

# SHUTTERFLY INC

Reported by  
**BORIS JOHN**

## FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 03/17/17 for the Period Ending 03/15/17

Address	2800 BRIDGE PARKWAY REDWOOD CITY, CA 94065
Telephone	650-610-5200
CIK	0001125920
Symbol	SFLY
SIC Code	7384 - Photofinishing Laboratories
Industry	Other Specialty Retailers
Sector	Consumer Cyclical
Fiscal Year	12/31

# FORM 4

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

OMB APPROVAL  
OMB Number: 3235-0287  
Estimated average burden  
hours per response... 0.5

[ ] 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 or  
Section 30(h) of the Investment Company Act of 1940

<b>1. Name and Address of Reporting Person -*</b>  <b>BORIS JOHN</b>  (Last) (First) (Middle)  <b>C/O SHUTTERFLY, INC., 2800 BRIDGE PARKWAY</b>  (Street)  <b>REDWOOD CITY, CA 94065</b>  (City) (State) (Zip)	<b>2. Issuer Name and Ticker or Trading Symbol</b>  <b>SHUTTERFLY INC [ SFLY ]</b>  <b>3. Date of Earliest Transaction (MM/DD/YYYY)</b>  <p align="center"><b>3/15/2017</b></p>	<b>5. Relationship of Reporting Person(s) to Issuer (Check all applicable)</b>  ___ Director ___ 10% Owner <input checked="" type="checkbox"/> <b>X</b> ___ Officer (give title below) ___ Other (specify below) <b>SVP, Chief Marketing Officer</b>  <b>6. Individual or Joint/Group Filing (Check Applicable Line)</b>  <input checked="" type="checkbox"/> <b>X</b> Form filed by One Reporting Person ___ Form filed by More than One Reporting Person
<b>Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned</b>		

1. Title of Security (Instr. 3)	2. Trans. Date	2A. Deemed Execution Date, if any	3. Trans. 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	3/15/2017		M (1)		6250	A	\$0	25354	D	
Common Stock	3/16/2017		S		3280 (2)	D	\$47.04	22074	D	
Common Stock	3/17/2017		S (3)		2970	D	\$46.9522 (4)	19104	D	

**Table II - Derivative Securities Beneficially Owned ( e.g. , puts, calls, warrants, options, convertible securities)**

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. 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		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 of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Restricted Stock Units	(5)	3/15/2017		M		6250		(6)	(6)	Common Stock	6250	\$0	18750	D	

**Explanation of Responses:**

- (1) Vesting of restricted stock units ("RSUs") that were granted to the Reporting Person on March 9, 2016.
- (2) Represents the 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 shares reported on this line for any reason other than to cover required taxes.
- (3) This transaction was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on November 17, 2016.
- (4) Represents a weighted average sales price per share. These shares were sold in multiple transactions at prices ranging from \$46.76 to \$47.12 per share. The Reporting Person has provided to the Issuer, and undertakes to provide to the staff of the Securities and Exchange Commission or any security holder of the Issuer, upon request, full information regarding the number of shares purchased at each separate price within the range.
- (5) Each of these RSU's represents a contingent right to receive one (1) share of Issuer common stock under the Issuer's 2015 Equity Incentive Plan.
- (6) These RSU's 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 March 15, 2017. Vested shares shall be settled within 30 days of the vesting date as set forth in the RSU Award Agreement. These RSU's 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.

**Reporting Owners**

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
<b>BORIS JOHN</b>				

C/O SHUTTERFLY, INC. 2800 BRIDGE PARKWAY REDWOOD CITY, CA 94065		SVP, Chief Marketing Officer	
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**Signatures**

/s/ Jason Sebring , Attorney-in-Fact

3/17/2017

\*\*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.

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