**BLUE NILE INC** Form 4 October 18, 2013

## FORM 4

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

#### STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

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Number:

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**OMB APPROVAL** 

3235-0287

January 31,

2005

0.5

Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Check this box

if no longer

subject to

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 * VADON MARK C			2. Issuer Name <b>and</b> Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer		
			BLUE NILE INC [NILE]	(Check all applicable)		
(Last) (First) (Middle)		(Middle)	3. Date of Earliest Transaction			
			(Month/Day/Year)	X Director 10% Owner		
C/O BLUE NILE, INC., 411 FIRST AVENUE S, STE 700		, 411 FIRST	10/16/2013	Officer (give title Other (specify below)		
	(Street)		4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
			Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person		
SEATTLE V	WA 98104			Form filed by More than One Reporting		

#### SEATTLE, WA 98104

(City)	(State)	(Zip) Tab	le I - Non-	Derivative	e Secu	rities Acqui	red, Disposed of,	or Beneficial	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	ransaction Date 2A. Deemed		3. 4. Securities Acquired (A) Transaction Disposed of (D) Code (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s)	Amount of 6. 7 Securities Ownership II Beneficially Form: B Owned Direct (D) C Following or Indirect (I Collowing (I)	
			Code V	Amount		Price	(Instr. 3 and 4)		
Common Stock	10/16/2013		M	7,200	A	\$ 31.26	137,968	D	
Common Stock	10/16/2013		S	7,200	D	\$ 37.4512 (1)	130,768	D	
Common Stock	10/16/2013		M	87	A	\$ 32.97	130,855	D	
Common Stock	10/16/2013		S	87	D	\$ 38	130,768	D	
Common Stock	10/17/2013		M	7,200	A	\$ 31.26	137,968	D	

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Common Stock	10/17/2013	S	7,200	D	\$ 38.0542 (2)	130,768	D
Common Stock	10/17/2013	M	6,500	A	\$ 32.97	137,268	D
Common Stock	10/17/2013	S	6,500	D	\$ 38.1234 (3)	130,768	D
Common Stock	10/18/2013	M	7,200	A	\$ 31.26	137,968	D
Common Stock	10/18/2013	S	7,200	D	\$ 39.205 (4)	130,768	D
Common Stock	10/18/2013	M	6,500	A	\$ 32.97	137,268	D
Common Stock	10/18/2013	S	6,500	D	\$ 39.1978 (5)	130,768	D

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 Expiration Date Exercisable and Expiration Date (Month/Day/Year)  Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		ate	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
Stock Options (Right to Buy)	\$ 31.26	10/16/2013	10/16/2013	M	7,200	<u>(6)</u>	05/31/2016	Common Stock	7,200
Stock Options (Right to	\$ 32.97	10/16/2013	10/16/2013	M	87	(8)	08/30/2015	Common Stock	87

8. I De Sec (In

Buy)									
Stock Options (Right to Buy)	\$ 31.26	10/17/2013	10/17/2013	M	7,200	<u>(6)</u>	05/31/2016	Common Stock	7,200
Stock Options (Right to Buy)	\$ 32.97	10/17/2013	10/17/2013	M	6,500	(8)	08/30/2015	Common Stock	6,500
Stock Options (Right to Buy)	\$ 31.26	10/18/2013	10/18/2013	M	7,200	<u>(6)</u>	05/31/2016	Common Stock	7,200
Stock Options (Right to Buy)	\$ 32.97	10/18/2013	10/18/2013	M	6,500	(8)	08/30/2015	Common Stock	6,500

# **Reporting Owners**

Reporting Owner Name / Address	Relationships							
	Director	10% Owner	Officer	Other				
VADON MARK C								
C/O BLUE NILE, INC.	X							
411 FIRST AVENUE S, STE 700	Λ							
SEATTLE, WA 98104								

# **Signatures**

/s/ Jesse Timmermans, Power of Attorney 10/18/2013

\*\*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 the weighted average sale price. The highest price at which shares were sold was \$37.94 and the lowest price at which shares were sold was \$37.00.
- (2) Represents the weighted average sale price. The highest price at which shares were sold was \$38.27 and the lowest price at which shares were sold was \$37.69.
- (3) Represents the weighted average sale price. The highest price at which shares were sold was \$38.41 and the lowest price at which shares were sold was \$38.00.
- (4) Represents the weighted average sale price. The highest price at which shares were sold was \$39.55 and the lowest price at which shares were sold was \$38.12.
- (5) Represents the weighted average sale price. The highest price at which shares were sold was \$39.54 and the lowest price at which shares were sold was \$38.12.

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- (6) 25% of the option shares vest on June 1, 2007 and one-forty-eighth of the option shares vest in equal monthly installments over the following thirty-six months.
- (7) Not applicable.
- (8) 25% of the option shares vest on August 26, 2006 and one-forty-eighth of the option shares vest in equal monthly installments over the following thirty-six months.

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.