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

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): June 21, 2009

SAIC, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

001-33072
(Commission File Number)

20-3562868
(I.R.S. Employer Identification No.)

10260 Campus Point Drive, San Diego, CA 92121
(Address of Principal Executive Offices) (Zip Code)

(858) 826-6000
(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On June 23, 2009, SAIC, Inc. announced that Walter P. Havenstein has been named chief executive officer (CEO) and has been elected a director of SAIC, Inc., both effective as of the date he commences SAIC employment, currently scheduled to be September 21, 2009. Mr. Havenstein, age 60, will succeed Kenneth C. Dahlberg, SAIC's current CEO and Chairman of the Board. Mr. Dahlberg will remain Chairman until a new Chairman is selected by the Board. His current term on the Board expires in June 2010. The news release announcing these changes is attached as Exhibit 99.1.

Since January 2007, Mr. Havenstein served as chief operating officer and a director of BAE Systems plc, a British based aerospace and defense contractor with revenues in excess of \$34 billion in its 2008 fiscal year, and president and CEO of BAE Systems Inc., its U.S.-based subsidiary. From August 2005 to August 2007, Mr. Havenstein was president of the Electronics and Integrated Systems Operating Group of BAE Systems, Inc. and prior thereto and since January 2004, he was executive vice president.

Mr. Havenstein will earn an annual base salary of \$1 million and will be eligible to participate in SAIC's incentive compensation program, which includes cash incentive awards and equity awards. Mr. Havenstein's target cash incentive award for fiscal year 2010 will be \$1.25 million, with the potential to earn up to \$1.875 million for extraordinary performance. He will also be eligible to receive equity awards valued at up to \$3.5 million, of which approximately 50% are expected to be in the form of options to purchase SAIC common stock and 50% in the form of performance share awards. The actual amount of the cash and equity awards will be based upon both corporate performance and the achievement of individual performance objectives for the fiscal year ending January 31, 2010. These awards are expected to be granted in March or April of 2010. Mr. Havenstein will be eligible to elect to defer all or a portion of any cash or vested equity awards granted to him under our cash incentive and equity incentive plans.

As an inducement to join SAIC, Mr. Havenstein will receive additional equity awards comprised of stock options, restricted stock and performance share awards having an aggregate value equivalent to the value of the equity awards of BAE Systems plc that he will forfeit as a result of joining SAIC. These equity awards will be granted at the time Mr. Havenstein's employment with SAIC begins. The value of these awards is currently expected to be approximately \$6.37 million, although the actual value will be based on the currency exchange rate and the closing sales price of the publicly traded equity securities of SAIC and BAE Systems plc on the last trading day before Mr. Havenstein's first day of employment.

If Mr. Havenstein's employment is involuntarily terminated by SAIC during the first two years of employment for reasons other than cause, his base salary, target short-term cash incentives and benefits will continue for the balance of that period, subject to his agreement to release SAIC of any claims and to abide by certain restrictive covenants. Mr. Havenstein will also be eligible for the severance benefits made available to other executive officers under our standard form of severance protection agreement if his employment is involuntarily terminated without cause or he resigns for good reason within 24 months following a change in control.

Mr. Havenstein will also be eligible to participate in SAIC's standard employee benefit programs, including medical, dental, life and disability insurance and participation in SAIC retirement plan.

To enable Mr. Havenstein to accept SAIC's employment offer and to reduce the risk of conflicts of interest and to protect the interests of BAE's customers and shareholders, BAE entered into an agreement with Mr. Havenstein and SAIC pursuant to which Mr. Havenstein and SAIC agreed to certain restrictions. Subject to the terms and conditions of this agreement, Mr. Havenstein will recuse himself from and not participate in any way on behalf of SAIC in four specified business areas until July 1, 2010: (1) image intelligence collection and processing programs for National Geospatial-Intelligence Agency, (2) programs for National Security

Agency or Defense Information Systems Agency for the purpose of developing (a) computer network attack technology or applications or (b) computer network defense technology or applications, (3) certain activities associated with Mine Resistant Ambush Protected (“MRAP”) and certain other land vehicles, and (4) the Future Combat Systems program and alternative programs that may be implemented as part of a restructuring of the Future Combat Systems program. These business areas currently represent approximately 10% of the Company’s revenues. Although the Company expects certain of these areas to increase in significance over time, it does not believe the agreement will adversely affect Mr. Havenstein’s ability to serve as SAIC’s CEO given the strength of the business units’ existing senior management, the continuation of Mr. Dahlberg in his role as Chairman and the limited duration of the agreement. In addition, for 18 months, neither Mr. Havenstein nor SAIC will employ or retain certain BAE employees and, until September 20, 2010, Mr. Havenstein will be subject to customary non-solicitation provisions. The agreement is attached as Exhibit 10.3.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits*

- Exhibit 10.1 Employment Letter Agreement dated June 19, 2009
- Exhibit 10.2 Stock Offer Letter dated June 19, 2009
- Exhibit 10.3 Agreement dated June 22, 2009, by and among BAE Systems, Inc., Walter P. Havenstein and SAIC, Inc.
- Exhibit 99.1 Press Release dated June 23, 2009 issued by SAIC, Inc.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

(Registrant)

SAIC, INC.

Date: June 23, 2009

By: /s/ DOUGLAS E. SCOTT

Douglas E. Scott

Its: Executive Vice President

General Counsel and Secretary

VIA HAND DELIVERY

June 19, 2009

Mr. Walter P. Havenstein
Bethesda, MD 20814

Dear Walt,

I am pleased to offer you a position as **Chief Executive Officer** for Science Applications International Corporation (SAIC)¹, reporting directly to the SAIC Board of Directors. If you accept this position, you will also be nominated to membership on the Board of Directors of SAIC. Your primary office location will be in McLean, VA. Your weekly base salary will be \$19,230.77, which is equivalent to a rate of **\$1,000,000** per year. We would like you to start work no later than Monday, September 21, 2009.

As a senior member of the SAIC management team, you will be eligible to participate in our incentive compensation plan, which has both a short-term and a long-term component. Your target short-term performance bonus for the SAIC fiscal year 2010 (FY10), which ends on January 22, 2010, will be **\$1,250,000**, with the potential for up to **\$1,875,000** for extraordinary performance. Short-term bonuses are payable in cash. You will also be eligible for a long-term (LTI) bonus expected to be split approximately 50/50 between options and performance shares, the details of which will be explained in a separate letter. Awards for FY10 are granted in March/April 2010 and based on both corporate performance and achievement of your FY10 performance objectives.

This offer of employment also includes the sign-on award of options, performance shares and restricted stock to offset the forfeiture of similar benefits from your current employer. Specific information on the sign-on stock features of your employment offer will be covered in a separate letter. Please confirm your acceptance of this offer by signing below. Your acceptance is only valid upon receipt of your signed documents by SAIC.

If your employment is involuntarily terminated by SAIC during the first two years of employment for reasons other than cause, SAIC will continue base salary, target short-term incentive and benefits for the balance of that period.² The severance benefits described in this letter will be SAIC's sole and exclusive obligation to you in the event you are terminated for reasons other than cause. In return for those separation benefits, you will be required to sign a release and a non-compete/non-solicitation agreement.³

This offer is contingent upon the following:

- Successful completion of a drug test to determine the presence of illegal or unprescribed controlled substances (instructions in offer packet). This process must be completed within two weeks of accepting your offer.
- Completion of Employment Eligibility Certification (I-9) and providing required documents (listed on the I-9 document) for proof of current eligibility to work in the United States.

¹ Subject to Board approval

² "Cause" shall be defined as (i) a willful failure to substantially perform your duties, (ii) gross misconduct or, (iii) conviction of a felony.

³ Should you become employed by SAIC it is understood that you or the Company may terminate this employment relationship at any time, with or without notice.

For nearly 40 years, SAIC's commitment to technical innovation, quality service and strong ethical standards have formed a strong foundation for employee leadership and career advancement contributing to our business success. It is SAIC's goal to foster an environment of rewarding professional challenges and opportunities. We look forward to having you as part of our team where you will have the opportunity to play a vital role in our continued success while continuing to nurture your career.

Please confirm your acceptance of this offer by signing below and completing the referenced forms. Your acceptance is only valid upon receipt of your signed documents by SAIC.

To accept this job offer:

1. Sign and date below.
2. Sign and date the enclosed Intellectual Property Agreement.
3. Sign and date the enclosed Mutual Agreement to Arbitrate Claims.
4. Sign and date the enclosed Consent to Submit to Drug Testing and Authorization for Release of Drug Test Information form.
5. Sign and date the enclosed Disclosure and Authorization for Background Investigation/Education Verification form.
6. Please fax or email the documents listed above to me at (703) 676-7063 or brian.f.keenan@saic.com by June 21, 2009. You should also mail one copy of this letter with your signature, to me in the enclosed envelope.

We at SAIC are enthusiastic about welcoming you aboard the team and are looking forward to working with you. Should you have any questions regarding this offer please feel free to contact me at (703) 676-4310 or (703) 608-5607.

Sincerely,

/s/ Brian F. Keenan

Brian F. Keenan
Executive Vice President
Human Resources

I accept the terms and conditions of this employment offer.

/s/ Walter P. Havenstein

Walter P. Havenstein

6-21-09

Date

SAIC is an Equal Opportunity / Affirmative Action Employer. All employment with SAIC is "At Will".

June 19, 2009

Mr. Walter P. Havenstein
Bethesda, MD 20814

Dear Mr. Havenstein:

Should you accept the offer of employment with SAIC, a recommendation will be submitted to the Human Resources and Compensation Committee of the Board of Directors requesting that you be granted equity awards having an aggregate value equivalent to the value of the equity awards of BAE Systems that you will forfeit as a result of joining SAIC (the "Replacement Value"). The Replacement Value will be calculated in accordance with the methodology shown on Exhibits 1 and 2 to this letter and based on the currency exchange rate and the closing sales price of the publicly traded equity securities of SAIC and BAE Systems on the applicable stock exchanges on the trading day before your first day of employment with SAIC. The equity awards will be comprised of non-qualified options to purchase SAIC common stock, restricted shares of SAIC common or class A preferred stock and a performance share award, each as described below, and granted pursuant to SAIC's 2006 Equity Incentive Plan (the "Plan").

A recommendation will be submitted to the Human Resources and Compensation Committee of the Board of Directors requesting that you be granted a non-qualified option to purchase shares of SAIC common stock. Such option grant will (i) be made effective as of the first day of your employment with SAIC, (ii) have a per share exercise price equal to the closing sales price of SAIC's common stock on the New York Stock Exchange on the trading day before the grant date in accordance with the terms of the Plan, (iii) be exercisable for a number of shares of common stock resulting in such option grant having a value of 23% of the Replacement Value as of the Grant Date using the Black-Scholes option-pricing model and rounded up to the nearest whole share, and (iv) vest and become exercisable (on a cumulative basis) as to 20%, 20%, 20% and 40% of the shares on the first, second, third and fourth year anniversaries of the grant date, respectively.

In addition, a recommendation will be submitted to the Human Resources and Compensation Committee of the Board of Directors requesting that you be granted a performance share award. Such performance share award will (i) be made effective as of the first day of your employment with SAIC, (ii) have a target number of shares determined by dividing 23% of the Replacement Value by the closing sales price of SAIC's common stock on the New York Stock Exchange on the trading day before the grant date and rounded up to the nearest whole share, (iii) be on the terms and conditions set forth in the Plan, the form of Performance Share Award Agreement approved by the Human Resources and Compensation Committee and the performance share award program for the three-year performance period covering fiscal year 2010 through fiscal year 2012 as approved by the Human Resources and Compensation Committee (the "FY10-FY12 PSA Program").

In addition, a recommendation will be submitted to the Human Resources and Compensation Committee of the Board of Directors requesting that you be granted restricted shares of common stock or class A preferred stock pursuant to the Plan. Such grants shall (i) be made effective as of the first day of your employment with SAIC, (ii) be for a number of shares determined by dividing the portion of the Replacement Value in the table below by the closing sales price of SAIC's common stock on the New York Stock Exchange on the trading day before the grant date and rounding up to the nearest whole share, and (iii) vest (on a cumulative basis) as indicated in the table below:

<u>Grant Date Value</u>	<u>Vesting Schedule</u>
23% of the Replacement Value	one installment on the third anniversary of the grant date
31% of the Replacement Value	three equal share amounts in annual installments beginning on the first anniversary of the Grant Date

Finally, you will be eligible for the long-term incentive award referred to in your employment offer letter, which is expected to be comprised of stock options and performance share awards. You will be eligible for a long-term incentive award valued at \$3,500,000.

If these recommendations are approved by the Human Resources and Compensation Committee, any offer of securities will be based upon the 2006 Equity Incentive Plan Summary and Prospectus, a copy of which will be provided to you. If you have any questions regarding the acquisition of securities of SAIC, Inc., please call our General Counsel, Doug Scott, at (858) 826-7325.

Very truly yours,

SCIENCE APPLICATIONS INTERNATIONAL CORPORATION

/s/ Nancy Walker

Nancy Walker

Paralegal

June 22, 2009

Walter P. Havenstein
Bethesda, MD 20814

Douglas E. Scott
Executive Vice President & General Counsel
SAIC, Inc.
10250 Campus Point Drive
San Diego, CA 92121

Dear Messrs. Havenstein and Scott:

You have asked BAE Systems, Inc. partially to waive Paragraphs 11(a)(i) and (iv) of the Executive Employment Agreement between Mr. Havenstein and BAE Systems dated December 1, 2006 (the "Employment Agreement"), so as to permit Mr. Havenstein to accept an offer of employment to serve as Chief Executive Officer of SAIC, Inc., if such an offer is made. BAE Systems agrees to grant such a partial waiver subject to the terms set forth below. These restrictions are intended to reduce the risk of conflicts of interest and to protect the interests of our customers and shareholders.

Until July 1, 2010, Mr. Havenstein will recuse himself from and not participate on behalf of SAIC, Inc. or any subsidiary or affiliate (collectively "SAIC") in any way in any of the areas or programs listed in the attached Appendix A (the "Restricted Businesses"). Mr. Havenstein will not participate on behalf of SAIC in any strategic, tactical or substantive discussion regarding the Restricted Businesses either internally within SAIC or externally with customers or others. This includes discussions regarding business development, competitive landscape, customer requirements, customer relations, political considerations, investments, program performance and execution, financial accounting issues, legal considerations and human resource issues that in whole or in part relate specifically to one or more of the Restricted Businesses. This paragraph does not, however, preclude Mr. Havenstein from reviewing aggregated data or participating in general personnel or management activities simply because they include data or involve personnel from the Restricted Businesses. Specifically, the parties agree that this paragraph does not preclude Mr. Havenstein from participating in the more broad-based company activities listed in Appendix B.

For 18 months from the date of this Agreement, neither Mr. Havenstein nor SAIC, directly or indirectly, will employ or retain (as an employee, consultant or otherwise) any individual who is a senior employee of BAE Systems, Inc., or any subsidiary or affiliate thereof, (collectively the "BAE Systems Group") as of or subsequent to the date of this Agreement. For purposes of this Agreement, a senior employee is one who has or had a position of vice president or above (i.e., vice president, executive vice president, senior vice president or president) with any member of the BAE Systems Group.

BAE Systems' partial waiver of Paragraphs 11(a)(i) and (iv) will be effective 90 days after Mr. Havenstein agrees to accept the position of Chief Executive Officer for SAIC, Inc. (if he is offered and accepts such position).

Paragraphs 12 and 13 of the Employment Agreement shall apply to this Agreement and SAIC specifically agrees to be bound by those provisions with regard to any matter related hereto.

All terms of Mr. Havenstein's Employment Agreement other than Paragraphs 11(a)(i) and (iv) (which are partially waived) remain in full force and effect. The entire Employment Agreement remains Confidential Information, proprietary to BAE Systems.

This Agreement, like the Employment Agreement, shall be construed under the laws of the State of Maryland, without regard to its choice of law provisions. This Agreement may not be modified or terminated other than by a writing executed by all parties. This Agreement expires as of June 26, 2009 if Mr. Havenstein has not received and accepted the position of Chief Executive Officer for SAIC, Inc. prior to that date.

Please acknowledge your agreement to the foregoing by executing this Agreement below.

BAE Systems, Inc.

By: /s/ Sheila C. Cheston
Sheila C. Cheston
Senior Vice President,
General Counsel & Secretary

Agreed:

/s/ Walter P. Havenstein
Walter P. Havenstein

SAIC, Inc.

By: /s/ Douglas E. Scott
Douglas E. Scott
Executive Vice President & General Counsel

Image intelligence collection and processing programs for NGA.

Programs for NSA or DISA for the purpose of developing (1) computer network attack technology or applications or (2) computer network defense technology or applications

MRAP (including production, readiness, support and sustainment), and readiness, support and sustainment activities for other land vehicles where BAE Systems is or was the prime contractor on the platform

FCS program and consideration of how to restructure or replace the program, or otherwise to satisfy the requirements it was intended to meet. Alternative programs to satisfy the requirements for network and/or communications infrastructure, ground-based ESM (including unattended ground sensors), ground vehicles and/or artillery (in each case, including readiness, support and sustainment).

Appendix B

Review of Corporate, Group or Business Unit aggregated financial performance data that includes financial performance data for the Restricted Businesses

Review of Corporate, Group or Business Unit aggregated current or future fiscal year budget and financial planning data that includes data from the Restricted Businesses

Involvement in employee performance reviews or development and compensation processes for operational managers whose span of control includes Restricted Businesses

Consideration of organizational changes that impact a Group or Business Unit that includes Restricted Businesses

Participation in CEO Quarterly Operational Reviews of an SAIC Group: currently (i) Defense Solutions Group, (ii) Intelligence, Security and Technology Group, (iii) Infrastructure, Logistics and Product Solutions Group, and (iv) Information Technology and Network Solutions Group. Operational Reviews cover quarterly or annual performance highlights, future quarter and annual financial forecast, financial performance against plan, business development, human resources and program execution.

Participation in discussions or decisions involving strategy, tactics, business development, competition, customer requirements or relations, political considerations, investments, program performance or execution, financial or accounting issues, legal considerations or human resource issues that do not, in whole or in part, relate specifically to one or more of the Restricted Businesses.

Provided, however, that nothing in this Agreement (including this Appendix B) shall authorize Mr. Havenstein to participate (and Mr. Havenstein will not participate) in any discussion or decision that is in whole or in part specifically related to one or more of the Restricted Businesses, including any discussion of or decision on strategy, tactics, business development, competition, customer requirements or relations, political considerations, investments, program performance or execution, financial or accounting issues, legal considerations or human resource issues that is in whole or in part related specifically to one or more of the Restricted Businesses.

FOR IMMEDIATE RELEASE

SAIC ANNOUNCES CEO SUCCESSION

***Ken Dahlberg to Remain Chairman Through June 2010;
Board Names Former BAE Systems Executive Walter P. Havenstein
to Succeed as CEO on September 21, 2009***

(SAN DIEGO and McLEAN, Va.) June 23, 2009 — SAIC, Inc. (NYSE: SAI) announced today that Ken Dahlberg, the company's chairman and chief executive officer, has advised the board of directors that, consistent with the company's mandatory retirement policy for executive officers, he will step down as CEO on September 20, 2009. Dahlberg will continue with the company as chairman of the board through the Annual Meeting of Stockholders in June 2010.

The board of directors also formally approved a succession plan for the position of chief executive officer. The board announced that Walter P. Havenstein, former president and CEO of BAE Systems Inc., will become CEO on September 21, 2009. He will also become a member of SAIC's board of directors.

In announcing the board's actions, Dahlberg said, "The board and I are extremely pleased to have Walt join the company's executive management team. He has demonstrated an outstanding record of success at BAE Systems, where he managed the company's wholly owned U.S. subsidiary, with 53,000 employees and annual sales in excess of \$20 billion. Walt brings more than 25 years of experience not only in our core competencies, but also in a wide range of services that will provide new avenues of growth for the company. Most importantly, he is committed to a high quality of performance, outstanding customer satisfaction, and high ethical standards — hallmarks of SAIC's success since 1969."

"I am pleased to be joining the SAIC leadership team," said Havenstein. "I'm moving from one great company to another and I look forward to contributing to SAIC's growth as a premier science, technology and engineering firm."

Havenstein most recently served as chief operating officer and member of the board of directors for BAE Systems plc, a \$34 billion global aerospace and defense company; and president and chief executive officer of BAE Systems Inc., the company's wholly

owned U.S. subsidiary. His previous positions at BAE include president of the Electronics & Integrated Solutions Operating Group, and president of the Information and Electronic Warfare Systems business unit. He was executive vice president, then president of Sanders, a Lockheed Martin company. Before joining Sanders in 1999, he held executive management and business development positions at Raytheon.

Havenstein began his defense industry career at the ITT Aerospace and Communications Division in business development and program management roles. He served on active duty in the U.S. Marine Corps from 1971 to 1983, specializing in tactical communications and systems acquisition management, and completed his career in the Marine Corps Reserve in 1999.

Havenstein holds a bachelor's degree in aerospace engineering from the U.S. Naval Academy and a master's degree in electrical engineering from the Naval Postgraduate School.

About SAIC

SAIC is a FORTUNE 500® scientific, engineering, and technology applications company that uses its deep domain knowledge to solve problems of vital importance to the nation and the world, in national security, energy and the environment, critical infrastructure, and health. The company's approximately 45,000 employees serve customers in the U.S. Department of Defense, the intelligence community, the U.S. Department of Homeland Security, other U.S. Government civil agencies and selected commercial markets. SAIC had annual revenues of \$10.1 billion for its fiscal year ended January 31, 2009. For more information, visit www.saic.com. SAIC: From Science to Solutions®

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Statements in this announcement, other than historical data and information, constitute forward-looking statements that involve risks and uncertainties. A number of factors could cause our actual results, performance, achievements, or industry results to be very different from the results, performance, or achievements expressed or implied by such forward-looking statements. Some of these factors include, but are not limited to, the risk factors set forth in SAIC's Annual Report on Form 10-K for the period ended

January 31, 2009, and other such filings that SAIC makes with the SEC from time to time. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof.

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