

SAIC, Inc.
Form 4
November 15, 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 *
WALKUSH JOSEPH P

(Last) (First) (Middle)
10260 CAMPUS POINT DRIVE
(Street)

SAN DIEGO, CA 92121

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
SAIC, Inc. [SAI]

3. Date of Earliest Transaction
(Month/Day/Year)
11/15/2006

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)

EXECUTIVE VICE PRESIDENT

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Code V Amount (D) Price | | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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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 Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities Acquired (A) or | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Underlying (Instr. 3 and |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--|--|---------------------------------------|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--|--|---------------------------------------|

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| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) Disposed of (D) (Instr. 3, 4, and 5) | | Date Exercisable | Expiration Date | Title |
|--|------------------------------|------------------|--|------------------------|---------------------------|-----------------|--|
| | | | Code | V (A) (D) | | | |
| Class A Preferred Stock ⁽¹⁾ | <u>(2)</u> | 11/15/2006 | F | 24,660 | <u>(2)</u> | <u>(3)</u> | Common Stock |
| Class A Preferred Stock ⁽¹⁾ | <u>(2)</u> | 11/15/2006 | S ⁽⁴⁾ | 66,097 | <u>(2)</u> | <u>(3)</u> | Common Stock |
| Class A Preferred Stock ⁽¹⁾ | <u>(2)</u> | 11/15/2006 | M | 119,999 ⁽⁵⁾ | <u>(2)</u> | <u>(3)</u> | Common Stock |
| Stock Option (Right to Buy) ⁽¹⁾ | \$ 10.9833 | 11/15/2006 | M | 119,999 | 03/27/2003 ⁽⁶⁾ | 03/26/2007 | Class A Preferred Stock ⁽²⁾ |
| Class A Preferred Stock ⁽¹⁾ | \$ 0 ⁽²⁾ | | | | <u>(2)</u> | <u>(3)</u> | Common Stock |
| Class A Preferred Stock ⁽¹⁾ | \$ 0 ⁽²⁾ | | | | <u>(2)</u> | <u>(3)</u> | Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| WALKUSH JOSEPH P 10260 CAMPUS POINT DRIVE SAN DIEGO, CA 92121 | X | | EXECUTIVE VICE PRESIDENT | |

Signatures

By: N. Walker,
Attorney-in-fact

11/15/2006

 **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).

On October 16, 2006, SAIC, Inc. became the successor to Science Applications International Corporation pursuant to a merger. The merger resulted in SAIC, Inc. becoming the parent holding company of Science Applications International Corporation, but did not alter the proportionate interests of security holders.

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- Class A Preferred Stock is convertible into Common Stock on a 1 for 1 basis on and after the following dates and in the proportionate amounts for each Series: 20% allocated to Series A-1 and convertible on January 11, 2007; 20% allocated to Series A-2 and convertible on April 11, 2007; 30% allocated to Series A-3 and convertible on July 10, 2007; 30% allocated to Series A-4 and convertible on October 8, 2007.
- (2)
 - (3) Class A Preferred Stock has no expiration date.
 - (4) Non-exempt stock for stock option exercise.
 - (5) Shares acquired upon exercise of the option are allocated among four series of class A preferred stock (20% to Series A-1 preferred stock, 20% to Series A-2 preferred stock, 30% to Series A-3 preferred stock and 30% to Series A-4 preferred stock).
- The option is exercisable according to the following annual vesting schedule: 20% in years 1, 2 and 3, and 40% in year 4. The date
- (6) exercisable set forth above is the first anniversary of the date of grant of each option and represents the date on which the option first became exercisable with respect to 20% of the underlying shares in accordance with the aforementioned vesting schedule.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.