

| | | | |
|--------------|-----------|---|----------------------|
| Common Stock | 1,060,000 | I | Owned LLC by GRAT |
| Common Stock | 1,060,000 | I | by spouse |

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 Underlying (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|--|--------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title |
| Non-qualified Stock Option (Right to Buy) | \$ 11.435 | 11/16/2017 | | M | 784,050 | <u>(2)</u> | 11/19/2017 | Common Stock |
| Non-qualified Stock Option (Right to Buy) | \$ 56.7 | 11/15/2017 | | A | 699,677 | <u>(3)</u> | 11/15/2027 | Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------|-------|
| | Director | 10% Owner | Officer | Other |
| SCHULTZ HOWARD D 2401 UTAH AVENUE SOUTH, SUITE 800 SEATTLE, WA 98134 | X | | executive chairman | |

Signatures

/s/ Robert L. Villasenor, attorney-in-fact for Howard Schultz

11/17/2017

 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) This transaction was executed in multiple trades at prices ranging from \$57.03 to \$57.12. The price reported above reflects the weighted average sale price. The reporting person hereby undertakes to provide upon request to the Commission staff, the issuer, or a security holder of the issuer, full information regarding the number of shares sold at each separate price.

(2) The option, representing the right to buy a total of 1,374,226 shares, became exercisable in one increment of 343,558 shares on November 19, 2008, and three increments of 343,556 shares each on November 19, 2009, November 19, 2010 and November 19, 2011. The exercise price and number of shares subject to the option were adjusted in accordance with the terms of the stock option plan to reflect the 2-for-1 stock split that occurred on April 9, 2015.

(3) The option, representing the right to buy a total of 699,677 shares, becomes exercisable in one increment of 174,920 shares on November 15, 2018 and three increments of 174,919 shares each on November 15, 2019, November 15, 2020 and November 15, 2021

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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