

SEQUOIA CAPITAL GROWTH PARTNERS III  
Form 4  
January 14, 2014

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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 \*  
SC XI MANAGEMENT LLC

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
3000 SAND HILL ROAD 4-250  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/10/2014

\_\_\_ Director \_\_\_X\_\_\_ 10% Owner  
\_\_\_ Officer (give title below) \_\_\_ Other (specify below)

MENLO PARK, CA 94025

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_\_\_ Form filed by One Reporting Person  
\_X\_ Form filed by More than One Reporting Person

(City) (State) (Zip)

**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)     |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock                    | 01/10/2014                           |  | J <sup>(1)</sup>               | 2,654,408 D   | 7,963,222   | I  | By Sequoia Capital XI, LP <sup>(2)</sup>                  |
| Common Stock                    | 01/10/2014                           |  | J <sup>(1)</sup>               | 288,779 D   | 866,337   | I  | By Sequoia Capital XI Principals Fund, LLC <sup>(2)</sup> |
| Common Stock                    | 01/10/2014                           |  | J <sup>(1)</sup>               | 83,849 D  | 251,547   | I  | By Sequoia Technology Partners XI, LP <sup>(2)</sup>      |

|              |           |   |   |
|--------------|-----------|---|---|
| Common Stock | 1,475,592 | I | By Sequoia Capital Growth Fund III, LP <sup>(3)</sup>             |
| Common Stock | 76,202    | I | By Sequoia Capital Growth III Principals Fund, LLC <sup>(3)</sup> |
| Common Stock | 16,150    | I | By Sequoia Capital Growth Partners III, LP <sup>(3)</sup>         |

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 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 Owned Following Reporting Transaction (Instr. 6) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title                                      | Amount or Number of Shares  |

## Reporting Owners

**Reporting Owner Name / Address**

**Relationships**

Director    10% Owner    Officer    Other

SC XI MANAGEMENT LLC  
3000 SAND HILL ROAD 4-250  
MENLO PARK, CA 94025

X

|   |   |
|---|---|
| SEQUOIA CAPITAL XI<br>3000 SAND HILL ROAD 4-250<br>MENLO PARK, CA 94025                         | X |
| SEQUOIA CAPITAL XI PRINCIPALS FUND<br>3000 SAND HILL ROAD 4-250<br>MENLO PARK, CA 94025         | X |
| SEQUOIA TECHNOLOGY PARTNERS XI<br>3000 SAND HILL ROAD 4-250<br>MENLO PARK, CA 94025             | X |
| SCGF III MANAGEMENT LLC<br>3000 SAND HILL ROAD 4-250<br>MENLO PARK, CA 94025                    | X |
| SEQUOIA CAPITAL GROWTH FUND III<br>3000 SAND HILL ROAD 4-250<br>MENLO PARK, CA 94025            | X |
| SEQUOIA CAPITAL GROWTH III PRINCIPALS FUND<br>3000 SAND HILL ROAD 4-250<br>MENLO PARK, CA 94025 | X |
| SEQUOIA CAPITAL GROWTH PARTNERS III<br>3000 SAND HILL ROAD 4-250<br>MENLO PARK, CA 94025        | X |

## Signatures

|  |            |
|--|------------|
| /s/ Melinda Dunn, by power of attorney for Douglas Leone, a Managing Member of SC XI Management, LLC   | 01/14/2014 |
| __Signature of Reporting Person  | Date       |
| /s/ Melinda Dunn, by power of attorney for Douglas Leone, a Managing Member of SC XI Management, LLC, the General Partner of Sequoia Capital XI, LP                        | 01/14/2014 |
| __Signature of Reporting Person  | Date       |
| /s/ Melinda Dunn, by power of attorney for Douglas Leone, a Managing Member of SC XI Management, LLC, the Managing Member of Sequoia Capital XI Principals Fund LLC        | 01/14/2014 |
| __Signature of Reporting Person  | Date       |
| /s/ Melinda Dunn, by power of attorney for Douglas Leone, a Managing Member of SC XI Management, LLC, the General Partner of Sequoia Technology Partners XI, LP            | 01/14/2014 |
| __Signature of Reporting Person  | Date       |
| /s/ Melinda Dunn, by power of attorney for Douglas Leone, a Managing Member of SCGF III Management, LLC  | 01/14/2014 |
| __Signature of Reporting Person  | Date       |
| /s/ Melinda Dunn, by power of attorney for Douglas Leone, a Managing Member of SCGF III Management, LLC, the General Partner of Sequoia Capital Growth Fund III, LP        | 01/14/2014 |
| __Signature of Reporting Person  | Date       |
| /s/ Melinda Dunn, by power of attorney for Douglas Leone, a Managing Member of SCGF III Management, LLC, the Managing Member of Sequoia Capital Growth III Principals Fund | 01/14/2014 |

LLC

\_\_Signature of Reporting Person

Date

/s/ Melinda Dunn, by power of attorney for Douglas Leone, a Managing Member of SCGF III Management, LLC, the General Partner of Sequoia Capital Growth Partners III, LP

01/14/2014

\_\_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.  

SC XI Management, LLC ("SC XI Management") is the general partner of Sequoia Capital XI, LP and Sequoia Technology Partners XI, LP and is the managing member of Sequoia Capital XI Principals Fund, LLC. As a result, SC XI Management may be deemed to share voting and dispositive power with respect to the shares held by Sequoia Capital XI, LP, Sequoia Technology Partners XI, LP and Sequoia Capital XI Principals Fund, LLC. Each of the filing persons disclaims beneficial ownership of these securities except to the extent of its 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.
- (2) 

SCGF III Management, LLC ("SCGF III Management") is the general partner of Sequoia Capital Growth Fund III, LP and Sequoia Capital Growth Partners III, LP and is the managing member of Sequoia Capital Growth III Principals Fund, LLC. As a result, SCGF III Management 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. Each of the filing persons disclaims beneficial ownership of these securities except to the extent of its 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. 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.