

Canekeratne Kris A
Form 4
March 05, 2019

FORM 4

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

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Canekeratne Kris A

(Last) (First) (Middle)

C/O VIRTUSA
CORPORATION, 132 TURNPIKE
ROAD

(Street)

SOUTHBOROUGH, MA 01772

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

VIRTUSA CORP [VRTU]

3. Date of Earliest Transaction
(Month/Day/Year)

03/01/2019

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify
below) Chairman & CEO

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ Form filed by One Reporting Person
☐ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	03/01/2019		M	(A) or (D) Amount (1) (2) Price 45,000 \$ 0	670,387	D	
Common Stock	03/01/2019		F	(A) or (D) Amount (1) (3) Price 17,064 \$ 50.77	653,323	D	
Common Stock	03/01/2019		F	(A) or (D) Amount (4) Price 8,206 \$ 50.77	645,117	D	
Common Stock	03/01/2019		S(5)	(A) or (D) Amount (5) Price 10,000 \$ 50.27	156,261	I	Held by Spouse
Common Stock					41,110	I	Held by Kris Canekeratne

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Common Stock	41,110	I	Irrevocable Trust Held by Irrevocable Trust of spouse
Common Stock	14,692	I	Held by Kavan A. Canekeratne IDI Trust
Common stock	14,692	I	Held by Shane A. Canekeratne IDI Trust

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

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
performance-based restricted stock unit awards	<u>(1)</u>	03/01/2019		M	45,000 <u>(1)</u>	<u>(1)(2)</u> <u>(1)(2)</u>	common stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Canekeratne Kris A C/O VIRTUSA CORPORATION 132 TURNPIKE ROAD SOUTHBOROUGH, MA 01772	X		Chairman & CEO	

Signatures

/s/ Paul D. Tutun, Attorney
in Fact

03/05/2019

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

On 8/11/2016, the reporting person was granted a one-time long-term performance-based restricted stock unit award under the Company's 2015 Stock Option and Incentive Plan, which awards vest upon the Company's achievement of a twelve-month trailing ("TTM") non-GAAP operating income target within a five-year performance period beginning on 4/1/16 and ending on 3/31/21. In accordance

- (1) with the PSU agreement, 30% of performance shares vest upon achieving TTM Non-GAAP operating income of \$117M during the performance period and vest on the first day of the third month following the quarter in which the performance target is achieved. On 2/19/2019, our board approved the achievement of TTM Non-GAAP operating income of \$117.1M during fiscal quarter ending 12/31/18 and the above earned shares vested on 3/1/19 based on continued service of the reporting person.

- (2) The remaining number of units granted will vest only upon attainment of certain performance milestones, then such shares will vest on the first day of the third month following the quarter in which the performance target is achieved. The number of units that actually vest will be 0% to 200% of the scheduled amount, depending on the extent to which the Company meets or exceeds the financial performance goals. The grantee has no voting rights with respect to the shares underlying the award until vested.

- (3) The above shares represent the number of shares withheld equal to the reporting person's tax liability thereon.

On 11/14/16, the reporting person was granted performance-based restricted stock units based on revised financial guidance for fiscal year ending 3/31/2017 ("FY17") under the Company's 2015 Stock Option and Incentive Plan, which awards vest only upon the Company's achievement of two critical performance metrics based on a nine month performance period beginning 7/1/2016 and ending

- (4) 3/31/2017: revenue (70%) and Non-GAAP operating income (30%). Based on the Company's achievement of revenue of \$653.2 million and Non-GAAP operating income of \$48 million (for the nine-month period ending 3/31/17), 46.2% of the target shares were earned, of which 50% vest on 9/1/2017 and 50% vest on 3/1/2019, based on continued service of the reporting person. On 3/1/19 the company withheld the number of shares listed above equal to the reporting person's tax liability thereon.

- (5) These shares were sold pursuant to a 10b5-1 Sales Plan Agreement dated as of November 16, 2018 entered into by and between Tushara Canekeratne and an investment bank.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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