

Palo Alto Networks Inc  
 Form 4  
 March 28, 2014

**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 \*  
**GOETZ JAMES J**

(Last) (First) (Middle)

C/O SEQUOIA CAPITAL, 3000  
 SAND HILL ROAD 4-250

(Street)

MENLO PARK, CA 94025

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**Palo Alto Networks Inc [PANW]**

3. Date of Earliest Transaction  
 (Month/Day/Year)  
**03/27/2014**

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                    | 03/27/2014                           |  | J <sup>(1)</sup>               | 2,654,408 D <u>(1)</u>  | 5,308,814   | I  | By Sequoia Capital XI, LP <sup>(2)</sup>                  |
| Common Stock                    | 03/27/2014                           |  | J <sup>(1)</sup>               | 288,779 D <u>(1)</u>  | 577,558   | I  | By Sequoia Capital XI Principals Fund, LLC <sup>(2)</sup> |
| Common Stock                    | 03/27/2014                           |  | J <sup>(1)</sup>               | 83,849 D <u>(1)</u>   | 167,698   | I  | By Sequoia Technology Partners XI, LP <sup>(2)</sup>      |

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|              |            |                  |         |   |     |           |   |   |
|--------------|------------|------------------|---------|---|-----|-----------|---|---|
| Common Stock | 03/27/2014 | J <sup>(3)</sup> | 103,299 | A | (3) | 215,174   | D |   |
| Common Stock | 03/27/2014 | J <sup>(3)</sup> | 5,310   | A | (3) | 220,484   | D |   |
| Common Stock | 03/27/2014 | J <sup>(3)</sup> | 3,266   | A | (3) | 223,750   | D |   |
| Common Stock | 03/27/2014 | J <sup>(3)</sup> | 3,540   | A | (3) | 7,080     | I | By The Goetz Children's Trust 4/24/1998 <sup>(4)</sup>            |
| Common Stock |            |                  |         |   |     | 1,475,592 | I | By Sequoia Capital Growth Fund III, LP <sup>(5)</sup>             |
| Common Stock |            |                  |         |   |     | 76,202    | I | By Sequoia Capital Growth III Principals Fund, LLC <sup>(5)</sup> |
| Common Stock |            |                  |         |   |     | 16,150    | I | By Sequoia Capital Growth Partners III, LP <sup>(5)</sup>         |

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

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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) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned (Instr. 6) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|  |  |                                      |  | Code                           | V (A) (D)   |  | Title   |  |  |

| Date<br>Exercisable | Expiration<br>Date | Amount<br>or<br>Number<br>of<br>Shares |
|---------------------|--------------------|--|
|---------------------|--------------------|--|

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| GOETZ JAMES J<br>C/O SEQUOIA CAPITAL<br>3000 SAND HILL ROAD 4-250<br>MENLO PARK, CA 94025 | X             |           |         |       |

## Signatures

/s/ Melinda Dunn, by power of attorney for James J.  
Goetz

03/28/2014

\_\_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) Represents a pro rata in-kind distribution of Common Stock of the Issuer to partners or members and includes subsequent distributions by general partners or managing members to their respective partners or members.

The Reporting Person is a Non-Managing Member of SC XI Management, LLC ("SC XI Management"), the general partner of Sequoia Capital XI, LP and Sequoia Technology Partners XI, LP and the managing member of Sequoia Capital XI Principals Fund, LLC. In

- (2) addition, the Reporting Person is a member of Sequoia Capital XI Principals Fund, LLC. The Reporting Person disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of the reported securities for purposes of Section 16 or for any other purposes.

- (3) Represents the receipt of shares of Common Stock of the Issuer by virtue of the pro rata in-kind distributions described in footnote (1) above as follows: (i) 103,299 shares from Sequoia Capital XI, LP to the Reporting Person; (ii) 5,310 shares from Sequoia Capital XI Principals Fund, LLC to the Reporting Person; (iii) 3,266 shares from from Sequoia Technology Partners XI, LP to the Reporting Person; and (iv) 3,540 shares from Sequoia Capital XI Principals Fund, LLC to the Goetz Children's Trust 4/24/1998.

- (4) Shares held by The Goetz Children's Trust 4/24/1998. The Reporting Person may be deemed to beneficially own the shares held by The Goetz Children's Trust 4/24/1998. The Reporting Person disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein, and the inclusion of these securities on this report shall not be deemed an admission that the Reporting Person is the beneficial owner of the reported securities for purposes of Section 16 or for any other purpose.

- (5) The Reporting Person is a Managing Member of SCGF III Management, LLC ("SCGF III Management"), the general partner of Sequoia Capital Growth Fund III, LP and Sequoia Capital Growth Partners III, LP and the managing member of Sequoia Capital Growth III Principals Fund, LLC. By virtue of these relationships, the Reporting Person may be deemed to share voting and dispositive power with respect to the shares held by Sequoia Capital Growth Fund III, LP, Sequoia Capital Growth Partners III, LP and Sequoia Capital Growth III Principals Fund, LLC. The Reporting Person disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of the reported securities for purposes of Section 16 or for any other purposes.

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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