

Paramount Group, Inc.
 Form 4
 February 01, 2017

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2015
 Estimated average burden hours per response... 0.5

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Behler Albert P.

(Last) (First) (Middle)

C/O PARAMOUNT GROUP,
 INC., 1633 BROADWAY, SUITE
 1801

(Street)

NEW YORK, NY 10019

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 Paramount Group, Inc. [PGRE]

3. Date of Earliest Transaction
 (Month/Day/Year)
 01/30/2017

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
 Chairman, CEO and President

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 Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|-----|-------|
| | | | | (A) or (D) | Code | V | Amount | (D) | Price |

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

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SEC 1474 (9-02)

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

| 1. Title of Derivative | 2. Conversion | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if | 4. Transaction | 5. Number of Derivative | 6. Date Exercisable and Expiration Date | 7. Title and Amount of Underlying Securities |
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|-------------------------|---|--|
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|-------------------------|---|--|

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| Security (Instr. 3) | or Exercise Price of Derivative Security | any (Month/Day/Year) | Code (Instr. 8) | Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | (Month/Day/Year) | (Instr. 3 and 4) | | | | |
|-------------------------|--|----------------------|-----------------|---|------------------|------------------|------------------|-----------------|--------------|----------------------------|
| | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| LTIP Units <u>(1)</u> | <u>(2)</u> | 01/30/2017 | A | | 154,552 | | <u>(1)(2)</u> | <u>(2)</u> | Common Stock | 154,552 |
| LTIP Units <u>(3)</u> | <u>(2)</u> | 01/30/2017 | A | | 116,003 | | <u>(2)(3)</u> | <u>(2)</u> | Common Stock | 116,003 |
| Stock Option <u>(4)</u> | \$ 16.81 | 01/30/2017 | A | | 606,344 | | <u>(4)</u> | 01/29/2027 | Common Stock | 606,344 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Behler Albert P. C/O PARAMOUNT GROUP, INC. 1633 BROADWAY, SUITE 1801 NEW YORK, NY 10019 | X | | Chairman, CEO and President | |

Signatures

/s/ Gage Johnson as attorney-in-fact for Albert P. Behler

02/01/2017

**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).

Represents LTIP Units issued pursuant to the Paramount Group, Inc. 2017 Performance Program (the "2017 Program") under the Issuer's 2014 Equity Incentive Plan. The LTIP Units granted pursuant to the 2017 Program will vest 50% on the date that performance is determined under the 2017 Program following the conclusion of the three-year performance period ending December 31, 2019 and 50% on December 31, 2020, subject to the achievement of performance criteria and continued employment. The reporting person will be required to hold earned awards for an additional year following vesting.

(1) Conditioned upon minimum allocations to the capital accounts of the LTIP Units for federal income tax purposes, each vested LTIP Unit may be converted, at the election of the holder, into a common unit of limited partnership interest ("OP Unit") in Paramount Group Operating Partnership LP. Each OP Unit acquired upon conversion of a vested LTIP Unit may be presented for redemption, at the election of the holder, for cash equal to the then fair market value of one share of the Issuer's common stock, except that the Issuer may, at its election, acquire each OP Unit so presented for one share of common stock. LTIP Units are generally not convertible without the consent of the Issuer until two years from the date of the grant. The rights to convert vested LTIP Units into OP Units and redeem OP Units do not have expiration dates.

(3) LTIP Units issued pursuant to the Issuer's 2014 Equity Incentive Plan. The LTIP Units vest in four equal installments on each of January 30, 2018, 2019, 2020 and 2021, subject to continued employment.

(4) Stock option issued pursuant to the Issuer's 2014 Equity Incentive Plan in connection with a cash bonus exchange election made by the reporting person. The option vests 40% on January 30, 2018, 40% on January 30, 2019, and 20% on January 30, 2020, subject to

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continued employment.

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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