

Fartaj Vandad  
 Form 5  
 February 14, 2018

**FORM 5**

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

OMB APPROVAL

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 Form 3 Holdings Reported Form 4 Transactions Reported

**ANNUAL 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

1. Name and Address of Reporting Person \*  
 Fartaj Vandad

(Last) (First) (Middle)

C/O PENNYMAC FINANCIAL SERVICES, INC., 3043 TOWNSGATE ROAD

(Street)

WESTLAKE VILLAGE, CA 91361

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
 PENNYMAC FINANCIAL SERVICES, INC. [PFSI]

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)  
 12/31/2017

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 Capital Markets Officer

6. Individual or Joint/Group Reporting

(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 at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|--|--|-----------------------------------|
| Class A Common Stock            |                                      |  |                                | (A) or (D) Price  | 16,161 (1)   | D  |                                   |

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

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SEC 2270 (9-02)

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**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 Underlying (Instr. 3) |
|--|--|--------------------------------------|--|--------------------------------|---|---------|--|-----------------|--------------------------------|
|  |  |                                      |  |                                | (A)   | (D)     | Date Exercisable   | Expiration Date |                                |
| CI A Units of Private Nat'l Mortgage Acceptance Company, LLC | Â  | 10/27/2017                           | Â  | G                              | Â   | 845,254 | Â (2)  | Â (2)           | Class Comm Stock               |
| CI A Units of Private Nat'l Mortgage Acceptance Company, LLC | Â  | 10/27/2017                           | Â  | G                              | 845,254   | Â       | Â (2)  | Â (2)           | Class Comm Stock               |
| Nonstatutory Stock Option (Right to Buy)                     | \$ 21.03   | Â                                    | Â  | Â                              | Â   | Â       | 06/13/2014   | 06/12/2023      | Class Comm Stock               |
| Nonstatutory Stock Option (Right to Buy)                     | \$ 17.26   | Â                                    | Â  | Â                              | Â   | Â       | 02/26/2015   | 02/25/2024      | Class Comm Stock               |
| Nonstatutory Stock Option (Right to Buy)                     | \$ 17.52   | Â                                    | Â  | Â                              | Â   | Â       | 03/03/2016   | 03/02/2025      | Class Comm Stock               |
| Nonstatutory Stock Option (Right to Buy)                     | \$ 11.28   | Â                                    | Â  | Â                              | Â   | Â       | 03/07/2017   | 03/06/2026      | Class Comm Stock               |
| Nonstatutory Stock Option (Right to Buy)                     | \$ 18.05   | Â                                    | Â  | Â                              | Â   | Â       | 03/06/2018   | 03/05/2027      | Class Comm Stock               |

# Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                                 |       |
|---|---------------|-----------|---------------------------------|-------|
|   | Director      | 10% Owner | Officer                         | Other |
| Fartaj Vandad<br>C/O PENNYMAC FINANCIAL SERVICES, INC.<br>3043 TOWNSGATE ROAD<br>WESTLAKE VILLAGE, CA 91361 | ^             | ^         | ^ Chief Capital Markets Officer | ^     |

# Signatures

/s/ Derek W. Stark, attorney-in-fact for Mr. Fartaj 02/14/2018

\_\_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) The reported amount consists of 11,080 restricted stock units and 5,081 shares of Class A Common Stock. The restricted stock units are to be settled in an equal number of shares of Class A Common Stock upon vesting.  
Pursuant to the terms of an exchange agreement, Class A Units of Private National Mortgage Acceptance Company, LLC are
- (2) exchangeable for shares of Class A Common Stock of the Issuer on a one-for-one basis, subject to customary conversion rate adjustments.
- (3) 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.
- (4) 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.
- (5) 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.
- (6) 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.
- (7) This nonstatutory stock option to purchase 27,700 shares of Class A Common Stock of the Issuer will vest as to one-third of the optioned shares on each of March 6, 2018, 2019 and 2020, 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 provided 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.