

McCormick Dan
Form 4
February 20, 2013

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, 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 *
McCormick Dan

(Last) (First) (Middle)

2800 BRIDGE PARKWAY

(Street)

REDWOOD CITY, CA 94065

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
02/15/2013

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)

SVP, General Manager

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	(D)	Price
Common Stock	02/15/2013		M		8,575	A	\$ 0
Common Stock	02/15/2013		F ⁽¹⁾		4,629	D	\$ 41.6692
Common Stock	02/15/2013		M		16,667	A	\$ 0
Common Stock	02/15/2013		F ⁽¹⁾		8,814	D	\$ 41.6692
Common Stock	02/15/2013		A ⁽²⁾		16,667	A	\$ 0

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Common Stock	02/15/2013	F ⁽¹⁾	8,814	D	\$ 41.6692	19,652	D
Common Stock	02/15/2013	A ⁽³⁾	52,500	A	\$ 0	72,152	D
Common Stock	02/19/2013	M	8,866	A	\$ 0	81,018	D
Common Stock	02/19/2013	F ⁽¹⁾	4,730	D	\$ 41.2611	76,288	D
Common Stock	02/19/2013	M	3,800	A	\$ 0	80,088	D
Common Stock	02/19/2013	F ⁽¹⁾	2,028	D	\$ 41.2611	78,060	D

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. Amount or Number of Shares
Restricted Stock Units	(4)	02/15/2013		M	8,575	(5) (5)	Common Stock	8,575
Restricted Stock Units	(4)	02/15/2013		M	16,667	(6) (6)	Common Stock	16,667
Restricted Stock Units	\$ 0	02/19/2013		M	8,866	(7) (7)	Common Stock	8,866
Restricted Stock Units	(4)	02/19/2013		M	3,800	(7) (7)	Common Stock	3,800

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
McCormick Dan 2800 BRIDGE PARKWAY REDWOOD CITY, CA 94065			SVP, General Manager	

Signatures

Charlotte Falla, Attorney
in Fact 02/20/2013

__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).

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

- (1) in exchange for the Issuer's 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.
- (2) Shares vested pursuant to the first of three equal annual installments under a performance-based restricted stock unit award granted on February 14, 2012.
- (3) The common stock underlying the restricted stock unit will vest in three equal annual installments beginning on February 15, 2014.
- (4) Each restricted stock unit represents a contingent right to receive one share of Issuer's common stock.
- (5) The restricted stock units vest in four equal annual installments beginning February 15, 2012.
- (6) The restricted stock units vest in three equal annual installments beginning February 15, 2013.
- (7) The restricted stock units vest in three equal annual installments beginning February 16, 2011.

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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