

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

| OMB APPROVAL                                 |           |
|--|-----------|
| OMB Number:                                  | 3235-0287 |
| Estimated average burden hours per response: | 0.5       |

|   |   |  |
|---|---|--|
| 1. Name and Address of Reporting Person*<br><u>Schneider Jacqueline D.</u><br><br>(Last) (First) (Middle)<br>5540 PIONEER CREEK DRIVE<br><br>(Street)<br>MAPLE PLAIN MN 55359<br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>Proto Labs Inc [ PRLB ]</u> | 5. Relationship of Reporting Person(s) to Issuer<br>(Check all applicable)<br><br>Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)<br><u>VP Sales &amp; Customer Service</u> |
|   | 3. Date of Earliest Transaction (Month/Day/Year)<br>10/25/2012                |  |
|   |   | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><br>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                   |   |  |   |
| Common Stock                    | 10/25/2012                           |  | M <sup>(1)</sup>               |   | 6,750   | A          | \$3.37                  | 6,750   | D  |   |
| Common Stock                    | 10/25/2012                           |  | M <sup>(1)</sup>               |   | 20,000  | A          | \$4.54                  | 26,750  | D  |   |
| Common Stock                    | 10/25/2012                           |  | S <sup>(1)</sup>               |   | 11,750  | D          | \$34                    | 15,000  | D  |   |
| Common Stock                    | 10/25/2012                           |  | S <sup>(1)</sup>               |   | 15,000  | D          | \$36.078 <sup>(2)</sup> | 0   | D  |   |
| Common Stock                    | 10/26/2012                           |  | M <sup>(1)</sup>               |   | 5,000   | A          | \$4.54                  | 5,000   | D  |   |
| Common Stock                    | 10/26/2012                           |  | S <sup>(3)</sup>               |   | 5,000   | D          | \$36                    | 0   | 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 |
| Employee Stock Option (right to buy)       | \$3.37   | 10/25/2012                           |  | M                              |   |  | 6,750  | (4)  | 02/13/2017      | Common Stock  | 6,750                                      | \$0.00   | 0   | D  |       |
| Employee Stock Option (right to buy)       | \$4.54   | 10/25/2012                           |  | M                              |   |  | 20,000 | (5)  | 03/11/2018      | Common Stock  | 20,000                                     | \$0.00   | 15,000  | D  |       |
| Employee Stock Option (right to buy)       | \$4.54   | 10/26/2012                           |  | M                              |   |  | 5,000  | (5)  | 03/11/2018      | Common Stock  | 5,000                                      | \$0.00   | 10,000  | D  |       |

**Explanation of Responses:**

- Transaction effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on July 27, 2012.
- Reflects the weighted average price of 15,000 shares of common stock of Proto Labs, Inc. sold by the reporting person in multiple transactions on October 25, 2012 with sale prices ranging from \$36.00 to \$36.30 per share. The reporting person undertakes to provide upon request by the U.S. Securities and Exchange Commission staff, the issuer, or a security holder of the issuer, full information regarding the number of shares sold at each separate price.
- Sale effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on July 27, 2012. The sales reporting on this Form 4 conclude the transactions contemplated by the reporting person's Rule 10b5-1 trading plan.
- Fully vested.
- The option vests as to 20% of the shares in five annual installments beginning on March 11, 2009.

**Remarks:**

/s/ Julie M. Regnier, Attorney-in-Fact for Jacqueline D. Schneider 10/29/2012

\*\* Signature of Reporting Person Date

\* 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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