

APPLE INC  
Form 4  
August 26, 2016

# 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 \*  
COOK TIMOTHY D

(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)  
08/24/2016

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)

Chief Executive Officer

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)
Common Stock	08/24/2016		M	V Amount (1) (2) (3) 1,260,000	(A) or (D) Price (4) 2,299,809 (5)	D (6)	
Common Stock (7)	08/24/2016		F	656,117	\$ 108.03	D (6)	
Common Stock	08/25/2016		S	207,807 (8)	\$ 107.21 (9)	D (6)	
Common Stock	08/25/2016		S	16,193 (8)	\$ 107.73 (10)	D (6)	
	08/26/2016		S	86,300 (8)		D (6)	



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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 August 25, 2013. Apple's beginning value was calculated to be \$68.56 (adjusted for dividends and Apple's 7:1 stock split in June 2014). Similarly, the ending value used for calculating TSR is the average closing price for the 20 trading days ending on August 24, 2016. Apple's ending value was calculated to be \$114.86 (adjusted for dividends).

Mr. Cook's award provides that if Apple's relative TSR performance is within the top third of the companies that remain in the S&P 500 for the entire performance period, the 280,000 performance-based RSUs vest in full. If Apple's performance is in the middle third, the RSUs will be reduced by 50%, and if Apple's performance is in the bottom third, the RSUs will be reduced to zero. Apple needed to

- (3) achieve a TSR of at least 55.68% to outperform the middle third of the companies in the S&P 500 for the performance period, and at least 19.71% to outperform the bottom third of the companies. Apple's TSR for the three-year period was 67.55%, which ranked 95th of the 430 companies that were included in the S&P 500 for the entire period and placed Apple in the 78th percentile. Therefore, all 280,000 of the RSUs subject to performance requirements vested.

- (4) Each 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.

The number of securities reported reflects the acquisition on January 31, 2016 of 211 shares of Apple Inc.'s common stock pursuant to

- (5) the Apple Inc. Amended Employee Stock Purchase Plan ("ESPP") for the ESPP purchase period of August 1, 2015 through January 31, 2016.

- (6) These shares are held through Mr. Cook's trust.

- (7) 656,117 shares (52.1% of the total number of shares released) were withheld by Apple to satisfy the minimum statutory tax withholding requirements on vesting of RSUs.

- (8) This transaction was made pursuant to a Rule 10b5-1 trading plan adopted on May 16, 2016.

This transaction was executed in multiple trades at prices ranging from \$106.693 to \$107.685; the price reported above reflects the weighted average sale price. The reporting person hereby undertakes to provide full information regarding the number of shares and prices at which the transactions were effected upon request to te SEC staff, the Registrant, or a security holder of the Registrant.

- (9) This transaction was executed in multiple trades at prices ranging from \$107.69 to \$107.87; the price reported above reflects the weighted average sale price. The reporting person hereby undertakes to provide full information regarding the number of shares and prices at which the transactions were effected upon request to te SEC staff, the Registrant, or a security holder of the Registrant.

- (10) This transaction was executed in multiple trades at prices ranging from \$106.5407 to \$107.53; the price reported above reflects the weighted average sale price. The reporting person hereby undertakes to provide full information regarding the number of shares and prices at which the transactions were effected upon request to te SEC staff, the Registrant, or a security holder of the Registrant.

This transaction was executed in multiple trades at prices ranging from \$107.5307 to \$107.92; the price reported above reflects the weighted average sale price. The reporting person hereby undertakes to provide full information regarding the number of shares and prices at which the transactions were effected upon request to te SEC staff, the Registrant, or a security holder of the Registrant.

- (12) The remaining 3,500,000 restricted stock units in this award are scheduled to vest as follows: 700,000 restricted stock units vest on August 24, 2021; the balance of 2,800,000 restricted stock units vests in five equal annual installments commencing August 24, 2017, assuming continued employment through the applicable vesting date and, with respect to a portion of each annual installment, satisfaction of the applicable performance requirements.

- (13) 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.