

PROGRESS SOFTWARE CORP /MA

Form 4

December 20, 2006

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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

## OMB APPROVAL

OMB  
Number: 3235-0287  
Expires: January 31,  
2005  
Estimated average  
burden hours per  
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**FREEDMAN JAMES**

2. Issuer Name **and** Ticker or Trading  
Symbol  
**PROGRESS SOFTWARE CORP  
/MA [PRGS]**

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

(Last) (First) (Middle)

**14 OAK PARK**

(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
**12/18/2006**

\_\_\_\_ Director \_\_\_\_ 10% Owner  
☒ Officer (give title below) \_\_\_\_ Other (specify below)

Senior VP &amp; General Counsel

**BEDFORD, MA 01730**

(City) (State) (Zip)

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

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities<br>Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or<br>Indirect (I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|
| Common<br>Stock                       |                                         |                                                             | Code V                               | Amount (D) Price                                                           | 5,670                                                                                                              | D                                                                    |                                                                   |

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

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information contained in this form are not  
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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)**

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| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4.<br>Transaction<br>Code<br>(Instr. 8) | 5. Number of<br>Derivative<br>Securities Acquired<br>(A) or Disposed of<br>(D)<br>(Instr. 3, 4, and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) |        | 7. Title and Amount<br>Underlying Securities<br>(Instr. 3 and 4) |                    |                 |                                     |
|-----------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|-----------------------------------------|--------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|--------|------------------------------------------------------------------|--------------------|-----------------|-------------------------------------|
|                                                     |                                                                       |                                         |                                                             | Code                                    | V                                                                                                      | (A)                                                            | (D)    | Date<br>Exercisable                                              | Expiration<br>Date | Title           | Amount<br>or<br>Number<br>of Shares |
| Stock<br>Option<br>(right to<br>buy)                | \$ 19.25                                                              | 12/18/2006                              |                                                             | D <sup>(1)</sup>                        |                                                                                                        |                                                                | 25,000 | <sup>(1)</sup>                                                   | 02/18/2010         | Common<br>Stock | 25,000                              |
| Stock<br>Option<br>(right to<br>buy)                | \$ 23                                                                 | 12/18/2006                              |                                                             | A <sup>(1)</sup>                        |                                                                                                        | 25,000                                                         |        | <sup>(1)</sup>                                                   | 02/18/2010         | Common<br>Stock | 25,000                              |
| Stock<br>Option<br>(right to<br>buy)                | \$ 12.8125                                                            | 12/18/2006                              |                                                             | D <sup>(2)</sup>                        |                                                                                                        |                                                                | 70     | <sup>(2)</sup>                                                   | 04/02/2011         | Common<br>Stock | 70                                  |
| Stock<br>Option<br>(right to<br>buy)                | \$ 14.3025                                                            | 12/18/2006                              |                                                             | A <sup>(2)</sup>                        |                                                                                                        | 70                                                             |        | <sup>(2)</sup>                                                   | 04/02/2011         | Common<br>Stock | 70                                  |
| Stock<br>Option<br>(right to<br>buy)                | \$ 13.24                                                              | 12/18/2006                              |                                                             | D <sup>(3)</sup>                        |                                                                                                        |                                                                | 12,500 | <sup>(3)</sup>                                                   | 08/01/2012         | Common<br>Stock | 12,500                              |
| Stock<br>Option<br>(right to<br>buy)                | \$ 13.5                                                               | 12/18/2006                              |                                                             | A <sup>(3)</sup>                        |                                                                                                        | 12,500                                                         |        | <sup>(3)</sup>                                                   | 08/01/2012         | Common<br>Stock | 12,500                              |
| Stock<br>Option<br>(right to<br>buy)                | \$ 15.07                                                              | 12/18/2006                              |                                                             | D <sup>(4)</sup>                        |                                                                                                        |                                                                | 13,750 | <sup>(4)</sup>                                                   | 02/23/2013         | Common<br>Stock | 13,750                              |
| Stock<br>Option<br>(right to<br>buy)                | \$ 16.99                                                              | 12/18/2006                              |                                                             | A <sup>(4)</sup>                        |                                                                                                        | 13,750                                                         |        | <sup>(4)</sup>                                                   | 02/23/2013         | Common<br>Stock | 13,750                              |
| Stock<br>Option<br>(right to<br>buy)                | \$ 18.15                                                              | 12/18/2006                              |                                                             | D <sup>(5)</sup>                        |                                                                                                        |                                                                | 15,250 | <sup>(5)</sup>                                                   | 05/23/2014         | Common<br>Stock | 15,250                              |
|                                                     | \$ 18.75                                                              | 12/18/2006                              |                                                             | A <sup>(5)</sup>                        |                                                                                                        | 15,250                                                         |        | <sup>(5)</sup>                                                   | 05/23/2014         |                 | 15,250                              |

|                                      |          |            |                  |        |                |            |                 |                 |  |
|--------------------------------------|----------|------------|------------------|--------|----------------|------------|-----------------|-----------------|--|
| Stock<br>Option<br>(right to<br>buy) |          |            |                  |        |                |            |                 | Common<br>Stock |  |
| Stock<br>Option<br>(right to<br>buy) | \$ 19.25 | 12/18/2006 | D <sup>(6)</sup> | 22,500 | <sup>(6)</sup> | 09/26/2014 | Common<br>Stock | 22,50           |  |
| Stock<br>Option<br>(right to<br>buy) | \$ 21.45 | 12/18/2006 | A <sup>(6)</sup> | 22,500 | <sup>(6)</sup> | 09/26/2014 | Common<br>Stock | 22,50           |  |
| Stock<br>Option<br>(right to<br>buy) | \$ 21.86 |            |                  |        | <sup>(7)</sup> | 11/10/2013 | Common<br>Stock | 37,50           |  |
| Stock<br>Option<br>(right to<br>buy) | \$ 30.81 |            |                  |        | <sup>(8)</sup> | 11/14/2012 | Common<br>Stock | 18,00           |  |
| Stock<br>Option<br>(right to<br>buy) | \$ 30.81 |            |                  |        | <sup>(8)</sup> | 11/14/2012 | Common<br>Stock | 7,00            |  |
| Stock<br>Option<br>(right to<br>buy) | \$ 23.07 |            |                  |        | <sup>(9)</sup> | 05/21/2013 | Common<br>Stock | 15,00           |  |
| Stock<br>Option<br>(right to<br>buy) | \$ 25.01 |            |                  |        | <sup>(9)</sup> | 09/19/2013 | Common<br>Stock | 15,00           |  |

## Reporting Owners

| Reporting Owner Name / Address                     | Relationships |           |                             |       |
|----------------------------------------------------|---------------|-----------|-----------------------------|-------|
|                                                    | Director      | 10% Owner | Officer                     | Other |
| FREEDMAN JAMES<br>14 OAK PARK<br>BEDFORD, MA 01730 |               |           | Senior VP & General Counsel |       |

## Signatures

/s/ James  
Freedman

12/19/2006

Date

Signature of  
Reporting Person

## 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).
- These two reported transactions involved an amendment of an outstanding option, resulting in the deemed cancellation of the "old" option
- (1) and the deemed grant of a replacement option. The option was originally granted on February 18, 2000 and vested in 60 equal monthly increments commencing on March 1, 2000.
- These two reported transactions involved an amendment of an outstanding option, resulting in the deemed cancellation of the "old" option
- (2) and the deemed grant of a replacement option. The option was originally granted on April 3, 2001 and vested in 60 equal monthly increments commencing on March 1, 2001.
- These two reported transactions involved an amendment of an outstanding option, resulting in the deemed cancellation of the "old" option
- (3) and the deemed grant of a replacement option. The option was originally granted on August 2, 2002 and vests in 60 equal monthly increments commencing on March 1, 2002.
- These two reported transactions involved an amendment of an outstanding option, resulting in the deemed cancellation of the "old" option
- (4) and the deemed grant of a replacement option. The option was originally granted on February 24, 2003 and vests in 60 equal monthly increments commencing on March 1, 2003.
- These two reported transactions involved an amendment of an outstanding option, resulting in the deemed cancellation of the "old" option
- (5) and the deemed grant of a replacement option. The option was originally granted on May 24, 2004 and vests in 60 equal monthly increments commencing on March 1, 2004.
- These two reported transactions involved an amendment of an outstanding option, resulting in the deemed cancellation of the "old" option
- (6) and the deemed grant of a replacement option. The option was originally granted on September 27, 2004 and vests in 60 equal monthly increments commencing on March 1, 2004.
- (7) The option vests in 60 equal monthly increments commencing on March 1, 2003.
- (8) The option vests in 60 equal monthly increments commencing on March 1, 2005.
- (9) The option vests in 60 equal monthly increments commencing on March 1, 2006.

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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