

BYCOFF BARRY N
Form 4
November 19, 2004

FORM 4

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

OMB APPROVAL

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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 *
BYCOFF BARRY N

2. Issuer Name and Ticker or Trading Symbol
NETEGRITY INC [NETE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
C/O NETEGRITY INC., 201 JONES ROAD

3. Date of Earliest Transaction (Month/Day/Year)
11/17/2004

Director 10% Owner
 Officer (give title below) Other (specify below)
Board Chariman, Pres, CEO

(Street)
WALTHAM, MA 02451

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (D) | Price |
| Common Stock | 11/17/2004 | | M | | 390,000 | A | \$ 0.92 686,300 |
| Common Stock | 11/17/2004 | | M | | 50,000 | A | \$ 2.46 736,300 |
| Common Stock | 11/17/2004 | | M | | 45,000 | A | \$ 2.75 781,300 |
| Common Stock | 11/17/2004 | | M | | 44,499 | A | \$ 3.62 825,799 |
| Common Stock | 11/17/2004 | | M | | 34,251 | A | \$ 3.62 860,050 |

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| | | | | | | | |
|--------------|------------|---|---------|---|----------|-----------|---|
| Common Stock | 11/17/2004 | M | 3,843 | A | \$ 3.62 | 863,893 | D |
| Common Stock | 11/17/2004 | M | 31,157 | A | \$ 3.62 | 895,050 | D |
| Common Stock | 11/17/2004 | M | 148,750 | A | \$ 3.62 | 1,043,800 | D |
| Common Stock | 11/17/2004 | M | 78,750 | A | \$ 4.55 | 1,122,550 | D |
| Common Stock | 11/17/2004 | M | 35,000 | A | \$ 4.55 | 1,157,550 | D |
| Common Stock | 11/17/2004 | M | 148,750 | A | \$ 4.55 | 1,306,300 | D |
| Common Stock | 11/17/2004 | M | 93,750 | A | \$ 10.35 | 1,400,050 | D |
| Common Stock | 11/17/2004 | M | 2,181 | A | \$ 10.35 | 1,402,231 | D |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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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 Security (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Am Nur Sha |
| Employee Stock Option (right to buy) | \$ 0.92 | 11/17/2004 | | M | 390,000 | 05/15/1997 ⁽¹⁾ | 05/15/2003 | Common Stock | 39 |
| Employee Stock Option (right to buy) | \$ 2.46 | 11/17/2004 | | M | 50,000 | 12/23/1999 ⁽²⁾ | 12/23/2008 | Common Stock | 50 |

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| | | | | | | | | |
|--------------------------------------|----------|------------|---|---------|----------------------------|------------|---------------|---------|
| Employee Stock Option (right to buy) | \$ 2.75 | 11/17/2004 | M | 45,000 | 12/31/1999 ⁽³⁾ | 12/31/2008 | Common Stock | 45,000 |
| Employee Stock Option (right to buy) | \$ 3.62 | 11/17/2004 | M | 44,499 | 03/25/2003 ⁽⁴⁾ | 03/25/2010 | Common Stock | 44,499 |
| Employee Stock Option (right to buy) | \$ 3.62 | 11/17/2004 | M | 34,251 | 03/25/2003 ⁽⁵⁾ | 03/25/2010 | Common Stock | 34,251 |
| Employee Stock Option (right to buy) | \$ 3.62 | 11/17/2004 | M | 3,843 | 03/25/2003 ⁽⁶⁾ | 03/25/2010 | Common Shares | 3,843 |
| Employee Stock Option (right to buy) | \$ 3.62 | 11/17/2004 | M | 31,157 | 03/25/2003 ⁽⁷⁾ | 03/25/2010 | Common Shares | 31,157 |
| Employee Stock Option (right to buy) | \$ 3.62 | 11/17/2004 | M | 148,750 | 03/25/2003 ⁽⁸⁾ | 03/25/2010 | Common Stock | 148,750 |
| Employee Stock Option (right to buy) | \$ 4.55 | 11/17/2004 | M | 78,750 | 04/25/2003 ⁽⁹⁾ | 04/25/2010 | Common Stock | 78,750 |
| Employee Stock Option (right to buy) | \$ 4.55 | 11/17/2004 | M | 35,000 | 04/25/2003 ⁽¹⁰⁾ | 04/25/2010 | Common Stock | 35,000 |
| Employee Stock Option (right to buy) | \$ 4.55 | 11/17/2004 | M | 148,750 | 04/25/2003 ⁽¹¹⁾ | 04/25/2010 | Common Stock | 148,750 |
| | \$ 10.35 | 11/17/2004 | M | 93,750 | 03/09/2004 ⁽¹²⁾ | 12/10/2013 | | 93,750 |

| | | | | | | | | | |
|--|----------|------------|--|---|-------|----------------------------|------------|--|-----------------|
| Employee Stock Option (right to buy) | | | | | | | | | Common Stock |
| Employee Stock Option (right to buy) | \$ 10.35 | 11/17/2004 | | M | 2,181 | 03/09/2004 ⁽¹³⁾ | 12/10/2013 | | Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| BYCOFF BARRY N C/O NETEGRITY INC. 201 JONES ROAD WALTHAM, MA 02451 | X | | Board Chariman, Pres, CEO | |

Signatures

Barry N. Bycoff 11/19/2004

**Signature of Date
Reporting Person

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).
- (1) Option granted 5/15/96 with options vesting 25% annually over a 4-year period.
- (2) Option granted 12/23/98 with options vesting 25% annually over a 4-year period.
- (3) Option granted 12/31/98 with options vesting 33% annually over a 3-year period.
- (4) Option granted 3/25/03 with options vesting 40% immediately on the grant date and the remaining vest quarterly over a 3-year period.
- (5) Option granted 3/25/03 with options vesting 40% immediately on the grant date and the remaining vest quarterly over a 3-year period.
- (6) Option granted 3/25/03 with options vesting 40% immediately on the grant date and the remaining vest quarterly over a 3-year period.
- (7) Option granted 3/25/03 with options vesting 40% immediately on the grant date and the remaining vest quarterly over a 3-year period.
- (8) Option granted 3/25/03 with options vesting 40% immediately on the grant date and the remaining vest quarterly over a 3-year period.
- (9) Option granted 4/25/03 with options vesting 40% immediately on the grant date and the remaining vest quarterly over a 3-year period.
- (10) Option granted 4/25/03 with options vesting 40% immediately on the grant date and the remaining vest quarterly over a 3-year period.
- (11) Option granted 4/25/03 with options vesting 40% immediately on the grant date and the remaining vest quarterly over a 3-year period.
- (12) Option granted 12/9/03 with options vesting 6.25% quarterly beginning 3-months after the grant date.
- (13) Option granted 12/9/03 with options vesting 6.25% quarterly beginning 3-months after the grant date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.