

KOUNINIS EFSTATHIOS A
 Form 4
 September 14, 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 *
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)
09/12/2018

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	09/12/2018		M		93 ⁽¹⁾ A \$ 0	322	D
Common Stock	09/12/2018		F		28 D \$ 63.75	294	D
Common Stock	09/13/2018		M		314 A \$ 27.24	608	D
Common Stock	09/13/2018		F		186 ⁽²⁾ D \$ 65	422	D
Common Stock	09/13/2018		M		478 A \$ 25.2	900	D

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Common Stock	09/13/2018	F	272 ⁽²⁾	D	\$ 65.25	628	D
Common Stock	09/13/2018	S	455	D	\$ 65.31 ⁽³⁾	173 ⁽⁴⁾	D

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

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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
Restricted Stock Units ⁽⁵⁾	\$ 0	09/12/2018		M	93 ⁽¹⁾	09/12/2017	⁽⁶⁾	Common Stock	93
Stock Options	\$ 27.24	09/13/2018		M	314	09/12/2017 ⁽⁷⁾	09/12/2026	Common Stock	314
Stock Options	\$ 25.2	09/13/2018		M	478	03/12/2017 ⁽⁸⁾	03/12/2026	Common Stock	478

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., Attorney-In-Fact for Efstathios
Kouninis

09/14/2018

__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).
- (1) Represents 5% vesting on September 12, 2018. The original grant was 1856 restricted stock units, with 20% vesting on September 12, 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. Kouninis' tax liability, which were paid by way of withholding by the Company of shares of equal value.
Represents the weighted average of the sale prices, ranging from \$65.00 to \$65.75. The individual has provided the Company, and
- (3) undertakes to provide to the staff of the Securities and Exchange Commission or any security holder of the Company, upon request, full information regarding the number of shares sold at each separate price.
- (4) Does not include shares of common stock subject to unvested restricted stock units and options awards.
- (5) Each restricted stock unit represents the right to receive, following vesting, one share of the issuer's common stock.
- (6) Once vested, the shares of common stock are not subject to expiration.
- (7) Options vested 20% on September 12, 2017, with the remaining 80% vesting in equal quarterly installments over the next four years.
- (8) Options vested 20% on March 12, 2017, with the remaining 80% vesting in equal quarterly installments over the next four years.

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.