

PENNYMAC FINANCIAL SERVICES, INC.

Form 4

September 21, 2016

**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 \*  
Walker David M

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)  
09/19/2016

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

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 Indirect Beneficial Ownership (Instr. 4)     |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Class A Common Stock            | 09/19/2016                           |  | M                              | 5,000 A   | \$ 0 <sup>(1)</sup> 5,030   | I  | The Walker Trust 2002 Dated February 13, 2002, As Amended |
| Class A Common                  | 09/19/2016                           |  | S                              | 5,000 <sup>(2)</sup> D  | \$ 17.6931 30   | I  | The Walker  |

|                            |            |  |   |                            |            |                                    |       |   |   |
|----------------------------|------------|--|---|----------------------------|------------|------------------------------------|-------|---|---|
| Stock                      |            |  |   |                            | <u>(3)</u> |                                    |       |   | Trust 2002<br>Dated<br>February<br>13, 2002,<br>As<br>Amended<br><br>The<br>Walker<br>Trust 2002<br>Dated<br>February<br>13, 2002,<br>As<br>Amended<br><br>The<br>Walker<br>Trust 2002<br>Dated<br>February<br>13, 2002,<br>As<br>Amended |
| Class A<br>Common<br>Stock | 09/20/2016 |  | M | 5,000                      | A          | \$ 0 <u>(1)</u>                    | 5,030 | I |   |
| Class A<br>Common<br>Stock | 09/20/2016 |  | S | <u>5,000</u><br><u>(2)</u> | D          | \$<br><u>17.8543</u><br><u>(4)</u> | 30    | I |   |

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) |                      |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------|----------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                | Amount or Number of Shares |
| CI A Units of Private Nat'l Mortgage Acceptance Company, | <u>(1)</u>   | 09/19/2016                           |  | M                              | 5,000   | <u>(1)</u>   | <u>(1)</u>  | Class A Common Stock | 5,000                      |

LLC

| Entity / Instrument   | Quantity   | Acquisition Date | Category | Value | Notes      | Expiration            | Class                | Shares                |
|---|------------|------------------|----------|-------|------------|-----------------------|----------------------|-----------------------|
| Class A Units of Private Nat'l Mortgage Acceptance Company, LLC | <u>(1)</u> | 09/20/2016       | M        | 5,000 | <u>(1)</u> | <u>(1)</u>            | Class A Common Stock | 5,000                 |
| Nonstatutory Stock Option (Right to Buy)                        | \$ 21.03   |                  |          |       |            | 06/13/2014 06/12/2023 | Class A Common Stock | 15,885 <sup>(5)</sup> |
| Nonstatutory Stock Option (Right to Buy)                        | \$ 17.26   |                  |          |       |            | 02/26/2015 02/25/2024 | Class A Common Stock | 28,216 <sup>(6)</sup> |
| Nonstatutory Stock Option (Right to Buy)                        | \$ 17.52   |                  |          |       |            | 03/03/2016 03/02/2025 | Class A Common Stock | 23,827 <sup>(7)</sup> |
| Nonstatutory Stock Option (Right to Buy)                        | \$ 11.28   |                  |          |       |            | 03/07/2017 03/06/2026 | Class A Common Stock | 27,778 <sup>(8)</sup> |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                    |       |
|--|---------------|-----------|--------------------|-------|
|  | Director      | 10% Owner | Officer            | Other |
| Walker David M<br>C/O PENNYMAC FINANCIAL SERVICES, INC.<br>3043 TOWNSGATE ROAD<br>WESTLAKE VILLAGE, CA 91361 |               |           | Chief Risk Officer |       |

## Signatures

|   |            |
|---|------------|
| /s/ Derek W. Stark, attorney-in-fact for Mr. Walker | 09/21/2016 |
|---|------------|

        \*\*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).

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 the Issuer on a one-for-one basis, subject to customary conversion rate adjustments.

(1) These shares of Class A Common Stock were sold pursuant to a 10b5-1 plan.

The price reported is the weighted average price of multiple transactions ranging from \$17.53 to \$17.84. The reporting person hereby undertakes to provide upon request to the SEC, the Issuer or a security holder of the Issuer the number of common shares of Class A Common Stock and the prices at which the transactions were effected.

The price reported is the weighted average price of multiple transactions ranging from \$17.71 to \$18.03. The reporting person hereby undertakes to provide upon request to the SEC, the Issuer or a security holder of the Issuer the number of common shares of Class A Common Stock and the prices at which the transactions were effected.

(5) This nonstatutory stock option to purchase 15,882 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.

(6) This nonstatutory stock option to purchase 28,216 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.

(7) This nonstatutory stock option to purchase 23,829 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 committed service through each date.

(8) This nonstatutory stock option to purchase 27,771 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.

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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