

PENNYMAC FINANCIAL SERVICES, INC.

Form 4

April 05, 2017

**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 \*  
Grogin Jeffrey

2. Issuer Name and Ticker or Trading Symbol  
PENNYMAC FINANCIAL SERVICES, INC. [PFSI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
04/03/2017

\_\_\_\_ Director  
 Officer (give title below)  
\_\_\_\_ 10% Owner  
\_\_\_\_ Other (specify below)  
CALO

C/O PENNYMAC FINANCIAL SERVICES, INC., 3043 TOWNSGATE ROAD

(Street)

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

WESTLAKE VILLAGE, CA 91361

(City) (State) (Zip)

**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	
Class A Common Stock	04/03/2017		M		10,162 <sup>(1)</sup>	A	\$ 0	19,164 <sup>(2)</sup>	D

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

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SEC 1474 (9-02)

**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 Underlying Instrument (Instr. 3)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Performance-Based Restricted Stock Units	\$ 0 <sup>(3)</sup>	04/03/2017		A	10,162	<u>(3)</u>	<u>(3)</u>	Classified Common Stock
Performance-Based Restricted Stock Units	\$ 0 <sup>(3)</sup>	04/03/2017		M	10,162	<u>(3)</u>	<u>(3)</u>	Classified Common Stock
Cl A Units of Private Nat'l Mortgage Acceptance Company, LLC	<u>(4)</u>					<u>(4)</u>	<u>(4)</u>	Classified Common Stock
Cl A Units of Private Nat'l Mortgage Acceptance Company, LLC	<u>(4)</u>					<u>(4)</u>	<u>(4)</u>	Classified Common Stock
Cl A Units of Private Nat'l Mortgage Acceptance Company, LLC	<u>(4)</u>					<u>(4)</u>	<u>(4)</u>	Classified Common Stock
Cl A Units of Private Nat'l Mortgage Acceptance Company, LLC	<u>(4)</u>					<u>(4)</u>	<u>(4)</u>	Classified Common Stock
Nonstatutory Stock Option (Right to Buy)	\$ 21.03					06/13/2014	06/12/2023	Classified Common Stock
Nonstatutory Stock Option (Right to Buy)	\$ 17.26					02/26/2015	02/25/2024	Classified Common Stock
Nonstatutory Stock Option (Right to Buy)	\$ 17.52					03/03/2016	03/02/2025	Classified Common Stock

Nonstatutory Stock Option (Right to Buy)	\$ 11.28	03/07/2017	03/06/2026	Cl Com St
Nonstatutory Stock Option (Right to Buy)	\$ 18.05	03/06/2018	03/05/2027	Cl Com St

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Grogin Jeffrey C/O PENNYMAC FINANCIAL SERVICES, INC. 3043 TOWNSGATE ROAD WESTLAKE VILLAGE, CA 91361				CALO

## Signatures

/s/ Derek W. Stark, attorney-in-fact for Mr.  
Grogin

04/05/2017

\_\_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) Shares of Class A Common Stock acquired pursuant to the payout of a performance-based restricted stock unit granted to the Reporting Person on February 26, 2014.
  - (2) The reported amount consists of 9,002 restricted stock units and 10,162 shares of Class A Common Stock. The restricted stock units are to be settled in an equal number of shares of Class A Common Stock upon vesting.  
  
This award vested on April 3, 2017 and the payout of shares of Class A Common Stock pursuant to the award was determined based on the Issuer's total stockholder return (TSR) (50% of the award) and earnings per share (EPS) (50% of the award) for the period of January 1, 2014 through December 31, 2016 as measured against the target performance goals set by the Compensation Committee of the Board of Directors when the award was granted in 2014. The payout percentages for the TSR and EPS portions of the award were 0% and 89.9%, respectively.
  - (3) Pursuant to the terms of an exchange agreement, Class A Units of Private National Mortgage Acceptance Company, LLC are exchangeable for shares of Class A Common Stock of the Issuer on a one-for-one basis, subject to customary conversion rate adjustments.
  - (4) This nonstatutory stock option to purchase 15,882 shares of Class A Common Stock of the Issuer will vest as to one-third of the optioned shares on each of June 13, 2014, 2015 and 2016, subject to the Reporting Person's continued service through each date.
  - (5) This nonstatutory stock option to purchase 28,216 shares of Class A Common Stock of the Issuer will vest as to one-third of the optioned shares on each of February 26, 2015, 2016 and 2017, subject to the Reporting Person's continued service through each date.
  - (6) This nonstatutory stock option to purchase 23,829 shares of Class A Common Stock of the Issuer will vest as to one-third of the optioned shares on each of March 3, 2016, 2017 and 2018, subject to the Reporting Person's committed service through each date.
  - (7) This nonstatutory stock option to purchase 27,771 shares of Class A Common Stock of the Issuer will vest as to one-third of the optioned shares on each of March 7, 2017, 2018 and 2019, subject to the Reporting Person's committed service through each date.
  - (8) This nonstatutory stock option to purchase 22,506 shares of Class A Common Stock of the Issuer will vest as to one-third of the optioned shares on each of March 6, 2018, 2019 and 2020, subject to the Reporting Person's committed service through each date.
  - (9)

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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