the outstanding notes for the exchange notes.

We entered into a registration rights agreement with the initial purchasers in the private offering in which we agreed to deliver to you this prospectus as part of the exchange offer and we agreed to complete the exchange offer within 360 days after the issuance of the outstanding notes. You are entitled to exchange in the exchange offer your outstanding notes for exchange notes, which are substantially identical to the outstanding notes except:

- the exchange notes have been registered under the Securities Act of 1933, and are not subject to the restrictions on transfer applicable to the outstanding notes by virtue of their private offering; and
- the exchange notes are not entitled to registration rights applicable to the outstanding notes under the registration rights agreement, and are not entitled to additional interest for failure to observe certain obligations in the registration rights agreement.

The exchange offer	We are offering to exchange up to $200,000,000 aggregate principal amount of outstanding notes for up to $200,000,000 aggregate principal amount of exchange notes. Outstanding notes may be exchanged only in denominations of $2,000 and integral multiples of $1,000 in excess thereof.
Resale	Based on interpretations by the staff of the Securities and Exchange Commission, or the SEC, set forth in no-action letters issued to third parties, we believe that the exchange notes issued pursuant to the exchange offer in exchange for outstanding notes may be offered for resale, resold and otherwise transferred by you (unless you are our affiliate within the meaning of Rule 405 under the Securities Act) without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that: • you are acquiring the exchange notes in the ordinary course of your business; and • you have not engaged in, do not intend to engage in, and have no arrangement or understanding with any person to participate in, a distribution of the exchange notes. If you are a broker-dealer and receive exchange notes for your own account in exchange for outstanding notes that you acquired as a result of market-making activities or other trading activities, you must acknowledge that you will deliver this prospectus in connection with any resale of the exchange notes. See Plan of Distribution. Any holder of outstanding notes who: • is our affiliate;

does not acquire exchange notes in the ordinary course of its business; or

	tenders its outstanding notes in the exchange offer with the intention to participate, or for the purpose of participating, in a distribution of exchange notes
	cannot rely on the position of the staff of the SEC enunciated in *Morgan Stanley & Co. Incorporated* (available June 5, 1991) and *Exxon Capital Holdings Corporation* (available May 13, 1988), as interpreted in the SEC s letter to *Shearman & Sterling*, dated available July 2, 1993, or similar no-action letters and, in the absence of an exemption therefrom, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale of the exchange notes.
Expiration date	The exchange offer will expire at 5:00 p.m., New York City time, on August 31, 2006, unless extended by us. We do not currently intend to extend the expiration of the exchange offer.
Withdrawal	You may withdraw the tender of your outstanding notes at any time prior to the expiration of the exchange offer. We will return to you any of your outstanding notes that are not accepted for any reason for exchange, without expense to you, promptly after the expiration or termination of the exchange offer.
Conditions to the exchange offer	The exchange offer is subject to customary conditions, which we may waive. See The Exchange Offer Conditions to the Exchange Offer.
Procedures for tendering outstanding notes	If you wish to participate in the exchange offer, you must complete, sign and date the accompanying letter of transmittal, or a facsimile of the letter of transmittal, according to the instructions contained in this prospectus and the letter of transmittal. You must then mail or otherwise deliver the letter of transmittal, or a facsimile of the letter of transmittal, together with the outstanding notes and any other required documents, to the exchange agent at the address set forth on the cover page of the letter of transmittal.
	If you hold outstanding notes through The Depository Trust Company, or DTC, and wish to participate in the exchange offer, you must comply with the Automated Tender Offer Program procedures of DTC by which you will agree to be bound by the letter of transmittal.
	If you are a beneficial owner whose outstanding notes are registered in the name of a broker, dealer, commercial bank, trust company, or other nominee and you wish to tender your outstanding notes, you should promptly contact the registered holder and instruct the registered holder to tender on your behalf. If you wish to tender the outstanding notes yourself, you must, prior to completing and executing the letter of transmittal and delivering your outstanding

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notes, either have the outstanding notes registered in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time and may not be able to be completed prior to the expiration date.

By signing, or agreeing to be bound by, the letter of transmittal, you will represent to us that, among other things:

- you are not our affiliate within the meaning of Rule 405 under the Securities Act, or if you are an affiliate, you will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable;
- you do not have an arrangement or understanding with any person to participate in the distribution of the exchange notes;
- you are not engaged in, and do not intend to engage in, a distribution of the exchange notes;
- you are acquiring the exchange notes in the ordinary course of your business; and
- if you are a broker-dealer that will receive exchange notes for your own account in exchange for outstanding notes that were acquired as a result of market-making activities, you will deliver a prospectus, as required by law, in connection with any resale of such exchange notes.

Special procedures for beneficial owners	If you are a beneficial owner of outstanding notes that are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, and you wish to tender those outstanding notes in the exchange offer, you should contact the registered holder promptly and instruct the registered holder to tender those outstanding notes on your behalf. If you wish to tender on your own behalf, you must, prior to completing and executing the letter of transmittal and delivering your outstanding notes, either make appropriate arrangements to register ownership of the outstanding notes in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time and may not be able to be completed prior to the expiration date.
Guaranteed delivery procedures	If you wish to tender your outstanding notes and your outstanding notes are not immediately available or you cannot deliver your outstanding notes, the letter of transmittal or any other required documents, or you cannot comply with the procedures under DTC s Automated Tender Offer Program for transfer of book-entry interests, prior to the expiration date, you must tender your outstanding notes according to the guaranteed delivery procedures set forth in this prospectus under The Exchange Offer Guaranteed Delivery Procedures.

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Effect on holders of outstanding notes	As a result of the making of, and upon acceptance for exchange of all validly tendered outstanding notes pursuant to the terms of, the exchange offer, we will have fulfilled a covenant under the registration rights agreement. Accordingly, there will be no increase in the interest rate on the outstanding notes under the circumstances described in the registration rights agreement for failure to effect the exchange offer. If you do not tender your outstanding notes in the exchange offer, you will continue to be entitled to all the rights and limitations applicable to the outstanding notes as set forth in the indenture, except that we will not have any further obligation to you to provide for the exchange and registration of the outstanding notes under the registration rights agreement. To the extent that outstanding notes are tendered and accepted in the exchange offer, the trading market for outstanding notes could be adversely affected.
Consequences of failure to exchange	All untendered outstanding notes will continue to be subject to the restrictions on transfer of such outstanding notes. In general, the outstanding notes may not be offered or sold, unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Other than in connection with the exchange offer, we do not intend to register the outstanding notes under the Securities Act, except as otherwise required by the registration rights agreement.
United States federal income tax consequences	The exchange of outstanding notes in the exchange offer will not be a taxable event for United States federal income tax purposes. See Certain U.S. Federal Tax Consequences of the Exchange Offer.
Use of proceeds	We will not receive any cash proceeds from the issuance of exchange notes in the exchange offer. See Use of Proceeds.
Exchange agent	The Bank of New York is the exchange agent for the exchange offer. The addresses and telephone numbers of the exchange agent are set forth in the section captioned The Exchange Offer Exchange Agent.

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The Exchange Notes

The summary below describes the principal terms of the exchange notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of Notes section of this prospectus contains a more detailed description of the terms and conditions of the outstanding notes and the exchange notes. The exchange notes will have terms substantially identical to the outstanding notes, except that the exchange notes will not contain terms with respect to transfer restrictions, registration rights and additional interest for failure to observe certain obligations in the registration rights agreement.

Issuer	Serena Software, Inc.
Notes offered	\$200,000,000 aggregate principal amount of 10 $^{3}/8$% senior subordinated notes due 2016.
Maturity	March 15, 2016.
Interest payment dates	March 15 and September 15, beginning September 15, 2006. Interest will accrue from March 10, 2006, the issue date of the outstanding notes.
Guarantees	Each of our domestic subsidiaries that guarantees the obligations under our senior secured credit agreement will jointly, severally and unconditionally guarantee the notes on an unsecured senior subordinated basis. As of the date of this prospectus, we do not have any domestic subsidiaries and, accordingly, there will be no guarantors on such date. On a *pro forma* basis after giving effect to the acquisition transactions, our subsidiaries would have accounted for approximately \$80.3 million, or 31.4%, of our total revenue for the fiscal year ended January 31, 2006. As of January 31, 2006, on a historical basis, our subsidiaries accounted for approximately \$208.4 million, or 31.0%, of our total assets, and approximately \$40.0 million, or 10.8%, of our total liabilities.
Ranking	The notes will be our unsecured, senior subordinated obligations and will:

be subordinated in right of payment to our existing and future senior debt, including under our senior secured credit agreement;

rank equally in right of payment to all of our future senior subordinated debt;

be effectively subordinated in right of payment to all of our existing and future secured debt (including under our senior secured credit agreement), to the extent of the value of the assets securing such debt, and be structurally subordinated to all obligations of each of our subsidiaries that is not a guarantor of the notes; and

rank senior in right of payment to all of our future debt and other obligations that are, by their terms, expressly subordinated in right of payment to the notes.

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	Similarly, the senior subordinated note guarantees will be unsecured senior subordinated obligations of the guarantors and will:
	be subordinated in right of payment to all of the guarantor s existing and future senior debt, including such guarantor s guarantee under our senior secured credit agreement;
	rank equally in right of payment to all of the guarantor s future senior subordinated debt;
	be effectively subordinated in right of payment to all of the guarantor s existing and future secured debt (including such guarantor s guarantee under our senior secured credit agreement), to the extent of the value of the assets securing such debt, and be structurally subordinated to all obligations of any subsidiary of a guarantor if that subsidiary is not also a guarantor of the notes; and
	rank senior in right of payment to all of the guarantor s future subordinated debt and other obligations that are, by their terms, expressly subordinated in right of payment to the notes.
Optional redemption	Prior to March 15, 2011, we will have the option to redeem some or all of the notes for cash at a redemption price equal to 100% of their principal amount plus an applicable make-whole premium (as described in Description of Notes Optional Redemption) plus accrued and unpaid interest to the redemption date. Beginning on March 15, 2011, we may redeem some or all of the notes at the redemption prices listed under Description of Notes Optional Redemption plus accrued interest on the notes to the date of redemption.
Equity offering optional redemption	At any time before March 15, 2009, we may redeem up to 35% of the aggregate principal amount of the notes with the net proceeds of an equity offering at 110.375% of the principal amount of the notes, plus accrued and unpaid interest, if any, so long as at least 65% of the originally issued aggregate principal amount of the notes remains outstanding after such redemption.
	See Description of Notes Optional Redemption.
Change of control	Upon the occurrence of certain change of control events, you will have the right, as holders of the notes, to require us to repurchase some or all of your notes at 101% of their face amount, plus accrued and unpaid interest to the repurchase date. See Description of Notes Repurchase at the Option of Holders Change of Control.
Covenants	The indenture governing the notes contains covenants that, among other things, limit our ability and the ability of our subsidiaries to:
	incur additional indebtedness or issue certain preferred stock;

pay dividends on, redeem or repurchase our capital stock or make other restricted payments;

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- make investments;
- create certain liens;
- sell certain assets;
- incur obligations that restrict the ability of our subsidiaries to make dividend or other payments to us;
- guarantee indebtedness;
- engage in transactions with affiliates;
- create or designate unrestricted subsidiaries; and
- consolidate, merge or transfer all or substantially all of our assets and the assets of our subsidiaries on a consolidated basis.

These covenants are subject to important exceptions and qualifications, which are described under the heading Description of Notes in this prospectus. Most of these covenants will cease to apply to the notes at all times after the notes have investment grade ratings from both Moody s Investors Service, Inc. and Standard & Poor s.

No public market	The exchange notes will be freely transferable but will be new securities for which there will not initially be a market. Accordingly, we cannot assure you whether a market for the exchange notes will develop or as to the liquidity of any market. The initial purchasers in the private offering of the outstanding notes advised us in connection with the private offering that they then intended to make a market in the exchange notes. The initial purchasers are not obligated, however, to make a market in the exchange notes, and any such market-making may be discontinued by the initial purchasers in their discretion at any time without notice.

Corporate Information

Serena Software, Inc. was incorporated under the laws of California in 1980 and re-incorporated under the laws of Delaware in 1998. Serena s principal executive offices are located at 2755 Campus Drive, 3rd Floor, San Mateo, California 94403 and its telephone number is (650) 522-6600. Our website is *www.serena.com*. The information contained on or accessible through our website does not constitute a part of this prospectus.

We own or have rights to trademarks or trade names that we use in conjunction with the operation of our business. In addition, our name, logo and website name and address are our service marks or trademarks. Each trademark, trade name or service mark by any other company appearing in this prospectus belongs to its holder. Some of the more important trademarks that we own or have rights to include *ChangeMan*®, *Collage*®, *Comparex*®, PVCS®, Serena®, *StarTool*®, *TeamTrack*®, Change Governance, Composer and Dimensions.

Risk Factors

You should carefully consider all the information in the prospectus prior to exchanging your outstanding notes. In particular, we urge you to carefully consider the factors set forth under the heading Risk Factors.

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Summary Historical and Unaudited Pro Forma Consolidated Financial Data

Set forth below is summary historical consolidated financial data and summary unaudited *pro forma* consolidated financial data of our business, as of the dates and for the periods indicated. The historical data as of January 31, 2005 and 2006 and for the three fiscal years ended January 31, 2006, have been derived from Serena s historical consolidated financial statements included elsewhere in this prospectus. The historical consolidated balance sheet data as of January 31, 2004, has been derived from Serena s audited consolidated financial statements which have not been included herein. The historical data as of and for the three months ended April 30, 2005 and 2006 have been derived from Serena s unaudited consolidated financial statements included elsewhere in this prospectus.

The summary unaudited *pro forma* consolidated statement of operations data, statement of cash flows data and other financial data for the fiscal year ended January 31, 2006 and the three months ended April 30, 2006 have been prepared to give effect to the acquisition transactions as if they had occurred on February 1, 2005. The *pro forma* adjustments are based upon available information and certain assumptions that we believe are reasonable. The summary unaudited *pro forma* consolidated financial data are for informational purposes only and do not purport to represent what our results of operations or financial position actually would have been if the acquisition transactions had occurred at any date, and such data do not purport to project the results of operations for any future period.

The summary historical and unaudited *pro forma* consolidated financial data should be read in conjunction with Unaudited Pro Forma Condensed Consolidated Financial Information, Selected Historical Consolidated Financial Data, Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and related notes appearing elsewhere in this prospectus.

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	Predecessor					Successor		
	Year Ended January 31, 2004	2005	2006	Three Months Ended April 30, 2005	For the Period From February 1, 2006 to March 9, 2006	For the Period From March 10, 2006 to April 30, 2006	Pro Forma Year Ended January 31, 2006	Pro Forma Three Months Ended April 30, 2006
	(in thousands)							
Consolidated Statement of Operations Data:								
Revenue:								
Software licenses	$ 45,469	$ 85,350	$ 90,554	$ 22,178	$ 2,847	$ 12,401	$ 90,554	$ 15,248
Maintenance	51,050	98,558	136,009	32,996	13,989	17,420	136,009	31,409
Professional services	9,037	24,197	29,209	6,135	2,872	5,346	29,209	8,218
Total revenue	105,556	208,105	255,772	61,309	19,708	35,167	255,772	54,875
Cost of revenue:								
Software licenses	668	3,149	3,211	603	238	452	3,211	690
Maintenance	6,378	11,420	13,208	3,419	1,375	1,807	13,208	3,212
Professional services	8,730	21,466	26,609	5,846	3,035	4,626	26,609	7,685
Amortization of acquired technology	6,513	14,051	16,921	4,167	1,786	4,882	33,160	8,589
Stock-based compensation(*)		44	36	14				