Edgar Filing: PYLE MICHAEL R - Form 4

Form 4											
March 21, 2011 FORM 4 Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b). MITED 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 OMB 3235-0287 Number: January 31, Expires: 2005 Estimated average burden hours per response 0.5				
(Print or Type F	Responses)										
PYLE MICHAEL R S			Symbol	2. Issuer Name and Ticker or Trading Symbol PEGASYSTEMS INC [PEGA]				5. Relationship of Reporting Person(s) to Issuer			
(1			3. Date of Earliest Transaction(Month/Day/Year)03/17/2011					(Check all applicable) <u></u> Director <u>X</u> Officer (give title below) Senior VP, Engineering			
			amendment, Date Original Month/Day/Year)			 6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person 					
CAMBRID	GE, MA 02142							Form filed by I Person	More than One R	eporting	
(City)	(State)	(Zip)	Table	e I - Non-D	erivative S	ecuri	ties Ac	quired, Disposed o	f, or Beneficia	lly Owned	
1.Title of Security (Instr. 3)	2. Transaction Dat (Month/Day/Year)) Executi any	emed on Date, if /Day/Year)	Code (Instr. 8)	4. Securit onAcquired Disposed (Instr. 3, 4)	(A) o of (D 4 and (A) or)	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)	
Common Stock								7,089	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)

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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. Transactio Code (Instr. 8)	5. Number prof 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	Amoun or Number of Shares
Stock Option - Right to Acquire	\$ 32.04	03/17/2011		A	6,225	03/17/2012(1)	03/17/2021	Common Stock	6,225
Restricted Stock Units (2)	\$ 0	03/17/2011		А	2,363	03/17/2012(3)	(4)	Common Stock	2,363
Restricted Stock Units (2)	\$ 0	03/17/2011		А	2,245	03/09/2012 <u>(5)</u>	(4)	Common Stock	2,245

Reporting Owners

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer	Other			
PYLE MICHAEL R C/O PEGASYSTEMS INC. 101 MAIN STREET CAMBRIDGE, MA 02142			Senior VP, I	Engineering			
Signatures							
/s/ Shawn Hoyt, Esq., as Attorr Pyle	el R.	03/21/2011					
<u>**</u> Signature of Repo	orting 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) All options vest 20% on March 17, 2012, and the remaining 80% vest in equal quarterly installments over the remaining four years.
- (2) Each restricted stock unit represents the right to receive, following vesting, one share of Pegasystems Inc.'s common stock.
- (3) All RSUs vest 20% on March 17, 2012, and the remaining 80% vest in equal quarterly installments over the remaining four years.
- (4) Once vested, the shares of common stock are not subject to expiration.
- (5) Represents election by individual, as part of the Company's Corporate Incentive Compensation Plan, to receive half of his annual bonus in RSUs, based upon the Company's stock price as of March 17, 2011. All RSUs fully vest on March 9, 2012.

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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.