

SHUTTERFLY INC

Reported by
POPE MICHAEL W

FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 10/31/17 for the Period Ending 10/27/17

Address	2800 BRIDGE PARKWAY REDWOOD CITY, CA, 94065
Telephone	650-610-5200
CIK	0001125920
Symbol	SFLY
SIC Code	7384 - Services-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
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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 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person *		2. Issuer Name and Ticker or Trading Symbol		5. Relationship of Reporting Person(s) to Issuer (Check all applicable)	
POPE MICHAEL W		SHUTTERFLY INC [SFLY]		<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) SVP & Chief Financial Officer	
(Last) (First) (Middle)		3. Date of Earliest Transaction (MM/DD/YYYY)			
C/O SHUTTERFLY, INC., 2800 BRIDGE PARKWAY		10/27/2017			
(Street)		4. If Amendment, Date Original Filed (MM/DD/YYYY)		6. Individual or Joint/Group Filing (Check Applicable Line)	
REDWOOD CITY, CA 94065				<input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person	
(City) (State) (Zip)					

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

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	10/27/2017		M (1)		17500	A	\$0	17500	D	
Common Stock	10/27/2017		M (2)		17500	A	\$0	35000	D	
Common Stock	10/30/2017		S		15147 (3)	D	\$41.5001 (4)	19853	D	
Common Stock	10/31/2017		S (5)		19853	D	\$42.5254 (6)	0	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	(7)	10/27/2017		M (1)		17500		(8)	(8)	Common Stock	17500	\$0	35000	D	
Common Stock	(7)	10/27/2017		M (2)		17500		(9)	(9)	Common Stock	17500	\$0	35000	D	

Explanation of Responses:

- Vesting of restricted stock units ("RSUs") granted to the Reporting Person on October 27, 2015.
- Vesting of performance-based RSUs granted to the Reporting Person on October 27, 2015.
- 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 reason other than to cover required taxes.
- Represents a weighted average sales price per share. These shares were sold in multiple transactions at prices ranging from \$41.50 to \$41.5231 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.
- This transaction was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person.
- Represents a weighted average sales price per share. These shares were sold in multiple transactions at prices ranging from \$41.96 to \$42.89 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.
- Each of these RSUs represents a contingent right to receive one (1) share of Issuer common stock upon settlement for no consideration.
- 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 October 27, 2016 and the second installment vested on October 27, 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.

(9) These RSUs vest in 4 equal annual installments, subject to achievement of the applicable performance objectives. The first installment vested on October 27, 2016 and the second installment vested on October 27, 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.

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
POPE MICHAEL W C/O SHUTTERFLY, INC. 2800 BRIDGE PARKWAY REDWOOD CITY, CA 94065			SVP & Chief Financial Officer	

Signatures

/s/ Jason Sebring, Attorney-in-Fact

10/31/2017

**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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