

SEWELL D BRUCE
Form 4
October 03, 2017

FORM 4

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

OMB APPROVAL

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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 *
SEWELL D BRUCE

(Last) (First) (Middle)

1 INFINITE LOOP

(Street)

CUPERTINO, CA 95014

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
APPLE INC [AAPL]

3. Date of Earliest Transaction (Month/Day/Year)
10/01/2017

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)
SVP, Gen'l Counsel, Secretary

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 | (A) or (D) | Price |
| Common Stock | 10/01/2017 | | M | | 125,494 | A | (1) |
| Common Stock (2) | 10/01/2017 | | F | | 62,929 | D | \$ 154.12 |
| | | | | | 235,194 | D | |
| | | | | | 172,265 | D | |

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

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SEC 1474 (9-02)

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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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Restricted Stock Unit | <u>(1)</u> | 10/01/2017 | | M | 125,494 | <u>(3)(4)(5)(6)</u> | <u>(3)</u> | Common Stock | 125,494 |

Reporting Owners

| Reporting Owner Name / Address | Relationships |
|--|--|
| SEWELL D BRUCE 1 INFINITE LOOP CUPERTINO, CA 95014 | Director 10% Owner Officer Other |
| | SVP, Gen'l Counsel, Secretary |

Signatures

/s/ Sam Whittington, Attorney-in-Fact for D. Bruce Sewell 10/03/2017

**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) Each restricted stock unit (RSU) represents the right to receive, at settlement, one share of common stock. This transaction represents the settlement of RSUs in shares of common stock on their scheduled vesting date.
- (2) Shares withheld by Apple to satisfy tax withholding requirements on vesting of RSUs. No shares were sold.
- This award was granted on October 17, 2014, for a target number of 68,576 RSUs. The award vested on October 1, 2017, applying a percentage of the target number of RSUs that was determined based on Apple's total shareholder return (TSR) relative to the other companies in the S&P 500 from September 28, 2014 through September 30, 2017.
- (3) TSR is calculated based on the change in a company's stock price during the three-year period, taking into account any dividends paid during that period, which are assumed to be reinvested in the stock. In accordance with the terms of the award, the beginning value used for calculating TSR is the average closing stock price for the 20 trading days prior to September 28, 2014. Apple's beginning value was calculated to be \$100.66. Similarly, the ending value used for calculating TSR is the average closing price for the 20 trading days ending on September 30, 2017. Apple's ending value was calculated to be \$166.62 (adjusted for dividends).
- (4) This award provided that if Apple's relative TSR performance is ranked at the 85th percentile for companies in the S&P 500 for the performance period, 200% of the target number of RSUs vest. If Apple's performance is ranked at the 55th percentile, 100% of the target number of RSUs vest. If Apple's performance is ranked at the 25th percentile, 25% of the target number of RSUs vest, and if Apple's performance is ranked below the 25th percentile, 0% of the target number of RSUs vest. If Apple's performance is between these levels, the portion of the RSUs that vest is determined on a straight-line basis (i.e., linearly interpolated) between the two nearest vesting percentages.
- (5)
- (6)

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Apple's TSR for the three-year period was 65.53%, which ranked 92nd of the 451 companies that were included in the S&P 500 for the period and placed Apple in the 80th percentile. Therefore, 125,494 RSUs vested.

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.