

PEGASYSTEMS INC  
Form 4  
May 19, 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 \*  
**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)  
**05/15/2014**

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)

**VP of Finance & CAO**

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 (A) or (D) Price		
Common Stock <sup>(5)</sup>	05/15/2014		M		\$ 0	D	
Common Stock	05/15/2014		F		\$ 18.63	D	
Common Stock	05/15/2014		S		\$ 18.63	D	
Common Stock	05/15/2014		M		\$ 0	D	
Common Stock	05/15/2014		F		\$ 18.67	D	

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					(1)		
Common Stock	05/15/2014		S	19	D	\$ 18.67	0 D
Common Stock	05/15/2014		M	1,940	A	\$ 0	1,940 D
Common Stock	05/15/2014		F	1,399	D	\$ 18.7 (1)	541 D
Common Stock	05/15/2014		S	541	D	\$ 18.7	0 D

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

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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)

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
Stock Option - Right to Acquire (5)	\$ 16.15	05/15/2014		M	80	12/15/2010(2) 12/15/2019	Common Stock 1,606 (6)
Stock Option - Right to Acquire	\$ 15.19	05/15/2014		M	150	12/14/2012(3) 12/14/2021	Common Stock 2,998 (7)
Stock Option - Right to Acquire	\$ 11.05	05/15/2014		M	1,940	12/12/2013(4) 12/12/2022	Common Stock 12,942 (8)

## 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., as Attorney-In-Fact for Efstathios A. Kouninis	05/19/2014
**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 exercise price of the Stock Option referenced in Table II, which was paid by way of the withholding by the Company of shares with a value equal to the exercise price.
- (2) All options vest 20% on December 15, 2010, and the remaining 80% vesting in equal quarterly installments over the remaining four years.
- (3) All options vest 20% on December 14, 2012, and the remaining 80% vesting in equal quarterly installments over the remaining four years.
- (4) All options vest 20% on December 12, 2013, and the remaining 80% vesting in equal quarterly installments over the remaining four years.
- (5) All share amounts and price data in this Form 4 have been restated to reflect a 2-for-1 forward stock split of Pegasystems Inc.'s common stock that occurred on April 1, 2014.
- (6) This stock option grant was previously reported as 803 options, but has been adjusted to reflect the 2-for-1 stock split that occurred on April 1, 2014.
- (7) This stock option grant was previously reported as 1,499 options, but has been adjusted to reflect the 2-for-1 stock split that occurred on April 1, 2014.
- (8) This stock option grant was previously reported as 6,471 options, but has been adjusted to reflect the 2-for-1 stock split that occurred on April 1, 2014.

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.