PEGASYSTEMS INC
Form 4
May 19, 2014

FORM 4

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

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

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

(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
__X__ Officer (give title below) _____ Other (specify below)
VP of Finance & CAO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock (5)	05/15/2014		M		80	A	$ 0	80	D	
Common Stock	05/15/2014		F		73	D	$ 18.63 (1)	7	D	
Common Stock	05/15/2014		S		7	D	$ 18.63	0	D	
Common Stock	05/15/2014		M		150	A	$ 0	150	D	
Common Stock	05/15/2014		F		131	D	$ 18.67	19	D	

Common Stock	05/15/2014	S	19	D	$ 18.67 (1)	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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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.
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