

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

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): October 10, 2016**

**Progress Software Corporation**

**(Exact name of registrant as specified in its charter)**

**Commission file number: 0-19417**

**Delaware**  
**(State or other jurisdiction of  
incorporation or organization)**

**04-2746201**  
**(I.R.S. employer  
identification no.)**

**14 Oak Park**  
**Bedford, Massachusetts 01730**  
**(Address of principal executive offices, including zip code)**

**(781) 280-4000**  
**(Registrant's telephone number, including area code)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On October 10, 2016, Progress Software Corporation (“PSC”) issued a press release announcing the appointment of Yogesh K. Gupta, as President and Chief Executive Officer, effective October 10, 2016. Mr. Gupta replaced Philip M. Pead, who retired as President and Chief Executive Officer. As of October 10, 2016, Mr. Gupta was also elected to serve on PSC’s Board of Directors for a term expiring at the annual meeting of stockholders in 2017.

Prior to joining PSC, Mr. Gupta, age 56, served as an advisor to various venture capital and private equity firms from October 2015 until September 2016. Prior to that time, Mr. Gupta was President and Chief Executive Officer at Kaseya, Inc., from June 2013 until July 2015, at which time, Mr. Gupta became Chairman of the Board of Directors, a position he held until October 2015. From July 2012 until June 2013, Mr. Gupta served as an advisor to various venture capital and private equity firms in several mergers and acquisitions opportunities. Mr. Gupta was previously President and Chief Executive Officer of FatWire Software from July 2007 until February 2012, following the acquisition of FatWire Software by Oracle Corporation. Mr. Gupta previously held several executive-level positions at CA Technologies, with whom he was employed from 1989 until July 2007, including Chief Technology Strategist and Chief Technology Officer.

Mr. Pead’s employment with PSC will terminate on October 14, 2016. Mr. Pead’s decision to retire is not based on any disagreement or any matter relating to PSC’s operations, policies or practices. Mr. Pead will continue to serve on PSC’s Board of Directors.

*Mr. Gupta’s Employment Agreement*

In connection with his appointment as PSC’s President and Chief Executive Officer, Mr. Gupta has entered into an employment agreement with PSC, effective as of October 10, 2016, setting forth Mr. Gupta’s compensation and certain other terms. Pursuant to this employment agreement, Mr. Gupta will be paid a base salary of \$575,000 per year and he will be eligible to participate in our Corporate Bonus Plan at an aggregate annual target rate of 100% of his base salary.

Mr. Gupta’s employment agreement also provides that Mr. Gupta is to receive a new hire equity award consisting of the three elements described below.

First, Mr. Gupta is to receive an annual equity award with a value of \$1,250,000, with 30% of this annual equity award consisting of restricted stock units (“RSUs”), and 70% of this award consisting of performance share units (“PSUs”). The PSUs are to be awarded in January 2017 based upon the achievement of one-year fiscal year 2017 measurement targets applicable to the FY17 annual equity compensation to executive officers. Subject to continued employment, the RSUs will vest in equal installments semi-annually over three years, with the first such vest to occur on October 1, 2017 and the remaining installments vesting every six months thereafter. The PSU targets will be determined by the Compensation Committee of the Board of Directors at the time of grant. Upon determination of the PSUs earned, if any, and subject to continued employment, the PSUs will convert to RSUs, with one-third of the RSUs vesting on April 1, 2018 and the remainder vesting every six months over the next two years.

Second, Mr. Gupta is to receive a special RSU award with a value of \$2,500,000 (the “Special RSU Award”). The Special RSU Award will vest as follows: 25% on October 10, 2017, 25% on October 10, 2018, and 50% on October 10, 2019, subject, in each case, to continued employment.

Third, Mr. Gupta is to be added as a participant under PSC’s Long Term Incentive Plan (“LTIP”) applicable to executive officers. Mr. Gupta is to receive a PSU award under the LTIP with respect to fiscal year 2016 with a value as of the grant date of two times his base salary, or \$1,150,000 (the “LTIP Award”). The LTIP Award will be earned based on PSC’s relative total shareholder return over a three-year performance period ending on November 30, 2018. In the event that a change in control of PSC occurs, Mr. Gupta will be deemed to have earned at least 100% of the LTIP Award under the LTIP with respect to fiscal year 2016.

Mr. Gupta will be eligible for additional future equity awards as customarily granted to executive officers beginning in fiscal year 2018, except that Mr. Gupta is eligible to receive an LTIP Award applicable to fiscal year 2017 on the same basis as other PSC executive officers.

Mr. Gupta’s employment agreement also provides that in the event that his employment is terminated as a result of an “Involuntary Termination” (as defined below), he will be eligible to receive the following severance and other benefits: (a)

the payment of cash severance equal to eighteen (18) months of total target cash compensation as of the date of termination, which will be paid over eighteen (18) months, (b) the continuation, for a period of eighteen (18) months, of benefits that are substantially equivalent to the benefits (medical, dental, vision and life insurance) that were in effect immediately prior to termination, and (c) eighteen (18) months of acceleration of unvested stock options and RSUs. No PSUs (including PSUs relating to performance in the fiscal year in which the termination occurs and under the LTIP), and no other RSUs (except those described above), will vest or be accelerated.

Receipt of the severance and benefits is subject to the execution of a standard separation and release agreement. Separation payments upon any Involuntary Termination of Mr. Gupta's employment within twenty-four months following a change in control would be governed by an Employee Retention and Motivation Agreement to be entered into by Mr. Gupta (described below) and not by Mr. Gupta's employment agreement.

An "Involuntary Termination" is defined in the employment agreement as a termination of employment by PSC other than for "Cause" (as defined in the employment agreement), disability or death or a termination by Mr. Gupta as a result of certain events occurring without his consent such as an assignment to him of duties, a significant reduction of his duties, either of which is materially inconsistent with his position prior to the assignment or reduction, or the removal of Mr. Gupta from such position, a material reduction in Mr. Gupta's base salary or target bonus, a relocation of Mr. Gupta to a facility or location more than fifty miles from his then present location or a material breach of the employment agreement by the PSC.

The standard separation and release agreement will also include non-competition and related covenants. The non-competition covenant will be in effect for the duration of the period in which severance and other benefits are paid. The non-competition covenant relates to certain businesses with similar product areas and activities as PSC.

#### *Mr. Gupta's Employee Retention and Motivation Agreement*

PSC and Mr. Gupta have also entered into an Employee Retention and Motivation Agreement ("ERMA"), which provides certain compensation and benefits if his employment is involuntarily terminated within twenty-four (24) months of a change in control of PSC. If an Involuntary Termination of Mr. Gupta's employment occurs other than within twenty (24) months of a change in control, the severance terms of his employment agreement, as described above, would control and not the ERMA. Any successor to PSC following a change in control (whether by merger, stock purchase or otherwise) must assume the obligations under the ERMA.

#### Benefits upon change in control

Under the ERMA, upon a change in control of PSC, Mr. Gupta's annual cash bonus award would be fixed and guaranteed at his target level. Payment of this bonus will immediately occur on a pro-rata basis with respect to the elapsed part of the relevant fiscal year.

The ERMA also provides that upon a change in control, all outstanding unvested options and restricted equity held by Mr. Gupta would fully accelerate, unless the acquirer assumes all such options and restricted equity. If such outstanding stock options and shares of restricted equity held by Mr. Gupta are continued by PSC or assumed by its successor entity, then vesting will continue in its usual course. As described above, in the event that a change in control of PSC occurs, Mr. Gupta will be deemed to have earned at least 100% of the LTIP Award under the LTIP with respect to fiscal year 2016.

#### Benefits upon Involuntary Termination within 24 months of change in control

In the event of an "Involuntary Termination" of Mr. Gupta's employment within twenty-four (24) months following a change in control, all remaining outstanding options and restricted equity held by Mr. Gupta would automatically become vested, Mr. Gupta would be entitled to receive a lump sum payment equal to twenty-four (24) months of his total target compensation, and his benefits (medical, dental, vision and life insurance) would continue for twenty-four months. The definition of "Involuntary Termination" in the ERMA is substantially identical to the definition included in Mr. Gupta's employment agreement, and described above.

In the event that any amounts provided for under his ERMA or otherwise payable to Mr. Gupta would constitute "parachute payments" within the meaning of Section 280G of the Internal Revenue Code and be subject to the related excise tax, Mr. Gupta would be entitled to receive either full payment of the benefits under the agreement or such lesser amount which would result in no portion of the benefits being subject to the excise tax, whichever results in the greatest amount of after-tax benefits to Mr. Gupta.

Mr. Gupta's employment agreement and the ERMA were approved by the Board of Directors upon the recommendation of the Compensation Committee of the Board of Directors and following consultation with the Compensation Committee's independent compensation consultant. The preceding description of Mr. Gupta's employment agreement and ERMA is qualified in its entirety by reference to the full text of the employment agreement and ERMA filed as Exhibits 10.1 and 10.2, respectively, to this Form 8-K and incorporated herein by reference.

Except as described above, there are no arrangements or understandings between Mr. Gupta and any other person pursuant to which he was appointed to his new position. There are no family relationships between Mr. Gupta and any of PSC's directors or executive officers, nor is PSC aware, after inquiry of Mr. Gupta, of any related-person transaction or series of transactions required to be disclosed under the rules of the Securities and Exchange Commission.

**Item 7.01 Regulation FD Disclosure.**

On October 10, 2016, PSC issued a press release announcing Mr. Gupta's appointment as President and Chief Executive Officer, a copy of which is furnished as Exhibit 99.1.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Employment Agreement, dated October 10, 2016, by and between Progress Software Corporation and Yogesh Gupta
10.2	Employee Retention and Motivation Agreement, dated as of October 10, 2016, by and between Progress Software Corporation and Yogesh Gupta
99.1	Press release issued by Progress Software Corporation, dated October 10, 2016

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 14, 2016

Progress Software Corporation

By: /s/ Stephen H. Faberman

Stephen H. Faberman

Chief Legal Officer

## EXECUTIVE EMPLOYMENT AGREEMENT

**THIS EXECUTIVE EMPLOYMENT AGREEMENT** (this "Agreement") is made as of the 10th day of October 2016, between Progress Software Corporation, a Delaware corporation (the "Company") and Yogesh K. Gupta, an individual residing at 401 Beacon Street, Boston, Massachusetts (the "Executive").

### RECITALS

A. The Board of Directors of the Company (the "Board") has determined that it is in the best interest of the Company and its stockholders for the Executive to become President and Chief Executive Officer, and the Executive has agreed to do so.

B. The Board has determined that it is in the best interest of the Company and its stockholders to enter into this Agreement setting forth the terms and conditions of Executive's employment with the Company as President and Chief Executive Officer.

C. Executive accepts the terms of the Agreement.

D. Certain capitalized terms used in this Agreement are defined in Section 9 below.

In consideration of the mutual covenants herein contained and in consideration of the continuing employment of Executive by the Company, the parties agree as follows:

1. Duties and Scope of Employment.

(a) Position and Duties. Effective October 10, 2016 (the "Commencement Date"), the Company will employ Executive as President and Chief Executive Officer of the Company, reporting directly to the Board. Executive will render such business and professional services in the performance of his duties commensurate with his title and position, as are reasonably assigned to him by the Board. The period of Executive's employment under this Agreement is referred to herein as the "Employment Period."

(b) Board Membership. As of the Commencement Date, Executive will be appointed to the Board for a term expiring at the annual meeting held in 2017. During the Employment Period, Executive will be considered as a candidate for re-election at each annual meeting of the Company's stockholders.

(c) Obligations. During the Employment Period, Executive will devote Executive's full business time and best efforts to the business of the Company. Executive will at all times comply with the Company's Code of Conduct and Business Ethics. During the Employment Period, Executive will not engage in any employment, occupation, consulting or other similar activity without the Board's prior written consent; provided, however, that Executive may (i) serve in any capacity (consistent with position and duties) with any professional, community, industry, civic (including governmental boards), educational, charitable, or other non-profit organization, (ii) serve on any for-profit entity board, with the Board's prior written consent, and (iii) subject to the Company's Code of Conduct and Business Ethics, make investments in other businesses and manage Executive's and Executive's family's personal investments and legal affairs; provided that any such activities described in clauses (i)-(iii) above do not interfere with the performance of Executive's duties for the Company and do not otherwise violate this Agreement or any other written agreement between the Company and Executive.

2. At-Will Employment. Executive and the Company agree that Executive's employment with the Company constitutes "at-will" employment. Executive and the Company acknowledge that this employment relationship may be terminated at any time, upon written notice to the other party, with or

without good cause or for any or no cause, at the option either of the Company or Executive. However, as described in this Agreement, Executive shall be entitled to severance benefits in accordance with the terms of this Agreement.

(a) Notice of Termination. In the case of termination of Executive's employment by the Company for any reason, such termination may be effective immediately or upon such future date as may specified by the Company. In the case of Executive's voluntary resignation (which is not an Involuntary Termination), Executive shall provide the Company with not less than 90 days' prior notice, which may be waived by the Company in its sole discretion (in which case the voluntary resignation shall be effective immediately or upon a date specified by the Company), provided that the Company shall pay and provide Executive his continued salary and employee benefits during any such waived period and Executive's unvested equity awards shall continue to vest. In the case of an Involuntary Termination, Executive's employment with the Company shall terminate on the 31st day following notice from Executive under Section 9(c)(ii) below (which may be accelerated by the Company in its sole discretion to the date that such notice is given, provided that the Company shall pay and provide Executive his continued salary and employee benefits and that Executive's unvested equity awards shall continue to vest during the 31 day period).

(b) Other Offices Held. Executive agrees to resign from all positions that he holds with the Company or any affiliate, including, without limitation, his positions as an officer or director of the Company or of any affiliate of the Company and as a member of the Board, immediately following the termination of his employment if the Company so requests. Executive hereby irrevocably appoints the Company to be his attorney-in-fact to execute such documents and to take such actions in his name and on his behalf that may be necessary to effect Executive's resignation and removal as a director and officer of the Company or any affiliate, should Executive fail to resign following a request from the Company to do so. A written notification signed by a director or duly authorized officer of the Company that any instrument, document or act falls within the appointment of authority conferred by this paragraph (b) will be conclusive evidence that it does so. The Company will prepare any documents, pay any filing fees, and bear any other expenses related to this paragraph.

### 3. Compensation.

(a) Base Salary. During the Employment Period, Executive will be paid an annual salary of \$575,000.00 as compensation for his services (the "Base Salary"), payable on regular pay dates of the Company and subject to applicable employment tax, income tax and other customary withholdings. The Board or the Compensation Committee of the Board will review the Base Salary no less frequently than annually, with the first review expected to occur with respect to fiscal year 2018. The Board or the Compensation Committee of the Board may increase, but shall not decrease, Executive's Base Salary and if adjusted, such adjusted amount will become the Base Salary for all purposes under this Agreement.

(b) Annual Bonus. Executive will be entitled to participate in the Company's Corporate Bonus Plan at an annual (fiscal year) target bonus of 100% of Base Salary (the "Target Bonus"). For the fiscal year 2016 (ending November 30, 2016), the Target Bonus will be prorated from the Commencement Date until November 30, 2016. Future Target Bonuses will be payable upon achievement of performance goals to be established in good faith by the Compensation Committee of the Board (the "Committee"). Executive will have the opportunity to discuss such performance goals with the Committee prior to such goals being established. Bonuses, if any, will accrue and become payable in accordance with the Committee's standard practices for paying executive incentive compensation.

(c) Equity Compensation. Subject to the terms below, Executive will be granted equity awards consisting of the following—

(i) Annual RSU Award. Subject to the Committee's approval at the next regularly scheduled Committee meeting (but not later than January 31, 2017), Executive will be awarded restricted stock units ("RSUs") with a value as of the grant date of \$375,000 (the "Annual RSU Award"). Subject to continued employment, the Annual RSU Award will vest in equal installments semi-annually over three years, with the first such vest occurring on October 1, 2017, and the remaining installments vesting every six months thereafter. The RSU Award will otherwise be subject to the Company's then standard terms and conditions for executive RSU awards, except as otherwise provided in this Agreement or in the ERMA.

(ii) Annual PSU Award. Subject to the Committee's approval at the meeting in fiscal year 2017 at which the Committee awards RSUs and performance share units ("PSUs") to executive officers, Executive will be awarded performance share units with a value as of the grant date of \$875,000 (the "Annual PSU Award"). Subject to continued employment, the Annual PSU Award will be earned and vest in accordance with the following schedule: The PSUs will be earned based upon the achievement of FY17 measurement targets established in good faith by the Committee similar to the goals applicable to other executive officers of the Company. Executive will have the opportunity to discuss such performance goals with the Committee prior to such goals being established. When the PSUs are earned, the PSUs will convert to RSUs, with one-third of the RSUs vesting on April 1, 2018 and the remainder vesting every six months over the next two years. The PSU Award will otherwise be subject to the Company's then standard terms and conditions for executive RSU awards, except as otherwise provided in this Agreement or in the ERMA.

(iii) Special RSU Award. Subject to the Committee's approval at the next regularly scheduled Committee meeting (but not later than January 31, 2017), Executive will be awarded RSUs with a value as of the grant date of \$2,500,000 (the "Special RSU Award"). Subject to continued employment at each vesting date, 25% of the Special RSU Award will vest on the first anniversary of the Commencement Date, 25% of the Special RSU Award will vest on the second anniversary of the Commencement Date, and 50% of the Special RSU Award will vest on the third anniversary of the Commencement Date.

(iv) Long Term Incentive Plan. Subject to the Committee's approval at the next regularly scheduled Committee meeting (but not later than January 31, 2017), Executive will be added as a participant under the Company's Long Term Incentive Plan applicable to executive officers of the Company (the "LTIP") and, in accordance therewith, will be awarded PSUs under the LTIP with respect to fiscal year 2016 with a value as of the grant date of \$1,150,000 (the "LTIP Award"). The LTIP Award will be subject to the LTIP and will be earned based on the Company's total shareholder return over a three-year period.

(v) Future Equity Awards. Executive shall be eligible for additional future equity awards as customarily granted to executive officers beginning in fiscal year 2018, determined in the sole discretion of the Committee; provided, however, that Executive shall be eligible for additional awards under the LTIP in fiscal year 2017 if such additional awards are granted to other executive officers of the Company. Such other awards if any will be granted at the same time as annual awards are granted to other executive officers of the Company, but in no event later than the first meeting of the Board of Directors that follows the annual shareholder meeting each year.

4. Employee Benefits; Vacation. During the Employment Period, Executive will be eligible to participate in all Company employee benefit plans, policies, and arrangements that are applicable to other senior executives of the Company, as such plans, policies, and arrangements may be in effect from time to time, and subject to the terms thereof. Executive will be entitled to vacation in accordance with the standard written policies of the Company.



5. Expenses. The Company will reimburse Executive for reasonable travel, entertainment, and other business expenses incurred by Executive in the furtherance of the performance of Executive's duties hereunder, in accordance with the Company's expense reimbursement policy as in effect from time to time.

6. Indemnification. The Company agrees that if Executive is made a party, or is threatened to be made a party or witness, to any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that Executive is or was a director, officer or employee of the Company or is or was serving at the request of the Company as a director, officer, member, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including service with respect to Company benefit plans, whether or not the basis of such Proceeding is Executive's alleged action in an official capacity while serving as a director, officer, member, employee or agent, Executive will be indemnified and held harmless by the Company to the fullest extent legally permitted or authorized by the Company's certificate of incorporation or bylaws or resolutions of the Board, or by the laws of the State of Delaware, against all costs, expenses, liabilities and losses (including attorneys' fees, judgments, fines, excise taxes under the Employee Retirement Income Security Act of 1974 or the Internal Revenue Code of 1986, as amended (the "Code"), or penalties and amounts paid or to be paid in settlement) incurred or suffered by Executive in connection therewith, and such indemnification will continue as to Executive even if Executive has ceased to be a director, officer, member, employee or agent of the Company or other entity and will inure to the benefit of Executive's heirs, successors, personal representatives, assigns, executors and administrators. The Company shall cause Executive to be designated as a "Covered Person" under the Company's Directors and Officers Liability Insurance Policy for actions taken during the Employment Period.

7. Severance. Simultaneously with the execution of this Agreement, Executive and the Company are also entering into an Employee Retention and Motivation Agreement (the "ERMA"), which provides Executive with certain benefits upon a "Change of Control" (as defined therein). Section 8(b) below shall be applicable in the event an Involuntary Termination (as defined below) occurs under circumstances other than those circumstances under which the ERMA shall be applicable. In the event an Involuntary Termination occurs during the term of this Agreement in circumstances under which the ERMA shall be applicable, any and all severance and other separation benefits to be paid to Executive shall be governed by the terms and conditions of the ERMA and not Section 8(b) below.

8. Termination Benefits; Severance.

(a) If the Executive's employment is terminated by the Company or the Executive for any reason or no reason (except as stated in (iii) below), then the Executive shall be entitled to the following:

(i) All accrued but unpaid Base Salary through the Termination Date, to be paid in a lump sum cash payment within thirty (30) days following the Termination Date or sooner if required by law;

(ii) Pay for any vacation time earned but not used through the Termination Date, to be paid in a lump sum cash payment within thirty (30) days following the Termination Date or sooner if required by law;

(iii) Except in the event that Executive's employment is terminated for Cause, any bonus compensation awarded for the fiscal year preceding that in which the termination occurs, but unpaid on the Termination Date, to be paid and provided in accordance with Section 3(b) above;

(iv) Any unpaid or unreimbursed business expenses incurred and documented in accordance with the Company's expense reimbursement policy then in effect by the Executive, to the

extent incurred during the Employment Period, to be paid in a lump sum cash payment within thirty (30) days following the Termination Date; and

(v) Any accrued but unpaid benefits provided under the Company's employee benefit plans, to be paid and provided in accordance with the terms of the applicable plan.

(b) Involuntary Termination. Subject to Section 7 above, if Executive's employment is terminated as a result of an Involuntary Termination and such termination also constitutes a "separation from service" within the meaning of Section 409A of the Code, then Executive shall be entitled to the following:

(i) For a period of eighteen (18) months after the Termination Date, the Company will pay an amount equal to Executive's total Target Compensation in equal installments over such 18 months in accordance with the Company's normal payroll practices and procedures and subject to all applicable deductions and withholdings. Such payments shall commence on the first payroll date that occurs thirty (30) days or more after the Termination Date. Solely for purposes of Section 409A of the Code, each installment payment is considered a separate payment.

(ii) For a period of eighteen (18) months after the Termination Date, the Company shall be obligated to provide Executive with benefits that are substantially equivalent to Executive's benefits (medical, dental, vision and life insurance) that were in effect immediately prior to the Involuntary Termination.

(iii) Executive shall remain eligible to receive a pro-rata portion (based on the number of days employed with the Company during the fiscal year in which the Termination Date occurs) of the Target Bonus pursuant to the Company's Corporate Bonus Plan (the "Bonus Program"), such payment, if any, to be made at the attainment level applicable to other members of the Chief Executive Officer Staff otherwise in accordance with the terms of, and at the time provided in, the Bonus Program.

(iv) All unvested stock options held by Executive which were granted prior to the Termination Date under the Company's stock option or equity incentive plans which would otherwise vest and become fully exercisable during the eighteen-month period following the Termination Date shall instead accelerate and become fully exercisable as of the Termination Date.

(v) All shares of restricted equity (e.g., RSUs) held by Executive which were granted prior to the Termination Date under the Company's stock option plans which would otherwise become fully vested, nonforfeitable and not subject to any restrictions during the eighteen-month period following the Termination Date shall instead become fully vested, nonforfeitable and not subject to any restrictions as of the Termination Date. No PSUs (including PSUs relating to performance in the fiscal year in which the Termination Date occurs and under the LTIP) shall vest or be accelerated as a result of this subparagraph. Unvested RSUs that do not vest as a result of this subparagraph will be forfeited; and PSUs, including those PSUs relating to performance in the fiscal year in which the Termination Date occurs and under the LTIP, will be cancelled on the Termination Date.

Anything in this Agreement to the contrary notwithstanding, if, during the Employment Period, the Company shall maintain a severance plan then applicable to members of the Company's Executive Committee providing severance benefits greater than those provided in this Section 8(b) with respect to an Involuntary Termination, then Executive shall be entitled to such greater severance benefits; provided, however, that this clause shall not apply to any executive separation agreements between the Company and members of the Company's Executive Committee in effect as of the date of this Agreement.

(vi) Anything in this Agreement to the contrary notwithstanding, if at the time of Executive's separation from service (within the meaning of Section 409A of the Code), Executive

is considered a “specified employee” within the meaning of Section 409A(a)(2)(B)(i) of the Code, and if any payment that Executive becomes entitled to under this Agreement is considered deferred compensation subject to interest and additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, then no such payment shall be payable prior to the date that is the earliest of (A) six months after Executive’s “separation from service” (within the meaning of Section 409A of the Code), (B) Executive’s death, or (C) such other date as will cause such payment not to be subject to such interest and additional tax. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with their original schedule. The parties agree that this Agreement may be amended, as reasonably requested by either party and as may be necessary to comply fully with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party. In the event that any such amendment becomes necessary, the Company shall reimburse Executive for any reasonable attorney’s fees incurred by Executive in reviewing any such amendment.

(c) Voluntary Resignation. If Executive’s employment terminates by reason of Executive’s voluntary resignation (which is not an Involuntary Termination), then Executive shall not be entitled to receive any severance payments or other benefits except for such benefits (if any) as specified in Section 8(a) above or as specifically required by applicable law, and the Company shall have no obligation to provide for the continuation of any health and medical benefit or life insurance plans in effect on the date of such termination, other than as specifically required by applicable law.

(d) Disability; Death. If the Company terminates Executive’s employment as a result of Executive’s Disability, or Executive’s employment is terminated due to the death of Executive, then Executive shall not be entitled to receive any severance payments or other benefits except for those (if any) as may then be established under the Company’s severance guidelines and benefit plans in effect at the time of such Disability or death.

(e) Termination for Cause. If the Company terminates Executive’s employment for Cause, then Executive shall not be entitled to receive any severance payments, bonus payments, or other benefits following the date of such termination, other than such payments and benefits as specified in Section 8(a) above or as specifically required by applicable law, and the Company shall have no obligation to provide for the continuation of any health and medical benefit or life insurance plans in effect on the date of such termination, other than as specifically required by applicable law.

9. Definition of Terms. The following terms referred to in this Agreement shall have the following meanings:

(a) Cause “Cause” shall mean (i) any act of personal dishonesty taken by the Executive in connection with his responsibilities as an employee and intended to result in substantial personal enrichment of the Executive; (ii) the conviction of a felony; (iii) a willful act by the Executive which constitutes gross misconduct and which is injurious to the Company; (iv) material breach of a material provision of this Agreement or of the Proprietary Information Agreement (which is not cured within 30 days following notice); or (v) continued violations by Executive of his obligations as an employee of the Company which are demonstrably willful and deliberate on the Executive’s part after there has been delivered to Executive a written demand for performance from the Company which describes the basis for Company’s belief that Executive has not substantially performed his duties (which are not cured within 30 days following notice).

(b) Disability. “Disability” shall mean that Executive has been unable to perform his duties as an employee of the Company as the result of incapacity due to physical or mental illness, and

such inability, at least twenty-six (26) weeks after its commencement, is determined to be total and permanent by a physician selected by the Company or its insurers and acceptable to Executive or Executive's legal representative (such agreement as to acceptability not to be unreasonably withheld). Termination resulting from Disability may only be effected after at least thirty (30) days' written notice by the Company of its intention to terminate Executive's employment. In the event that Executive resumes the performance of substantially all of his duties as an employee of the Company before termination of his employment becomes effective, the notice of intent to terminate shall automatically be deemed to have been revoked.

(c) Involuntary Termination "Involuntary Termination" shall mean that either (i) that the Company has terminated Executive's employment other than for Cause, Disability or Executive's death, or (ii) that the conditions set forth in of subsections (i), (ii) and (iii) below have all occurred:

(i) Any of the following "Events" occurs without Executive's prior written consent during the term of this Agreement:

- (A) the (x) assignment to Executive of any duties or the significant reduction of Executive's duties, either of which is materially inconsistent with Executive's position with the Company and responsibilities in effect immediately prior to such assignment, or (y) the removal of Executive from such position and responsibilities, which is not effected for Disability or for Cause (for the avoidance of doubt, the failure of Executive to be nominated or elected as a member of the Board shall be a material diminution in responsibilities);
- (B) a material reduction by the Company in the Base Salary and/or Target Bonus of Executive as in effect immediately prior to such reduction;
- (C) the relocation of Executive to a facility or a location more than fifty (50) miles from Executive's then present location, without Executive's express written consent;
- (D) any purported termination of Executive by the Company which is not effected for death or disability or for Cause, or any purported termination for Cause for which the grounds relied upon are not valid; or
- (E) A material breach of this Agreement by the Company.

(ii) Within sixty (60) days after the first occurrence of an Event described in Sections 9(c)(i)(A)(y), (B), (C) or (D) or within 120 days of an Event described in Sections 9(c)(i)(A)(x) or (E), Executive provides written notice to the Company describing with reasonable specificity the Event and stating his intention to resign from employment due to such Event; and

(iii) Either the Company does not cure, or cause to be cured, such Event within thirty (30) days after receipt of Executive's notice or the Company in its sole discretion concedes the occurrence of such Event and gives notice that it does not intend to cure such Event.

(d) Target Compensation. "Target Compensation" shall mean the sum of Executive's Base Salary and Target Bonus.

(e) Termination Date. "Termination Date" shall mean the date Executive's employment with the Company terminates.

10. Conditions to Receipt of Severance. The Company's obligation to pay any severance pursuant to Section 8(b) will be subject to the performance by Executive of his obligations as follows:

(a) Separation Agreement and Release of Claims. Executive shall sign and return to the Company (without revoking) a standard separation agreement and release of claims, by the deadline specified therein, which shall in all events be no later than the thirtieth (30th) day following the Termination Date. Such agreement will provide (among other things) that Executive will not disparage the Company, its directors, or its executive officers during the Restricted Period (as defined below) and that the Company will direct its directors and executive officers not to disparage Executive during the Restricted Period. The Company will have no obligation to make any payment under Section 8(b) or otherwise except as specifically required by law until it has received an effective separation and release of claims agreement, and the return of all Company property under Section 10(b).

(b) Return and Protection of Company Property. Executive shall return to the Company all Company documents and property no later than five (5) days after the Termination Date, and he shall abide by the terms of the Employee Proprietary Information and Confidentiality Agreement being entered into by the Company and Executive simultaneously with the execution of this Agreement (the "Proprietary Information Agreement").

(c) Cooperation. Executive shall make himself available to the Company after the Termination Date and through the end of the period with respect to which severance is paid or payable either by telephone or in person upon reasonable notice and with reasonable accommodation to Executive's personal and business affairs, to assist the Company in connection with any matter relating to services performed by Executive on behalf of the Company prior to the Termination Date. Executive, also upon reasonable notice and with reasonable accommodation to his personal and business affairs, further agrees to reasonably cooperate with the Company in the defense or prosecution of any claims or actions now in existence or which may be brought or threatened in the future against or on behalf of the Company, its directors, shareholders, officers, or employees and which relates to the aforesaid services, including without limitation, by meeting with the Company's counsel and appearing to testify truthfully in any proceeding without the necessity of a subpoena. The Company shall reimburse Executive for his reasonable documented expenses incurred in connection with such cooperation. Notwithstanding the aforesaid, Executive's obligations set forth above shall not apply to any proceeding in which Executive's interests are adverse to those of the Company. Reimbursements of expenses shall be paid within thirty (30) days of the Company's receipt of an invoice from Executive or his designee for the same. Any reimbursement in one calendar year shall not affect the amount that may be reimbursed in any other calendar year and a reimbursement (or right thereto) may not be exchanged or liquidated for another benefit or payment. Any business expense reimbursements subject to Section 409A of the Code shall be made no later than the end of the calendar year following the calendar year in which such business expense is incurred by Executive. Executive shall submit any such expense requests in a sufficiently timely manner so as to permit the Company to comply with the previous sentence.

(d) Non-Competition.

(i) Executive recognizes the highly competitive nature of the Company's business and that Executive's position with the Company and access to and use of the Company's confidential records and proprietary information renders Executive special and unique. Executive hereby agrees that for a period of eighteen (18) months from the Termination Date (the "Restricted Period"), he shall not, directly or indirectly, own, manage, operate, join, control, participate in, invest in or otherwise be connected or associated with, in any manner, including as an officer, director, employee, independent contractor, stockholder, member, partner, consultant, advisor, agent, proprietor, trustee or investor, any Competing Business (as defined below); *provided*, however, that (i) ownership of two percent (2%) or less of the stock or other securities of a publicly traded corporation and (ii) passive ownership of less than

a five percent (5%) interest as a limited partner of a venture capital fund, private equity fund or similar investment vehicle or ownership of shares in a mutual fund shall not constitute a breach of this Section, in each case under this clause (ii), with respect to which Executive has no role in the review, selection or management of any investments. For purposes hereof, the term, "Competing Business," shall mean Adobe, Sitecore, Informatica, Software AG, Oracle, IBM/WebSphere Unit and Pivotal and, in each case, their respective subsidiaries.

(ii) Executive acknowledges that the business of the Company is worldwide in scope and therefore understands and agrees that there is no geographic limitation on the scope of this Section 10(d). Executive further agrees that the nature of the Company's confidential information and the goodwill relationship that were developed for the Company during Executive's employment support the continuation of the restrictions pursuant to this Section for eighteen (18) months. Notwithstanding the foregoing, if a court determines that the geographic scope of this Section or the length of the Restricted Period is excessive, the parties agree that this Section should be enforced to the maximum extent that the court determines to be permissible.

(iii) The parties agree that, throughout his employment with the Company, Executive has been obligated to render personal services of a special, unique, unusual, extraordinary and intellectual character, thereby giving this Agreement special value, and, in the event of a breach of the covenants of Executive in this Section 10, the injury or imminent injury to the value and the goodwill of the Company's business could not be reasonably or adequately compensated in damages in an action at law. Accordingly, Executive acknowledges that, in addition to any other remedies that may be awarded, the Company shall be entitled to receive specific performance, injunctive relief or any other equitable remedy against Executive, without the posting of a bond, in the event of any breach of any provision of this Agreement by Executive. In addition, in the event Executive breaches this Section 10 of this Agreement, such breach will entitle the Company, without posting of a bond, to an injunction prohibiting Executive from violating the terms of this Section 10.

(e) Breach of Obligations. Anything to the contrary contained herein notwithstanding, but except solely as specifically required by applicable law, in the event that Executive materially breaches the separation agreement and release of claims or the Proprietary Information Agreement, the Company: (i) shall have no obligations to make any further payments under Section 8(b) above, or to otherwise pay any severance or benefits otherwise owed under this Agreement following the termination of Executive's employment (and all such obligations shall be terminated), and (ii) shall have the full and unfettered right to recover from Executive all payments that may have been made under Section 8(b) above, and all severance or severance benefits otherwise paid under this Agreement following the termination of Executive's employment. The termination under this paragraph of the Company's payment obligations or its recovery of amounts paid shall have no effect on Executive's continuing obligations under this Agreement, the separation agreement and release of claims or the Proprietary Information Agreement.

#### 11. Successors.

(a) Company's Successors. Any successor to the Company (whether direct or indirect and whether by purchase, lease, merger, consolidation, liquidation or otherwise) or to all or substantially all of the Company's business and/or assets shall assume the obligations under (and be entitled to the benefits of and to enforce) this Agreement and shall expressly agree to perform the obligations under this Agreement in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession. For all purposes under this Agreement, the term "Company" shall include any successor to the Company's business and/or assets which executes and delivers an assumption agreement described in this subsection (a) or which becomes bound by the terms of this Agreement by operation of law.

(b) Executive's Successors. The terms of this Agreement and all rights of Executive hereunder shall inure to the benefit of, and be enforceable by, Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

12. Notice.

(a) General. Notices and all other communications contemplated by this Agreement shall be in writing and shall be deemed to have been duly given when personally delivered or when mailed by U.S. registered or certified mail, return receipt requested and postage prepaid. In the case of Executive, mailed notices shall be addressed to him or her at the home address which he or she most recently communicated to the Company in writing. In the case of the Company, mailed notices shall be addressed to its corporate headquarters, and all notices shall be directed to the attention of its Chief Legal Officer.

(b) Notice of Termination by the Company. Any termination by the Company of Executive's employment with the Company shall be communicated by notice given to Executive in accordance with Section 12(a) of this Agreement. Such notice shall specify the termination date and whether the termination is considered by the Company to be for Cause as defined in Section 9(a) in which case the Company shall identify the specific subsection(s) of Section 9(a) asserted by the Company as the basis for the termination and shall set forth in reasonable detail the facts and circumstances relied upon by the Company in categorizing the termination as for Cause.

13. Miscellaneous Provisions.

(a) Stock Ownership Requirement. During the Employment Period, the Executive will hold shares of Company common stock having a value equal to at least two times his Base Salary. The Executive will have three years from the Commencement Date to attain this requirement.

(b) No Duty to Mitigate. Executive shall not be required to mitigate the amount of any payment contemplated by this Agreement (whether by seeking new employment or in any other manner), nor shall any such payment be reduced by any earnings that Executive may receive from any other source.

(c) Waiver. No provision of this Agreement shall be modified, waived or discharged unless the modification, waiver or discharge is agreed in writing and signed by Executive and by an authorized officer of the Company (other than Executive). No waiver by either party of any breach of, or non-compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision of the same condition or provision at another time.

(d) Entire Agreement. This Agreement, the ERMA and the Proprietary Information Agreement represent the entire agreement of the Company and Executive and will supersede any and all previous term sheets, negotiations, memoranda, contracts, arrangements, discussions or understandings between the Company and Executive.

(e) Choice of Law. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the Commonwealth of Massachusetts. The parties each hereby (i) agree that all legal proceedings arising out of or in connection with this Agreement shall be brought, and (ii) irrevocably consent and agree to the exercise of personal jurisdiction, exclusively in the appropriate state and federal courts within the Commonwealth of Massachusetts.

(f) Severability. The invalidity or enforceability of any provisions or provisions of this Agreement shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect.

(g) Arbitration. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by final and binding arbitration in Massachusetts, in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction.

(h) No Assignment of Benefits. The rights of any person to payments or benefits under this Agreement shall not be made subject to option or assignment, either by voluntary or involuntary assignment or by operation of law, including (without limitation) bankruptcy, garnishment, attachment or other creditor's process, and any action in violation of this subsection (g) shall be void.

(i) Employment Taxes. All payments made pursuant to this Agreement will be subject to withholding of applicable income and employment taxes.

(j) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

(k) Acknowledgment. Executive acknowledges that he has had the opportunity to discuss this matter with and obtain advice from his private attorney, has had sufficient time to, and has carefully read and fully understands all the provisions of this Agreement, and is knowingly and voluntarily entering into this Agreement.

(l) No Conflict of Interest. Executive confirms that Executive has fully disclosed to the Company, to the best of his knowledge, all circumstances under which Executive, Executive's immediate family and other persons who reside in Executive's household have or may have a conflict of interest with the Company. Executive further agrees to fully disclose to the Company any such circumstances that might arise during Executive's employment upon Executive's becoming aware of such circumstances.

(m) Other Agreements. Executive hereby represents that his performance of all the terms of this Agreement and the performance of Executive's duties as an employee of the Company does not and will not breach any agreement to keep in confidence proprietary information, knowledge or data acquired by Executive in confidence or in trust prior to employment with the Company. Executive also represents that he is not a party to or subject to any restrictive covenants, legal restrictions, policies, commitments or other agreements in favor of any entity or person that would in any way preclude, inhibit, impair or limit Executive's ability to perform his obligations under this Agreement, including noncompetition agreements or nonsolicitation agreements, and Executive further represents that his performance of the duties and obligations under this Agreement does not violate the terms of any agreement to which Executive is a party.

(n) Legal Expenses. In the event Executive prevails in an action or proceeding brought to enforce the terms of this Agreement or to enforce and collect on any non-de minimis judgment entered pursuant to this Agreement, Executive shall be awarded all costs and reasonable attorney's fees.

(o) No Oral Modification, Waiver, Cancellation or Discharge. This Agreement may only be amended, canceled or discharged or any obligations thereunder waived through a writing signed by Executive and a representative of the Company duly authorized by the Board.



IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of the Company by its duly authorized officer, as of the date first above written.

**PROGRESS SOFTWARE CORPORATION**

By: /s/ Stephen H. Faberman

Name: Stephen H. Faberman

Title: Chief Legal Officer

**EXECUTIVE**

/s/ Yogesh K. Gupta

Yogesh K. Gupta

## EMPLOYEE RETENTION AND MOTIVATION AGREEMENT

This **AGREEMENT** (the “Agreement”) is effective as of October 10, 2016 (the “Agreement Date”) by and between Yogesh K. Gupta (the “Covered Person”) and Progress Software Corporation, a Delaware corporation (the “Company”).

### RECITALS

A. The Covered Person presently serves as an employee or officer of the Company in a role that is important to the continued conduct of the Company’s business and operations.

B. The Board of Directors of the Company (the “Board”) has determined that it is in the best interest of the Company and its stockholders to assure that the Company will have the continued dedication and objectivity of the Covered Person, notwithstanding the possibility, threat or occurrence of a Change of Control (as defined below) of the Company.

C. The Board believes that it is imperative to provide the Covered Person with certain benefits following a Change of Control and certain severance benefits upon the Covered Person’s termination of employment following a Change in Control.

D. In order to accomplish the foregoing objectives, the Board has directed the Company, upon execution of the Agreement by the Covered Person, to commit to the terms provided herein.

E. The Covered Party accepts the terms of the Agreement.

F. Certain capitalized terms used in this Agreement are defined in Section 4 below. In consideration of the mutual covenants herein contained and in consideration of the continuing employment of the Covered Person by the Company, the parties agree as follows:

1. Scope; Term of Agreement. Simultaneously with the execution of this Agreement, the Company and the Covered Person are also entering into an Executive Employment Agreement (as amended, the “Employment Agreement”), which provides the Covered Person, in addition to other benefits set forth therein, with certain benefits in circumstances following a termination of employment other than following a Change of Control. This Agreement shall be applicable in the event an Involuntary Termination (as defined below) occurs upon or within twenty-four (24) months following a Change of Control. The parties acknowledge that the Covered Person’s employment is at will, as defined under applicable law, except as may otherwise be provided under the terms of the Employment Agreement. If the Covered Person’s employment terminates for any reason, the Covered Person shall not be entitled to any payments, benefits, damages, awards or compensation (collectively, “recompense”) other than the maximum recompense as provided by one of the following: (i) this Agreement, or (ii) the Employment Agreement, or (iii) the Company’s existing severance guidelines and benefit plans which are in effect at the time of termination, or (iv) applicable statutory provisions. The provisions of this Agreement shall terminate upon the earlier of (i) the date that all obligations of the parties hereunder have been satisfied, (ii) the date on which the Covered Person is no longer employed pursuant to the Employment Agreement,

or (iii) five years after the Agreement Date; provided, however, that the term of the provisions of this Agreement may be extended by written resolutions adopted by the Board. A termination of the provisions of this Agreement pursuant to the preceding sentence shall be effective for all purposes, except that such termination shall not affect the payment or provision of compensation or benefits on account of termination of employment occurring prior to the termination of the provisions of this Agreement.

2. Benefits Immediately Following Change of Control.

(a) Treatment of Outstanding Options and Restricted Equity. Effective immediately upon a Change of Control, unless the outstanding stock options and shares of restricted equity held by the Covered Person under the Company's stock option plans on the date of the Change of Control are continued by the Company or assumed by its successor entity, all restricted stock units and stock options held by the Covered Person which were granted prior to the date of the Change of Control under the Company's stock option plans which would otherwise become fully vested, nonforfeitable and not subject to any restrictions during the one year period following the date of the Change of Control shall instead become fully vested, nonforfeitable and not subject to any restrictions as of the date of the Change of Control. Performance share units awarded under the Company's Long Term Incentive Plan ("LTIP") shall vest in accordance with the terms of the LTIP; provided, that, for purposes of the LTIP awarded in fiscal year 2016, the actual number of performance share units ("PSUs") that will be deemed to be earned upon the Change of Control shall be the greater of (i) 100%, or (ii) the actual attainment of total shareholder return as of the effective date of the Change of Control relative to the appreciation of the performance measurement index as determined under the LTIP. If such outstanding options and shares of restricted equity held by the Covered Person are continued by the Company or assumed by its successor entity, then vesting shall continue in its usual course.

(b) Payment of Annual Bonus. Effective immediately upon a Change of Control, the Covered Person's annual cash bonus for the year in which the Change of Control occurs shall be fixed at the Covered Person's target bonus level as in effect immediately prior to the Change of Control and the Covered Person shall be paid a pro-rated portion of such bonus, as of the date of the Change of Control, based on the number of calendar days in the fiscal year to which the bonus relates which have elapsed prior to the date of the Change of Control. Any payment to which the Covered Person is entitled pursuant to this section shall be paid in a lump sum within thirty (30) days of the event requiring such payment.

3. Severance Benefits.

(a) Termination Following a Change of Control. If the Covered Person's employment terminates after a Change of Control, then Covered Person shall be entitled to receive the Mandatory Payments described in Section 3(a)(ii) below and, subject to Section 5 below, the Covered Person shall be entitled to receive severance benefits as follows:

(i) Involuntary Termination. If the Covered Person's employment is terminated within twenty-four (24) months following a Change of Control as a result of Involuntary Termination, then the Covered Person shall be entitled to receive a lump sum severance payment in an amount equal to twenty four (24) months of the Covered Person's annual Target Compensation; and in

addition, for a period of twenty-four (24) months after such termination, the Company shall be obligated to provide the Covered Person with benefits that are substantially equivalent to the Covered Person's benefits (medical, dental, vision and life insurance) that were in effect immediately prior to the Change of Control. In addition, all restricted stock units and stock options held by the Covered Person which were granted prior to the date of such termination under the Company's stock option plans shall become fully vested, nonforfeitable and not subject to any restrictions as of the date of such termination. Performance share units awarded under the LTIP shall vest in accordance with the terms of the LTIP; provided, that, for purposes of the LTIP awarded in fiscal year 2016, the actual number of PSUs that will be deemed to be earned upon the Change of Control shall be the greater of (i) 100%, or (ii) the actual attainment of total shareholder return as of the effective date of the Change of Control relative to the appreciation of the performance measurement index as determined under the LTIP. Any severance payments to which the Covered Person is entitled pursuant to this section shall be paid in a lump sum within thirty (30) days of the effective date of the Covered Person's termination. For purposes of this Paragraph 3(a)(i), the term "Target Compensation" shall mean the highest level of Target Compensation applicable to the Covered Person from the period of time immediately prior to the Change of Control through the effective date of the Covered Person's termination. With respect to any taxable income that the Covered Person is deemed to have received for federal income tax purposes by virtue of the Company providing continued employee benefits to the Covered Person (i.e. medical, dental, vision and life insurance), the Company shall make a cash payment to the Covered Person such that the net economic result to the Covered Person will be as if such benefits were provided on a tax-free basis to the same extent as would have been applicable had the Covered Person's employment not been terminated. Such cash payment shall be made no later than March 15 of the following each calendar year in which such benefits are taxable to the Covered Person.

Anything in this Agreement to the contrary notwithstanding, if at the time of the Covered Person's separation from service (within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), the Covered Person is considered a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, and if any payment that the Covered Person becomes entitled to under this Agreement is considered deferred compensation subject to interest and additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, then no such payment shall be payable prior to the date that is the earliest of (A) six months after the Covered Person's date of termination, (B) the Covered Person's death, or (C) such other date as will cause such payment not to be subject to such interest and additional tax. The parties agree that this Agreement may be amended, as reasonably requested by either party and as may be necessary to comply fully with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.

(ii) Voluntary Resignation. If the Covered Person's employment terminates by reason of the Covered Person's voluntary resignation (and is not an Involuntary Termination), then the Covered Person shall not be entitled to receive any severance payments or other benefits except that Covered Person shall be entitled to the following (the "Mandatory Payments"):

- (A) All accrued but unpaid base salary through the date the Covered Person's employment is terminated, to be paid in a lump sum

cash payment within thirty (30) days following the termination date or sooner if required by law;

- (B) Pay for any vacation time earned but not used through the termination date, to be paid in a lump sum cash payment within thirty (30) days following the termination date or sooner if required by law;
- (C) Except to the extent that the Covered Person's employment is terminated for Cause, any bonus compensation awarded for the fiscal year preceding that in which the termination occurs, but unpaid on the termination date, to be paid and provided in accordance with the Board's standard policies for paying executive incentive compensation, but in no event later than sixty (60) days after the end of such fiscal year to which the bonus relates;
- (D) Any unpaid or unreimbursed business expenses incurred and documented in accordance with the Company's expense reimbursement policy then in effect by the Covered Person, to the extent incurred during the term of the Covered Person's employment, to be paid in a lump sum cash payment within thirty (30) days following the termination date; and
- (D) Any accrued but unpaid benefits provided under the Company's employee benefit plans, to be paid and provided in accordance with the terms of the applicable plan.

(iii) Disability; Death. If the Company terminates the Covered Person's employment as a result of the Covered Person's Disability (as defined below), or such Covered Person's employment is terminated due to the death of the Covered Person, then the Covered Person shall not be entitled to receive any severance payments or other benefits, other than the Mandatory Payments or those (if any) as may then be established under the Company's then existing severance guidelines and benefit plans at the time of such Disability or death.

(iv) Termination for Cause. If the Company terminates the Covered Person's employment for Cause (as defined below), then the Covered Person shall not be entitled to receive any severance payments, bonus payments or other benefits following the date of such termination, other than the Mandatory Payments (excluding amounts under (ii)(c) above), and the Company shall have no obligation to provide for the continuation of any health and medical benefit or life insurance plans existing on the date of such termination, other than as specifically required by applicable law.

(b) Termination Other than in Connection with a Change of Control. If the Covered Person's employment is terminated for any reason either prior to the occurrence of a Change of Control or

after the twenty-four (24) month period following a Change of Control, then the Covered Person shall be entitled to receive severance and any other benefits provided under the Employment Agreement.

4. Definition of Terms. The following terms referred to in this Agreement shall have the following meanings:

(a) Change of Control. "Change of Control" shall mean the occurrence of any of the following events:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities, whether by tender offer, or otherwise; or

(ii) A majority of the members of the Board are replaced during any twelve (12) month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of such appointment or election; or

(iii) The consummation of a merger or consolidation of the Company with any other entity, other than (A) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, or (B) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto representing less than 50% of the total voting power represented by the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation; but the Company is clearly the acquirer considering the totality of the circumstances, including such factors as whether the president of the Company will continue as president of the Company or the surviving entity, the majority of the directors of the Company or the surviving entity will be incumbent directors, substantially all of the executive officers of the Company will be retained, etc., all as determined immediately prior to the consummation of the merger or consolidation by the incumbent directors.

(iv) The sale or disposition by the Company of all or substantially all of the Company's assets.

(b) Involuntary Termination. "Involuntary Termination" shall mean (i) without the Covered Person's express written consent, the assignment to the Covered Person of any duties or the significant reduction of the Covered Person's duties, either of which is materially inconsistent with the Covered Person's position with the Company and responsibilities in effect immediately prior to such assignment, or the removal of the Covered Person from such position and responsibilities, which is not effected for Disability or for Cause (for the avoidance of doubt, a material diminution in responsibilities will be deemed to have occurred if either (A) the Covered Person ceases to hold the position and title of

Chief Executive Officer of the Company (or any successor entity) and its ultimate parent or (B) the failure of the Covered Person to be nominated or elected as a member of the Board (or the Board of Directors of any successor entity) and the Board of Directors of the Company's (or its successor's) ultimate parent); (ii) a material reduction by the Company in the base salary and/or bonus of the Covered Person as in effect immediately prior to such reduction; (iii) a material reduction by the Company in the kind or level of employee benefits to which the Covered Person is entitled immediately prior to such reduction with the result that the Covered Person's overall benefit package is significantly reduced; (iv) the relocation of the Covered Person to a facility or a location more than fifty (50) miles from the Covered Person's then present location, without the Covered Person's express written consent; (v) any purported termination of the Covered Person by the Company which is not effected for death or Disability or for Cause, or any purported termination for Cause for which the grounds relied upon are not valid; (vi) the failure of the Company to obtain, on or before the Change of Control, the assumption of the terms of this Agreement by any successors contemplated in Section 7 below; or (vii) a material breach of this Agreement by the Company. An Involuntary Termination shall be effective upon written notice by the Covered Person.

(c) Cause. "Cause" shall mean (i) any act of personal dishonesty taken by the Covered Person in connection with his or her responsibilities as an employee and intended to result in substantial personal enrichment of the Covered Person, (ii) the conviction of a felony, (iii) a willful act by the Covered Person which constitutes gross misconduct and which is injurious to the Company, (iv) material breach of a material provision of this Agreement or of the Proprietary Information Agreement (which is not cured within 30 days following notice) or (v) continued violations by the Covered Person of the Covered Person's obligations as an employee of the Company which are demonstrably willful and deliberate on the Covered Person's part after there has been delivered to the Covered Person a written demand for performance from the Company which describes the basis for the Company's belief that the Covered Person has not substantially performed his or her duties (which is not cured within 30 days following notice).

(d) Disability. "Disability" shall mean that the Covered Person has been unable to perform his or her duties as an employee of the Company as the result of incapacity due to physical or mental illness, and such inability, at least twenty-six (26) weeks after its commencement, is determined to be total and permanent by a physician selected by the Company or its insurers and acceptable to the Covered Person or the Covered Person's legal representative (such agreement as to acceptability not to be unreasonably withheld). Termination resulting from Disability may only be effected after at least thirty (30) days' written notice by the Company of its intention to terminate the Covered Person's employment. In the event that the Covered Person resumes the performance of substantially all of his or her duties as an employee of the Company before termination of his or her employment becomes effective, the notice of intent to terminate shall automatically be deemed to have been revoked.

(e) Target Compensation. "Target Compensation" shall mean the total of all fixed and variable cash compensation due to a Covered Person based upon one hundred percent (100%) attainment of performance levels.

5. Limitation on Payments. In the event that the severance and other benefits provided for in this Agreement or otherwise payable to the Covered Person (i) constitute “parachute payments” within the meaning of Section 280G of the Code and (ii) but for this Section 5, would be subject to the excise tax imposed by Section 4999 of the Code (the “Excise Tax”), then the Covered Person’s severance benefits under Section 3(a)(i) shall be either

(i) delivered in full, or

(ii) delivered as to such lesser extent which would result in no portion of such severance benefits subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the Excise Tax, results in the receipt by the Covered Person on an after tax basis, of the greatest amount of severance payments and benefits, notwithstanding that all or some portion of such severance payments and benefits may be taxable under Section 4999 of the Code. Unless the Company and the Covered Person otherwise agree in writing, any determination required under this Section 5 shall be made in writing in good faith by the accounting firm serving as the Company’s independent public accountants immediately prior to the Change of Control (the “Accountants”) in good faith consultation with the Covered Person. In the event of a reduction in benefits hereunder, unless the Covered Person provides direction otherwise (which alternative direction shall be subject to the Company’s consent, which shall not be unreasonably withheld), such benefits shall be reduced in the following order: (a) cash payments not subject to Section 409A of the Code; (b) cash payments subject to Section 409A of the Code; (c) equity compensation; and (d) non-cash forms of benefit. To the extent any payment is to be made over time, then the payment shall be reduced in reverse chronological order. For purposes of making the calculations required by this Section 5, the Accountants, in consultation with the Covered Person, may make reasonable assumptions and approximations concerning the applicable taxes and may rely on reasonable good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and the Covered Person shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section. The Company shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Section 5.

6. Remedy. If Covered Person’s benefits are reduced to avoid the Excise Tax pursuant to Section 5 hereof and notwithstanding such reduction, the IRS determines that the Covered Person is liable for the Excise Tax as a result of the receipt of severance benefits from the Company, then Covered Person shall be obligated to pay to the Company (the “Repayment Obligation”) an amount of money equal to the “Repayment Amount.” The Repayment Amount shall be the smallest such amount, if any, as shall be required to be paid to the Company so that the Covered Person’s net proceeds with respect to his or her severance benefits hereunder (after taking into account the payment of the Excise Tax imposed on such benefits) shall be maximized. Notwithstanding the foregoing, the Repayment Amount shall be zero if a Repayment Amount of more than zero would not eliminate the Excise Tax. If the Excise Tax is not eliminated through the performance of the Repayment Obligation, the Covered Person shall pay the Excise Tax. The Repayment Obligation shall be discharged within thirty (30) days of either (i) the Covered Person entering into a binding agreement with the IRS as to the amount of Excise Tax liability,



or (ii) a final determination by the IRS or a court decision requiring the Covered Person to pay the Excise Tax from which no appeal is available or is timely taken.

7. Successors.

(a) Company's Successors. Any successor to the Company (whether direct or indirect and whether by purchase, lease, merger, consolidation, liquidation or otherwise) or to all or substantially all of the Company's business and/or assets shall assume the obligations under this Agreement and agree expressly to perform the obligations under this Agreement in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession. For all purposes under this Agreement, the term "Company" shall include any successor to the Company's business and/or assets which executes and delivers an assumption agreement described in this subsection (a) or which becomes bound by the terms of this Agreement by operation of law.

(b) Covered Person's Successors. The terms of this Agreement and all rights of the Covered Person's hereunder shall inure to the benefit of, and be enforceable by, the Covered Person's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

8. Notice.

(a) General. Notices and all other communications contemplated by this Agreement shall be in writing and shall be deemed to have been duly given when personally delivered or when mailed by U.S. registered or certified mail, return receipt requested and postage prepaid. In the case of the Covered Person, mailed notices shall be addressed to him or her at the home address which he or she most recently communicated to the Company in writing. In the case of the Company, mailed notices shall be addressed to its corporate headquarters, and all notices shall be directed to the attention of its General Counsel.

(b) Notice of Termination by the Company. Any termination by the Company of the Covered Person's employment with the Company at any time following a Change of Control shall be communicated by notice of termination to the Covered Person at least five (5) days prior to the date of such termination, given in accordance with Section 8(a) of this Agreement. Such notice shall specify the termination date and whether the termination is considered by the Company to be for Cause as defined in Section 4(c) in which case the Company shall identify the specific subsection(s) of Section 4(c) asserted by the Company as the basis for the termination and shall set forth in reasonable detail the facts and circumstances relied upon by the Company in categorizing the termination as for Cause.

(c) Notice by Covered Person of Involuntary Termination by the Company. In the event the Covered Person determines that an Involuntary Termination has occurred at any time following a Change of Control, the Covered Person shall give written notice that such Involuntary Termination has occurred as set forth in this Section 8(c). Such notice shall be delivered by the Covered Person to the Company in accordance with Section 8(a) of this Agreement within sixty (60) days following the date on which such Involuntary Termination if such Involuntary Termination occurred as a result of an event set

forth in Section 4(b)(i)(A) or (B), (ii)-(vi) or within 120 days of an event set forth in Section 4(b)(i) other than the parenthetical containing (A) or (B) or (vii), shall indicate the specific provision or provisions in this Agreement upon which the Covered Person relied to make such determination and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for such determination. The failure by the Covered Person to include in the notice any fact or circumstance which contributes to a showing of Involuntary Termination shall not waive any right of the Covered Person hereunder or preclude the Covered Person from asserting such fact or circumstance in enforcing his or her rights hereunder.

9. Miscellaneous Provisions.

(a) No Duty to Mitigate. The Covered Person shall not be required to mitigate the amount of any payment contemplated by this Agreement (whether by seeking new employment or in any other manner), nor shall any such payment be reduced by any earnings that the Covered Person may receive from any other source.

(b) Waiver. No provision of this Agreement shall be modified, waived or discharged unless the modification, waiver or discharge is agreed in writing and signed by the Covered Person and by an authorized officer of the Company (other than the Covered Person). No waiver by either party of any breach of, or compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision of the same condition or provision at another time.

(c) Entire Agreement. Except with respect to the terms of any written employment agreement, if any, by and between the Company and the Covered Person that is signed on behalf of the Company, no agreements, representations or understandings (whether oral or written and whether express or implied) which are not expressly set forth in this Agreement have been made or entered into by either party with respect to the subject matter hereof.

(d) Choice of Law. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the Commonwealth of Massachusetts.

(e) Severability. The invalidity or enforceability of any provisions or provisions of this Agreement shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect.

(f) Arbitration. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by final and binding arbitration in Massachusetts, in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction. In the event the Covered Person prevails in an action or proceeding brought to enforce the terms of this Agreement or to enforce and collect on any non-de minimis judgment entered pursuant to this Agreement, the Covered Person shall be entitled to recover all costs and reasonable attorney's fees.

(g) No Assignment of Benefits. The rights of any person to payments or benefits under this Agreement shall not be made subject to option or assignment, either by voluntary or involuntary assignment or by operation of law, including (without limitation) bankruptcy, garnishment, attachment or other creditor's process, and any action in violation of this subsection (g) shall be void.

(h) Employment Taxes. Subject to Section 5, all payments made pursuant to this Agreement will be subject to withholding of applicable income and employment taxes.

(i) Assignment by Company. The Company may assign its rights under this Agreement to an affiliate and an affiliate may assign its rights under this Agreement to another affiliate of the Company or to the Company; provided, however, that no assignment shall be made if the net worth of the assignee is less than the net worth of the Company at the time of the assignment. In the case of any such assignment, the term "Company" when used in a section of the Agreement shall mean the corporation that actually employs the Covered Person.

(j) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

[Signature Page to Follow]

IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of the Company by its duly authorized officer, as of the date first above written.

**Progress Software Corporation**

**Covered Person**

By: /s/ Stephen H. Faberman

/s/ Yogesh K. Gupta

Name: Stephen H. Faberman

Yogesh K. Gupta

Title: Chief Legal Officer



## PRESS ANNOUNCEMENT

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### PROGRESS ANNOUNCES CEO SUCCESSION

#### Software Veteran Yogesh Gupta Named CEO Phil Pead to Retire as CEO; Will Remain on Board

**BEDFORD, MA, October 10, 2016 (BUSINESSWIRE)** — Progress (NASDAQ: PRGS) today announced the appointment of Yogesh Gupta as its new chief executive officer. Phil Pead, Progress' current CEO, is retiring but will continue to serve on the Progress board of directors. Pead has been CEO since December 2012 and has led Progress through its strategic transformation to becoming a global leader in application development, empowering the digital transformation organizations need to create and sustain engaging user experiences in today's evolving marketplace.

Prior to joining Progress, Gupta was president and chief executive officer of Kaseya, Inc., a leading IT management cloud software company, from 2013 until 2015. As CEO of Kaseya, Gupta defined a new growth strategy and led the company through a complete product and business transformation. Gupta successfully implemented a high-velocity sales process that led to the transition of an \$80 million on-premise and perpetual business to cloud and subscription.

Prior to Kaseya, Gupta was chief executive officer at FatWire Software, from 2007 until it was acquired by Oracle in 2011. During his time as CEO, FatWire became a leading independent web experience management software company. Under Gupta's leadership, FatWire increased revenue 100% in three years by delivering innovative new products to manage social web and mobile presence and launching new cloud-based offerings. Prior to FatWire, Gupta was chief technology officer and chief strategist at Computer Associates, with whom he served from 1989 until 2007.

"Yogesh is clearly the right leader for Progress' future," said John R. Egan, chairman of the board of directors. "The board, as part of its annual succession planning, considered both internal and external candidates to find the best leader for our company and its employees, customers, partners and shareholders. During the course of this review, we found an individual in Yogesh with a proven track record of delivering outstanding investor returns through innovative growth strategies and strong execution, making him an incredible fit for our company and the CEO to lead the company to the next level."

Added Egan, “On behalf of the board and company, I want to thank Phil for his many contributions to Progress, particularly in leading the company through a period of significant change. I am thrilled that Phil will continue to serve on the board of directors, where he will be an invaluable resource to Yogesh, while at the same time adding his extensive experience as a public company board member.”

In connection with his appointment as CEO, the board also elected Gupta as a member of the board of directors. Gupta is not related to Ram Gupta, also a member of the Progress board of directors.

“Over the last four years, we have refocused Progress and built a solid strategic foundation for growth,” said Pead. “Making the decision to retire is never easy but given the alignment of Yogesh’s skills and experience with the strides we have made as we prepare to exit 2016, I decided that this would be the right time for me to accelerate my retirement so that we could recruit Yogesh to lead the next phase of the growth of our company. I couldn’t be more excited to welcome Yogesh as our new CEO. I will also remain on the board of Progress and look forward to seeing our momentum accelerate under Yogesh’s leadership.”

“I’m incredibly excited to join the Progress team,” said Gupta. “Progress has that rare combination of a passionate customer and partner base, leading products, amazingly talented people, dedication to technology innovation, and momentum in the market. As we add capabilities for our customers and partners, deepen our enterprise presence, and further expand into the cloud, our mission remains unchanged—to enable developers to create the applications of tomorrow - ones that deliver engaging user experiences, leverage enterprise data, and run on the most scalable and reliable platform in the industry.”

As part of today’s announcement, Progress is reaffirming its guidance for the fiscal quarter and year ended November 30, 2016 as stated in its press release issued on September 28, 2016 as follows:

<i>(In millions, except percentages and per share amounts)</i>	FY 2016 GAAP	FY 2016 Non-GAAP	Q4 2016 GAAP	Q4 2016 Non-GAAP
Revenue	\$410 - \$413	\$412 - \$415	\$122 - \$125	\$123 - \$126
Diluted earnings per share	\$0.61 - \$0.63	\$1.57 - \$1.60	\$0.25 - \$0.28	\$0.55 - \$0.58
Operating margin	15%	30%	*	*
Adjusted free cash flow	\$88 - \$93	\$85 - \$90	*	*
Effective tax rate	45%	32%	*	*

In conjunction with this announcement, Progress will host a conference call at 5:00 pm ET on Monday, October 10, 2016 with Phil Pead and Yogesh Gupta, which can be accessed on the investor relations section of the company’s website, located at [www.progress.com](http://www.progress.com). Additionally, you can listen to the call by telephone by dialing 1-800-768-6563, pass code 9700607. An archived version of the conference call will be available on the Progress website within the investor relations section after the live conference call.

#### **Non-GAAP Financial Information**

Progress provides non-GAAP supplemental information to its financial results.

We use this non-GAAP information to evaluate our period-over-period operating performance because our management believes the information helps illustrate underlying trends in our business and provides us with a more

comparable measure of our continuing business, as well as a greater understanding of the results from the primary operations of our business, by excluding the effects of certain items that do not reflect the ordinary earnings of our operations. Management also uses this non-GAAP financial information to establish budgets and operational goals, which are communicated internally and externally, evaluate performance, and allocate resources. In addition, compensation of our executives and non-executive employees is based in part on the performance of our business evaluated using this same non-GAAP information.

However, this non-GAAP information is not in accordance with, or an alternative to, generally accepted accounting principles in the United States (GAAP) and should be considered in conjunction with our GAAP results as the items excluded from the non-GAAP information often have a material impact on Progress' financial results. The latest reconciliation of non-GAAP adjustments to Progress' GAAP financial results was included in the press release furnished as an exhibit to our Form 8-K filed on September 28, 2016 and is available on the Progress website at [www.progress.com](http://www.progress.com) within the investor relations section.

### **Note Regarding Forward-Looking Statements**

This press release contains statements that are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Progress has identified some of these forward-looking statements with words like "believe," "may," "could," "would," "might," "should," "expect," "intend," "plan," "target," "anticipate" and "continue," the negative of these words, other terms of similar meaning or the use of future dates.

Forward-looking statements in this press release include, but are not limited to, statements regarding Progress' business outlook and financial guidance. There are a number of factors that could cause actual results or future events to differ materially from those anticipated by the forward-looking statements, including, without limitation:

(1) Economic, geopolitical and market conditions, including the uncertain economic environment in Europe as a result of the recent Brexit vote, and the continued difficult economic environment in Brazil and other parts of the world, can adversely affect our business, results of operations and financial condition, including our revenue growth and profitability, which in turn could adversely affect our stock price. (2) We may fail to achieve our financial forecasts due to such factors as delays or size reductions in transactions, fewer large transactions in a particular quarter, fluctuations in currency exchange rates, or a decline in our renewal rates for contracts. (3) Our ability to successfully manage transitions to new business models and markets, including an increased emphasis on a cloud and subscription strategy, may not be successful. (4) If we are unable to develop new or sufficiently differentiated products and services, or to enhance and improve our existing products and services in a timely manner to meet market demand, partners and customers may not purchase new software licenses or subscriptions or purchase or renew support contracts. (5) We depend upon our extensive partner channel and we may not be successful in retaining or expanding our relationships with channel partners. (6) Our international sales and operations subject us to additional risks that can adversely affect our operating results, including risks relating to foreign currency gains and losses. (7) If the security measures for our software, services or other offerings are compromised or subject to a successful cyber-attack, or if such offerings contain significant coding or configuration errors, we may experience reputational harm, legal claims and financial exposure. (8) We may make acquisitions

in the future and those acquisitions may not be successful, may involve unanticipated costs or other integration issues or may disrupt our existing operations. For further information regarding risks and uncertainties associated with Progress' business, please refer to Progress' filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended November 30, 2015. Progress undertakes no obligation to update any forward-looking statements, which speak only as of the date of this press release

### **Progress Software Corporation**

Progress (NASDAQ: PRGS) is a global leader in application development, empowering the digital transformation organizations need to create and sustain engaging user experiences in today's evolving marketplace. With offerings spanning web, mobile and data for on-premise and cloud environments, Progress powers startups and industry titans worldwide, promoting success one customer at a time. Learn about Progress at [www.progress.com](http://www.progress.com) or 1-781-280-4000.

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