

BLUE NILE INC  
Form 4  
February 02, 2012

**FORM 4**

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

OMB APPROVAL

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**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 \*  
**IRVINE DIANE M**

(Last) (First) (Middle)

**C/O BLUE NILE, INC., 411 FIRST AVENUE S, STE 700**

(Street)

**SEATTLE, WA 98104**

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)  
**01/31/2012**

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)  
**Former CEO**

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 Ownership (Instr. 4)
				(A) or (D)	Price		
			Code	V	Amount		
Common Stock	01/31/2012		M		2,000	\$ 32.97	50,489 D
Common Stock	01/31/2012		S <sup>(1)</sup>		2,000	\$ 40	48,489 D
Common Stock	02/01/2012		M		2,500	\$ 32.97	50,989 D
Common Stock	02/01/2012		S <sup>(1)</sup>		2,500	\$ 40.5	48,489 D
Common Stock	02/02/2012		M		1,400	\$ 32.97	49,889 D

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Common Stock	02/02/2012	S <sup>(1)</sup>	1,400	D	\$ 40.51 <u>(2)</u>	48,489	D	
Common Stock						1,160	I	By Son
Common Stock						1,160	I	By Daughter
Common Stock						1,160	I	By Daughter

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.**

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(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)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Stock Options (Right to Buy)	\$ 32.97	01/31/2012		M	2,000	<u>(3)</u>	08/30/2015 <sup>(4)</sup>	Common Stock	2,000
Stock Options (Right to Buy)	\$ 32.97	02/01/2012		M	2,500	<u>(3)</u>	08/30/2015 <sup>(4)</sup>	Common Stock	2,500
Stock Options (Right to Buy)	\$ 32.97	02/02/2012		M	1,400	<u>(3)</u>	08/30/2015 <sup>(4)</sup>	Common Stock	1,400

