

BOTTOMLINE TECHNOLOGIES INC /DE/

Form 424B5

July 15, 2011

Table of Contents**CALCULATION OF REGISTRATION FEE**

Title of Each Class of Securities to be Registered	Amount to be Registered (1)	Maximum		Amount of Registration Fee (3)
		Offering Price Per Unit (2)	Maximum Aggregate Offering Price (2)	
Common Stock, \$.001 par value per share	1,000,000	\$25.68	\$25,680,000	\$2,981.45

- (1) Pursuant to Rule 416 under the Securities Act of 1933, as amended (the Securities Act), the number of shares of common stock registered hereby includes any additional shares of common stock that may become issuable in connection with stock splits, stock dividends or similar events.
- (2) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457(c) under the Securities Act, based upon the average of the high and low prices of the registrant's common stock on July 11, 2011 as reported on the Nasdaq Global Select Market.
- (3) Calculated in accordance with Rule 457(r) under the Securities Act. Pursuant to Rule 457(p) under the Securities Act, the \$2,421.85 remaining of the filing fee previously paid with respect to \$33,967,000 in aggregate offering price of unsold securities registered pursuant to a Registration Statement on Form S-3 (No. 333-164538) filed by Bottomline Technologies (de), Inc. on January 27, 2010 is being carried forward, of which the entire amount is offset against the registration fee due for this offering. An additional registration fee of \$559.60 has been paid with respect to this offering. This Calculation of Registration Fee table shall be deemed to update the Calculation of Registration Fee table in the registrant's registration statement on Form S-3ASR (SEC File No. 333-175582).

Table of Contents

Filed Pursuant to Rule 424(b)(5)

Registration No. 333-175582

PROSPECTUS SUPPLEMENT

(To Prospectus dated July 15, 2011)

**1,000,000 Shares**

**Common Stock**

This prospectus supplement and the accompanying prospectus relates to 1,000,000 shares of our common stock that may be offered for sale by the person named in this prospectus supplement under the caption "Selling Stockholder". The shares of common stock offered by this prospectus supplement and the accompanying prospectus may be acquired by the selling stockholder upon the exercise of a warrant we issued to the selling stockholder in connection with our acquisition of a business from the selling stockholder.

We will receive proceeds if the selling stockholder exercises the warrant. However, we will not receive any of the proceeds from the subsequent offer and sale of such shares of common stock. The selling stockholder will pay or assume brokerage commissions and similar charges incurred for the sale of these shares of our common stock.

The shares of common stock may be offered for sale from time to time by the selling stockholder (including its pledgees, assignees and successors) acting as principal for its own account, in brokerage transactions at prevailing market prices, in transactions at negotiated prices or through any other means described in this prospectus supplement under the caption "Plan of Distribution". It is not possible at the present time to determine the price to the public in any sale of the shares of common stock by the selling stockholder. Accordingly, the public offering price and the amount of any applicable discounts, concessions or commissions will be determined at the time of such sale by the selling stockholder.

Our registration of such shares of our common stock does not necessarily mean that the selling stockholder will exercise the warrant or sell any of our common stock that we have registered.

Our common stock trades on the NASDAQ Global Select Market under the symbol EPAY. On July 14, 2011, the closing sale price of our common stock on the NASDAQ Global Select Market was \$24.57.

**Investing in our common stock involves a high degree of risk. See "Risk Factors" on page S-4 of this prospectus supplement for a discussion of the factors you should carefully consider before deciding to purchase our common stock.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.**

**The date of this prospectus supplement is July 15, 2011.**

**Table of Contents**

**TABLE OF CONTENTS**

**Prospectus Supplement**

<u>ABOUT THIS PROSPECTUS SUPPLEMENT</u>	S-1
<u>PROSPECTUS SUPPLEMENT SUMMARY</u>	S-2
<u>RISK FACTORS</u>	S-4
<u>FORWARD-LOOKING STATEMENTS</u>	S-4
<u>USE OF PROCEEDS</u>	S-5
<u>SELLING STOCKHOLDER</u>	S-6
<u>PLAN OF DISTRIBUTION</u>	S-8
<u>LEGAL MATTERS</u>	S-9
<u>EXPERTS</u>	S-9
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	S-9
<u>INCORPORATION BY REFERENCE</u>	S-9

**Prospectus**

<u>ABOUT THIS PROSPECTUS</u>	1
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	2
<u>INCORPORATION BY REFERENCE</u>	2
<u>FORWARD-LOOKING STATEMENTS</u>	3
<u>BOTTOMLINE</u>	4
<u>CONSOLIDATED RATIOS OF EARNINGS TO FIXED CHARGES AND RATIOS OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS</u>	5
<u>USE OF PROCEEDS</u>	6
<u>DESCRIPTION OF DEBT SECURITIES</u>	7
<u>DESCRIPTION OF CAPITAL STOCK</u>	15
<u>DESCRIPTION OF DEPOSITARY SHARES</u>	20
<u>DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS</u>	23
<u>DESCRIPTION OF WARRANTS</u>	24
<u>FORMS OF SECURITIES</u>	25
<u>SELLING STOCKHOLDERS</u>	27
<u>PLAN OF DISTRIBUTION</u>	28
<u>LEGAL MATTERS</u>	30
<u>EXPERTS</u>	30

**Table of Contents**

**ABOUT THIS PROSPECTUS SUPPLEMENT**

We are providing information to you about this offering of our common stock in two separate documents: (1) this prospectus supplement, which describes the specific details regarding this offering; and (2) the accompanying prospectus, which provides general information, some of which may not apply to this offering. Generally, when we refer to this prospectus, we are referring to both documents combined. If information in this prospectus supplement is inconsistent with the accompanying prospectus, you should rely on this prospectus supplement.

You should rely only on the information contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus or in any related free writing prospectus filed by us with the Securities and Exchange Commission, which we refer to as the SEC. We have not authorized anyone to provide you with different information. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities described in the prospectus supplement or an offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference and any related free writing prospectus is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed materially since those dates.

We further note that the representations, warranties and covenants made by us in any agreement that is filed as an exhibit to any document that is incorporated by reference in this prospectus supplement and the accompanying prospectus were made solely for the benefit of the parties to such agreement, including, in some cases, for the purpose of allocating risk among the parties to such agreements, and should not be deemed to be a representation, warranty or covenant to you. Moreover, such representations, warranties or covenants were accurate only as of the date when made. Accordingly, such representations, warranties and covenants should not be relied on as accurately representing the current state of our affairs.

Unless the context otherwise indicates, references in this prospectus to we, our, Bottomline and us refer, collectively, to Bottomline Technologies (de), Inc., a Delaware corporation, and its consolidated subsidiaries.

**Table of Contents**

**PROSPECTUS SUPPLEMENT SUMMARY**

*This summary highlights only some of the information included or incorporated by reference in this prospectus supplement and the accompanying prospectus. You should read the entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference carefully, including the section entitled "Risk Factors" on page S-4 of this prospectus supplement, regarding our company and the common stock being sold in this offering.*

**Our Company**

We provide electronic payment, invoice and document management solutions to corporations, financial institutions and banks around the world. Our solutions are used to streamline, automate and manage processes and transactions involving global payments, invoice receipt and approval, collections, cash management, risk mitigation, document management, reporting and document archive. We offer software designed to run on-site at the customer's location as well as hosted or Software as a Service (SaaS) solutions. Historically, our software has been sold predominantly on a perpetual license basis. Today, however, a growing portion of our offerings are being sold as SaaS and paid for on a subscription and transaction basis.

Our corporate customers rely on our solutions to automate their payment and accounts payable processes and to streamline and manage the production and retention of electronic documents. We offer Legal eXchange®, a SaaS offering that receives, manages and controls legal invoices and the related spend management for insurance companies and other large consumers of outside legal services. We also offer Paymode-X, a SaaS offering that facilitates the exchange of electronic payments and invoices between organizations and suppliers. Our offerings also include software solutions that banks use to provide web-based payment and reporting capabilities to their corporate customers.

Our solutions complement and leverage our customers' existing information systems, accounting applications and banking relationships. As a result, our solutions can be deployed quickly and efficiently. To help our customers receive the maximum value from our products and meet their own particular needs, we also provide professional services for installation, training, consulting and product enhancement.

During the nine months ended March 31, 2011, we acquired SMA Financial Ltd. (SMA), Direct Debit Limited (DDL) and acquired substantially all of the assets and assumed certain liabilities of Business Information Technology Group (BITG). SMA is a London-based provider of SaaS connectivity to the Society for Worldwide Interbank Financial Telecommunication, which is referred to as SWIFT, for the automation of payments and financial messaging. As a result of the SMA acquisition, we launched a new product offering, SWIFT Access Service, and we now offer next generation treasury and cash management solutions to a range of bank and corporate customers. DDL is a London-based provider of payments automation software for direct debits and receivables management for corporations, banks, financial institutions and government organizations. The addition of DDL extends our global payment capabilities and expands our transaction banking portfolio. BITG is a Bottomline software distributor and channel partner focused on the corporate market with locations in both Australia and New Zealand.

In April 2011, we acquired Allegient Systems, Inc., a provider of advanced capabilities for legal e-billing, bill review and analytics, for a cash payment of approximately \$49.6 million. Allegient's proprietary SaaS platform and value-added turnkey solutions will complement and extend our Legal eXchange portfolio, offering the combined customer base of more than 100 leading insurers capabilities to effectively manage their legal expenses.

Our principal executive offices are located at 325 Corporate Drive, Portsmouth, New Hampshire 03801, and our telephone number is (603) 436-0700.

**Table of Contents**

**The Offering**

This prospectus supplement registers an aggregate of 1,000,000 shares of our common stock issuable to the selling stockholder, Bank of America, N.A., upon the exercise of an outstanding warrant. We issued the warrant to the selling stockholder in connection with our acquisition of our PayMode® electronic payments business from the selling stockholder in September 2009. The warrant is exercisable for up to 1,000,000 shares of our common stock at an exercise price of \$8.50 per share, has a term of 10 years and provides, subject to certain exceptions, that the selling stockholder may not sell shares issued to it upon exercise of the warrant in an amount in excess of 200,000 shares per month.

Common stock offered by the Selling Stockholder	1,000,000 shares
Selling Stockholder	Bank of America, N.A. and/or its pledges, assignees and successors-in-interest. See Selling Stockholder on page S-6 for more information on the selling stockholder.
Common stock outstanding as of May 31, 2011	34,303,255 shares (1)
Use of proceeds	We will receive proceeds if the selling stockholder exercises the warrant. However, we will not receive any proceeds from the sale of shares of our common stock offered and sold by the selling stockholder pursuant to this prospectus. The selling stockholder will receive all of the proceeds from any such sales. See Selling Stockholder on page S-6.
Risk Factors	See Risk Factors on page S-4 for a discussion of factors you should carefully consider before deciding to invest in our common stock.
NASDAQ Global Select Market symbol	EPAY

- (1) Excludes 1,623,926 shares of common stock issuable upon the exercise of outstanding options, 2,025,802 shares of common stock reserved for future issuance under our stock incentive plans, 2,786,614 shares of common stock reserved for sale under our employee stock purchase plan and 1,000,000 shares of common stock issuable upon the exercise of the warrant.

**Table of Contents**

**RISK FACTORS**

Investing in our common stock involves a high degree of risk. Please see the risk factors under the heading "Risk Factors" in our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011, as filed with the SEC on May 6, 2011. Before making an investment decision, you should carefully consider these risks as well as other information we include or incorporate by reference in this prospectus supplement and the accompanying prospectus. The risks and uncertainties we have described are not the only ones facing our company. Additional risks and uncertainties not presently known to us or that we currently deem to be immaterial may also affect our company.

**FORWARD-LOOKING STATEMENTS**

This prospectus supplement and the information incorporated by reference in this prospectus supplement may include forward-looking statements within the meaning of the securities laws. Words such as "expects," "anticipates," "targets," "projects," "intends," "plans," "believes," "estimates," "continues" and "may" and variations of such words and similar expressions are intended to identify such forward-looking statements. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors. Among the important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are competition, market demand, technological change, strategic relationships, recent acquisitions, international operations and general economic conditions. For additional discussion of factors that could impact our financial results, refer to the section of this prospectus supplement entitled "Risk Factors" on page S-4. You should also carefully review the risk factors and cautionary statements described in the other documents we file from time to time with the SEC, specifically our most recent Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. Any forward-looking statements represent our views only as of the time they are made and should not be relied upon as representing our views as of any subsequent date. We do not assume any obligation to update any forward-looking statements, except to the extent required by law.



**Table of Contents**

**USE OF PROCEEDS**

We will receive proceeds if the selling stockholder exercises the warrant. However, we will not receive any proceeds from the sale of the shares of our common stock offered and sold by the selling stockholder pursuant to this prospectus. The selling stockholder will receive all of the proceeds from any such sales. See the section entitled "Selling Stockholder" below. We intend to use any proceeds we receive from the warrant exercise for general corporate purposes.

S-5

**Table of Contents****SELLING STOCKHOLDER***Background*

We are registering an aggregate of 1,000,000 shares of our common stock issuable to the selling stockholder, Bank of America, N.A., which we refer to in this section as the *Bank* or the *selling stockholder*, upon the exercise of the warrant. We issued the warrant to the Bank in connection with our acquisition of our PayMode electronic payments business from the Bank in September 2009. The warrant is exercisable for up to 1,000,000 shares of our common stock at an exercise price of \$8.50 per share, has a term of 10 years and provides, subject to certain exceptions, that the Bank may not sell shares issued to it upon exercise of the warrant in an amount in excess of 200,000 shares per month.

*Beneficial Ownership of the Selling Stockholder*

The following table sets forth information with respect to the Bank, the number of shares of common stock it may offer under this prospectus supplement assuming it exercises the warrant in full, the shares of common stock it beneficially owns prior to the offering, and the number of shares it will beneficially own after the offering assuming it sells all of the shares that may be offered under this prospectus supplement. Beneficial ownership is determined in accordance with the rules and regulations of the SEC. Information with respect to beneficial ownership is based upon information obtained from the selling stockholder and on 34,303,255 shares of our common stock outstanding as of May 31, 2011.

Shares listed under the heading *Number of Shares Being Registered* represent the number of shares that may be sold by the Bank pursuant to this prospectus supplement, assuming it exercises the warrant in full.

The information under the heading *Shares of Common Stock Beneficially Owned Prior to Offering* is determined in accordance with the rules of the SEC. Shares of common stock issuable upon exercise or conversion of options, warrants or convertible securities that are exercisable or convertible on or within 60 days from May 31, 2011 are deemed outstanding for computing the percentage ownership of the person holding the options, warrants or convertible securities, but are not deemed outstanding for computing the percentage of any other person. As of the close of trading on July 8, 2011, Bank of America Corporation, the parent company to the Bank, beneficially owned directly or through one or more affiliates 1,002,987 shares of our common stock, including the shares offered pursuant to this prospectus supplement.

The information under the heading *Shares of Common Stock Beneficially Owned After Offering* assumes the selling stockholder exercises the warrant in full and sells all of its shares offered pursuant to this prospectus supplement to unaffiliated third parties, that the selling stockholder will acquire no additional shares of our common stock prior to the completion of this offering, and that any other shares of our common stock beneficially owned by the selling stockholder will continue to be beneficially owned. The selling stockholder may sell all, part or none of its shares.

Name of Beneficial Owner	Number of Shares Being Registered	Shares of Common Stock Beneficially Owned Prior to Offering (1)				Shares of Common Stock Beneficially Owned After Offering		
		Shares	Warrants	Total	Percent (3)	Shares	Warrants	Percent
Bank of America, N.A. (2)	1,000,000	2,987	1,000,000	1,002,987	2.92%	2,987	0	*

\* Less than 1%.

(1) Share numbers reflect shares of our common stock beneficially owned by Bank of America Corporation, the parent company of the Bank, directly or through one or more affiliates, as of the close of trading on July 8, 2011.

(2) Share numbers reflect shares of our common stock beneficially owned by Bank of America Corporation, the parent company of the Bank, directly or through one or more affiliates.

- (3) Calculated in accordance with SEC rules and based on 34,303,255 shares of our common stock outstanding as of May 31, 2011.

S-6

**Table of Contents**

The selling stockholder is an affiliate of a registered broker-dealer. The selling stockholder has informed us that it acquired the warrant in the ordinary course of its business and, at the time of such acquisition, had no arrangement or understanding with any other persons regarding the distribution of the warrant or the shares issuable upon its exercise.

*Material Relationships with the Selling Stockholder*

In connection with the PayMode acquisition, we entered into an Asset Purchase Agreement dated August 5, 2009 with the Bank, pursuant to which we purchased substantially all of the assets and related operations of the Bank's PayMode business for a cash purchase price of \$17,000,000 and issued the Bank the warrant. We also entered into a Services Agreement dated September 14, 2009 with the Bank pursuant to which we provide PayMode services to the Bank and its customers, including customary maintenance and support services.

Under the Services Agreement, the Bank pays us an annual subscription fee plus other specified variable fees for the services. We are required to deliver enhancements to the system used to provide the PayMode services and related infrastructure and the enhancements will have a specified minimum value over the initial term of the Services Agreement. The Services Agreement has an initial term of five years, to be followed, unless notice of non-renewal is given by either party, by successive three-year renewal periods, subject to customary termination events, including the Bank's right to terminate for convenience, in which case it will pay us a specified variable termination fee.

In February 2010, we acquired from the Bank certain customer contracts associated with the Bank's Global Commission Payments business. The initial consideration paid by us was \$1.0 million in cash and we expect to pay additional cash consideration by December 31, 2011 based on the value assigned to acquired customer contracts that we anticipate migrating to our Paymode-X solution.

We may also provide other products and services to the Bank from time to time in the ordinary course of business.

**Table of Contents**

**PLAN OF DISTRIBUTION**

The selling stockholder and any of its pledgees, assignees and successors-in-interest may, from time to time, sell any or all of their shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These sales may be at fixed or negotiated prices. The selling stockholder may use any one or more of the following methods when selling shares:

ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;

block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;

purchases by a broker-dealer as principal and resale by the broker-dealer for its account;

an exchange distribution in accordance with the rules of the applicable exchange;

privately negotiated transactions;

settlement of short sales;

broker-dealers may agree with the selling stockholder to sell a specified number of such shares at a stipulated price per share;

a combination of any such methods of sale; and

any other method permitted pursuant to applicable law.

The selling stockholder may also sell shares under Rule 144 of the Securities Act, if available, rather than under this prospectus. Broker-dealers engaged by the selling stockholder may arrange for other brokers-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the selling stockholder (or, if any broker-dealer acts as agent for the purchaser of shares, from the purchaser) in amounts to be negotiated. The selling stockholder does not expect these commissions and discounts to exceed what is customary in the types of transactions involved.

The selling stockholder may from time to time pledge or grant a security interest in some or all of the shares owned by it and, if they default in the performance of its secured obligations, the pledgees or secured parties may offer and sell the shares of common stock from time to time under this prospectus, or under an amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus.

The selling stockholder also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

The selling stockholder and any broker-dealers or agents that are involved in selling the shares may be deemed to be underwriters within the meaning of the Securities Act in connection with such sales. In such event, any commissions received by such broker-dealers or agents and any profit on the resale of the shares purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act. The selling stockholder has informed Bottomline that it does not have any agreement or understanding, directly or indirectly, with any person to

distribute the common stock.

We have advised the selling stockholder that the anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of shares in the market and to the activities of the selling stockholder and its affiliates.

We are required to pay all fees and expenses incurred by us incident to the registration of the shares. We have agreed to indemnify the selling stockholder (including its officers, directors, agents, brokers, investment advisors, employees and control persons) against certain losses, claims, damages and liabilities, including liabilities under the Securities Act.

S-8

**Table of Contents**

**LEGAL MATTERS**

The validity of the shares of common stock offered hereby will be passed upon for us by Wilmer Cutler Pickering Hale and Dorr LLP.

**EXPERTS**

The consolidated financial statements of Bottomline Technologies (de), Inc. appearing in Bottomline Technologies (de), Inc.'s Annual Report (Form 10-K) for the year ended June 30, 2010, including the schedule appearing therein, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon included therein, and incorporated herein by reference. Such financial statements and schedule are, and audited financial statements to be included in subsequently filed documents will be, incorporated herein in reliance upon the reports of Ernst & Young LLP pertaining to such financial statements and schedule as of the respective dates (to the extent covered by consents filed with the Securities and Exchange Commission) given on the authority of such firm as experts in accounting and auditing.

The consolidated financial statements of LAS Holdings, Inc. appearing in Bottomline Technologies (de), Inc.'s Current Report on Form 8-K/A filed with the Securities and Exchange Commission on June 8, 2011 have been audited by Crowe Horwath LLP, independent auditors, as set forth in their report thereon included in such Form 8-K/A and incorporated herein by reference. Such financial statements are incorporated herein in reliance upon the report of Crowe Horwath LLP pertaining to such financial statements given on the authority of such firm as experts in accounting and auditing.

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's website at <http://www.sec.gov>. Copies of certain information filed by us with the SEC are also available on our website at <http://www.bottomline.com>. Our website is not a part of this prospectus supplement. You may also read and copy any document we file at the SEC's Public Reference Room, 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room.

This prospectus supplement is part of a registration statement we filed with the SEC. This prospectus supplement omits some information contained in the registration statement in accordance with SEC rules and regulations. You should review the information and exhibits in the registration statement for further information on us and our consolidated subsidiaries and the securities we are offering. Statements in this prospectus supplement concerning any document we filed as an exhibit to the registration statement or that we otherwise filed with the SEC are not intended to be comprehensive and are qualified by reference to these filings. You should review the complete document to evaluate these statements.

**INCORPORATION BY REFERENCE**

The SEC allows us to incorporate by reference much of the information we file with the SEC, which means that we can disclose important information to you by referring you to those publicly available documents. The information that we incorporate by reference in this prospectus supplement is considered to be part of this prospectus supplement. Information contained in this prospectus supplement and information that we file with the SEC in the future and incorporate by reference in this prospectus supplement automatically updates and supersedes previously filed information. We incorporate by reference the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (in each case, other than those documents or the portions of those documents not deemed to be filed), prior to the sale of all the shares covered by this prospectus supplement.

Annual Report on Form 10-K for the fiscal year ended June 30, 2010;

Quarterly Reports on Form 10-Q for the fiscal quarters ended September 30, 2010, December 31, 2010 and March 31, 2011, including amendments thereto;

**Table of Contents**

Current Reports on Form 8-K filed July 19, 2010, October 26, 2010, November 19, 2010, January 27, 2011, February 22, 2011, April 1, 2011 and May 23, 2011, including amendments thereto; and

The description of our common stock contained in our Registration Statement on Form 8-A filed on January 12, 1999, including any amendments or reports filed for the purpose of updating such description.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address:

Bottomline Technologies (de), Inc.

Attn: Investor Relations Department

325 Corporate Drive

Portsmouth, New Hampshire 03801

Phone: (603) 501-4899

S-10



**Table of Contents**

PROSPECTUS

**Bottomline Technologies (de), Inc.**

**Debt Securities**

**Common Stock**

**Preferred Stock**

**Depositary Shares**

**Stock Purchase Contracts**

**Stock Purchase Units**

**Warrants**

We may issue securities from time to time in one or more offerings. This prospectus describes the general terms of these securities and the general manner in which these securities will be offered. We will provide the specific terms of these securities in supplements to this prospectus. The prospectus supplements will also describe the specific manner in which these securities will be offered and may also supplement, update or amend information contained in this document. You should read this prospectus and any applicable prospectus supplement before you invest.

We may offer these securities in amounts, at prices and on terms determined at the time of offering. The securities may be sold directly to you, through agents, or through underwriters and dealers. If agents, underwriters or dealers are used to sell the securities, we will name them and describe their compensation in a prospectus supplement.

In addition, selling stockholders to be named in a prospectus supplement may offer and sell from time to time these securities in such amounts as set forth in a prospectus supplement. Unless otherwise set forth in a prospectus supplement, we will not receive any proceeds from the sale of these securities by any selling stockholders.

Our common stock trades on the Nasdaq Global Select Market under the symbol EPAY.

**Investing in these securities involves a high degree of risk. See **Risk Factors** included in any accompanying prospectus supplement and in the documents incorporated by reference in this prospectus for a discussion of the factors you should carefully consider before deciding to purchase these securities.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

**The date of this prospectus is July 15, 2011**

**Table of Contents**

**TABLE OF CONTENTS**

<u>ABOUT THIS PROSPECTUS</u>	1
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	2
<u>INCORPORATION BY REFERENCE</u>	2
<u>FORWARD-LOOKING STATEMENTS</u>	3
<u>BOTTOMLINE</u>	4
<u>CONSOLIDATED RATIOS OF EARNINGS TO FIXED CHARGES AND RATIOS OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS</u>	5
<u>USE OF PROCEEDS</u>	6
<u>DESCRIPTION OF DEBT SECURITIES</u>	7
<u>DESCRIPTION OF CAPITAL STOCK</u>	15
<u>DESCRIPTION OF DEPOSITARY SHARES</u>	20
<u>DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS</u>	23
<u>DESCRIPTION OF WARRANTS</u>	24
<u>FORMS OF SECURITIES</u>	25
<u>SELLING STOCKHOLDERS</u>	27
<u>PLAN OF DISTRIBUTION</u>	28
<u>LEGAL MATTERS</u>	30
<u>EXPERTS</u>	30

**Table of Contents**

**ABOUT THIS PROSPECTUS**

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, which we refer to as the SEC, utilizing a shelf registration process. Under this shelf registration process, we may from time to time sell any combination of the securities described in this prospectus, and one or more of our stockholders may sell our securities, in one or more offerings.

This prospectus provides you with a general description of the securities we may offer. Each time we or a selling stockholder sells securities, we will provide one or more prospectus supplements that will contain specific information about the terms of the offering. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and the accompanying prospectus supplement together with the additional information described under the heading **Where You Can Find More Information** on page 2 of this prospectus.

You should rely only on the information contained in or incorporated by reference in this prospectus, any accompanying prospectus supplement or in any related free writing prospectus filed by us with the SEC. We have not authorized anyone to provide you with different information. This prospectus and the accompanying prospectus supplement do not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities described in the accompanying prospectus supplement or an offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. You should assume that the information appearing in this prospectus, any prospectus supplement, the documents incorporated by reference and any related free writing prospectus is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed materially since those dates.

Unless the context otherwise indicates, references in this prospectus to **we**, **our**, **Bottomline** and **us** refer, collectively, to Bottomline Technologies (de), Inc., a Delaware corporation, and its consolidated subsidiaries.

**Table of Contents**

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's website at <http://www.sec.gov>. Copies of certain information filed by us with the SEC are also available on our website at <http://www.bottomline.com/>. Our website is not a part of this prospectus. You may also read and copy any document we file at the SEC's public reference room, 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room.

This prospectus is part of a registration statement we filed with the SEC. This prospectus omits some information contained in the registration statement in accordance with SEC rules and regulations. You should review the information and exhibits in the registration statement for further information on us and our consolidated subsidiaries and the securities we are offering. Statements in this prospectus concerning any document we filed as an exhibit to the registration statement or that we otherwise filed with the SEC are not intended to be comprehensive and are qualified by reference to these filings. You should review the complete document to evaluate these statements.

**INCORPORATION BY REFERENCE**

The SEC allows us to incorporate by reference much of the information we file with the SEC, which means that we can disclose important information to you by referring you to those publicly available documents. The information that we incorporate by reference in this prospectus is considered to be part of this prospectus. Because we are incorporating by reference future filings with the SEC, this prospectus is continually updated and those future filings may modify or supersede some of the information included or incorporated in this prospectus. This means that you must look at all of the SEC filings that we incorporate by reference to determine if any of the statements in this prospectus or in any document previously incorporated by reference have been modified or superseded. This prospectus incorporates by reference the documents listed below (File No. 000-25259) and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act) (in each case, other than those documents or the portions of those documents not deemed to be filed) until the offering of the securities under the registration statement is terminated or completed:

Annual Report on Form 10-K for the fiscal year ended June 30, 2010;

Quarterly Reports on Form 10-Q for the fiscal quarters ended September 30, 2010, December 31, 2010 and March 31, 2011, including amendments thereto;

Current Reports on Form 8-K filed July 19, 2010, October 26, 2010, November 19, 2010, February 22, 2011, April 1, 2011 and May 23, 2011, including amendments thereto; and

The description of our common stock contained in our Registration Statement on Form 8-A filed on January 12, 1999, including any amendments or reports filed for the purpose of updating such description.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address:

Bottomline Technologies (de), Inc.

Attn: Investor Relations Department

325 Corporate Drive

Portsmouth, New Hampshire 03801

Phone: (603) 501-4899



**Table of Contents**

**FORWARD-LOOKING STATEMENTS**

This prospectus and the information incorporated by reference in this prospectus may include forward-looking statements within the meaning of the securities laws. Words such as expects, anticipates, targets, projects, intends, plans, believes, seeks, estimates, continues and variations of such words and similar expressions are intended to identify such forward-looking statements. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors. Among the important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are competition, market demand, technological change, strategic relationships, recent acquisitions, international operations and general economic conditions. For additional discussion of factors that could impact our financial results, refer to the section of any accompanying prospectus supplement entitled Risk Factors. You should also carefully review the risk factors and cautionary statements described in the other documents we file from time to time with the SEC, specifically our most recent Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. Any forward-looking statements represent our views only as of the time they are made and should not be relied upon as representing our views as of any subsequent date. We do not assume any obligation to update any forward-looking statements, except to the extent required by law.

**Table of Contents**

**BOTTOMLINE**

We provide electronic payment, invoice and document management solutions to corporations, financial institutions and banks around the world. Our solutions are used to streamline, automate and manage processes and transactions involving global payments, invoice receipt and approval, collections, cash management, risk mitigation, document management, reporting and document archive. We offer software designed to run on-site at the customer's location as well as hosted or Software as a Service (SaaS) solutions. Historically, our software has been sold predominantly on a perpetual license basis. Today, however, a growing portion of our offerings are being sold as SaaS and paid for on a subscription and transaction basis.

Our corporate customers rely on our solutions to automate their payment and accounts payable processes and to streamline and manage the production and retention of electronic documents. We offer Legal eXchange<sup>®</sup>, a SaaS offering that receives, manages and controls legal invoices and the related spend management for insurance companies and other large consumers of outside legal services. We also offer Paymode-X, a SaaS offering that facilitates the exchange of electronic payments and invoices between organizations and suppliers. Our offerings also include software solutions that banks use to provide web-based payment and reporting capabilities to their corporate customers.

Our solutions complement and leverage our customers' existing information systems, accounting applications and banking relationships. As a result, our solutions can be deployed quickly and efficiently. To help our customers receive the maximum value from our products and meet their own particular needs, we also provide professional services for installation, training, consulting and product enhancement.

During the nine months ended March 31, 2011, we acquired SMA Financial Ltd. (SMA), Direct Debit Limited (DDL) and acquired substantially all of the assets and assumed certain liabilities of Business Information Technology Group (BITG). SMA is a London-based provider of SaaS connectivity to the Society for Worldwide Interbank Financial Telecommunication, which is referred to as SWIFT, for the automation of payments and financial messaging. As a result of the SMA acquisition, we launched a new product offering, SWIFT Access Service, and we now offer next generation treasury and cash management solutions to a range of bank and corporate customers. DDL is a London-based provider of payments automation software for direct debits and receivables management for corporations, banks, financial institutions and government organizations. The addition of DDL extends our global payment capabilities and expands our transaction banking portfolio. BITG is a Bottomline software distributor and channel partner focused on the corporate market with locations in both Australia and New Zealand.

In April 2011, we acquired Allegient Systems, Inc., a provider of advanced capabilities for legal e-billing, bill review and analytics, for a cash payment of approximately \$49.6 million. Allegient's proprietary SaaS platform and value-added turnkey solutions will complement and extend our Legal eXchange portfolio, offering the combined customer base of more than 100 leading insurers capabilities to effectively manage their legal expenses.

Our principal executive offices are located at 325 Corporate Drive, Portsmouth, New Hampshire 03801, and our telephone number is (603) 436-0700.



**Table of Contents****CONSOLIDATED RATIOS OF EARNINGS TO FIXED CHARGES AND****RATIOS OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS**

The following table sets forth our ratio of earnings to fixed charges. You should read this table in conjunction with the consolidated financial statements and notes incorporated by reference in this prospectus.

	<b>Nine Months</b>					
	<b>Ended</b>		<b>Fiscal Year Ended</b>			
	<b>March 31, 2011</b>	<b>June 30, 2010</b>	<b>June 30, 2009</b>	<b>June 30, 2008</b>	<b>June 30, 2007</b>	<b>June 30, 2006</b>
Consolidated ratios of earnings to fixed charges	7.5x	6.1x	n/a	n/a	n/a	n/a
For purposes of calculating the ratios above, earnin						