

SHUTTERFLY INC  
Form 4  
February 23, 2016

**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 \*  
**BLACKWOOD-KAPRAL LISA**

(Last) (First) (Middle)

**C/O SHUTTERFLY, INC., 2800  
BRIDGE PARKWAY**

(Street)

**REDWOOD CITY, CA 94065**

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**SHUTTERFLY INC [SFLY]**

3. Date of Earliest Transaction  
(Month/Day/Year)  
**02/18/2016**

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)

Chief Accounting Officer

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	02/18/2016		M <sup>(1)</sup>		840 A \$ 0	2,093	D
Common Stock	02/19/2016		S		313 <sup>(2)</sup> D \$ 39.9055	1,780	D
Common Stock	02/18/2016		M <sup>(3)</sup>		360 A \$ 0	2,140	D
Common Stock	02/19/2016		S		135 <sup>(4)</sup> D \$ 39.9055	2,005	D

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

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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)	Amount or Number of Shares
Restricted Stock Units	(5)	02/18/2016		M(1)	840	(5) (5)	Common Stock	840
Performance-Based Restricted Stock Units	(7)	02/18/2016		M(3)	360	(7) (7)	Common Stock	360

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BLACKWOOD-KAPRAL LISA C/O SHUTTERFLY, INC. 2800 BRIDGE PARKWAY REDWOOD CITY, CA 94065			Chief Accounting Officer	

## Signatures

/s/ Ray Amanquah,  
Attorney-in-Fact

02/23/2016

\*\*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).
- (1) Reflects shares vested in connection with the second annual installment of the restricted stock unit award granted effective on February 15, 2014 (the "RSU") under the Issuer's 2006 Equity Incentive Plan (the "Plan"). The first annual installment became vested on February 18, 2015.

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- (2) Represents shares sold to cover taxes due upon vesting and settlement of the RSU.
- (3) Reflects shares vested pursuant to the performance-based restricted stock unit award granted effective on February 15, 2014 (the "PBRSU") under the Plan.
- (4) Represents shares sold to cover taxes due upon vesting and settlement of the PBRSU.
- (5) Each of these RSUs represents a contingent right to receive one (1) share of Issuer common stock under the Plan. This award vests in 4 equal annual installments beginning February 15, 2014. The first annual installment vested on February 18, 2015.
- (6) Represents the remainder that will vest in the third and fourth equal annual installments.  
Each of these PBRSUs represents a contingent right to receive one (1) share of Issuer common stock under the Plan. This award vests in 4 equal annual installments beginning February 15, 2014. The first annual installment became vested on February 18, 2015 upon achievement of the applicable performance objectives. The remainder vests in 3 equal annual installments thereafter, subject to the Reporting Person's continuous service through each such vesting date. The shares reported herein represent shares that vested in connection with the second annual installment.
- (7)

### Remarks:

The undersigned, Lisa Blackwood-Kapral, authorizes and designates Michael Pope and Ray Amanquah to execute and file on

November 6, 2015

/s/ Lisa Blackwood-Kapral

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.