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BLUE NIL Form 4 May 14, 20										
FORM						OMB APPROVAL				
		URITIES AND EXCHANGE COMMISSION Vashington, D.C. 20549				OMB Number:	3235-0287			
Check t if no los	ngor	STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES						Expires:	January 31, 2005	
subject Section Form 4	to STATEN 16.							Estimated a burden hour response	ated average n hours per	
Form 5 obligations may continue.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 19401(b).										
(Print or Type	e Responses)									
TAYLOR MARY ALICE Symbol			2. Issuer Name an Symbol BLUE NILE IN			0	5. Relationship of Reporting Person(s) to Issuer			
(Last)	(First) (I		. Date of Earliest 7		-		(Check	all applicable)	
(Month/I			Month/Day/Year) 05/10/2007	n/Day/Year)				X_ Director 10% Owner Officer (give title Other (specify below) below)		
	. If Amendment, I iled(Month/Day/Ye	-	al	1	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person					
SEATTLE	, WA 98104					-	Form filed by Me Person	ore than One Re	porting	
(City)										
1.Title of Security (Instr. 3)2. Transaction Date (Month/Day/Year)2A. Deemed Execution Date, if any (Month/Day/Year)			ate, if Transaction Code	Transaction Disposed of (D) Code (Instr. 3, 4 and 5)				Ownership Form: Direct (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
					or	D.	Transaction(s) (Instr. 3 and 4)	(Instr. 4)		
Common Stock	05/10/2007		Code V M	Amount 10,000	(D) A	Price \$ 0.25	14,285	D		
Common Stock	05/10/2007		S	10,000	D	\$ 55.45	4,285	D		
Common Stock	05/10/2007		М	10,000	А	\$ 0.25	14,285	D		
Common Stock	05/10/2007		S	10,000	D	\$ 55.4678	4,285	D		
Common Stock	05/10/2007		A <u>(2)</u>	135	А	\$ 55.34	4,420	D		

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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.

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. Transactic Code (Instr. 8)	5. Number of orDerivative 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)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options (Right to Buy)	\$ 0.25	05/10/2007	05/10/2007	М	10,000	(3)	02/25/2012	Common Stock	10,000
Stock Options (Right to Buy)	\$ 0.25	05/10/2007	05/10/2007	М	10,000	(5)	02/25/2012	Common Stock	10,000

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		
TAYLOR MARY ALICE C/O BLUE NILE, INC. 705 FIFTH AVENUE S, STE 900 SEATTLE, WA 98104	Х					
Signatures						
/s/ Diane M. Irvine, Power of Attorney	05/14/2007					
**Signature of Reporting Person		Date				
Evalenation of Doon	-	~ .				

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) Represents the weighted average sale price. The highest price at which shares were sold was \$55.51 and the lowest price at which shares were sold was \$55.45.

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- (2) Shares issued in lieu of cash consideration for quarterly Board of Directors fee.
- (3) One thirty-sixth of the shares vest monthly from August 2, 2000 for three years.
- (4) Not applicable.
- (5) One thirty-sixth of the shares vest monthly from August 26, 2001 for three years.

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.