

SHUTTERFLY INC

Form 4

October 06, 2006

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

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

## OMB APPROVAL

OMB  
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2005  
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**CLARK JAMES H**

(Last) (First) (Middle)

**1700 SEAPORT BLVD., 4TH  
FLOOR**

(Street)

**REDWOOD CITY, CA 94063**

(City) (State) (Zip)

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

3. Date of Earliest Transaction  
(Month/Day/Year)  
**10/04/2006**

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)

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	10/04/2006		C <sup>(1)</sup>		1,500,000	A	\$ 0	1,532,478	I	See Footnote <sup>(2)</sup>
Common Stock	10/04/2006		C <sup>(3)</sup>		322,652	A	\$ 0	1,855,130	I	See Footnote <sup>(4)</sup>
Common Stock	10/04/2006		C <sup>(5)</sup>		382,012	A	\$ 0	2,237,142	I	See Footnote <sup>(6)</sup>
Common Stock	10/04/2006		C <sup>(7)</sup>		1,730,879	A	\$ 0	3,968,021	I	See Footnote

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Common Stock	10/04/2006	C <sup>(9)</sup>	3,139,671	A	\$ 0	7,107,692	I	(8) See Footnote (10)
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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.**

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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Series A Preferred Stock	\$ 0	10/04/2006		C <sup>(1)</sup>	1,500,000	(11) (11)	Common Stock 1,500,000
Series B Preferred Stock	\$ 0	10/04/2006		C <sup>(3)</sup>	322,652	(11) (11)	Common Stock 322,652
Series C Preferred Stock	\$ 0	10/04/2006		C <sup>(5)</sup>	382,012	(11) (11)	Common Stock 382,012
Series D Preferred Stock	\$ 0	10/04/2006		C <sup>(7)</sup>	1,730,879	(11) (11)	Common Stock 1,730,879
Series E Preferred Stock	\$ 0	10/04/2006		C <sup>(9)</sup>	3,139,671	(11) (11)	Common Stock 3,139,671

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CLARK JAMES H 1700 SEAPORT BLVD., 4TH FLOOR REDWOOD CITY, CA 94063	X	X		

Clark Ventures, Inc.  
777 EAST WILLIAM STREET #201 X  
CARSON CITY, NV 89701

Monaco Partners, L.P.  
777 EAST WILLIAM STREET #201 X  
CARSON CITY, NV 89701

JHC Investments, LLC  
777 EAST WILLIAM STREET #201 X  
CARSON CITY, NV 89701

## Signatures

/s/ Harvey L. Armstrong, Authorized  
Signer 10/05/2006

\_\_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) Each share of Series A Preferred Stock automatically converted into one share of Common Stock upon the closing of the Issuer's initial public offering, which occurred on October 4, 2006 (the "IPO")
- (2) Represents shares held by Monaco Partners, L.P. ("Monaco Partners"). The general partner of Monaco Partners is Clark Ventures ("Clark Ventures"), an entity controlled by James H. Clark.
- (3) Each share of Series B Preferred Stock automatically converted into one share of Common Stock upon the closing of the IPO.  
Includes (i) 1,713,130 shares held by Monaco Partners, (ii) 17,000 shares held by JHC Investments 2000, LLC ("JHC 2000 LLC"), of which Clark Ventures is the managing member, and (iii) 125,000 shares held by Woodside Ventures Limited Partnership ("Woodside Ventures"), the general partner of which is Monaco Partners.
- (4) Each share of Series C Preferred Stock automatically converted into one share of Common Stock upon the closing of the IPO.  
Includes (i) 2,095,142 shares held by Monaco Partners, (ii) 17,000 shares held by JHC 2000 LLC and (iii) 125,000 shares held by Woodside Ventures.
- (5) Each share of Series D Preferred Stock automatically converted into one share of Common Stock upon the closing of the IPO.  
Includes (i) 3,826,021 shares held by Monaco Partners, (ii) 17,000 shares held by JHC 2000 LLC and (iii) 125,000 shares held by Woodside Ventures.
- (6) Each share of Series E Preferred Stock automatically converted into one share of Common Stock upon the closing of the IPO.  
Includes (i) 5,018,610 shares held by Monaco Partners, (ii) 17,000 shares held by JHC 2000 LLC, (iii) 125,000 shares held by Woodside Ventures and (iv) 1,947,082 shares held by JHC Investments, LLC ("JHC LLC"), of which Monaco Partners is the sole member.
- (7) Each share is immediately convertible into one share of Common Stock upon the closing of the IPO and has no expiration date.
- (8) Represents shares held by Monaco Partners.
- (9) Includes (i) 180,652 shares held by Monaco Partners, (ii) 17,000 shares held by JHC 2000 LLC and (iii) 125,000 shares held by Woodside Ventures.
- (10) Includes (i) 1,192,589 shares held by Monaco Partners and (ii) 1,947,082 shares held by JHC LLC.

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.