

Dolby Laboratories, Inc.  
Form 4  
December 19, 2016

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2015  
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 \*  
SHERMAN MARK ANDREW

(Last) (First) (Middle)

C/O DOLBY LABORATORIES, INC., 1275 MARKET STREET

(Street)

SAN FRANCISCO, CA 94103

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
Dolby Laboratories, Inc. [DLB]

3. Date of Earliest Transaction (Month/Day/Year)  
12/15/2016

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)  
EVP, GEN. COUN. & SECRTY

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
Class A Common Stock	12/15/2016		A		13,000	<u>A</u> (1)	\$ 0
Class A Common Stock	12/15/2016		F <sup>(3)</sup>		2,632	D	\$ 45.5
Class A Common Stock	12/16/2016		F <sup>(3)</sup>		1,817	D	\$ 45.86
Class A Common Stock	12/16/2016		S		2,271	D	\$ 45.7064
							52,424 <sup>(5)</sup>

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Stock						<u>(6)</u>	
Class A						\$	
Common Stock	12/19/2016		S	1,082	D	45.9584	51,342 <u>(5)</u> D
						<u>(7)</u>	

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

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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 Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Performance-Based Stock Option (Right to Buy)	\$ 45.5	12/15/2016		A	26,000	<u>(8)</u>	12/15/2023	Class A Common Stock
Employee Stock Option (Right to Buy)	\$ 45.5	12/15/2016		A	52,000	<u>(9)</u>	12/15/2026	Class A Common Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SHERMAN MARK ANDREW C/O DOLBY LABORATORIES, INC. 1275 MARKET STREET SAN FRANCISCO, CA 94103			EVP, GEN. COUN. & SECRTY	

## Signatures

/s/ Daniel Rodriguez, Attorney-in-Fact for Andy Sherman  
12/19/2016

\_\_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) Award represents a total of 13,000 restricted stock units granted under the terms of the Issuer's 2005 Stock Plan. Under the terms of the restricted stock unit grant agreement, 1/4 of the total number of units shall vest on each anniversary of December 15, 2016. Each unit represents a contingent right to receive one share of the Issuer's Class A Common Stock upon vesting.
- (2) Shares held following the reported transactions include 45,070 shares of Class A common stock underlying restricted stock units, which are subject to forfeiture until they vest.
- (3) In accordance with Rule 16b-3, shares reported as disposed of were withheld by the Issuer and not issued to the reporting person in order to cover withholding taxes incident to the vesting of restricted stock units.
- (4) Shares held following the reported transactions include 38,943 shares of Class A common stock underlying restricted stock units, which are subject to forfeiture until they vest.
- (5) Shares held following the reported transactions include 35,461 shares of Class A common stock underlying restricted stock units, which are subject to forfeiture until they vest.
- (6) The shares were sold in multiple transactions at prices ranging from \$45.50 to \$45.93, inclusive. The price reported reflects the weighted average sale price. The reporting person hereby undertakes to provide upon request to the Securities and Exchange Commission staff, the Issuer or a security holder of the Issuer full information regarding the number of shares and prices at which the transactions were effected.
- (7) The shares were sold in multiple transactions at prices ranging from \$45.77 to \$46.23, inclusive. The price reported reflects the weighted average sale price. The reporting person hereby undertakes to provide upon request to the Securities and Exchange Commission staff, the Issuer or a security holder of the Issuer full information regarding the number of shares and prices at which the transactions were effected.
- (8) The vesting of this performance-based stock option ("PSO") award is dependent upon achievement of performance criteria measured during a three-year performance period beginning on December 15, 2016 and ending December 15, 2019. The number of shares reported is at the target award amount. The reporting person may potentially earn from 0% to 125% of the target award amount based on total shareholder return at the end of the three-year performance period. The actual PSO award earned shall vest immediately upon certification by the Company's Compensation Committee of the achievement of the performance criteria, following the end of the three-year performance period.
- (9) This option was granted for a total of 52,000 shares of Class A Common Stock. 1/4 of the total number of shares issuable under the option vests on the first anniversary of December 15, 2016, the vesting commencement date, and the balance of the shares in equal monthly installments over the next 36 months thereafter.

### Remarks:

The sales reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan.

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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