PEGASYSTEMS INC
Form 4
March 09, 2017

FORM 4

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

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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
KOUNINIS EFSTATHIOS A

(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)
03/07/2017

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
VP of Finance & CAO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	03/07/2017		M		76 (1)	A	$ 0	76	D	
Common Stock	03/07/2017		F		29	D	$ 43.5	47	D	
Common Stock	03/07/2017		M		196	A	$ 0	243	D	
Common Stock	03/07/2017		F		129	D	$ 44.75 (2)	114	D	
Common Stock	03/07/2017		S		67	D	$ 44.8	47	D	

Common Stock	03/09/2017	M	1,305 (3)	A	$ 0	1,352	D
Common Stock	03/09/2017	F	468	D	$ 43.85	884	D
Common Stock	03/09/2017	M	1,288 (4)	A	$ 0	2,172	D
Common Stock	03/09/2017	F	407	D	$ 43.85	1,765	D

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

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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 Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock Units (5)	$ 0	03/07/2017		M			76 (1)	03/07/2015	(6)	Common Stock	1,508
Stock Options	$ 20.05	03/07/2017		M			196	03/07/2015	03/07/2024	Common Stock	3,904 (7)
Restricted Stock Units (5)	$ 0	03/09/2017		M			1,305 (3)	03/09/2017	(6)	Common Stock	6,527
Restricted Stock Units (5)	$ 0	03/09/2017		M			1,288 (4)	03/09/2017	(6)	Common Stock	1,288

Reporting Owners

Reporting Owner Name / Address	Relationships

Director 10% Owner Officer Other

KOUNINIS EFSTATHIOS A
C/O PEGASYSTEMS INC.
1 ROGERS STREET
CAMBRIDGE, MA 02142

VP of Finance & CAO

Signatures

/s/ Janet Mesrobian, Esq., Attorney-In-Fact for Efstathios Kouninis — 03/09/2017

**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 7, 2017. The original grant was 1,508 restricted stock units, with 20% vesting on March 7, 2015, and the remaining 80% vesting in equal quarterly installments over the remaining 4 years.

(2) Represents the exercise price of the Stock Options referenced in Table II and Mr. Kouninis' tax liability, which were paid by way of withholding by the Company of shares of equal value.

(3) Represents 20% vesting on March 9, 2017. The original grant was 6,527 restricted stock units, with 20% vesting on March 9, 2017, and the remaining 80% vesting in equal quarterly installments over the remaining 4 years.

(4) Represents 100% vesting on March 9, 2017. The original grant was 1,288 restricted stock units, which were granted on March 9, 2016. As part of the Company's 2016 Corporate Incentive Plan (CICP), Mr. Kouninis elected to receive half of his annual bonus in RSUs.

(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) Options vested 20% on March 7, 2015, with the remaining 80% vesting in equal quarterly installments over the next four years.

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