

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 or
Section 30(h) of the Investment Company Act of 1940

| | | | | | | | | |
|---|--|--|---|--|--|--|--|--|
| 1. Name and Address of Reporting Person * | | | 2. Issuer Name and Ticker or Trading Symbol | | | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) | | |
| Kirkpatrick Lee | | | TWILIO INC [TWLO] | | | <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> X Officer (give title below) <input type="checkbox"/> Other (specify below) Chief Financial Officer | | |
| (Last) (First) (Middle) | | | 3. Date of Earliest Transaction (MM/DD/YYYY) | | | | | |
| C/O TWILIO INC., 375 BEALE STREET, SUITE 300 | | | 3/7/2018 | | | | | |
| (Street) | | | 4. If Amendment, Date Original Filed (MM/DD/YYYY) | | | 6. Individual or Joint/Group Filing (Check Applicable Line) | | |
| SAN FRANCISCO, CA 94105 | | | | | | <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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. Trans. Date | 2A. Deemed Execution Date, if any | 3. Trans. 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 | 3/7/2018 | | G (1) | V | 76473 | D | \$0 | 64127 (2) | D | |
| Class A Common Stock | 3/7/2018 | | G (3) | V | 76473 | A | \$0 | 76473 | I | By The Kirkpatrick Family Trust (4) |
| Class A Common Stock | 3/15/2018 | | C | | 19291 | A | \$0 | 83418 (2) | D | |
| Class A Common Stock | 3/15/2018 | | S | | 3637 (5) | D | \$41.00 | 79781 (2) | D | |
| Class A Common Stock | 3/15/2018 | | S (6) | | 11700 | D | \$40.5293 (7) | 68081 (2) | D | |
| Class A Common Stock | 3/15/2018 | | S (6) | | 300 | D | \$41.0333 (8) | 67781 (2) | D | |
| Class A Common Stock | 3/15/2018 | | G (1) | V | 3654 | D | \$0 | 64127 (2) | D | |
| Class A Common Stock | 3/15/2018 | | G (3) | V | 3654 | A | \$0 | 80127 | I | By The Kirkpatrick Family Trust (4) |

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

| 1. Title of Derivate Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Trans. Date | 3A. Deemed Execution Date, if any | 4. Trans. 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 | | 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 of Derivative Security: 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 | 3/15/2018 | | M | | 12000 | | (9) | 5/16/2022 | Class B Common Stock (10) | 12000 | \$0 | 331432 | D | |
| Class B Common Stock (10) | (10) | 3/15/2018 | | M | | 12000 | | (10) | (10) | Class A Common Stock | 12000 | \$0 | 59190 (11) | D | |
| Class B Common Stock (10) | (10) | 3/15/2018 | | C | | 19291 (12) | | (10) | (10) | Class A Common Stock | 19291 | \$0 | 39899 (11) | D | |
| Employee Stock Option (right to buy) | \$10.09 | | | | | | | (13) | 12/30/2025 | Class B Common Stock (10) | 169171 | | 169171 | D | |
| Employee Stock Option (right to buy) | \$31.96 | | | | | | | (14) | 2/9/2027 | Class A Common Stock | 95056 | | 95056 | D | |

Explanation of Responses:

(1) Represents shares that were contributed by the Reporting Person to the Reporting Person's trust.

- (2) 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.
- (3) Represents shares received by the Reporting Person's trust.
- (4) The Kirkpatrick Family Trust, established 9/28/1999
- (5) 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.
- (6) The sales reported were effected pursuant to a 10b5-1 trading plan adopted by the Reporting Person.
- (7) The reported price in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$39.98 to \$40.93 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
- (8) The reported price in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$40.99 to \$41.11 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.
- (9) 25% of the shares subject to this option vested on May 7, 2013, and the remaining shares subject to this option vested in 36 equal monthly installments thereafter. The option is fully vested and exercisable by the Reporting Person.
- (10) 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.
- (11) A portion of these shares represent RSU's. Each RSU represents a contingent right to receive one share of Issuer's Class B Common Stock.
- (12) A portion of these shares represent the vesting of RSUs that were converted into shares of Class A common stock in order to effect a sell-to-cover transaction.
- (13) The shares subject to this option vest in 34 equal monthly installments, with the first installment on July 15, 2016, subject to the Reporting Person's continuous service to the Issuer on each vesting date. The shares subject to this option are early exercisable by the Reporting Person.
- (14) 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 the Reporting Person's continued service to the Issuer on each vesting date.

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Kirkpatrick Lee C/O TWILIO INC. 375 BEALE STREET, SUITE 300 SAN FRANCISCO, CA 94105 | | | Chief Financial Officer | |

Signatures

/s/ Alexis Rhorer as attorney in fact for Reporting Person

3/19/2018

**Signature of Reporting Person

Date

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

* 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).

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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