

Dilley Timothy
 Form 4
 February 17, 2012

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 *
 Dilley Timothy

(Last) (First) (Middle)
 C/O NETSUITE INC., 2955
 CAMPUS DRIVE, SUITE 100
 (Street)

SAN MATEO, CA 94403

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 NETSUITE INC [N]

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

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)
 EVP & Chief Customer 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 (A) or (D) Price | | |
| Common Stock | 02/15/2015 | | A | | 22,793 (1) \$ 0 | D | |
| Common Stock | 02/15/2012 | | S | | 930 (2) \$ 46.554 | D | |
| Common Stock | 02/15/2012 | | S | | 8,336 (3) \$ 45.3229 (4) | D | |
| Common Stock | 02/15/2012 | | S | | 8,426 (3) \$ 46.5859 (5) | D | |
| | 02/15/2012 | | S | | 134 (3) | D | |

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Common Stock \$ 47.0575
(6)

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

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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) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Following Transaction (Instr. 3) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|------------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Dilley Timothy C/O NETSUITE INC. 2955 CAMPUS DRIVE, SUITE 100 SAN MATEO, CA 94403 | | | EVP & Chief Customer Officer | |

Signatures

/s/ Adriana Botto, by power of attorney 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) Shares awarded pursuant to performance share units. The Compensation Committee authorized the issuance of the underlying shares based upon the Company's achievement level against certain financial targets and a measure of total stockholder return (TSR) as determined by the Compensation Committee. The financial targets and TSR measurements were set by the Compensation Committee on

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March 7, 2011. One-twelfth (1/12) of the shares vested on February 15, 2012, with the remaining eleven-twelfths (11/12) of the shares vesting in eleven equal quarterly installments beginning on May 15, 2012.

- (2) Shares sold to cover taxes in connection with the vesting on February 15, 2012 of performance share units awarded on March 7, 2011.

Shares sold to cover taxes in connection with the vesting on February 15, 2012 of restricted stock units awarded on August 15, 2008 and

- (3) August 15, 2009, and performance share units awarded on August 15, 2009 and March 3, 2010. This sale was effected pursuant to a Rule 10b5-1 trading plan adopted by the Reporting Person on March 15, 2011.

The sale price reported in column 4 of Table 1 represents the weighted average sale price of the shares sold ranging from \$44.98 to

- (4) \$45.85 per share. Upon request by the Commission staff, the Issuer, or a security holder of the Issuer, the Reporting Person will provide full information regarding the number of shares sold at each separate price.

The sale price reported in column 4 of Table 1 represents the weighted average sale price of the shares sold ranging from \$46.04 to

- (5) \$47.02 per share. Upon request by the Commission staff, the Issuer, or a security holder of the Issuer, the Reporting Person will provide full information regarding the number of shares sold at each separate price.

The sale price reported in column 4 of Table 1 represents the weighted average sale price of the shares sold ranging from \$47.05 to

- (6) \$47.06 per share. Upon request by the Commission staff, the Issuer, or a security holder of the Issuer, the Reporting Person will provide full information regarding the number of shares sold at each separate price.

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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