

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

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* <u>Kirkpatrick Lee</u> (Last) (First) (Middle) <u>C/O TWILIO INC.</u> <u>375 BEALE STREET, SUITE 300</u> (Street) <u>SAN FRANCISCO CA 94105</u> (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>TWILIO INC [TWLO]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Chief Financial Officer</u> |
| | 3. Date of Earliest Transaction (Month/Day/Year) <u>06/15/2017</u> | |
| 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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 | 06/15/2017 | | C | | 10,851 | A | \$0 | 69,336 ⁽¹⁾ | D | |
| Class A Common Stock | 06/15/2017 | | S ⁽²⁾ | | 3,851 | D | \$25.4407 ⁽³⁾ | 65,485 ⁽¹⁾ | D | |
| Class A Common Stock | 06/15/2017 | | S ⁽⁴⁾ | | 7,000 | D | \$25.8952 ⁽⁵⁾ | 58,485 ⁽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 | 06/15/2017 | | M | | | 7,000 | (6) | 05/16/2022 | Class B Common Stock ⁽⁷⁾ | 7,000 | \$0 | 467,076 | D | |
| Class B Common Stock ⁽⁷⁾ | (7) | 06/15/2017 | | M | | 7,000 | | (7) | (7) | Class A Common Stock | 7,000 | \$0 | 121,112 ⁽⁸⁾ | D | |
| Class B Common Stock ⁽⁷⁾ | (7) | 06/15/2017 | | C | | 10,851 | | (7) | (7) | Class A Common Stock | 10,851 | \$0 | 110,261 ⁽⁸⁾ | D | |
| Employee Stock Option (right to buy) | \$10.09 | | | | | | | (9) | 12/30/2025 | Class B Common Stock ⁽⁷⁾ | 175,000 | | 175,000 | D | |
| Employee Stock Option (right to buy) | \$31.96 | | | | | | | (10) | 02/09/2027 | Class A Common Stock | 95,056 | | 95,056 | D | |

Explanation of Responses:

- A portion of these shares represent Restricted Stock Units ("RSUs") previously reported on a Form 4 filed February 14, 2017. Each RSU represents the contingent right to receive one share of the Issuer's Class A common stock.
- 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.
- The reported price in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$25.44 to \$25.5556 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.
- The sales reported were effected pursuant to a 10b5-1 trading plan adopted by the reporting person.
- The reported price in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$32.47 to \$32.57 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.
- 25% of the shares subject to this option vested on May 7, 2013, and the remaining shares subject to this option vest in 36 equal monthly installments thereafter, subject to the reporting person's continuous service to the Issuer on each such date. The option is early exercisable by the reporting person.
- 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.
- A portion of these shares represent RSUs. Each RSU represents a contingent right to receive one share of the Issuer's Class B common stock.
- 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.
- 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 06/19/2017

** 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.

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 Number.