

PARAMETRIC TECHNOLOGY CORP
 Form 4
 November 02, 2011

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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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 *
HEPPELMANN JAMES E

2. Issuer Name and Ticker or Trading Symbol
PARAMETRIC TECHNOLOGY CORP [PMTC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
140 KENDRICK STREET
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
11/01/2011

Director 10% Owner
 Officer (give title below) Other (specify below)
President and CEO

NEEDHAM, MA 02494

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

(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 Indirect Beneficial Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	11/01/2011		M	79,999 A \$ 8.5	308,562	D	
Common Stock	11/01/2011		S	89,999 (1) D \$ 20.0915 (2)	218,563	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 and Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Employee Stock Option (right to buy)	\$ 8.5	11/01/2011		M	79,999	05/30/2003 ⁽⁴⁾	05/30/2012	Common Stock
Restricted Stock Units	⁽³⁾	11/01/2011		A	86,945	⁽⁵⁾	⁽⁵⁾	Common Stock
Restricted Stock Units	⁽³⁾	11/01/2011		A	86,945	⁽⁶⁾	⁽⁶⁾	Common Stock
Restricted Stock Units	⁽³⁾	11/01/2011		A	86,945	⁽⁷⁾	⁽⁷⁾	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HEPPELMANN JAMES E 140 KENDRICK STREET NEEDHAM, MA 02494	X		President and CEO	

Signatures

Catherine Gorecki by power of attorney filed 11/2/2007 11/02/2011

 **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 sold pursuant to a pre-established 10b5-1(c) trading plan.

This transaction was executed in multiple trades at prices ranging from \$19.75 to \$20.55. The price reported above reflects the weighted average sale price. The reporting person hereby undertakes to provide upon request to the SEC staff, the issuer or a security holder of the issuer full information regarding the number of shares and prices at which the transaction was effected.

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- (3) Each restricted stock unit represents a contingent right to receive one share of Parametric Technology Corporation common stock.
- (4) The option became exercisable as to 40,000 shares on each of May 30, 2003, May 30, 2004 and May 30, 2005 and as to an additional 39,999 shares on May 30, 2006.
- (5) Performance-based restricted stock units subject to subsequent time-based restrictions. The restricted stock units will be earned only to the extent the established performance criteria are met. The restricted stock units finally earned will vest as to one-third of such units on each of (i) the latter of November 15, 2012 or the date the Compensation Committee determines the performance criteria have been achieved, (ii) November 15, 2013 and (iii) November 15, 2014.
- (6) Performance-based restricted stock units that may be earned only to the extent the established performance criteria are met. Vesting of up to half of these restricted stock units will occur on the later of November 15, 2013 and the date the Compensation Committee determines the extent to which the performance criteria have been achieved, and vesting of up to the remaining half of these restricted stock units, plus any unearned in the first period, will occur on the later of November 15, 2014 and the date the Compensation Committee determines the extent to which the performance criteria have been achieved, in each case only if and to the extent the applicable performance criteria have been achieved.
- (7) Time-based restricted stock units that vest in three substantially equal increments on each of November 15, 2012, November 15, 2013, and November 15, 2014.
- (8) This amount represents the total number of derivative securities beneficially owned of the class shown.

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.