

## *Dwyer et al. v. Trefler et al.*

**COURT:** Suffolk County Superior Court of the Commonwealth of Massachusetts  
**CASE NUMBER:** Civ. No. 2484CV01734-BLS1  
**CASE LEADERS:** Mark Lebovitch  
**CASE TEAM:** Mae Oberste

TO: ALL PERSONS OR ENTITIES WHO OR WHICH HOLD SHARES OF PEGASYSTEMS INC. (“PEGASYSTEMS” OR THE “COMPANY”) COMMON STOCK.

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS WILL BE AFFECTED BY THE PROPOSED SETTLEMENT OF THIS STOCKHOLDER DERIVATIVE ACTION.**

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23.1 of the Massachusetts Rules of Civil Procedure and Mass. Gen. L. ch. 156D, § 7.45, and an Order of the Suffolk County Superior Court of the Commonwealth of Massachusetts (the “State Court”), of the pendency of the stockholder derivative action captioned *Dwyer et al. v. Trefler et al.*, Civ. No. 2484CV01734-BLS1 (the “State Derivative Action”), pending in the State Court, and the stockholder derivative action captioned *Larkin et al. v. Trefler et al.*, No. 1:25-cv-10303-WGY (the “Federal Derivative Action” and, together with the State Derivative Action, the “Actions”) pending in the U.S. District Court for the District of Massachusetts.

YOU ARE ALSO NOTIFIED that the Settling Parties have reached a proposed settlement of the Actions (the “Settlement”), subject to the approval of the State Court, as provided in a Stipulation of Settlement dated as of February 6, 2026 (the “Stipulation”), which is available under the Case Documents section of this page. Under the terms of the proposed Settlement, the Pegasystems Board of Directors (the “Board”) will declare a special cash dividend in an amount of \$7 million to be funded by the Company and distributed to the Company’s shareholders other than the Individual Defendants, their immediate family members, and certain affiliated entities (defined in the Stipulation of Settlement as “Excluded Holders”). Also, pursuant to the Settlement, the Individual Defendants and Pegasystems acknowledge that the Actions and the Demand Letters played a material causal role in the adoption of certain governance reforms by the Board and Pegasystems.

A more detailed description of the Settlement terms, as well as a description of the history of the Actions and an explanation of stockholders’ legal rights with respect to the Settlement, is provided in the full printed Notice of Pendency and Proposed Settlement of Stockholder Derivative Actions (the “Notice”). The Notice and the Stipulation are publicly available on the “Investor Relations” section of Pegasystems’ website, <https://www.pega.com/about/investors>.

The Court will consider the Settlement and all matters related to the Settlement at the Settlement Hearing. The Settlement Hearing will be held on June 25, 2026, at 2:00 p.m., before the Honorable Peter B. Krupp at the Suffolk County Superior Court, 3 Pemberton Square, Courtroom 1015, Boston, MA 02108. Any person, including counsel, may attend, observe or participate in the hearing over Zoom (Mtg ID: 161 888 7367). At the Settlement Hearing, the State Court will, among other things: (i) determine whether the State Plaintiffs and their counsel have adequately represented the interests of the Company and its stockholders; (ii) determine whether the proposed Settlement on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate to the Company and its stockholders, and should be approved by the Court; (iii) determine whether the Judgment, substantially in the form attached as Exhibit D to the Stipulation, should be entered; (iv) determine whether the

application by Plaintiffs’ Counsel for an award of attorneys’ fees and expenses, including any award payments to Plaintiffs (the “Fee and Expense Application”), should be approved; and (v) consider any other matters that may properly be brought before the Court in connection with the Settlement. Stockholders do not need to attend the Settlement Hearing.

Please Note: The State Court has reserved the right to adjourn the Settlement Hearing or any adjournment thereof, including the consideration of the Fee and Expense Application, without further notice of any kind. The Court has further reserved the right to approve the Stipulation and the Settlement, at or after the Settlement Hearing, with such modifications as may be consented to by the Settling Parties and without further notice to Pegasystems stockholders. You should monitor the Court’s docket and the website of Representative Plaintiffs’ Counsel, as indicated below, before making plans to attend the Settlement Hearing. You may also confirm the date and time of the Settlement Hearing by contacting Representative Plaintiffs’ Counsel as indicated below.

If you are a Pegasystems stockholder who or which continues to hold shares of Pegasystems common stock as of June 25, 2026, the date of the Settlement Hearing, you may object to the Settlement or the Fee and Expense Application in writing, and you also have the right to appear at the Settlement Hearing. Any objections must be in writing and filed with the Civil Clerk’s Office, Suffolk County Superior Court, and delivered to Representative State Plaintiffs’ Counsel, Representative Federal Plaintiffs’ Counsel, and Defendants Counsel such that they are **received no later than June 15, 2026**, in accordance with the instructions set forth in the Notice.

Please Note: There is no proof of claim form for stockholders to submit in connection with this Settlement, and stockholders are not required to take any action in response to this notice.

**PLEASE DO NOT CONTACT THE COURT WITH QUESTIONS ABOUT THIS SETTLEMENT**

All questions regarding this notice and the Settlement should be made to Representative Plaintiffs’ Counsel:

Joel Equity 1 Boston, MA 02108	Litigation Washington	Group Mall	Fleming LLP #1307
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Telephone:	(617)	468-8602
Email:	jfleming@equitylitigation.com	

Lawrence Bragar 810 Seventh Avenue New York, NY 10019	Egel &	Squire,	Egel PC
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Telephone:	(212)	308-5888
Email:	eagel@bespc.com	

**Case Documents**

- April 16, 2026 – Order Preliminarily Approving Settlement and Providing for Notice
- April 16, 2026 – Summary Notice of Pendency and Proposed Settlement of Stockholder Derivative Actions
- April 16, 2026 – Notice of Pendency and Proposed Settlement of Stockholder Derivative Actions

- April 10, 2026 – Appendices in Support of Joint Memorandum of Law
- April 10, 2026 – Declaration of Richard A. Speirs in Support of Joint Memorandum of Law
- April 10, 2026 – Exhibits in Support of Joint Memorandum of Law, including Exhibit 1 (Demand Review Committee Report) and Exhibit 2 (Memorandum of Decision and Order on Defendants' Motions to Dismiss)
- April 10, 2026 – Joint Supplemental Memorandum of Law in Support of Preliminary Approval
- February 9, 2026 – Stipulation of Settlement and Ancillary Exhibits
- February 9, 2026 – Declaration of Lauren Godles Milgroom in Support of Motion for Preliminary Approval of Derivative Settlement
- February 9, 2026 – Memorandum of Law in Support of Motion for Preliminary Approval of Derivative Settlement
- February 9, 2026 – Plaintiffs' Unopposed Motion for Preliminary Approval of Derivative Settlement
- March 18, 2025 – Verified Consolidated Stockholder Derivative Complaint