

PEGASYSTEMS INC
Form 4
March 06, 2017

FORM 4

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

OMB APPROVAL

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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 *
Trefler Leon

(Last) (First) (Middle)

C/O PEGASYSTEMS INC., 1
ROGERS STREET

(Street)

CAMBRIDGE, MA 02142

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
PEGASYSTEMS INC [PEGA]

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

03/02/2017

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)

SVP, Global Customer Success

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 (A) or (D) Price | | |
| Common Stock | 03/02/2017 | | M | | 619 ⁽¹⁾ A \$ 0 8,399 | D | |
| Common Stock | 03/02/2017 | | F | | 213 D \$ 45.2 8,186 | D | |
| Common Stock | 03/02/2017 | | M | | 3,880 A \$ 0 12,066 | D | |
| Common Stock | 03/02/2017 | | F | | 1,611 D \$ 44.4 10,455 | D | |
| Common Stock | 03/02/2017 | | S | | \$ 2,269 D 44.42 8,186 | D | |

⁽²⁾

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| | | | | | | | |
|--------------|------------|---|-------|---|------------------------|--------|---|
| Common Stock | 03/02/2017 | M | 6,390 | A | \$ 0 | 14,576 | D |
| Common Stock | 03/02/2017 | F | 3,644 | D | \$ 44.4 | 10,932 | D |
| Common Stock | 03/02/2017 | S | 2,746 | D | \$ <u>(3)</u> 44.37 | 8,186 | D |
| Common Stock | 03/02/2017 | M | 7,000 | A | \$ 0 | 15,186 | D |
| Common Stock | 03/02/2017 | F | 4,193 | D | \$ 44.35 | 10,993 | D |
| Common Stock | 03/02/2017 | S | 2,807 | D | \$ <u>(4)</u> 44.36 | 8,186 | D |

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

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(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 (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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code V | (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| Restricted Stock Units ⁽⁵⁾ | \$ 0 | 03/02/2017 | | M | <u>619</u> ⁽¹⁾ | 03/02/2016 <u>(6)</u> | Common Stock 12,3 |
| Stock Options | \$ 5.94 | 03/02/2017 | | M | 3,880 | 12/11/2009 12/11/2018 | Common Stock 5,8 <u>(9)</u> |
| Stock Options | \$ 16.15 | 03/02/2017 | | M | 6,390 | 12/15/2010 12/15/2019 | Common Stock 3,6 <u>(8)</u> |
| Stock Options Units | \$ 18.02 | 03/02/2017 | | M | 7,000 | 03/01/2011 03/01/2020 | Common Stock 18, <u>(9)</u> |
| Restricted Stock | \$ 0 | 03/02/2017 | | A | <u>7,387</u> ⁽¹⁰⁾ | 03/02/2018 <u>(6)</u> | Common Stock 7,3 |

Units ⁽⁵⁾

| | | | | | | | | |
|------------------------|---------|------------|---|----------------|------------|------------|--------------|--------|
| Stock Options | \$ 44.3 | 03/02/2017 | A | 24,382 (11) | 03/02/2018 | 03/02/2027 | Common Stock | 24,382 |
| Restricted Stock Units | \$ 0 | 03/02/2017 | A | 1,865 (12) | 03/02/2018 | (6) | Common Stock | 1,865 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Trefler Leon C/O PEGASYSTEMS INC. 1 ROGERS STREET CAMBRIDGE, MA 02142 | | | SVP, Global Customer Success | |

Signatures

/s/ Janet Mesrobian, Esq., Attorney-In-Fact for Leon Trefler 03/06/2017

__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) Represents 5% vesting on March 2, 2017. The original grant was 12,383 restricted stock units, with 20% vesting on March 2, 2016, and the remaining 80% vesting in equal quarterly installments over the remaining 4 years.
- (2) Represents the weighted average of the sale prices on March 2, 2017, ranging from \$44.40 and \$44.43.
- (3) Represents the weighted average of the sale prices on March 2, 2017, ranging from \$44.35 and \$44.43.
- (4) Represents the weighted average of the sale prices on March 2, 2017, ranging from \$44.35 and \$44.38.
- (5) Each restricted stock unit represents the right to receive, following vesting, one share of Pegasystems Inc.'s common stock.
- (6) Once vested, the shares of common stock are not subject to expiration.
- (7) The grant of restricted stock units was previously reported as 2,940, but has been adjusted to reflect a 2-for-1 stock split that occurred on April 1, 2014.
- (8) The grant of restricted stock units was previously reported as 1,845, but has been adjusted to reflect a 2-for-1 stock split that occurred on April 1, 2014.
- (9) The grant of restricted stock units was previously reported as 9,336, but has been adjusted to reflect a 2-for-1 stock split that occurred on April 1, 2014.
- (10) RSUs vest 20% on March 2, 2018, and the remaining 80% vest in equal quarterly installments over the remaining four years.
- (11) Options vest 20% on March 2, 2018, and the remaining 80% vest in equal quarterly installments over the remaining four years.
- (12) Represents election by the individual, as part of the Company's Corporate Incentive Plan (CICP), to receive half of their annual bonus in RSUs, based upon the Company's stock price as of March 2, 2017. All RSUs vest 100% on March 2, 2018, subject to attainment of the CICP performance threshold for the year ending December 31, 2017.

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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