

Jones Doug
Form 4
April 04, 2018

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 *
Jones Doug

2. Issuer Name and Ticker or Trading Symbol
PENNYMAC FINANCIAL SERVICES, INC. [PFSI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
04/02/2018

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Chief Mtge Bnkg Ofcr

C/O PENNYMAC FINANCIAL SERVICES, INC., 3043 TOWNSGATE ROAD
(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

WESTLAKE VILLAGE, CA 91361

(City) (State) (Zip)

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		
Class A Common Stock	04/02/2018		M		30,372 (1) A \$ 0	D	
Class A Common Stock	04/03/2018		S		10,116 (3) D 22.6392 (4) 40,077 (5)	D	
Class A Common Stock	04/04/2018		S		20,256 (3) D 23.1609 (6) 19,821 (7)	D	

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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 Underlying Instrument (Instr. 3)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Performance-Based Restricted Stock Units	\$ 0 ⁽¹⁾	04/02/2018		A	30,372	⁽¹⁾	⁽¹⁾	Class of Common Stock
Performance-Based Restricted Stock Units	\$ 0 ⁽¹⁾	04/02/2018		M	30,372	⁽¹⁾	⁽¹⁾	Class of Common Stock
Cl A Units of Private Nat'l Mortgage Acceptance Company, LLC	⁽⁸⁾					⁽⁸⁾	⁽⁸⁾	Class of Common Stock
Nonstatutory Stock Option (Right to Buy)	\$ 21.03					06/13/2014	06/12/2023	Class of Common Stock
Nonstatutory Stock Option (Right to Buy)	\$ 17.26					02/26/2015	02/25/2024	Class of Common Stock
Nonstatutory Stock Option (Right to Buy)	\$ 17.52					03/03/2016	03/02/2025	Class of Common Stock
Nonstatutory Stock Option (Right to Buy)	\$ 11.28					03/07/2017	03/06/2026	Class of Common Stock
Nonstatutory Stock Option (Right to Buy)	\$ 18.05					03/06/2018	03/05/2027	Class of Common Stock
Nonstatutory Stock Option (Right to Buy)	\$ 24.4					03/09/2019	03/08/2028	Class of Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Jones Doug C/O PENNYMAC FINANCIAL SERVICES, INC. 3043 TOWNSGATE ROAD WESTLAKE VILLAGE, CA 91361				Chief Mtge Bnkg Ofcr

Signatures

/s/ Jeffrey P. Grogin, attorney-in-fact for Mr. Jones
 04/04/2018
**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).
 This performance-based restricted stock unit (PSU) award was granted to the Reporting Person on March 3, 2015 and vested on April 2, 2018, as determined by the Compensation Committee of the Board of Directors. The payout of shares of Class A Common Stock pursuant to the PSU award was determined based on the Issuer's earnings per share (EPS) of \$9.14, return on equity (ROE) of 25% and individual effectiveness of the Reporting Person for the period January 1, 2015 through December 31, 2017, as measured against the target performance goals set by the Compensation Committee at the time of grant. The payout percentages for the PSU award based on target achievement was 120% for EPS and 92.43% for ROE.
- (1) The reported amount consists of 19,821 restricted stock units and 30,372 shares of Class A Common Stock. The restricted stock units are to be settled in an equal number of shares of Class A Common Stock upon vesting.
- (2) These shares of Class A Common Stock were sold pursuant to a 10b5-1 plan.
 The price reported is the weighted average price of multiple transactions ranging from \$22.20 to \$22.925. The reporting person hereby undertakes to provide upon request to the SEC, the Issuer or a security holder of the Issuer the number of Class A Common Stock and the prices at which the transactions were effected.
- (3) The reported amount consists of 19,821 restricted stock units and 20,256 shares of Class A Common Stock. The restricted stock units are to be settled in an equal number of shares of Class A Common Stock upon vesting.
 The price reported is the weighted average price of multiple transactions ranging from \$22.85 to \$23.575. The reporting person hereby undertakes to provide upon request to the SEC, the Issuer or a security holder of the Issuer the number of Class A Common Stock and the prices at which the transactions were effected.
- (4) The reported amount consists of 19,821 restricted stock units. The restricted stock units are to be settled in an equal number of shares of Class A Common Stock upon vesting.
- (5) Pursuant to the terms of an exchange agreement, Class A Units of Private National Mortgage Acceptance Company, LLC are exchangeable for shares of Class A Common Stock of the Issuer on a one-for-one basis, subject to customary conversion rate adjustments.
- (6) This nonstatutory stock option to purchase 15,882 shares of Class A Common Stock of the Issuer will vest as to one-third of the optioned shares on each of June 13, 2014, 2015 and 2016, subject to the Reporting Person's continued service through each date.
- (7) This nonstatutory stock option to purchase 28,216 shares of Class A Common Stock of the Issuer will vest as to one-third of the optioned shares on each of February 26, 2015, 2016 and 2017, subject to the Reporting Person's continued service through each date.
- (8) This nonstatutory stock option to purchase 23,829 shares of Class A Common Stock of the Issuer will vest as to one-third of the optioned shares on each of March 3, 2016, 2017 and 2018, subject to the Reporting Person's committed service through each date.
- (9) This nonstatutory stock option to purchase 27,771 shares of Class A Common Stock of the Issuer will vest as to one-third of the optioned shares on each of March 7, 2017, 2018 and 2019, subject to the Reporting Person's committed service through each date.
- (10) (11) (12) (13)

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This nonstatutory stock option to purchase 34,626 shares of Class A Common Stock of the Issuer will vest as to one-third of the optioned shares on each of March 6, 2018, 2019 and 2020, subject to the Reporting Person's committed service through each date.

- (14) This nonstatutory stock option to purchase 26,467 shares of Class A Common Stock of the Issuer will vest as to one-third of the optioned shares on each of March 9, 2019, 2020 and 2021, subject to the Reporting Person's committed service through each date.

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.