

Bonanno Kathleen
Form 4
October 22, 2018

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Bonanno Kathleen

(Last) (First) (Middle)

C/O PALO ALTO NETWORKS
INC., 3000 TANNERY WAY

(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)
10/20/2018

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
__X__ Officer (give title below) ____ Other (specify
below) below)

EVP, Chief Financial Officer

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ 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	10/20/2018		A		9,012 (1)	A \$ 0	44,625 (2)	D
Common Stock	10/20/2018		F(3)		2,511	D \$ 193.51	42,114	D

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

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information contained in this form are not
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(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 Security (Instr. 3 and 4)
				Code V (A) (D)		Date Exercisable Expiration Date	Title Amount Number of Shares
Performance Stock Option (right to buy)	\$ 193.51	10/20/2018		A	167,673	(4) 10/20/2028	Common Stock 167,673

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Bonanno Kathleen C/O PALO ALTO NETWORKS INC. 3000 TANNERY WAY SANTA CLARA, CA 95054	EVP, Chief Financial Officer

Signatures

/s/ Jeff True, Attorney in-Fact for Kathleen Bonanno 10/22/2018

__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) Each share is represented by a restricted stock unit ("RSU"). One-sixteenth (1/16th) of the RSUs will vest on January 20, 2019 and one-sixteenth (1/16) of the RSUs will vest quarterly thereafter, subject to the Reporting Person continuing to be a Service Provider through each vesting date.

(2) Reflects the additional above-target number of shares earned from previously reported performance-based restricted stock unit stock awards granted to the Reporting Person on November 22, 2017 that were eligible to vest based on the certified achievement of certain performance objectives.

(3) This transaction is not a sale of shares by the Reporting Person. Instead, this represents shares that have been withheld by the Issuer to satisfy its income tax and withholding and remittance obligations in connection with the vesting and net settlement of previously reported performance-based restricted stock units and restricted stock units.

(4) The shares subject to the Performance Stock Option become eligible to vest ("Eligible Option Shares") upon achievement of certain stock price targets (the "Stock Price Achievements") during applicable performance windows. To the extent that Stock Price Achievements have been met, Eligible Option Shares will vest as to 1/4 of such shares on each annual anniversary of October 20, subject to the Reporting Person continuing to be a Service Provider 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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