

GRAVES JEFFREY A  
Form 4  
December 11, 2018

**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

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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
GRAVES JEFFREY A

2. Issuer Name and Ticker or Trading Symbol  
MTS SYSTEMS CORP [MTSC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
14000 TECHNOLOGY DRIVE  
  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
12/09/2018

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

EDEN PRAIRIE, MN 55344

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

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

(City) (State) (Zip)

**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) Price			
Common Stock	12/09/2018		A	8,906 (1)	\$ 0	72,136.6843 (2)	D
Common Stock	12/09/2018		F	2,726 (3)	\$ 47.59	69,410.6843 (2)	D
Common Stock	12/11/2018		P	2,000	\$ 46.8	71,410.6843 (2)	D

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

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SEC 1474  
(9-02)

number.

**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)	8. Price of Derivative Security (Instr. 3)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (right to buy)	\$ 64.9					(4) 12/04/2020	Common Stock	68,241	
Stock Option (right to buy)	\$ 66.98					(4) 12/03/2021	Common Stock	32,854	
Stock Option (right to buy)	\$ 61.74					(4) 12/09/2022	Common Stock	61,455	
Stock Option (right to buy)	\$ 46.25					(5) 04/17/2024	Common Stock	38,941	
Stock Option (right to buy)	\$ 52.3					(6) 04/17/2025	Common Stock	38,934	
Stock Option (right to buy)	\$ 48.8					(7) 12/05/2025	Common Stock	36,886	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other

GRAVES JEFFREY A  
14000 TECHNOLOGY DRIVE X President and CEO  
EDEN PRAIRIE, MN 55344

## Signatures

/s/ Amanda Lorentz as attorney-in-fact for Jeffrey A. Graves pursuant to Power of Attorney  
previously filed.

12/11/2018

\_\_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).

Shares acquired upon vesting of performance restricted stock units ("PRSU's"). Each PRSU represents the right to receive, following vesting, one share of MTS common stock. The resulting number of shares of MTS common stock acquired upon vesting of the PRSU's is

(1) contingent upon the achievement of pre-established performance metrics, as approved by MTS's Compensation and Leadership and Development Committee, over a three-year performance period beginning on December 9, 2015 and ending on the three year anniversary of the date of grant.

(2) Includes (i) 5,405 restricted stock units that vest as to 2,703 shares on 4/17/19 and as to 2,702 shares on 4/17/20; (ii) 8,308 restricted stock units that vest as to 2,770 shares on 4/17/19 and as to 2,769 shares on each of 4/17/20 and 4/17/21; and (iii) 9,539 restricted stock units that vest as to 3,180 shares on each of 12/5/19 and 12/5/20 and as to 3,179 shares on 12/5/21.

(3) Shares withheld for payment of tax liability.

(4) Fully exercisable.

(5) Options to purchase 12,981 shares vest on 4/17/18 and options to purchase 12,980 shares vest on each of 4/17/19 and 4/17/20.

(6) Options to purchase 12,978 shares vest on each of 4/17/19, 4/17/20 and 4/17/21.

(7) Options to purchase 12,296 shares vest on 12/5/19 and options to purchase 12,295 shares vest on each of 12/5/20 and 12/5/21.

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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