

# PROOFPOINT INC

Reported by  
**NEWELL TRACEY**

## FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 05/03/17 for the Period Ending 05/01/17

Address 892 ROSS DRIVE  
SUNNYVALE, CA 94089  
Telephone 408-517-4710  
CIK 0001212458  
Symbol PFPT  
SIC Code 7374 - Computer Processing and Data Preparation and Processing Services  
Industry IT Services & Consulting  
Sector Technology  
Fiscal Year 12/31

# FORM 4

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

OMB APPROVAL  
OMB Number: 3235-0287  
Estimated average burden  
hours per response... 0.5

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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 or  
Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person *			2. Issuer Name and Ticker or Trading Symbol			5. Relationship of Reporting Person(s) to Issuer (Check all applicable)		
Newell Tracey			PROOFPOINT INC [ PFPT ]			<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) <b>EVP, Worldwide Sales</b>		
(Last) (First) (Middle)			3. Date of Earliest Transaction (MM/DD/YYYY)					
C/O PROOFPOINT, INC., 892 ROSS DRIVE			5/1/2017					
(Street)			4. If Amendment, Date Original Filed (MM/DD/YYYY)			6. Individual or Joint/Group Filing (Check Applicable Line)		
SUNNYVALE, CA 94089						<input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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. Trans. Date	3A. Deemed Execution Date, if any	3. Trans. 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	5/1/2017		M (1)		3500	A	\$0	21846	D	
Common Stock	5/1/2017		M (1)		1250	A	\$0	23096	D	
Common Stock	5/1/2017		M (1)		1250	A	\$0	24346	D	
Common Stock	5/1/2017		F (2)		3133	D	\$75.76	21213	D	

**Table II - Derivative Securities Beneficially Owned ( e.g. , puts, calls, warrants, options, convertible securities)**

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. 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		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Restricted Stock Units	\$0 (3)	5/1/2017		A		7000 (4)		(5)	(5)	Common Stock	7000	\$0	7000	D	
Restricted Stock Units	\$0 (3)	5/1/2017		A		4000 (4)		(6)	(6)	Common Stock	4000	\$0	4000	D	
Restricted Stock Units	\$0 (3)	5/1/2017		A		4000 (4)		(6)	(6)	Common Stock	4000	\$0	4000	D	
Restricted Stock Units	\$0 (3)	5/1/2017		M (1)			3500	(5)	(5)	Common Stock	3500	\$0	3500	D	
Restricted Stock Units	\$0 (3)	5/1/2017		M (1)			1250	(6)	(6)	Common Stock	1250	\$0	2750	D	
Restricted Stock Units	\$0 (3)	5/1/2017		M (1)			1250	(6)	(6)	Common Stock	1250	\$0	2750	D	

### Explanation of Responses:

- (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.
- (2) 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.
- (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.
- (5) 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.
- (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.

**Reporting Owners**

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Newell Tracey C/O PROOFPOINT, INC. 892 ROSS DRIVE SUNNYVALE, CA 94089			EVP, Worldwide Sales	

**Signatures**

/s/ Tracey Newell by Michael Yang, Attorney-in-Fact

5/3/2017

\*\*Signature of Reporting Person

Date

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

\* 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).

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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