

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

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

1. Name and Address of Reporting Person* <u>SCHOENDORF NANCY J</u> (Last) (First) (Middle) <u>3000 SAND HILL ROAD, BUILDING 3 SUITE 290</u> (Street) <u>MENLO PARK CA 94025</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>SHUTTERFLY INC [SFLY]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>10/04/2006</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

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		1,500,000 ⁽¹⁾	A	(3)	1,500,000 ⁽¹⁾	D ⁽¹⁾	
Common Stock	10/04/2006		C		382,651 ⁽¹⁾	A	(3)	1,882,651 ⁽¹⁾	D ⁽¹⁾	
Common Stock	10/04/2006		C		689,691 ⁽¹⁾	A	(3)	2,572,342 ⁽¹⁾	D ⁽¹⁾	
Common Stock	10/04/2006		C		188,679 ⁽²⁾	A	(3)	188,679 ⁽²⁾	D ⁽²⁾	
Common Stock	10/04/2006		C		648,488 ⁽²⁾	A	(3)	837,167 ⁽²⁾	D ⁽²⁾	
Common Stock	10/04/2006		C		679,001 ⁽²⁾	A	(3)	1,516,168 ⁽²⁾	D ⁽²⁾	

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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Series A Convertible Preferred Stock	(3)	10/04/2006		C			1,500,000	(3)	(4)	Common Stock	1,500,000	\$0	0	D ⁽¹⁾	
Series B Convertible Preferred Stock	(3)	10/04/2006		C			382,651	(3)	(4)	Common Stock	382,651	\$0	0	D ⁽¹⁾	
Series D Convertible Preferred Stock	(3)	10/04/2006		C			689,691	(3)	(4)	Common Stock	689,691	\$0	0	D ⁽¹⁾	
Series C Convertible Preferred Stock	(3)	10/04/2006		C			188,679	(3)	(4)	Common Stock	188,679	\$0	0	D ⁽²⁾	
Series D Convertible Preferred Stock	(3)	10/04/2006		C			648,488	(3)	(4)	Common Stock	648,488	\$0	0	D ⁽²⁾	
Series E Convertible Preferred Stock	(3)	10/04/2006		C			679,001	(3)	(4)	Common Stock	679,001	\$0	0	D ⁽²⁾	

1. Name and Address of Reporting Person*

[SCHOENDORF NANCY J](#)

(Last) (First) (Middle)

3000 SAND HILL ROAD, BUILDING 3
SUITE 290

(Street)

MENLO PARK CA 94025

(City) (State) (Zip)

1. Name and Address of Reporting Person*

[MOHR DAVIDOW VENTURES V LP](#)

(Last) (First) (Middle)

3000 SAND HILL ROAD, BUILDING 3
SUITE 290

(Street)

MENLO PARK CA 94025

(City) (State) (Zip)

1. Name and Address of Reporting Person*

[Mohr, Davidow Ventures V-L, L.P.](#)

(Last) (First) (Middle)

3000 SAND HILL ROAD, BUILDING 3
SUITE 290

(Street)

MENLO PARK CA 94025

(City) (State) (Zip)

1. Name and Address of Reporting Person*

[FIFTH MDV PARTNERS LLC](#)

(Last) (First) (Middle)

3000 SAND HILL ROAD, BUILDING 3
SUITE 290

(Street)

MENLO PARK CA 94025

(City) (State) (Zip)

1. Name and Address of Reporting Person*

[FEIBER JONATHAN D](#)

(Last) (First) (Middle)

3000 SAND HILL ROAD, BUILDING 3
SUITE 290

(Street)

MENLO PARK CA 94025

(City) (State) (Zip)

1. Name and Address of Reporting Person*		
Fifth-L MDV Partners, L.L.C.		
(Last)	(First)	(Middle)
3000 SAND HILL ROAD, BUILDING 3 SUITE 290		
(Street)		
MENLO PARK	CA	94025
(City) (State) (Zip)		

Explanation of Responses:

- Shares are directly held by Mohr, Davidow Ventures V, L.P. ("MDV V"). Nancy Schoendorf, a director of the Issuer, and Jonathan Feiber are managing members of Fifth MDV Partners, L.L.C. (the general partner of MDV V), and each may be deemed an indirect beneficial owner of those shares directly held by MDV V, but each disclaims beneficial ownership in such shares except to the extent of his/her pecuniary interest therein.
- Shares are directly held by Mohr, Davidow Ventures V-L, L.P. ("MDV V-L"). Nancy Schoendorf, a director of the Issuer, and Jonathan Feiber are managing members of Fifth MDV Partners, L.L.C. (the general partner of MDV V-L), and each may be deemed an indirect beneficial owner of those shares directly held by MDV V-L, but each disclaims beneficial ownership in such shares except to the extent of his/her pecuniary interest therein.
- Each share converts automatically into one share of the Issuer's Common Stock upon the closing of the Issuer's initial public offering of Common Stock pursuant to an effective registration statement filed with the U.S. Securities and Exchange Commission.
- No expiration date.

Nancy Schoendorf	10/04/2006
Jonathan Feiber	10/04/2006
Mohr, Davidow Ventures V, L.P., by Fifth MDV Partners, L.L.C., its general partner, by Nancy Schoendorf, a managing member	10/04/2006
Mohr, Davidow Ventures V-L, L.P., by Fifth-L MDV Partners, L.L.C., its general partner, by Nancy Schoendorf, a managing member	10/04/2006
Fifth MDV Partners, L.L.C., by Nancy Schoendorf, a managing member	10/04/2006
Fifth-L MDV Partners, L.L.C., by Nancy Schoendorf, a managing member	10/04/2006

** 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 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).

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.