
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)

September 17, 2014

PALO ALTO NETWORKS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-35594
(Commission
File Number)

20-2530195
(IRS Employer
Identification No.)

4401 Great America Parkway
Santa Clara, California 95054
(Address of principal executive offices, including zip code)

(408) 753-4000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-
-

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(d) Appointment of New Director

On September 17, 2014, the Board of Directors (“Board”) of Palo Alto Networks, Inc. (the “Company”) appointed Stanley J. Meresman to serve as a member of the Board and a member of the audit committee of the Board (the “Audit Committee”), effective as of September 20, 2014, and increased the size of the Board from eight to nine directors. Mr. Meresman will serve as a class I director whose term expires at the Annual Meeting of Stockholders to be held in 2015.

Mr. Meresman, age 67, currently serves on the boards of directors of a number of public and private companies. Prior to that, Mr. Meresman was a Venture Partner with Technology Crossover Ventures, a private equity firm, from January 2004 through December 2004, and served as General Partner and Chief Operating Officer from November 2001 to December 2003. During the four years prior to joining Technology Crossover Ventures, Mr. Meresman was a private investor and board member and advisor to several technology companies. From May 1989 to May 1997, Mr. Meresman was the Senior Vice President and Chief Financial Officer of Silicon Graphics, Inc., a manufacturer of high-performance computing solutions. Prior to Silicon Graphics, he was Vice President of Finance and Administration and Chief Financial Officer of Cypress Semiconductor, a semiconductor company. Mr. Meresman currently serves on the board of directors of LinkedIn Corporation and Zynga Inc., as well as a number of private companies. He previously served on the board of directors of Meru Networks, Inc., Riverbed Technology, Inc. and Polycom, Inc. Mr. Meresman holds an M.B.A. from the Stanford Graduate School of Business and a B.S. in Industrial Engineering and Operations Research from the University of California, Berkeley. Mr. Meresman was selected to serve on our Board due, in part, to his background as chair of the audit committee of other public companies and his financial and accounting expertise from his prior extensive experience as Chief Financial Officer of two public companies.

There is no arrangement or understanding between Mr. Meresman and any other persons pursuant to which Mr. Meresman was elected as a director.

In connection with his appointment to the Board, Mr. Meresman was granted an initial restricted stock unit equity award on September 20, 2014 in the amount of 11,312 shares of common stock. These restricted stock units will vest over three years, with 1/3 of the shares subject to the award vesting on the first anniversary of the grant date, and the remaining shares vesting equally over the next two years on a quarterly basis, subject to continued service on the Board on the applicable vesting date. In the event of a change of control, all shares subject to the award would become fully vested and immediately exercisable. The restricted stock units are subject to the terms and conditions of the Company’s 2012 Equity Incentive Plan and its related grant agreements. In addition, the Company expects to grant a restricted stock unit equity award covering shares of its common stock with a combined value of \$320,000 to Mr. Meresman on the date of each annual meeting of stockholders, beginning with the 2015 annual meeting of stockholders, in each case based on continuing service on the Board and the Audit Committee. Each annual restricted stock unit equity award is expected to vest over one year on a quarterly basis. The Company will also reimburse Mr. Meresman for all reasonable expenses in connection with his services to the Company. A copy of the offer letter between Mr. Meresman and the Company is filed as Exhibit 10.1 to this Current Report on Form 8-K.

In addition, Mr. Meresman has executed the Company’s standard form of indemnification agreement, a copy of which has been filed as Exhibit 10.1 to the Company’s Registration Statement on Form S-1 filed with the Securities and Exchange Commission on July 9, 2012.

A copy of the press release announcing the appointment is filed as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
10.1	Offer Letter between the Registrant and Stanley J. Meresman, dated September 8, 2014.
99.1	Press Release, dated September 22, 2014.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PALO ALTO NETWORKS, INC.

By: /s/ Mark D. McLaughlin
Mark D. McLaughlin
President and Chief Executive Officer

Date: September 22, 2014

EXHIBIT LIST

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
10.1	Offer Letter between the Registrant and Stanley J. Meresman, dated September 8, 2014.
99.1	Press Release, dated September 22, 2014.



September 8, 2014

Stanley J. Meresman

Dear Stan:

On behalf of the Board of Directors (the "Board") of Palo Alto Networks, Inc. (the "Company"), we are pleased to inform you that our Nominating and Governance Committee of the Board has nominated you for election as a member of our Board and serve as a member of the Audit Committee.

As you are aware, the Company is a Delaware corporation and therefore your rights and duties as a Board member of the Company are prescribed by Delaware law, SEC laws, listing rules for the stock exchange on which our shares are traded, our charter documents and by the policies established by our Board from time to time. In addition, you may also be requested to serve as a director of one or more of our subsidiaries in which case you may be subject to other laws while serving in such a capacity.

From time to time, our Board may establish certain other committees to which it may delegate certain duties. In addition to committee meetings, which shall be convened as needed, our Board meetings are generally held quarterly at the Company's offices in Santa Clara, California. We would hope that your schedule would permit you to attend all of the meetings of the Board and any committees of which you are a member. In addition, from time to time, there may be telephonic meetings to address special matters.

It is expected that during the term of your Board membership with the Company you will not engage in any other employment, occupation, consulting or other business activity that competes with the business in which the Company is now involved in or becomes involved in during the term of your service to the Company, nor will you engage in any other activities that conflict with your obligations to the Company.

If you decide to join the Board and to serve as a member of the Audit Committee, it will be recommended at the time of your election as a member of the Board that the Company grant you a restricted stock unit award under our 2012 Equity Incentive Plan (the "2012 Plan") having a value equal to \$1,000,000 (the "Award") in consideration for your service as a member of the Board consistent with our non-employee director compensation policy. The number of Award shares will be based on the average closing price of the Company's common stock over the 30 calendar days prior to the 15th day of the month in which the grant occurs. The Award shares will vest over three years, with 1/3 of the shares subject to the Award grant vesting on the first anniversary of the grant date (which is expected to be September 20, 2014), and the remaining shares vesting equally over the next two years on a quarterly basis, subject to you continuing to serve as a Board member on each vesting date. The vesting of the Award will accelerate upon a Change in Control (as defined in the 2012 Plan).

In addition to the Award, you will be eligible to receive annual restricted stock unit equity awards with a combined value of \$320,000 on the date of each annual meeting of stockholders (commencing with

the December 2015 meeting) in accordance with our non-employee director compensation policy, subject to your continuing service on the Board and the Audit Committee. Each annual restricted stock unit equity award is expected to vest over one year on a quarterly basis and will accelerate upon a Change in Control (as defined in the 2012 Plan).

The payment of compensation to Board members is subject to many restrictions under applicable law, and as such, you should be aware that the compensation set forth above is subject to such future changes and modifications as the Board or its committees may deem necessary or appropriate. In addition, please note that unless otherwise approved by our Board or required under applicable law, directors of our subsidiaries shall not be entitled to any compensation.

You shall be entitled to reimbursement for reasonable expenses incurred by you in connection with your service to the Company and attendance of Board and committee meetings in accordance with the Company's established policies.

Please note that nothing in this letter or any agreement granting you equity should be construed to interfere with or otherwise restrict in any way the rights of the Company, its Board or stockholders from removing you from the Board or any committee in accordance with the provisions of applicable law. Furthermore, except as otherwise provided to other non-employee Board members or required by law, the Company does not intend to afford you any rights as an employee, including without limitation, the right to further employment or any other benefits.

We hope that you find the foregoing terms acceptable. You may indicate your agreement with these terms by signing and dating both the enclosed duplicate and original letter and returning them to me. By signing this letter you also represent that the execution and delivery of this agreement and the fulfillment of the terms hereof will not require the consent of another person, constitute a default under or conflict with any agreement or other instrument to which you are bound or a party.

On behalf of the Company it gives us great pleasure to welcome you as a member of our Board. We anticipate your leadership and experience shall make a key contribution to our success at this critical time in our growth and development.

Yours very truly,

/s/ Mark McLaughlin

Mark McLaughlin
Chief Executive Officer
Palo Alto Networks, Inc.

Acknowledged and agreed to

September 10, 2014

/s/ Stan Meresman
Stan Meresman



Palo Alto Networks Adds Stanley J. Meresman to its Board

Santa Clara, Calif., September 22, 2014 – Palo Alto Networks® (NYSE: PANW), the leader in enterprise security, today announced it has added Stanley J. Meresman to its board of directors and audit committee.

Mr. Meresman, who qualifies as an “audit committee financial expert” under SEC guidelines, brings a wealth of valuable experience cultivated during current and previous positions on a number of public and private companies’ boards. He currently sits on the board of directors and is chair of the audit committee for both LinkedIn and Zynga.

His career history includes board seats with Riverbed Technologies, Meru Networks and Polycom, as well as senior executive roles at several global technology companies like Silicon Graphics, where he was a senior vice president and CFO, and Cypress Semiconductor, where he was vice president of finance and administration and CFO.

QUOTES

- “We are very pleased to welcome Stan to our board; he has an impressive track record working with other fast growing companies like Palo Alto Networks and his comprehensive financial and corporate governance expertise can provide excellent perspective as we continue to scale our business globally.”
 - Mark McLaughlin, CEO, President and Chairman of the Board, Palo Alto Networks
- “The rapid rise to leadership in enterprise security is a testament to disruptive technology and excellent leadership at Palo Alto Networks. I look forward to working with the existing board and management team. I’m excited to offer my experience and perspective on further scaling the business and realizing the full power of the company’s unique hybrid SaaS business model.”
 - Stanley J. Meresman, Board of Directors, Palo Alto Networks

To learn more about Palo Alto Networks, visit: www.paloaltonetworks.com.

About Palo Alto Networks

Palo Alto Networks is leading a new era in cybersecurity by protecting thousands of enterprise, government, and service provider networks from cyber threats. Unlike fragmented legacy products, our security platform safely enables business operations and delivers protection based on what matters most in today’s dynamic computing environments: applications, users, and content. Find out more at www.paloaltonetworks.com.

Palo Alto Networks and the Palo Alto Networks Logo are trademarks of Palo Alto Networks, Inc. in the United States and in jurisdictions throughout the world. All other trademarks, trade names or service marks used or mentioned herein belong to their respective owners.

Media Contacts:

Jennifer Jasper Smith
Head of Corporate Communications
Palo Alto Networks
jjsmith@paloaltonetworks.com