

Sprouts Farmers Market, Inc.
 Form 4
 March 30, 2015

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2015
 Estimated average burden hours per response... 0.5

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

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 *
 Sanders James Douglas

(Last) (First) (Middle)

5455 EAST HIGH STREET, SUITE 111

(Street)

PHOENIX, AZ 85054

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

Sprouts Farmers Market, Inc. [SFM]

3. Date of Earliest Transaction (Month/Day/Year)

03/26/2015

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)

President and 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 Indirect Beneficial Ownership (Instr. 4) | |
|---|--------------------------------------|--|--------------------------------|---|---|--|---|---|
| | | | Code | V | Amount | (D) | Price | |
| Common Stock, par value \$0.001 per share | 03/26/2015 | | M | | 86,708 | A | \$ 3.3255 119,704 | D |
| Common Stock, par value \$0.001 per share | 03/26/2015 | | S ⁽¹⁾ | | 86,708 | D | \$ 33.0928 32,996 ⁽³⁾ | D |
| Common Stock, par value \$0.001 per share | 03/27/2015 | | M | | 90,298 | A | \$ 3.3255 123,294 | D |

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value
\$0.001 per
share

Common
Stock, par
value 03/27/2015
\$0.001 per
share

S⁽¹⁾ 90,298 D \$ 32.969
(4) 32,996 (3) D

Common
Stock, par
value 03/30/2015
\$0.001 per
share

M 86,328 A \$ 3.3255 119,324 D

Common
Stock, par
value 03/30/2015
\$0.001 per
share

S⁽¹⁾ 86,328 D \$
33.4461 32,996 (3) D
(5)

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

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SEC 1474
(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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Option (right to buy) | \$ 3.3255 | 03/26/2015 | | M | 86,708 | (6) 05/02/2018 | Common stock, par value \$0.001 per share | 86,708 |
| Stock Option (right to buy) | \$ 3.3255 | 03/27/2015 | | M | 90,298 | (6) 05/02/2018 | Common stock, par value \$0.001 | 90,298 |

| | | | | | | | | |
|-----------|-----------|------------|---|--------|-----|------------|------------|-----------|
| Stock | | | | | | | | per share |
| Option | \$ 3.3255 | 03/30/2015 | M | 86,328 | (6) | 05/02/2018 | Common | |
| (right to | | | | | | | stock, par | 86,328 |
| buy) | | | | | | | value | |
| | | | | | | | \$0.001 | |
| | | | | | | | per share | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Sanders James Douglas 5455 EAST HIGH STREET SUITE 111 PHOENIX, AZ 85054 | X | | President and CEO | |

Signatures

/s/ Brandon F. Lombardi, Attorney-in-Fact for James Douglas Sanders 03/30/2015

__Signature of Reporting Person

Date

Explanation of Responses:

- * 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).
- (1) The sales reported on this Form 4 were effected pursuant to a Rule 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 \$32.94 to \$33.30 per share, inclusive. The reporting person undertakes to provide to the issuer, any security holder of the issuer, or 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.
- (2) Consists of 22,638 shares of common stock and 10,358 restricted stock units. Each restricted stock unit represents the right to receive, upon vesting, one share of common stock. These restricted stock units will vest over three years, with one-third vested on March 4, 2015; one-third vesting on March 4, 2016; and the remaining one-third vesting on March 4, 2017, assuming continued employment through the applicable vesting date.
- (3) The reported price in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$32.72 to \$33.28 per share, inclusive. The reporting person undertakes to provide to the issuer, any security holder of the issuer, or 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.
- (4) The reported price in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$33.13 to \$33.67 per share, inclusive. The reporting person undertakes to provide to the issuer, any security holder of the issuer, or 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) All such options are presently exercisable; excludes an additional 440,126 outstanding options held by the reporting person at various strike prices.
- (6)

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.