

SHUTTERFLY INC
Form 4
February 16, 2017

FORM 4

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

OMB APPROVAL

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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)
02/14/2017

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 02/15/2017 | | M ⁽¹⁾ | | 1,400 | A | \$ 0 |
| Common Stock | 02/15/2017 | | M ⁽²⁾ | | 600 | A | \$ 0 |
| Common Stock | 02/16/2017 | | S | | 881 ⁽³⁾ | D | \$ 47.3539 |

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

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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) | Amount or Number of Shares | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|-------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | |
| Restricted Stock Units | (4) | 02/14/2017 | | A | 2,400 (5) | (6) | (6) | Common Stock | 2,400 |
| Restricted Stock Units | (4) | 02/15/2017 | | M(2) | 600 | (6) | (6) | Common Stock | 600 |
| Restricted Stock Units | (4) | 02/15/2017 | | M(1) | 1,400 | (6) | (6) | Common Stock | 1,400 |

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

02/16/2017

**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) Vesting of restricted stock units ("RSUs") granted to the Reporting Person on February 16, 2016.
- (2) Vesting of RSUs that were earned by the Reporting Person on February 14, 2017.
- (3) Represents the aggregate number of shares of the Issuer's common stock sold by the Reporting Person to cover taxes due upon the release and settlement of the RSU's. The Reporting Person did not sell or otherwise dispose of any of the shares reported on this Form 4 for any

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reason other than to cover required taxes.

- (4) Each of these RSUs represents a contingent right to receive one (1) share of Issuer common stock under the Issuer's 2015 Equity Incentive Plan.
- (5) These RSUs represent performance-based RSUs previously awarded to the Reporting Person that were earned upon the satisfaction of certain performance criteria on February 14, 2017.

- (6) These RSUs vest in 4 equal annual installments, subject to the Reporting Person's continuous service to the Issuer through each such vesting date. The first installment vested on February 15, 2017. Vested shares shall be settled within 30 days of the vesting date as set forth in the RSU Award Agreement. These RSUs will expire upon the earlier of the date: (i) when all are settled or (ii) when the Reporting Person ceases to provide services to the Issuer.

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.