APPLE INC
Form 4
October 05, 2015

# FORM 4

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

**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

OMB APPROVAL

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

(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)
10/01/2015

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
SVP, Gen'l Counsel, Secretary

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 | 10/01/2015 | | M | | 92,764 | A | (1) | 93,483 (2) | D | |
| Common Stock (3) | 10/01/2015 | | F | | 45,890 | D | $ 109.58 | 47,593 | 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)

**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. D Sec (In |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | |
| Restricted Stock Unit | (1) | 10/01/2015 | | M | | | 92,764 | (4)(5)(6)(7) | (4) | Common Stock | 92,764 | |

# Reporting Owners

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

# Signatures

| /s/ Sam Whittington, Attorney-in-Fact for D. Bruce Sewell | 10/05/2015 |
|---|---|
| **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)** Each restricted stock unit represents the right to receive, at settlement, one share of common stock. This transaction represents the settlement of restricted stock units in shares of common stock on their scheduled vesting date.

**(2)** The number of securities reported reflects the acquisition on January 31, 2015 of 260 shares of Apple Inc.'s common stock pursuant to the Apple Inc. Amended Employee Stock Purchase Plan ("ESPP") for the ESPP purchase period of August 1, 2014 through January 31, 2015.

**(3)** Shares withheld by Registrant to satisfy the minimum statutory tax withholding requirements on vesting of restricted stock units. No shares were sold.

**(4)** This award was granted on March 3, 2014, for a "target number" of 46,382 restricted stock units (adjusted for Apple's 7:1 stock split in June 2014). Between 0% and 200% of the target number of units would vest on October 1, 2015, with the vesting percentage determined based on Apple's total shareholder return (TSR) relative to the other companies in the S&P 500 from September 29, 2013 through September 26, 2015.

**(5)** TSR is calculated based on the change in a company's stock price during the two-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 29, 2013. Apple's beginning value was calculated to be $68.67 (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 September 26, 2015. Apple's ending value was calculated to be $117.67 (adjusted for dividends).

**(6)** This award provided that if Apple's relative TSR performance is ranked at or above 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 or above the 55th percentile, 100% of the target number of RSUs vest. If Apple's performance is ranked at or above 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.

**(7)** Apple needed to achieve a TSR of at least 52.73% to rank at or above the 85th percentile for companies in the S&P 500 for the performance period. Apple's TSR for the two-year period was 71.35%, which ranked 38th of the 478 companies that were included in the S&P 500 for the period and placed Apple in the 92nd percentile. Therefore, 92,764 RSUs subject to performance requirements vested.

**Remarks:**

Exhibit 24 - Power of Attorney

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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