

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

☐ Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

1. Name and Address of Reporting Person* <u>HOWARD RUDY</u> (Last) (First) (Middle) <u>3020 CARRINGTON MILL BLVD.</u> <u>SUITE 100</u> (Street) <u>MORRISVILLE NC 27560</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>SCIQUEST INC</u> [<u>SQI</u>]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Chief Financial Officer</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>03/18/2015</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

**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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Restricted Stock Unit	(1)	03/18/2015		A		17,889		(2)	(3)	Common Stock	17,889	\$0.00	32,505	D	
Performance-Based Restricted Stock Unit	(4)	03/18/2015		A		17,889 ⁽⁵⁾		03/18/2018	(6)	Common Stock	17,889 ⁽⁵⁾	\$0.00	17,889 ⁽⁵⁾	D	

Explanation of Responses:

- Each Restricted Stock Unit ("RSU") represents a contingent right to receive one share of common stock upon vesting without consideration.
- The RSUs were granted on March 18, 2015 and vest in four equal installments on each anniversary of the grant date until March 18, 2019.
- Shares of common stock will be issuable with respect to the RSUs upon the earlier to occur of the fifth anniversary of the grant date and a change of control of the Company.
- Each Performance-Based Restricted Stock Unit ("PSU") represents a contingent right to receive shares of common stock upon vesting without consideration based on the performance of the Company's common stock as compared to the Russell 2000 Index (the "Index").
- The target number of shares issuable pursuant to the PSUs is 17,889, with the actual number of shares issuable being variable based on the over- or under-performance of the Company's stock price compared to the Index during the three-year period following the grant date. If the Company's common stock under-performs the Index, the number of shares issuable pursuant to the PSUs will be reduced from the target number of shares at a rate of 2 to 1 (two-percentage point reduction in target shares for each percentage point of under-performance). If the Company's common stock outperforms the Index, the number of shares issuable pursuant to the PSUs will be increased from the target shares at a rate of 2 to 1 (two-percentage point increase in the number of target shares for each percentage point of over-performance), up to 200% of the target shares.
- The shares subject to the PSUs are to be issued within 30 days following vesting.

Remarks:

** Signature of Reporting Person Date

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

* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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 Number.