

KOUNINIS EFSTATHIOS A
 Form 4
 February 27, 2019

FORM 4

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

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).

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

2. Issuer Name and Ticker or Trading Symbol
PEGASYSTEMS INC [PEGA]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
**C/O PEGASYSTEMS INC., 1
 ROGERS STREET**

3. Date of Earliest Transaction
 (Month/Day/Year)
02/25/2019

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
VP of Finance & CAO

(Street)
CAMBRIDGE, MA 02142

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 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 Price (D)		
Common Stock	02/25/2019		M		843 A \$ 20.49	1,527	D
Common Stock	02/25/2019		F		466 ⁽¹⁾ D \$ 65.5	1,061	D
Common Stock	02/25/2019		S		377 D \$ 65.5	684	D
Common Stock	02/25/2019		M		196 A \$ 20.05	880	D
Common Stock	02/25/2019		F		108 ⁽¹⁾ D \$ 65.5	772	D

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 Options referenced in Table II and Mr. Kouninis's tax liability, which were paid by way of withholding by the Company of shares of equal value.
- (2) Does not include shares of common stock subject to unvested restricted stock units and/or options awards.
- (3) Options vested 20% on March 2, 2016, with the remaining 80% vesting in equal quarterly installments over the next four years.
- (4) Options vested 20% on March 7, 2015, 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.