

KURLAND STANFORD L
Form 4
April 04, 2018

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
Estimated average burden hours per response... 0.5

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 *
KURLAND STANFORD L

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)
04/02/2018

Director 10% Owner
 Officer (give title below) Other (specify below)
Executive Chairman

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	04/02/2018		M		205,881 (1)	A	\$ 0	205,881	D

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Edgar Filing: KURLAND STANFORD L - Form 4

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. Un
				Code V	(A) (D)	Date Exercisable Expiration Date	Tit
Performance-Based Restricted Stock Units	\$ 0 ⁽¹⁾	04/02/2018		A	205,881	<u>(1)</u> <u>(1)</u>	C
Performance-Based Restricted Stock Units	\$ 0 ⁽¹⁾	04/02/2018		M	205,881	<u>(1)</u> <u>(1)</u>	C
Cl A Units of Private Nat'l Mortgage Acceptance Company, LLC ⁽²⁾	<u>(2)</u>					<u>(2)</u> <u>(2)</u>	C
Cl A Units of Private Nat'l Mortgage Acceptance Company, LLC ⁽²⁾	<u>(2)</u>					<u>(2)</u> <u>(2)</u>	C
Nonstatutory Stock Option (Right to Buy)	\$ 21.03					06/13/2014 06/12/2023	C
Nonstatutory Stock Option (Right to Buy)	\$ 17.26					02/26/2015 02/25/2024	C
Nonstatutory Stock Option (Right to Buy)	\$ 17.52					03/03/2016 03/02/2025	C
Nonstatutory Stock Option (Right to Buy)	\$ 11.28					03/07/2017 03/06/2026	C
Nonstatutory Stock Option (Right to Buy)	\$ 18.05					03/06/2018 03/05/2027	C
Nonstatutory Stock Option (Right to Buy)	\$ 24.4					03/09/2019 03/08/2028	C

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KURLAND STANFORD L C/O PENNYMAC FINANCIAL SERVICES, INC. 3043 TOWNSGATE ROAD WESTLAKE VILLAGE, CA 91361	X		Executive Chairman	

Signatures

/s/ Jeffrey P. Grogin, attorney-in-fact for Mr. Kurland	04/04/2018
**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) This performance-based restricted stock unit (PSU) award was granted to the Reporting Person on March 3, 2015 and vested on April 2, 2018, as determined by the Compensation Committee of the Board of Directors. The payout of shares of Class A Common Stock pursuant to the PSU award was determined based on the Issuer's earnings per share (EPS) of \$9.14, return on equity (ROE) of 25% and individual effectiveness of the Reporting Person for the period January 1, 2015 through December 31, 2017, as measured against the target performance goals set by the Compensation Committee at the time of grant. The payout percentages for the PSU award based on target achievement was 120% for EPS and 92.43% for ROE.

(2) 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 PennyMac Financial Services, Inc. on a one-for-one basis, subject to customary conversion rate adjustments, from and after the closing of PennyMac Financial Services, Inc.'s initial public offering.

(3) These securities are held by Kurland Family Investments, LLC, of which Mr. Kurland is the sole manager. Mr. Kurland disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein, and the inclusion of these shares in this report shall not be deemed an admission of beneficial ownership of all of the reported shares for purposes of Section 16 or for any other purpose.

(4) This nonstatutory stock option to purchase 107,656 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 191,098 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 161,529 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 continued service through each date.

(7) This nonstatutory stock option to purchase 188,086 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 138,504 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) This nonstatutory stock option to purchase 102,459 shares of Class A Common Stock of the Issuer will vest as to one-third of the optioned shares on each of March 9, 2019, 2020 and 2021, subject to the Reporting Person's committed service through each date.

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.