BLUE NILE INC
Form 3
February 14, 2014

FORM 3

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

OMB APPROVAL

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INITIAL STATEMENT OF 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 *
Â Sainsbury Jon
(Last) (First) (Middle)

C/O BLUE NILE, INC.,Â 411 FIRST AVE. S. STE 700
(Street)

SEATTLE,Â WAÂ 98104
(City) (State) (Zip)

2. Date of Event Requiring Statement (Month/Day/Year)
02/04/2014

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

4. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
_____ Director
_____ 10% Owner
__X__ Officer (give title below)
_____ Other (specify below)
VP and Head of Strategy

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

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 Beneficially Owned

1.Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	2,642	D	Â
Common Stock	265	I	By wife

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

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of	5. Ownership Form of Derivative	6. Nature of Indirect Beneficial Ownership (Instr. 5)

	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Derivative Security	Security: Direct (D) or Indirect (I) (Instr. 5)	
Restricted Stock Unit	02/15/2014[1]	Â [1]	Common Stock	3,250	$ 0	D	Â
Stock Options (Right to Buy)	08/26/2005[2]	07/27/2014	Common Stock	450	$ 30	D	Â
Stock Options (Right to Buy)	08/26/2006[3]	08/07/2015	Common Stock	1,000	$ 32.43	D	Â
Stock Options (Right to Buy)	08/04/2007[4]	08/03/2016	Common Stock	625	$ 30.31	D	Â
Stock Options (Right to Buy)	08/04/2007[4]	08/03/2016	Common Stock	625	$ 37.07	D	Â
Stock Options (Right to Buy)	08/04/2007[4]	08/03/2016	Common Stock	625	$ 40	D	Â
Stock Options (Right to Buy)	08/04/2007[4]	08/03/2016	Common Stock	625	$ 55.34	D	Â
Stock Options (Right to Buy)	08/29/2008[5]	08/28/2017	Common Stock	3,000	$ 83.81	D	Â
Stock Options (Right to Buy)	08/08/2009[6]	08/07/2018	Common Stock	10,000	$ 41.13	D	Â
Stock Options (Right to Buy)	02/23/2010[7]	02/22/2019	Common Stock	14,000	$ 21.22	D	Â
Stock Options (Right to Buy)	02/17/2011[8]	02/16/2020	Common Stock	10,000	$ 49.11	D	Â
Stock Options (Right to Buy)	02/15/2012[9]	02/14/2021	Common Stock	9,000	$ 56.62	D	Â
Stock Options (Right to Buy)	11/16/2012[10]	11/15/2021	Common Stock	15,000	$ 33.45	D	Â
Stock Options (Right to Buy)	02/15/2014[11]	02/14/2023	Common Stock	8,800	$ 31.31	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Sainsbury Jon C/O BLUE NILE, INC. 411 FIRST AVE. S. STE 700 SEATTLE,Â WAÂ 98104	Â	Â	Â VP and Head of Strategy	Â

Signatures

/s/Jonathan Sainsbury	02/14/2014
**Signature of Reporting Person	Date

Explanation of Responses:

***** If the form is filed by more than one reporting person, *see* Instruction 5(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) 25% of the restricted stock units vest on February 15, 2014 and one-sixteenth of the restricted stock units vest in equal quarterly installments over the following thirty-six months.

(2) 25% of the option shares vest on August 26, 2005 and one-forty-eighth of the option shares vest in equal monthly installments over the following thirty-six months.

(3) 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.

(4) 25% of the option shares vest on August 4, 2007 and one-forty-eighth of the option shares vest in equal monthly installments over the following thirty-six months.

(5) 25% of the option shares vest on August 29, 2008 and one-forty-eighth of the option shares vest in equal monthly installments over the following thirty-six months.

(6) 25% of the option shares vest on August 8, 2009 and one-forty-eighth of the option shares vest in equal monthly installments over the following thirty-six months.

(7) 25% of the option shares vest on February 23, 2010 and one-forty-eighth of the option shares vest in equal monthly installments over the following thirty-six months.

(8) 25% of the option shares vest on February 17, 2011 and one-forty-eighth of the option shares vest in equal monthly installments over the following thirty-six months.

(9) 25% of the option shares vest on February 15, 2012 and one-forty-eighth of the option shares vest in equal monthly installments over the following thirty-six months.

(10) 25% of the option shares vest on November 16, 2012 and one-forty-eighth of the option shares vest in equal monthly installments over the following thirty-six months.

(11) 25% of the option shares vest on February 15, 2014 and one-sixteenth of the option shares vest in equal quarterly 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.
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