

PARAMETRIC TECHNOLOGY CORP
 Form 4
 November 07, 2012

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 *
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)
 11/05/2012

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 or Price		
Common Stock	11/05/2012		M		30,000 (1)	A	\$ 11.475 307,508 D
Common Stock	11/05/2012		S		40,000 (1)	D	\$ 20.9676 267,508 D (2)

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 Amount of Underlying Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title
Employee Stock Option	\$ 11.475	11/05/2012		M	30,000 (1)	(3) 03/03/2014	Common Stock 30
Restricted Stock Units	(4)	11/05/2012		A	90,391	(5) (5)	Common Stock 90
Restricted Stock Units	(4)	11/05/2012		A	135,587	(6) (6)	Common Stock 135

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 11/07/2012
11/2/2007

**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) Options exercised and shares sold pursuant to a pre-established Rule 10b5-1(c) trading plan.

This transaction was executed in multiple trades at prices ranging from \$20.765 to \$21.19. The price reported above reflects the weighted average purchase 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.

(3) The options became exercisable as to 30,000 shares on each of March 3, 2005, 2006, 2007 and 29,999 shares on March 3, 2008.

(4) Each restricted stock unit represents a contingent right to each of one share of Parametric Technology Corporation common stock.

(5) Performance-based restricted stock units that will be earned only to the extent the established performance criteria for each of the three performance periods are met. The restricted stock units earned will vest as to (i) up to one-third of the units awarded on the later of November 15, 2013 and the date the Compensation Committee determines the performance criteria have been achieved, (ii) up to a total of two-thirds of the units awarded on the later of November 15, 2014 and the date the Compensation Committee determines the

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performance criteria have been achieved, and (iii) up to all of the units awarded on the later of November 15, 2015 and the date the Compensation Committee determines the performance criteria have been achieved.

- (6) Time-based restricted stock units that vest in three substantially equal increments on each of November 15, 2013, November 15, 2014 and November 15, 2015.
- (7) 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.

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