

Day Neil  
Form 4  
February 17, 2012

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
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, 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 \*  
Day Neil

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
C/O SHUTTERFLY, INC., 2800  
BRIDGE PARKWAY  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
02/15/2012

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
SVP, Chief Technology Officer

REDWOOD CITY, CA 94065

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
\_\_\_\_ 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. 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | (A) or (D)  | Price   |  |                                   |
| Common Stock                    | 02/15/2012                           |  | M <sup>(1)</sup>               | 5,950 A   | \$ 0  | 60,869   | D                                 |
| Common Stock                    | 02/15/2012                           |  | F <sup>(4)</sup>               | 2,380 D   | \$ 27.176   | 58,489   | D                                 |
| Common Stock                    | 02/16/2012                           |  | M <sup>(2)</sup>               | 8,400 A   | \$ 0  | 66,889   | D                                 |
| Common Stock                    | 02/16/2012                           |  | F <sup>(4)</sup>               | 3,124 D   | \$ 27.245   | 63,765   | D                                 |
|                                 | 02/16/2012                           |  | M <sup>(3)</sup>               | 3,600 A   | \$ 0  | 67,365   | D                                 |

Edgar Filing: Day Neil - Form 4

Common  
Stock

|                 |            |                  |       |   |              |        |   |
|-----------------|------------|------------------|-------|---|--------------|--------|---|
| Common<br>Stock | 02/16/2012 | F <sup>(4)</sup> | 1,339 | D | \$<br>27.245 | 66,026 | D |
|                 |            |                  |       |   | <u>(4)</u>   |        |   |

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

**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 control number.**

SEC 1474  
(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 Securities (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
|  |  |                                      |  | Code V                         | (A) (D)   | Date Exercisable Expiration Date                         | Title   |                            |
| Restricted Stock Units                     | <u>(5)</u>   | 02/15/2012                           |  | M                              | 5,950   | <u>(6)</u> <u>(6)</u>                                    | Common Stock  | 5,950                      |
| Restricted Stock Units                     | <u>(5)</u>   | 02/16/2012                           |  | M                              | 8,400   | <u>(7)</u> <u>(7)</u>                                    | Common Stock  | 8,400                      |
| Restricted Stock Units                     | <u>(5)</u>   | 02/16/2012                           |  | M                              | 3,600   | <u>(7)</u> <u>(7)</u>                                    | Common Stock  | 3,600                      |
| Restricted Stock Units                     | <u>(5)</u>   | 02/15/2012                           |  | A                              | 28,000  | <u>(8)</u> <u>(8)</u>                                    | Common Stock  | 28,000                     |

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Day Neil  
C/O SHUTTERFLY, INC.  
2800 BRIDGE PARKWAY  
REDWOOD CITY, CA 94065

SVP, Chief Technology Officer

## Signatures

/s/ Charlotte Falla, Attorney  
in Fact

02/17/2012

\_\_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 granted to the Reporting Person on February 15, 2011.
  - (2) Vesting of restricted stock units granted to the Reporting Person on February 16, 2010.
  - (3) Vesting of restricted stock units granted to the Reporting Person on February 7, 2011.  
  
Exempt transaction pursuant to Section 16b-3(e) payment of tax liability by withholding securities incident to the vesting of a security issued in accordance with Rule 16b-3. All of the shares reported as disposed of in this Form 4 were relinquished by the reporting person in exchange for the Issuers agreement to pay federal and state tax withholding obligations of the Reporting Person resulting from the vesting of restricted stock units. 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.
  - (4) Exempt transaction pursuant to Section 16b-3(e) payment of tax liability by withholding securities incident to the vesting of a security issued in accordance with Rule 16b-3. All of the shares reported as disposed of in this Form 4 were relinquished by the reporting person in exchange for the Issuers agreement to pay federal and state tax withholding obligations of the Reporting Person resulting from the vesting of restricted stock units. 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.
  - (5) Each restricted stock unit represents a contingent right to receive one share of Issuer's common stock.
  - (6) The restricted stock units vest in four equal annual installments beginning February 15, 2012.
  - (7) The restricted stock units vest in three equal annual installments beginning February 16, 2011.
  - (8) The restricted stock units vest in three equal annual installments beginning February 15, 2013.

### Remarks:

This Statement confirms that the undersigned, Neil Day, has authorized and designated Charlotte Falla and Brian Manca to ex

Date: May 17, 2011

/s/ Neil Day

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.