

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, S.S.

SUPERIOR COURT

Civil No. 24-1734-BLS1

JOHN DWYER, & another¹
Plaintiffs

vs.

ALAN TREFLER, & others²
Defendants

CONSOLIDATED WITH
Civil No. 24-3076-BLS1

JAYNE BIRCH, & another³
Plaintiffs

vs.

ALAN TREFLER, & others⁴
Defendants

[PROPOSED] FINAL JUDGMENT AND ORDER OF DISMISSAL WITH PREJUDICE

WHEREAS, the Settling Parties have entered into a Stipulation of Settlement, dated February 9, 2026 (the “Stipulation”), that sets forth the terms and conditions of the settlement of the shareholder derivative actions captioned *Dwyer et al. v. Trefler et al.*, Civ. No. 24-1734-BLS1, pending in this Court (the “State Derivative Action”), and any appeals thereof; and *Larkin et al. v.*

¹ Ray Gerber.

² Peter Gyenes, Richard Jones, Christopher Lafond, Dianne Ledingham, Sharon Rowlands, Larry Weber, Leon Trefler, Don Schuerman, Kerim Akgonul, and Benjamin Baril. Pegasystems Inc. is named as a nominal defendant.

³ Robert Garfield.

⁴ Peter Gyenes, Richard Jones, Christopher Lafond, Dianne Ledingham, Sharon Rowlands, Larry Weber, Leon Trefler, Don Schuerman, Kerim Akgonul, Benjamin Baril, and Kenneth Stillwell. Pegasystems Inc. is named as a nominal defendant.

Trefler et al., No. 1:25-cv-10303-WGY, pending in the U.S. District Court for the District of Massachusetts (the “Federal Derivative Action”), and together with the State Derivative Action, the “Actions”), and any appeals thereof, subject to the approval of this Court (the “Settlement”);

WHEREAS, the Settlement provides for a complete dismissal with prejudice of the claims asserted in the Actions;

WHEREAS, by Order dated April 16, 2026 (the “Preliminary Approval Order”), this Court (a) preliminarily approved the proposed Settlement; (b) ordered that notice of the proposed Settlement be provided to Pegasystems Inc. (“Pegasystems” or the “Company”) stockholders; (c) provided Pegasystems stockholders with the opportunity to object to the proposed Settlement and Plaintiffs’ Counsel application for an award of attorneys’ fees and expenses, including any award payments (“Service Awards”) to Plaintiffs (the “Fee and Expense Application”); and (d) scheduled a hearing regarding final approval of the Settlement;

WHEREAS, the Court conducted a hearing on _____, 2026 (the “Settlement Hearing”) to, among other things, (a) determine whether plaintiffs John Dwyer, Ray Gerber, Jayne Birch, and Robert Garfield (collectively, the “State Plaintiffs”) and their counsel (“State Plaintiffs’ Counsel”) have adequately represented the interests of the Company and its stockholders; (b) 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; (c) determine whether this Judgment finally approving the Settlement should be entered; (d) determine whether the application by Plaintiffs’ Counsel for an award of attorneys’ fees and expenses, including any award payments (“Service Awards”) to Plaintiffs (the “Fee and Expense Application”), should be approved; and (e) consider any other matters that may properly be brought before the Court in connection with the Settlement; and

WHEREAS, it appearing that due notice of the terms of the Settlement and the releases thereunder and the Settlement Hearing has been given in accordance with the Preliminary Approval Order; the Settling Parties having appeared by their respective attorneys of record; the Court having heard and considered evidence in support of the proposed Settlement; the attorneys for the respective Settling Parties having been heard; an opportunity to be heard having been given to all other persons or entities requesting to be heard in accordance with the Preliminary Approval Order; the Court having determined that notice to Pegasystems stockholders was adequate and sufficient; and the entire matter of the proposed Settlement having been heard and considered by the Court;

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED, this ___ day of _____, 2026, as follows:

1. **Definitions** – Unless otherwise defined in this Judgment, the capitalized terms used herein shall have the same meaning as they have in the Stipulation.
2. **Jurisdiction** – The Court has jurisdiction over the subject matter of the State Derivative Action, including all matters necessary to effectuate the Settlement and this Judgment and over all parties to the State Derivative Action and Pegasystems stockholders.
3. **Incorporation of Settlement Documents** – This Judgment incorporates and makes a part hereof: (a) the Stipulation filed with the Court on February 9, 2026; and (b) the Notice and Summary Notice, which were filed with the Court on February 9, 2026.
4. **State Derivative Action Properly Maintained; Adequacy of State Plaintiffs and State Plaintiffs' Counsel** – Based on the record in the State Derivative Action, the requirements of Rule 23.1 of the Massachusetts Rules of Civil Procedure and Mass. Gen. L. ch. 156D have been satisfied and properly maintained. The State Plaintiffs and State Plaintiffs' Counsel have

adequately represented the interests of the Company and its stockholders both in terms of litigating the State Derivative Action and for purposes of entering into and implementing the Settlement.

5. **Notice** – The Court finds that the publication of the Notice and Summary Notice: (a) were implemented in accordance with the Preliminary Approval Order; (b) constituted notice that was reasonably calculated, under the circumstances, to apprise Pegasystems stockholders of: (i) the pendency of the Actions; (ii) the effect of the proposed Settlement (including the releases to be provided under the Stipulation); (iii) the Fee and Expense Application; (iv) their right to object to the Settlement and the Fee and Expense Application; and (v) their right to appear at the Settlement Hearing; (c) constituted due, adequate, and sufficient notice to all persons and entities entitled to receive notice of the proposed Settlement; and (d) satisfied the requirements of Rule 23.1 of the Massachusetts Rules of Civil Procedure, Mass. Gen. L. ch. 156D, § 7.45, the United States Constitution (including the Due Process Clause), and all other applicable law and rules.

6. **Final Settlement Approval and Dismissal of Claims** – Pursuant to, and in accordance with, Rule 23.1 of the Massachusetts Rules of Civil Procedure and Mass. Gen. L. ch. 156D, § 7.45, this Court hereby fully and finally approves the Settlement set forth in the Stipulation in all respects (including, without limitation: the Settlement consideration; the releases under the Settlement, including the release of the Released Plaintiffs Claims as against the Released Defendants Persons; and the dismissal with prejudice of the claims asserted in the State Derivative Action), and finds that the Settlement is, in all respects, fair, reasonable, and adequate to Company and its stockholders. The Settling Parties are directed to implement, perform, and consummate the Settlement in accordance with the terms and provisions contained in the Stipulation.

7. The State Derivative Action is hereby dismissed with prejudice. The Settling Parties shall bear their own costs and expenses, except as otherwise expressly provided in the

Stipulation.

8. **Binding Effect** – The terms of the Stipulation and of this Judgment shall be forever binding on the Settling Parties and all Pegasystems stockholders, as well as their respective successors and assigns.

9. **Releases** – The releases set forth in paragraphs 4.1 and 4.2 of the Stipulation, together with the definitions contained in Section 1 of the Stipulation relating thereto, are expressly incorporated herein in all respects. The releases are effective as of the Effective Date. Accordingly, this Court orders that:

(a) Without further action by anyone, and subject to paragraph 10 below, upon the Effective Date, Plaintiffs (acting on their own behalf and derivatively on behalf of Pegasystems), Pegasystems, and each of the Current Pegasystems Shareholders shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged the Released Plaintiffs Claims against the Released Defendants Persons, and shall forever and permanently be barred and enjoined from filing, commencing, instituting, prosecuting, continuing, asserting, intervening in, maintaining, or enforcing any action or other proceeding in any forum (including, but not limited to, any foreign, federal, state or local court of law or equity, arbitration tribunal, or administrative forum), asserting any of the Released Plaintiffs Claims against any and all of the Released Defendants Persons.

(b) Without further action by anyone, and subject to paragraph 10 below, upon the Effective Date of the Settlement, Pegasystems and the Individual Defendants shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged the Released Defendants Claims against the Released Plaintiffs Persons, and shall forever and permanently be barred and enjoined from filing, commencing,

instituting, prosecuting, continuing, asserting, intervening in, maintaining, or enforcing any action or other proceeding in any forum (including, but not limited to, any foreign, federal, state or local court of law or equity, arbitration tribunal, or administrative forum), asserting any of the Released Defendants Claims against any and all of the Released Plaintiffs Persons.

10. Notwithstanding paragraphs 9(a)-(b) above, nothing in this Judgment shall bar any action by any of the Settling Parties to enforce the terms of the Stipulation or this Judgment. Also, for the avoidance of doubt, the Released Plaintiffs Claims do not cover, include, or release any direct Claims of any current or former shareholder of Pegasystems (other than Plaintiffs), including without limitation any claims asserted under the federal securities laws, including without limitation the claims asserted in *In re Pegasystems Inc. Securities Litigation*, No. 22-cv-11220-WGY (D. Mass.), *PS Lit Recovery, LLC v. Pegasystems Inc. et al.*, 1:24-cv-12996 (D. Mass.), or *Eminence Fund Long Master, Ltd. et al v. Pegasystems Inc. et al.*, 1:24-cv-12999 (D. Mass.).

11. **Costs of Special Dividend** – The Company shall assume all administrative responsibility for and will pay any and all costs and expenses associated with the issuance and delivery of the Special Dividend, regardless of whether the Effective Date fails to occur, consistent with the terms of Section 2.4 of the Stipulation. Neither Plaintiffs nor Plaintiffs’ Counsel shall be responsible for any costs or expenses associated with the issuance or delivery of the Special Dividend.

12. **No Admissions** – Neither this Judgment, the Settlement, the Stipulation (whether or not consummated), including the Exhibits thereto, the negotiations resulting in the Stipulation and the Settlement, nor any proceedings, communications, drafts, documents, or agreements pursuant concerning the Stipulation or the Settlement (including any arguments proffered in connection therewith):

(a) shall be offered or received against or to the prejudice of any Released Defendants Persons as evidence of or construed as or deemed to be evidence of any presumption, concession, finding, or admission by any Released Defendants Persons of the truth of any allegations by Plaintiffs or the validity of any claim that has been or could have been asserted in the Demand Letters, the Actions, and/or the Complaints, or the deficiency of any defense that has been or could have been asserted in the Actions or in any other litigation, including, but not limited to, litigation of the Released Plaintiffs Claims, or of any liability, damages, negligence, fault, omission, or wrongdoing of any kind of any of the Released Defendants Persons or in any way referred to for any other reason as against any of the Released Defendants Persons, in any civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation;

(b) shall be offered or received against or to the prejudice of the Released Plaintiffs Persons as evidence that Plaintiffs' claims in any way lack merit or the validity of any affirmative defense that has been or could have been asserted in the Actions, including, but not limited to, litigation of the Released Plaintiffs Claims;

(c) shall be offered or received against or to the prejudice of any Released Defendants Persons as evidence of a presumption, concession, or admission of any fault, misrepresentation, scheme, or omission with respect to any statement or written document approved or made by any Released Defendants Persons, or against the Released Plaintiffs Persons as evidence of any infirmity in the claims of Plaintiffs;

(d) shall be offered or received against or to the prejudice of any Released Defendants Persons as evidence of a presumption, concession, or admission of any liability, damages, negligence, fault, omission, or wrongdoing, or shall be in any way referred to for any

other reason as against any of the parties to the Stipulation, in any other civil, criminal, or administrative action or proceeding in any court, administrative agency, or other tribunal; provided, however, that Defendants and the Released Defendants Persons may refer to the Stipulation and this Judgment to effectuate the release granted them under the Stipulation and this Judgment; or

(e) shall be construed against the Released Defendants Persons or the Released Plaintiffs Persons as evidence of a presumption, concession, or admission that the consideration to be given under the Stipulation represents the amount which could be or would have been recovered after trial or in any proceeding other than the Settlement.

13. A separate order shall be entered regarding Plaintiffs' Counsel's application for an award of attorneys' fees and expenses and service awards to Plaintiffs. Such order shall in no way disturb or affect the finality of this Judgment, shall be considered separate from this Judgment, and shall not affect or delay the Effective Date of the Settlement.

14. **Retention of Jurisdiction** – Without affecting the finality of this Judgment in any way, this Court retains continuing jurisdiction over the parties to the State Derivative Action and all Pegasystems stockholders for purposes of the administration, interpretation, implementation, and enforcement of the Settlement.

15. **Modification of the Stipulation** – Any further amendments or modifications of the Stipulation or any exhibits attached thereto to effectuate the Settlement shall only be made with the prior approval of the Court.

16. **Termination of Settlement** – If the Settlement is terminated as provided in the Stipulation or the Effective Date of the Settlement otherwise fails to occur, this Judgment shall be vacated, rendered null and void, and be of no further force and effect, except as otherwise provided

by the Stipulation, and this Judgment shall be without prejudice to the rights of the Settling Parties or any Pegasystems stockholders, and the parties to the Actions shall be restored to their respective positions in the Actions as of immediately prior to the execution of the Stipulation on February 9, 2026.

17. **Entry of Final Judgment** – There is no just reason to delay the entry of this Judgment as a final judgment in the State Derivative Action. Accordingly, the Clerk of the Court is expressly directed to immediately enter this final judgment in the State Derivative Action.

SO ORDERED this _____ day of _____, 2026.

Honorable _____

Justice of the Superior Court