# SEC Form 4

## FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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### STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| OMB APPROVAL | |
|---|---|
| OMB Number: | 3235-0287 |
| Estimated average burden hours per response: | 0.5 |

| 1. Name and Address of Reporting Person* <br><br> **Kirkpatrick Lee** <br><br> (Last) (First) (Middle) <br><br> **C/O TWILIO INC.** <br> **375 BEALE STREET, SUITE 300** <br><br> (Street) <br><br> **SAN FRANCISCO** **CA** **94105** <br><br> (City) (State) (Zip) | 2. Issuer Name **and** Ticker or Trading Symbol <br> **TWILIO INC** [ **TWLO** ] <br><br> 3. Date of Earliest Transaction (Month/Day/Year) <br> **09/15/2017** <br><br> 4. If Amendment, Date of Original Filed (Month/Day/Year) | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <br><br> Director    10% Owner <br> X Officer (give title below)    Other (specify below) <br> **Chief Financial Officer** <br><br> 6. Individual or Joint/Group Filing (Check Applicable Line) <br> X Form filed by One Reporting Person <br> 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 | | | |
| Class A Common Stock | 09/15/2017 | | C | | 17,292 | A | $0 | 75,777[1] | D | |
| Class A Common Stock | 09/15/2017 | | S | | 3,829[2] | D | $30.94 | 71,948[1] | D | |
| Class A Common Stock | 09/15/2017 | | S[3] | | 10,000 | D | $30.8195[4] | 61,948[1] | D | |

## 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 Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Employee Stock Option (right to buy) | $1.24 | 09/15/2017 | | M | | | 10,000 | [5] | 05/16/2022 | Class B Common Stock[6] | 10,000 | $0 | 411,076 | D | |
| Class B Common Stock[6] | [6] | 09/15/2017 | | M | | 10,000 | | [6] | [6] | Class A Common Stock | 10,000 | $0 | 130,261[7] | D | |
| Class B Common Stock[6] | [6] | 09/15/2017 | | C | | | 17,292 | [6] | [6] | Class A Common Stock | 17,292 | $0 | 112,969[7] | D | |
| Employee Stock Option (right to buy) | $10.09 | | | | | | | [8] | 12/30/2025 | Class B Common Stock[6] | 175,000 | | 175,000 | D | |
| Employee Stock Option (right to buy) | $31.96 | | | | | | | [9] | 02/09/2027 | Class A Common Stock | 95,056 | | 95,056 | D | |

## Explanation of Responses:

1. A portion of these shares represent Restricted Stock Units ("RSUs"). Each RSU represents the contingent right to receive one share of the Issuer's Class A common stock.

2. Represents the number of shares sold to cover the statutory tax withholding obligations in connection with the vesting of restricted stock units. This sale is mandated by the Issuer's election under its equity incentive plans to require the satisfaction of minimum statutory tax withholding obligations to be funded by a "sell to cover" transaction and does not represent a discretionary sale by the reporting person.

3. The sales reported were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person.

4. The reported price in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from $30.53 to $31.45 per share, inclusive. The reporting person undertakes to provide to the Issuer, any security holder of the Issuer, or to the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the range set forth in this footnote.

5. The option is fully vested and exercisable by the reporting person.

6. Each share of Class B common stock is convertible into one share of Class A common stock at the option of the holder and has no expiration date.

7. A portion of these shares represent Restricted Stock Units ("RSU's). Each RSU represents a contingent right to receive one share of Issuer's Class B Common Stock.

8. The shares subject to this option vest in 34 equal monthly installments, with the first installment on July 15, 2016. The option is early exercisable by the reporting person.

9. The Stock Option ("Option") shall vest as follows: 1/4th of the Option shall vest on January 1, 2018, and 1/48th of the Option shall vest monthly thereafter, subject to continued service to the Issuer on each vesting date.

/s/ Mariam Sattar as attorney in fact for Reporting Person    09/19/2017

** Signature of Reporting Person    Date