

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

OMB APPROVAL	
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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

<b>1. Name and Address of Reporting Person*</b> <u>Mericle Maureen M.</u> <hr/> (Last) (First) (Middle) C/O SHUTTERFLY, INC. 2800 BRIDGE PARKWAY <hr/> (Street) REDWOOD CITY CA 94065 <hr/> (City) (State) (Zip)	<b>2. Date of Event Requiring Statement (Month/Day/Year)</b> 10/16/2018	<b>3. Issuer Name and Ticker or Trading Symbol</b> SHUTTERFLY INC [ SFLY ]	
		<b>4. Relationship of Reporting Person(s) to Issuer (Check all applicable)</b> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) SVP, Chief Marketing Officer	<b>5. If Amendment, Date of Original Filed (Month/Day/Year)</b>  <b>6. Individual or Joint/Group Filing (Check Applicable Line)</b> <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
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**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date				
Restricted Stock Units	(1)	(1)	Common Stock	31,627	(2)	D
Restricted Stock Units	(3)	(3)	Common Stock	7,028	(2)	D
Employee Stock Option (right to buy)	(4)	09/30/2025	Common Stock	114,039	65.65	D

**Explanation of Responses:**

- The restricted stock units (the "RSUs") vest in 4 equal annual installments, subject to the Reporting Person's continuous service to the Issuer through each such vesting date, with the first installment to vest on October 1, 2019. Vested shares shall be settled within 30 days of the vesting date as set forth in the RSU Award Agreement. These RSUs will expire upon the earlier of the date: (i) when all are settled or (ii) the 10th anniversary of the grant date.
- Each of these RSUs represents a contingent right to receive one (1) share of Issuer common stock under the Issuer's 2015 Equity Incentive Plan.
- 100% of the RSUs will vest on October 1, 2020, subject to the Reporting Person's continuous service to the Issuer through such vesting date. Vested shares shall be settled within 30 days of the vesting date as set forth in the RSU Award Agreement. These RSUs will expire upon the earlier of the date: (i) when all are settled or (ii) the 10th anniversary of the grant date.
- The stock option vests and becomes exercisable as to 1/4th of the shares subject to the option on October 1, 2019, and thereafter vests as to 1/48th of the shares in equal monthly installments, until such time as the option is 100% vested, subject to the continuing service of the Reporting Person on each vesting date.

/s/ Jason Sebring, Attorney-in-Fact 10/17/2018

\*\* Signature of Reporting Person Date

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

\* If the form is filed by more than one reporting person, see Instruction 5 (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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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 Number.

### LIMITED POWER OF ATTORNEY

The undersigned, Maureen M. Mericle, authorizes and designates Michael Pope and Jason Sebring to execute and file on the undersigned's behalf all Forms 3, 4, and 5 (including any amendments thereto) that the undersigned may be required to file with the U.S. Securities and Exchange Commission as a result of the undersigned's ownership of or transactions in securities of Shutterfly, Inc. The authority of Michael Pope and Jason Sebring under this Statement shall continue until the undersigned is no longer required to file Form 3, 4 & 5 with regard to the undersigned's ownership of or transactions in securities of Shutterfly, Inc., unless earlier revoked in writing. The undersigned acknowledges that Michael Pope and Jason Sebring are not assuming any of the undersigned's responsibilities to comply with Section 16 of the Securities Exchange Act of 1934.

October 16, 2018

/s/ Maureen M. Mericle  
Signature