

BLUE NILE INC
Form 4
December 07, 2007

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 *
BELL SUSAN S

(Last) (First) (Middle)

C/O BLUE NILE, INC., 705 FIFTH AVENUE S, STE 900

(Street)

SEATTLE, WA 98104

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
BLUE NILE INC [NILE]

3. Date of Earliest Transaction (Month/Day/Year)
12/05/2007

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)
Senior VP

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 Ownership (Instr. 4)
			Code	V	Amount (A) or (D) Price		
Common Stock	12/05/2007		M		1,000 A \$ 0.25	1,000	D
Common Stock	12/05/2007		S		1,000 (1) D \$ 72.76	0	D

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

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SEC 1474 (9-02)

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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. Amount or Number of Shares
Stock Options (Right to Buy)	\$ 0.25	12/05/2007	12/05/2007	M	1,000	(2) 10/04/2011	Common Stock	1,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BELL SUSAN S C/O BLUE NILE, INC. 705 FIFTH AVENUE S, STE 900 SEATTLE, WA 98104			Senior VP	

Signatures

/s/ Sue Bell 12/07/2007

**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) This sale was affected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person.
- (2) 25% of the option shares vest on September 17, 2002 and one-forty-eighth of the option shares vest in equal monthly installments over the following thirty-six months.
- (3) Not applicable.

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. g="0" border="0">Reporting Owner Name / Address Relationships Director 10%

Owner Officer Other Edwards Richard J
102 WILLENBROCK ROAD
ONE TRIBOLOGY CENTER
OXFORD, CT US 06478 V.P. and General Manager

Signatures

Thomas J. Williams /attorney
in fact/

02/20/2013

__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).
- 400 shares of the reported Common Stock are Restricted Shares. The Restrictions lapse on 2/12/13. Unvested shares of Restricted Stock
- (1) (i) may be immediately forfeited to the Company at the time the grantee ceases to be an officer or employee of, or otherwise perform services for, the Company or its subsidiaries under certain circumstances or (ii) may lapse upon the happening of certain events.
 - (2) Options to purchase shares of common stock are subject to the following vesting schedule: 1/5 vest on 2/12/09, 1/5 vest on 2/12/10, 1/5 vest on 2/12/11, 1/5 vest on 2/12/12 and 1/5 vest on 2/12/13.
 - (3) Options to purchase shares of common stock are subject to the following vesting schedule: 1/3 vested on 11/11/09, 1/3 vest on 11/11/10 and 1/3 vest on 11/11/11.
 - (4) Options to purchase shares of Common Stock are subject to the following vesting schedule: 1/5 vest on 11/16/2010, 1/5 vest on 11/16/2011, 1/5 vest on 11/16/2012, 1/5 vest on 11/16/2013 and 1/5 vest on 11/16/2014
- 5,000 shares of the reported Common Stock are Restricted Shares. The Restrictions lapse in accordance with the following schedule: 1/5 lapse on 10/06/2012, 1/5 lapse on 10/06/2013, 1/5 lapse on 10/06/2014, 1/5 lapse on 10/06/2015 and 1/5 lapse on 10/06/2016. Unvested
- (5) shares of Restricted Stock (i) may be immediately forfeited to the Company at the time the grantee ceases to be an officer or employee of, or otherwise perform services for, the Company or its subsidiaries under certain circumstances or (ii) may lapse upon the happening of certain events.
 - (6) Options to purchase shares of Common Stock are subject to the following vesting schedule: 1/5 vest on 10/06/2012, 1/5 vest on 10/06/2013, 1/5 vest on 10/06/2014, 1/5 vest on 10/06/2015 and 1/5 vest on 10/06/2016. Options expire 7 years from grant date.
- 4,500 shares of the reported Common Stock are Restricted Shares. The Restrictions lapse in accordance with the following schedule: 1/3
- (7) lapse on 6/4/2013, 1/3 lapse on 6/4/2014 and 1/3 lapse on 6/4/2015. Unvested shares of Restricted Stock (i) may be immediately forfeited to the Company at the time the grantee ceases to be an officer or employee of, or otherwise perform services for, the Company or its subsidiaries under certain circumstances or (ii) may lapse upon the happening of certain events.
 - (8) Options to purchase shares of Common Stock are subject to the following vesting schedule: 1/5 vest on 6/4/2013, 1/5 vest on 6/4/2014, 1/5 vest on 6/4/2015, 1/5 vest on 6/4/2016 and 1/5 vest on 6/4/2017. Options expire 7 years from grant date.
 - (9) Represents shares withheld by the Company to pay tax liability related to the vesting of restricted stock.

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