

STILLWELL KENNETH  
Form 4  
November 03, 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 \*  
STILLWELL KENNETH

(Last) (First) (Middle)

C/O PEGASYSTEMS INC, ONE  
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)  
11/01/2017

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)  
CFO, SVP

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 or Price   |  |                                   |
| Common Stock                    | 11/01/2017                           |  | M                              |   | 2,187<br>(1)  | A  | \$ 0 5,094 D                      |
| Common Stock                    | 11/01/2017                           |  | F                              |   | 908   | D  | \$ 58.3 4,186 D                   |
| Common Stock                    | 11/01/2017                           |  | M                              |   | 3,500   | A  | \$ 0 7,686 D                      |
| Common Stock                    | 11/01/2017                           |  | F                              |   | 2,522<br>(2)  | D  | \$ 58.75 5,164 D                  |
| Common Stock                    | 11/01/2017                           |  | S                              |   | 978<br>(3)  | D  | \$ 57.83 4,186<br>(4) D           |

|                 |            |  |   |                     |   |                           |       |   |
|-----------------|------------|--|---|---------------------|---|---------------------------|-------|---|
| Common<br>Stock | 11/01/2017 |  | S | 3,000<br><u>(3)</u> | D | \$<br>57.83<br><u>(4)</u> | 1,186 | 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 Securities (Instr. 3 and 4) |              |                      |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title        | Amount Number Shares |
| Restricted Stock Units <sup>(5)</sup>      | \$ 0   | 11/01/2017                           |  | M                              | 2,187   | 08/01/2017   | <u>(6)</u>  | Common Stock | 43,73                |
| Stock Options                              | \$ 27.74   | 11/01/2017                           |  | M                              | 3,500   | 08/01/2017 <sup>(2)</sup>                                | 08/01/2026  | Common Stock | 211,5                |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |          |       |
|--|---------------|-----------|----------|-------|
|  | Director      | 10% Owner | Officer  | Other |
| STILLWELL KENNETH<br>C/O PEGASYSTEMS INC<br>ONE ROGERS STREET<br>CAMBRIDGE, MA 02142 |               |           | CFO, SVP |       |

## Signatures

/s/ Janet Mesrobian, Esq., Attorney-In-Fact for Kenneth Stillwell

11/03/2017

\_\_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).

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- (1) Represents 5% vesting on November 1, 2017. The original grant was 43,732 restricted stock units, with 20% vesting on August 1, 2017, 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. Stillwell's tax liability, which were paid by way of withholding by the Company of shares of equal value.
- (3) Sold pursuant to a pre-arranged stock trading plan under rule 10b5-1 of the Securities Exchange Act of 1934, as amended.
- (4) Represents the weighted average of the sale prices on November 1, 2017, ranging from \$57.55 to \$58.20.
- (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.

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.