

Palo Alto Networks Inc  
 Form 4  
 April 22, 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 \*  
 Xu Haoying (Wilson)

(Last) (First) (Middle)

C/O PALO ALTO NETWORKS, INC., 4401 GREAT AMERICA PKWY

(Street)

SANTA CLARA, CA 95054

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)  
 04/20/2014

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)  
 SVP, Engineering

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 or Price			
Common Stock	04/20/2014		A		(1) \$ 0	133,988	D	
Common Stock	04/22/2014		S		(2) \$ 67.7992	133,608	D	
Common Stock	04/21/2014		M		(4) \$ 0.64	87,348	I	See footnote (5)
Common Stock	04/21/2014		M		(4) \$ 3.62	93,052	I	See footnote

(5)

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

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(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 (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)	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 0.64	04/21/2014		M	8,348	<u>(6)</u> 01/08/2020	Common Stock	8,348
Employee Stock Option (right to buy)	\$ 3.62	04/21/2014		M	5,704	12/10/2011 <sup>(7)</sup> 12/10/2020	Common Stock	5,704

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Xu Haoying (Wilson) C/O PALO ALTO NETWORKS, INC. 4401 GREAT AMERICA PKWY SANTA CLARA, CA 95054			SVP, Engineering	

## Signatures

/s/ Jeff True, Attorney in-Fact for Haoying (Wilson) Xu 04/22/2014

\_\_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).

Each restricted stock unit represents a contingent right to receive one share of PANW common stock. One-third of the restricted stock units will vest on April 20, 2015 and the remaining restricted stock units will vest quarterly thereafter in equal increments over the next two years.

(2) Represents the number of shares sold upon vesting of restricted stock awards to cover tax withholding obligations.

This sale price represents the weighted average sale price of the shares sold ranging from \$67.51 to \$67.80 per share. Upon request by the Commission staff, the Issuer, or a security holder of the Issuer, the Reporting Person will provide full information regarding the number of shares sold at each separate price within the range set forth in this Form 4.

(4) Exercised shares issued to trust.

(5) The reported securities are held of record by the Xu/Chen Family Trust U/A DTD 06/18/2013, for which the Reporting Person and his spouse serve as co-trustees.

(6) The shares subject to the option were fully vested and exercisable.

(7) One-fourth (1/4) of the shares subject to the option vested on the first anniversary of the grant date and one forty-eighth (1/48) of the shares vest monthly thereafter, provided that the Reporting Person continues to serve through each vesting date.

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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