

PEGASYSTEMS INC
Form 4
August 12, 2014

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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 *
KRA DOUGLAS I

(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)
08/11/2014

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)

Senior VP, Pega Consulting

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| Common Stock | 08/11/2014 | | M | 15,000 | A \$ 0 | 41,954 | D |
| Common Stock | 08/11/2014 | | F | 6,802 (1) | D \$ 23 | 35,152 | D |
| Common Stock | 08/11/2014 | | S | 8,198 | D \$ 22.99 (2) | 26,954 | D |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form

SEC 1474
(9-02)

displays a currently valid OMB control number.

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) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Stock Options - Right to Acquire | \$ 4.34 ⁽³⁾ | 08/11/2014 | | M | 15,000 | 12/08/2006 ⁽⁴⁾ 12/08/2015 | Common Stock | 40,000 ⁽⁵⁾ |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| KRA DOUGLAS I C/O PEGASYSTEMS INC. 1 ROGERS STREET CAMBRIDGE, MA 02142 | | | Senior VP, Pega Consulting | |

Signatures

/s/ Janet Mesrobian, Esq., as Attorney-In-Fact for Douglas I. Kra 08/12/2014

__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 the number of shares withheld by the Company to pay the exercise price of the Stock Option referenced in Table II and applicable payroll taxes.
- (2) Represents the weighted average of sale prices on 8/11/2014, ranging from \$22.99 to \$23.01.
- (3) This exercise price was previously reported as \$8.67 but has been adjusted to reflect the 2-for-1 forward stock split of Pegasystems Inc.'s common stock that occurred on April 1, 2014.
- (4) Options vested 20% on December 8, 2006 and the remaining 80% vested in equal quarterly installments over the next four years.
- (5) This stock option grant was previously reported as 20,000 shares but has been adjusted to reflect the 2-for-1 forward stock split that occurred on April 1, 2014.

Edgar Filing: PEGASYSTEMS INC - Form 4

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.