

PROOFPOINT INC  
Form 4  
May 03, 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 \*  
Auvil Paul R. III

(Last) (First) (Middle)

C/O PROOFPOINT, INC., 892  
ROSS DRIVE

(Street)

SUNNYVALE, CA 94089

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
PROOFPOINT INC [PFPT]

3. Date of Earliest Transaction  
(Month/Day/Year)  
05/01/2017

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  |                                | (A) or (D)  | Price   |  |   |
| Common Stock                    | 05/01/2017                           |  | M <sup>(1)</sup>               | V   | 5,500   | A \$ 0   | 95,958 D  |
| Common Stock                    | 05/01/2017                           |  | M <sup>(1)</sup>               | V   | 2,500   | A \$ 0   | 98,458 D  |
| Common Stock                    | 05/01/2017                           |  | M <sup>(1)</sup>               | V   | 2,500   | A \$ 0   | 100,958 D   |
| Common Stock                    | 05/01/2017                           |  | F <sup>(2)</sup>               | D   | 5,480   | \$ 75.76   | 95,478 D  |
| Common Stock                    |                                      |  |                                |   |   |  | 446,398 <sup>(3)</sup> I By family trust              |

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

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(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 and Amount of Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
|  |  |                                      |  | Code V                         | (A) (D)   | Date Exercisable Expiration Date                         | Title   |                            |
| Restricted Stock Units                     | \$ 0 <sup>(4)</sup>                                    | 05/01/2017                           |  | A                              | 11,000 <sup>(5)</sup>   | <sup>(6)</sup> <sup>(6)</sup>                            | Common Stock  | 11,000                     |
| Restricted Stock Units                     | \$ 0 <sup>(4)</sup>                                    | 05/01/2017                           |  | A                              | 8,000 <sup>(5)</sup>  | <sup>(7)</sup> <sup>(7)</sup>                            | Common Stock  | 8,000                      |
| Restricted Stock Units                     | \$ 0 <sup>(4)</sup>                                    | 05/01/2017                           |  | A                              | 8,000 <sup>(5)</sup>  | <sup>(7)</sup> <sup>(7)</sup>                            | Common Stock  | 8,000                      |
| Restricted Stock Units                     | \$ 0 <sup>(4)</sup>                                    | 05/01/2017                           |  | M <sup>(1)</sup>               |   | <sup>(6)</sup> <sup>(6)</sup>                            | Common Stock  | 5,500                      |
| Restricted Stock Units                     | \$ 0 <sup>(4)</sup>                                    | 05/01/2017                           |  | M <sup>(1)</sup>               |   | <sup>(7)</sup> <sup>(7)</sup>                            | Common Stock  | 2,500                      |
| Restricted Stock Units                     | \$ 0 <sup>(4)</sup>                                    | 05/01/2017                           |  | M <sup>(1)</sup>               |   | <sup>(7)</sup> <sup>(7)</sup>                            | Common Stock  | 2,500                      |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                         |       |
|--|---------------|-----------|-------------------------|-------|
|  | Director      | 10% Owner | Officer                 | Other |
| Auvil Paul R. III<br>C/O PROOFPOINT, INC.<br>892 ROSS DRIVE<br>SUNNYVALE, CA 94089 |               |           | Chief Financial Officer |       |

## Signatures

/s/ Paul R. Auvil III by Michael Yang,  
Attorney-In-Fact

05/03/2017

\_\_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) Vesting of performance-based RSUs ("PRSUs") earned by the Reporting Person on May 1, 2017 as a result of the Reporting Person having met certain performance criteria.  

Exempt transaction pursuant to Section 16b-3(e) - payment of exercise price or tax liability by delivering or withholding securities incident to the receipt, exercise or vesting of a security issued in accordance with Rule 16b-3. All of the shares reported as disposed of in this Form 4 were relinquished by the Reporting Person and cancelled by the Issuer in exchange for the Issuer's agreement to pay federal and state tax withholding obligations of the Reporting Person resulting from the vesting of RSUs or PRSUs. The Reporting Person did not sell or otherwise dispose of any of the shares reported on this Form 4 for any reason other than to cover required taxes.
- (2) These shares were transferred by the Reporting Person to his family trust in February 2017 and were erroneously reported as directly-owned in Form 4 filings following such transfer.
- (3) Each RSU represents a contingent right to receive 1 share of the Issuer's Common Stock upon settlement for no consideration.
- (4) Represents PRSUs earned by the Reporting Person on May 1, 2017 as a result of the Reporting Person having met certain performance criteria.  

The RSUs vest as to 1/2 of the total number of shares on May 1, 2017 and thereafter will vest as to 1/4th of the total number of shares in equal annual installments beginning on March 24, 2018. Shares of the Issuer's common stock will be delivered to the Reporting Person following vesting.
- (5) The RSUs vest as to 5/16th of the total number of shares on May 1, 2017; 3/16th of the total number of shares on March 29, 2018; and thereafter will vest as to 1/4th of the total number of shares in equal annual installments beginning on March 29, 2019. Shares of the Issuer's common stock will be delivered to the Reporting Person following vesting.
- (6) The RSUs vest as to 5/16th of the total number of shares on May 1, 2017; 3/16th of the total number of shares on March 29, 2018; and thereafter will vest as to 1/4th of the total number of shares in equal annual installments beginning on March 29, 2019. Shares of the Issuer's common stock will be delivered to the Reporting Person following vesting.

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.