

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

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

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|--|--|--|
| 1. Name and Address of Reporting Person* <u>Johnston Ian</u> _____ (Last) (First) (Middle) <u>333 NORTH CANYONS PARKWAY</u> _____ (Street) <u>LIVERMORE CA 94551</u> _____ (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>Performant Financial Corp [PFMT]</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>See Remarks</u> |
| | 3. Date of Earliest Transaction (Month/Day/Year) <u>05/11/2018</u> | |
| 4. If Amendment, Date of Original Filed (Month/Day/Year) | | |

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 | | | |
| Common Stock, par value \$0.0001 per share | 05/11/2018 | | M | | 15,000 | A | \$0.00 | 60,619 | D | |
| Common Stock, par value \$0.0001 per share | 05/11/2018 | | F | | 5,068 ⁽¹⁾ | D | \$2.91 | 55,551 | D | |

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. Nature of Indirect Beneficial Ownership (Instr. 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|--------|--|-----------------|---|--|--|---|--|-------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | | | | | | Title |
| Restricted Stock Units | (2) | 05/11/2018 | | M | | | 15,000 | (3) | (3) | Common Stock | 15,000 | (2) | 45,000 ⁽³⁾ | D | |

Explanation of Responses:

- Shares surrendered to pay tax liability due on vesting of Restricted Stock Units.
- Each restricted stock unit represents a contingent right to receive one share of PFMT's common stock. The units were awarded at no cost to the Reporting Person.
- Restricted Stock Unit award was granted on April 6, 2017. 25% of the shares vested on May 11, 2018, with 25% more vesting on the first day of the next open trading window immediately following each of the second, third and fourth anniversaries of the grant date, provided that the Reporting Person remains in continuous service through each vest date.

Remarks:

Vice President and Chief Accounting Officer

/s/ Ian A. Johnston 05/15/2018
 ** 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.