

PEGASYSTEMS INC  
Form DEF 14A  
April 01, 2014  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

**SCHEDULE 14A**

(Rule 14a-101)

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934**

Filed by the Registrant                       Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

**PEGASYSTEMS INC.**

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

.. Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:



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Dear Stockholder:

We cordially invite you to attend our 2014 Annual Meeting of Stockholders (the Annual Meeting ) on Tuesday, May 20, 2014 at One Rogers Street, Cambridge, Massachusetts. The Annual Meeting will commence at 9:00 a.m., local time.

At the Annual Meeting you are being asked to elect the seven nominees named in this proxy statement to our Board of Directors, each for a term of one year; to vote on a non-binding advisory proposal on the compensation of our named executive officers; to approve an amendment to our Restated Articles of Organization; and to ratify the selection of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2014.

Please vote your shares by submitting your proxy in the manner described in the proxy statement so that your shares can be voted at the Annual Meeting in accordance with your instructions. Even if you plan to attend the Annual Meeting, we urge you to vote your shares prior to the meeting. You can revoke your proxy at any time before the Annual Meeting, or vote your shares personally if you attend the Annual Meeting.

We look forward to seeing you on May 20, 2014.

Sincerely,

Alan Trefler

Chairman and Chief Executive Officer

April 8, 2014

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**PEGASYSTEMS INC.**

One Rogers Street

Cambridge, MA 02142

**NOTICE OF 2014 ANNUAL MEETING OF STOCKHOLDERS**

To be held on May 20, 2014

**To our Stockholders:**

The 2014 Annual Meeting of Stockholders of Pegasystems Inc. will be held at One Rogers Street, Cambridge, Massachusetts, on Tuesday, May 20, 2014 at 9:00 a.m., local time. At the meeting, stockholders will consider and vote on the following matters:

1. To elect the seven nominees named in this proxy statement to our Board of Directors, each for a one-year term.
2. To approve, by a non-binding advisory vote, the compensation of our named executive officers.
3. To approve an amendment to our Restated Articles of Organization to increase the number of authorized shares of our common stock from 100,000,000 to 200,000,000.
4. To ratify the selection by the Audit Committee of our Board of Directors of Deloitte & Touche LLP as our independent registered public accounting firm for the year ending December 31, 2014.

Stockholders of record at the close of business on March 14, 2014 are entitled to vote at the meeting. Whether you plan to attend the meeting or not, please vote your shares by submitting your proxy via the Internet or telephone or by completing, signing, dating and returning a proxy card in the manner described in the proxy statement. For specific instructions on how to vote your shares, please refer to the Information About the Annual Meeting and Voting section of the attached proxy statement. Your prompt response is necessary to ensure your shares are represented at the meeting. You can change your vote and revoke your proxy at any time before the polls close at the meeting by following the procedures described herein.

By Order of the Board of Directors,

Janet Mesrobian

Associate General Counsel and Secretary

Cambridge, Massachusetts

April 8, 2014

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**PEGASYSTEMS INC.**

One Rogers Street

Cambridge, MA 02142

**PROXY STATEMENT**

**FOR ANNUAL MEETING OF STOCKHOLDERS**

To be held on May 20, 2014

This proxy statement contains information about the 2014 Annual Meeting of Stockholders of Pegasystems Inc. (the Annual Meeting ). The Annual Meeting will be held on Tuesday, May 20, 2014, beginning at 9:00 a.m., local time, at One Rogers Street, Cambridge, Massachusetts. Unless the context otherwise requires, references in this proxy statement to Pegasystems, the Company, we, us or our refer to Pegasystems I

This proxy statement is furnished in connection with the solicitation of proxies by our Board of Directors for use at the Annual Meeting and at any adjournment of that meeting. All proxies will be voted in accordance with the instructions they contain. If you do not specify your voting instructions on the proxy you submit for the meeting, it will be voted in accordance with the recommendation of the Board of Directors. You may change your vote and revoke your proxy at any time before it is exercised at the meeting by giving our Secretary written notice to that effect. We first provided access to our proxy materials over the Internet on or about April 8, 2014.

Pursuant to Rule 14a-16 under the Securities Exchange Act of 1934 (the Exchange Act ), our Annual Report on Form 10-K for the year ended December 31, 2013 ( Annual Report ), as filed with the Securities and Exchange Commission, or SEC, is being made available to stockholders on our website, [www.pegacom.com](http://www.pegacom.com), and at the following URL: [www.edocumentview.com/pegacom](http://www.edocumentview.com/pegacom). You may obtain a copy of our Annual Report without charge upon written request to Pegasystems Inc., One Rogers Street, Cambridge, MA 02142-1209, Attention: Associate General Counsel and Secretary.

The Annual Report does not constitute any part of this proxy statement. Certain documents referenced in this proxy statement are available on our website at [www.pegacom.com](http://www.pegacom.com). Information contained on our website is not included as part of, nor incorporated by reference into, this proxy statement.

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting**

**of Stockholders to be held on May 20, 2014.**

**This proxy statement and our Annual Report are available for viewing, printing and downloading at [www.edocumentview.com/pegacom](http://www.edocumentview.com/pegacom).**

**INFORMATION ABOUT THE ANNUAL MEETING AND VOTING**

**What is the purpose of the Annual Meeting?**

At the Annual Meeting, stockholders will consider and vote on the following matters:

1. The election of the seven nominees named in this proxy statement to our Board of Directors, each for a one-year term.
2. A non-binding advisory vote on the compensation of our named executive officers (also referred to as Say on Pay ), as described in the Compensation Discussion and Analysis section and elsewhere in this proxy statement.

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3. The approval of an amendment to our Restated Articles of Organization to increase the number of authorized shares of common stock from 100,000,000 to 200,000,000.
  
4. Ratification of the selection by the Audit Committee of our Board of Directors of Deloitte & Touche LLP as our independent registered public accounting firm for the year ending December 31, 2014.

The stockholders will also act on any other business that may properly come before the Annual Meeting.

### **How does the Board of Directors recommend that I vote on the Proposals?**

The Board of Directors recommends that you vote:

*FOR* the election of each of the seven nominees named in this proxy statement to our Board of Directors, each to hold office for a term of one year (Proposal 1);

*FOR* the approval, by a non-binding advisory vote, of the compensation of our named executive officers (Proposal 2);

*FOR* the approval of an amendment to our Restated Articles of Organization (Proposal 3); and

*FOR* the ratification of the selection by the Audit Committee of our Board of Directors of Deloitte & Touche LLP as our independent registered public accounting firm for the year ending December 31, 2014 (Proposal 4).

### **Who can vote?**

To be able to vote, you must have been a Pegasystems stockholder of record at the close of business on March 14, 2014 (the record date). This date is the record date for the Annual Meeting. The number of outstanding shares of our common stock entitled to vote at the Annual Meeting is 38,180,467 shares of our common stock.

### **How many votes do I have?**

Each share of our common stock that you owned on the record date entitles you to one vote on each matter that is before the stockholders at the Annual Meeting.

### **Can I vote the shares I received in the stock split?**

No. On April 1, 2014, the Company effectuated a 2:1 forward stock split through a stock dividend. Since the shares issued to effectuate the stock split were not outstanding on the record date for the Annual Meeting, they are not entitled to vote at the Annual Meeting.

### **Is my vote important?**

Your vote is important regardless of how many shares you own. Please take the time to vote. Take a moment to read the instructions below.

### **Why did I receive a notice in the mail regarding the Internet availability of proxy materials this year instead of a full set of proxy materials?**

We are pleased to comply with the SEC rules that direct companies to distribute their proxy materials over the Internet, as we have done in past years. As a result, we have sent our stockholders and beneficial owners a





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Notice of Internet Availability of Proxy Materials (the Notice ) instead of paper copies of this proxy statement, our proxy card, and our Annual Report. Detailed instructions on how to access these materials via the Internet may be found in the Notice. This proxy statement and our Annual Report are available for viewing, printing and downloading at [www.edocumentview.com/pega](http://www.edocumentview.com/pega).

### **I prefer to read my proxy materials on paper. How do I get paper copies?**

The Notice contains instructions on how to request paper copies by phone, email, or via the Internet. You will be sent the materials by first class mail within three business days of your request, at no cost to you. If you receive your proxy materials by mail, you may vote your shares by completing, signing and dating the proxy card that accompanies this proxy statement and promptly mailing it in the enclosed postage-prepaid envelope. Once you request paper copies, you will continue to receive the materials in paper form until you instruct us otherwise. Please note, however, that the online proxy materials will also be in a format suitable for printing on your own printer.

### **How can I vote?**

If you are the record holder of your shares, meaning that you own your shares in your own name and not through a bank or brokerage firm, you may vote via the Internet or by telephone or mail, or you may vote in person at the Annual Meeting. If your shares are held in street name by a bank or brokerage firm, please see the first sentence of the Can I vote if my shares are held in street name ? section below for instructions regarding how to vote your shares.

*Voting by Internet.* You may submit your proxy via the Internet by following the instructions provided in the Notice and on the proxy card.

*Voting by telephone.* You may vote your proxy over the telephone by following the instructions provided in the Notice and on the proxy card.

*Voting by mail.* You may vote by printing, completing, signing and dating the proxy card that accompanies this proxy statement and promptly mailing it in accordance with the instructions provided on the proxy card. The shares you own will be voted according to the instructions on the proxy card you submit. If you return the proxy card but do not give any instructions on a particular matter described in this proxy statement, the shares you own will be voted in accordance with the recommendations of our Board of Directors. The Board of Directors recommends that you vote *FOR* the Director nominees and *FOR* Proposals 2, 3 and 4.

*Voting in person at the Annual Meeting.* If you attend the Annual Meeting, you may vote by delivering your completed proxy in person or by completing a ballot. Ballots will be available at the Annual Meeting.

### **Can I vote my shares by filling out and returning the Notice of Internet Availability of Proxy Materials?**

No. The Notice contains instructions on how to vote via the Internet, by telephone, by requesting and returning a paper proxy card, or by submitting a ballot in person at the Annual Meeting.

### **Can I vote if my shares are held in street name ?**

If the shares you own are held in street name by a bank or brokerage firm, your bank or brokerage firm, as the record holder of your shares, is required to vote your shares according to your instructions. To vote your shares, you will need to follow the directions your bank or brokerage firm provides you. Many banks and brokerage firms also offer the option of voting over the Internet or by telephone, instructions for which would be provided by your bank or brokerage firm on your vote instruction form.

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Under the applicable rules of the NASDAQ Stock Market, or Nasdaq, if you do not give instructions to your brokerage firm, it will still be able to vote your shares with respect to certain discretionary items, but it will not be allowed to vote your shares with respect to certain non-discretionary items. The amendment to the Restated Articles of Organization (Proposal 3) and the ratification of Deloitte & Touche LLP as our independent registered public accounting firm (Proposal 4) are considered to be discretionary items under Nasdaq rules and your brokerage firm will be able to vote on those items even if it does not receive instructions from you, so long as it holds your shares in its name. **The election of Directors (Proposal 1) and the advisory vote on executive compensation (Proposal 2) are non-discretionary items. If you do not instruct your broker how to vote with respect to these items, your broker may not vote with respect to these proposals, and those votes will be counted as broker non-votes.** Broker non-votes are shares that are held in street name by a bank or brokerage firm that indicates on its proxy that it does not have or did not exercise discretionary authority to vote on a particular matter.

If your shares are held in street name, you must bring an account statement or letter from your brokerage firm or bank showing that you are the beneficial owner of the shares as of the record date in order to be admitted to the Annual Meeting on May 20, 2014. To be able to vote your shares held in street name in person at the Annual Meeting, you will need to obtain a proxy card from the holder of record.

### **Can I change my vote after I have submitted my proxy?**

Yes. You can change your vote and revoke your proxy at any time before the polls close at the Annual Meeting by doing any one of the following things:

signing another proxy with a later date;

giving our Secretary a written notice before or at the Annual Meeting that you want to revoke your proxy; or

voting in person at the Annual Meeting.

Your attendance at the Annual Meeting alone (without also voting) will not revoke your proxy.

### **What constitutes a quorum?**

In order for business to be conducted at the Annual Meeting with respect to a particular matter, a quorum must be present in person or represented by valid proxies for that particular matter. For each of the Proposals described in this proxy statement, a quorum consists of the holders of a majority of the shares of common stock issued and outstanding on March 14, 2014, the record date, or at least 19,090,234 shares of our common stock.

Shares of common stock represented in person or by proxy (including broker non-votes and shares that abstain or do not vote with respect to one or more of the matters to be voted upon) will be counted for the purpose of determining whether a quorum exists. A share once represented for any purpose at the Annual Meeting is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of the meeting unless (1) the stockholder attends solely to object to lack of notice, defective notice or the conduct of the meeting on other grounds and does not vote the shares or otherwise consent that they are to be deemed present, or (2) in the case of an adjournment, a new record date is set for that adjourned meeting.

If a quorum is not present, the meeting will be adjourned until a quorum is obtained.

### **What vote is required for each item?**

*Election of Directors.* Under our Amended and Restated Bylaws, with respect to each of the seven nominees for Director, the number of votes cast at the Annual Meeting in favor of such nominee must represent a majority of the votes entitled to be cast in an election of Directors by all issued and outstanding shares of common stock

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on the record date. This means that if any nominee is one of the seven nominees receiving the highest number of votes cast at the Annual Meeting, but the number of votes cast for such nominee does not represent a majority of the votes entitled to be cast in an election of Directors by all issued and outstanding shares, such nominee will not be elected as a Director. If your shares are held in street name by a brokerage firm, your brokerage firm, as the record holder of your shares, is required to vote your shares in accordance to your instructions. **If your shares are held in street name and you do not instruct your broker how to vote with respect to this item, your broker may not vote your shares with respect to the election of Directors.**

*Advisory Vote on Executive Compensation.* Our Board of Directors is seeking a non-binding advisory vote regarding the compensation of our named executive officers. Under our Amended and Restated Bylaws, approval for such non-binding resolution requires that the votes cast in favor exceed the votes cast in opposition. While this vote is non-binding and advisory in nature, our Board of Directors and Compensation Committee will consider the outcome of the vote when determining executive compensation arrangements. **If your shares are held in street name and you do not instruct your broker how to vote with respect to this item, your broker may not vote your shares with respect to this proposal.**

*Amendment to Restated Articles of Organization.* Under Massachusetts law and our Amended and Restated Bylaws, the affirmative vote of the holders of a majority of all votes entitled to be cast on the matter by all issued and outstanding shares of common stock on the record date is required to approve the amendment to our Restated Articles of Organization to increase the number of authorized shares of common stock. **If your shares are held in street name and you do not instruct your broker how to vote with respect to this item, your broker may vote your shares with respect to this proposal.**

*Ratification of the independent registered public accounting firm.* The ratification of the selection of Deloitte & Touche LLP as our independent registered public accounting firm will be approved if the votes cast in favor exceed the votes cast in opposition. **If your shares are held in street name and you do not instruct your broker how to vote with respect to this item, your broker may vote your shares with respect to this proposal.**

### **How will votes be counted?**

Each share of common stock will be counted as one vote according to the instructions contained on a properly completed proxy card, whether submitted in person, by mail, over the Internet or by telephone, or on a ballot voted in person at the Annual Meeting. Shares will not be voted in favor of a matter, and will not be counted as voting on a matter, if they either, (1) abstain from voting on a particular matter, or (2) are broker non-votes. Banks and brokers that do not receive instructions with respect to Proposals 1 and 2 will not be allowed to vote these shares, which will then be counted as broker non-votes instead of votes for or against.

Abstentions and broker non-votes will have no effect on the outcome of voting with respect to Proposal 2 (Advisory Vote on Executive Compensation) and Proposal 4 (Ratification of the Selection of Independent Registered Public Accounting Firm), because these proposals will be approved if the votes cast at the Annual Meeting in favor of the proposal exceed the votes cast at the Annual Meeting opposing the proposal. Abstentions and broker non-votes, however, will have the effect of negative votes with respect to Proposal 1 (Election of Directors) and Proposal 3 (Amendment to Restated Articles of Organization), because, as described above, each of these proposals must receive the affirmative vote of the holders of shares representing a majority of the votes entitled to be cast at the Annual Meeting by all issued and outstanding shares of common stock on the record date in order to be approved.

### **Who will count the votes?**

The votes will be counted, tabulated and certified by our transfer agent and registrar, Computershare Investor Services. Janet Mesrobian, our Associate General Counsel and Secretary, will serve as the inspector of elections at the Annual Meeting.

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### **Will my vote be kept confidential?**

Yes. Your vote will be kept confidential and we will not disclose your vote, unless (1) we are required to do so by law (including in connection with the pursuit or defense of a legal or administrative action or proceeding), or (2) there is a contested election for the Board of Directors. The inspector of elections will forward any written comments that you make on the proxy card to management without providing your name, unless you expressly request disclosure on your proxy card.

### **Will any other business be conducted at the Annual Meeting or will other matters be voted on?**

No. Under Massachusetts law, where we are incorporated, an item may not be brought before our stockholders at a stockholder meeting unless it appears in the notice of the meeting. Our Amended and Restated Bylaws establish the process for a stockholder to bring a matter before a meeting. See [How and when may I submit a stockholder proposal for the 2015 annual meeting?](#) below.

### **Where can I find the voting results?**

We will report the voting results in a Current Report on Form 8-K, which will be filed with the SEC within four business days after the Annual Meeting.

### **How and when may I submit a stockholder proposal for the 2015 annual meeting?**

If you are interested in submitting a proposal for inclusion in the proxy statement for the 2015 annual meeting, you need to follow the procedures outlined in Rule 14a-8 under the Exchange Act and in our Amended and Restated Bylaws. To be eligible for inclusion, we must receive your stockholder proposal intended for inclusion in the proxy statement for the 2015 Annual Meeting of Stockholders at our principal corporate offices in Cambridge, Massachusetts as set forth below no later than December 8, 2014.

In addition, our Amended and Restated Bylaws require that we be given advance written notice for nominations for election to our Board of Directors and other matters that stockholders wish to present for action at an annual meeting other than those to be included in our proxy statement under Rule 14a-8. The Secretary must receive such notice at the address noted below not less than 120 days or more than 150 days before the first anniversary of the date on which our proxy statement was released to stockholders in connection with the prior year's meeting. However, if the date of our annual meeting is advanced or delayed by more than 30 days from the anniversary date of the prior year's meeting (or no proxy statement was delivered to stockholders in connection with the prior year's meeting), then we must receive such notice at the address noted below not earlier than the 120th day before such annual meeting and not later than the close of business on the later of (1) the 90th day before such annual meeting and (2) the 10th day following the day on which public notice of the meeting date is first made. Assuming that the 2015 annual meeting is held between April 20, 2015 and June 19, 2015, you would need to give us appropriate notice at the address noted below no earlier than November 9, 2014, and no later than December 9, 2014. Notwithstanding the foregoing, the postponement or adjournment of any annual meeting for which notice has been provided to stockholders shall not commence a new time period for giving the stockholders' notice. If a stockholder does not provide timely notice of a nomination or other matter to be presented at the 2015 annual meeting, under Massachusetts law, then it may not be brought before our stockholders at a meeting.

Our Amended and Restated Bylaws also specify requirements relating to the content of the notice that stockholders must provide to the Secretary for any matter, including a stockholder proposal or nomination for director, to be properly presented at a stockholder meeting. A copy of the full text of our Amended and Restated Bylaws is on file with the SEC.

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Any proposals or notices should be sent to:

Pegasystems Inc.

One Rogers Street

Cambridge, MA 02142-1209

Attention: Associate General Counsel and Secretary

**Who will bear the costs of soliciting these proxies?**

We will bear the costs of solicitation of proxies. We will request brokers, custodians and fiduciaries to forward proxy soliciting material to the owners of shares of our common stock they hold in their names. We will reimburse banks and brokers for their reasonable out-of-pocket expenses incurred in connection with the distribution of proxy materials.

**How can I obtain an Annual Report on Form 10-K?**

Our Annual Report is available on our website by following the Investors tab at [www.Pega.com](http://www.Pega.com), as well as at the following URL: [www.edocumentview.com/pega](http://www.edocumentview.com/pega). If you would like a paper copy of our Annual Report on Form 10-K, we will send it to you without charge. Please contact:

Pegasystems Inc.

One Rogers Street

Cambridge, MA 02142-1209

Attention: Associate General Counsel and Secretary

Telephone: (617) 374-9600

**Whom should I contact if I have any questions?**

If you have any questions about the Annual Meeting or your ownership of our common stock, please contact our Associate General Counsel and Secretary at the address or telephone number listed above.

**Householding of Annual Meeting Materials**

Some banks, brokers and other nominee record holders may be participating in the practice of householding proxy statements and annual reports. This means that only one copy of our proxy statement and Annual Report to stockholders may have been sent to multiple stockholders in your household. We will promptly deliver a separate copy of either document to you if you contact us at the following address or telephone number:

Pegasystems Inc.

One Rogers Street

Cambridge, MA 02142-1209

Attention: Associate General Counsel and Secretary

Telephone: (617) 374-9600

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If you want to receive separate copies of the proxy statement or Annual Report to stockholders in the future, or if you are receiving multiple copies and would like to receive only one copy per household, you should contact your bank, broker, or other nominee record holder, or you may contact us at the above address or telephone number.

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The following table sets forth certain information, which, except as otherwise noted below, is as of January 31, 2014, with respect to the beneficial ownership of our common stock by:

- the stockholders we know to beneficially own more than 5% of our outstanding common stock;
- each Director named in this proxy statement;
- each executive officer named in the Summary Compensation Table included below in this proxy statement; and
- all of our executive officers and Directors as a group.

Unless otherwise indicated, the address of each person listed below is c/o Pegasystems Inc., One Rogers Street, Cambridge, MA 02142.

NAME OF BENEFICIAL OWNER	NUMBER OF SHARES OWNED	SHARES ACQUIRABLE WITHIN 60 DAYS (1)	TOTAL SHARES BENEFICIALLY OWNED (2)	PERCENTAGE OF SHARES BENEFICIALLY OWNED (3)
<b>5% Stockholders</b>				
Alan Trefler (4)	19,884,899		19,884,899	52.13%
BAMCO, Inc. (5) 767 Fifth Avenue, New York, NY	2,051,677		2,051,677	5.38%
<b>Directors</b>				
Alan Trefler	See 5%	See 5%	See 5%	See 5%
	Stockholders	Above	Stockholders	Above
Peter Gyenes	12,715		12,715	*
Richard Jones (6)	444,268	30,000	474,268	1.24%
Steven Kaplan	28,083	25,000	53,083	*
James O Halloran	66,436		66,436	*
Larry Weber	4,479		4,479	*
William Wyman	4,647	30,000	34,647	*
<b>Named Executive Officers</b>				
Alan Trefler	See 5%	See 5%	See 5%	See 5%
	Stockholders	Above	Stockholders	Above
Rafeal Brown				*
Craig Dynes (7)	339		339	*
Douglas Kra	12,989	61,767	74,756	*
Michael Pyle	4,319	91,192	95,511	*
Leon Trefler	3,338	32,570	35,908	*
All executive officers and Directors as a group (8)	20,429,567	271,782	20,738,349	53.99%

\* Represents beneficial ownership of less than 1% of our outstanding common stock.

- (1) The number of shares of common stock beneficially owned by each person is determined under rules promulgated by the SEC. Under these rules, a person is deemed to have beneficial ownership of any shares over which that person has sole or shared voting or investment power, plus any shares that the person has the right to acquire within 60 days, including through the exercise of stock options. Unless otherwise indicated, for each person named in the table, the number of Shares A