#### PINNACLE WEST CAPITAL CORP

Form 4

February 23, 2017

## FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

OMB Number:

3235-0287

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January 31, 2005

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if no longer subject to Section 16. Form 4 or Form 5

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obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

| 1. Name and Address of Reporting Person * BRANDT DONALD E | 2. Issuer Name <b>and</b> Ticker or Trading<br>Symbol<br>PINNACLE WEST CAPITAL<br>CORP [PNW] | 5. Relationship of Reporting Person(s) to<br>Issuer  (Check all applicable)  |  |  |
|---|--|--|--|--|
| (Last) (First) (Middle) 400 NORTH FIFTH STREET, MS 8602   | 3. Date of Earliest Transaction (Month/Day/Year) 02/21/2017                                  | _X Director 10% Owner X Officer (give title Other (specify below) Chairman, President & CEO  |  |  |
| (Street) PHOENIX, AZ 85004                                | 4. If Amendment, Date Original Filed(Month/Day/Year)   | 6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person |  |  |

| (City)                               | (State)                              | (Zip) Tabl  | e I - Non-D   | Derivative S  | Securi | ties Acqu  | ired, Disposed of  | , or Beneficial   | y Owned |
|--------------------------------------|--------------------------------------|---|---|---------------|--------|--|--|---|---------|
| 1.Title of<br>Security<br>(Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. 4. Securities Acquired Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8)  (A) or |               |        | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |         |
| Common                               |                                      |   | Code V  | Amount 59,039 | (D)    | Price  | · ·  | _   |         |
| Stock                                | 02/21/2017                           |   | M   | <u>(1)</u>    | A      | \$ 0 (1)   | 238,697  | D   |         |
| Common<br>Stock                      | 02/21/2017                           |   | F(2)  | 27,752        | D      | \$<br>79.77  | 210,945  | D   |         |
| Common<br>Stock                      | 02/21/2017                           |   | A   | 16,872<br>(3) | A      | \$ 0 (3)   | 227,817  | D   |         |
| Common<br>Stock                      | 02/21/2017                           |   | F(2)  | 7,931         | D      | \$<br>79.77  | 219,886  | D   |         |
| Common<br>Stock                      | 02/21/2017                           |   | A   | 2,806<br>(4)  | A      | \$ 0 (4)   | 222,692  | D   |         |

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| Common<br>Stock | 02/21/2017 | F(2) | 1,319         | D | \$<br>79.77 | 221,373 | D |           |
|-----------------|------------|------|---------------|---|-------------|---------|---|-----------|
| Common<br>Stock | 02/21/2017 | A    | 16,873<br>(5) | A | \$ 0 (5)    | 238,246 | D |           |
| Common<br>Stock | 02/21/2017 | F(2) | 7,939         | D | \$<br>79.77 | 230,307 | D |           |
| Common<br>Stock | 02/21/2017 | A    | 2,806<br>(6)  | A | \$ 0 (6)    | 233,113 | D |           |
| Common<br>Stock | 02/21/2017 | F(2) | 1,321         | D | \$<br>79.77 | 231,792 | D |           |
| Common<br>Stock | 02/21/2017 | A    | 38,036<br>(7) | A | \$ 0 (7)    | 269,828 | D |           |
| Common<br>Stock | 02/21/2017 | F(2) | 17,896        | D | \$<br>79.77 | 251,932 | D |           |
| Common<br>Stock | 02/21/2017 | A    | 3,738<br>(8)  | A | \$ 0 (8)    | 255,670 | D |           |
| Common<br>Stock | 02/21/2017 | F(2) | 1,759         | D | \$<br>79.77 | 253,911 | D |           |
| Common<br>Stock |            |      |               |   |             | 1,717   | I | by 401(K) |

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<br>Derivative<br>Security<br>(Instr. 3) | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4.<br>Transactio<br>Code<br>(Instr. 8) | 5. Number of orDerivative 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<br>Underlying Securities<br>(Instr. 3 and 4) |                                    |
|---|---|---|---|--|---|--------|--|--------------------|---|------------------------------------|
|   |   |   |   | Code V                                 | (A)   | (D)    | Date<br>Exercisable                                      | Expiration<br>Date | Title   | Amount<br>or<br>Number<br>of Share |
| Restricted<br>Stock<br>Units                        | <u>(9)</u>  | 02/21/2017                              |   | M                                      |   | 59,039 | (10)   | (10)               | Common<br>Stock   | 59,039                             |
| Restricted<br>Stock<br>Units                        | (11)  | 02/21/2017                              |   | A                                      | 22,064  |        | (12)   | (12)               | Common<br>Stock   | 22,064                             |

### **Reporting Owners**

Reporting Owner Name / Address Relationships

X

Director 10% Owner Officer Other

BRANDT DONALD E

400 NORTH FIFTH STREET

MS 8602 PHOENIX, AZ 85004 Chairman, President & CEO

### **Signatures**

/s/ Diane Wood, Attorney-in-Fact

02/23/2017

\*\*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).
- Shares acquired in connection with 50,617 Restricted Stock Units ("RSUs") that were granted on 12/19/2012 and 8,422 RSUs that were granted in respect of related dividend equivalent rights over the vesting period. All such RSUs vested on 12/31/2016, and were settled through the issuance of common stock on 02/21/2017.
- (2) Shares retained by the Company for the purpose of meeting tax withholding requirements. The recipient retained all other shares.
- (3) Shares acquired in connection with RSUs granted on 12/19/2012 that were subject to the achievement of a performance goal relating to return on equity.
- (4) Represents shares of common stock received by the individual in settlement of RSUs that were granted in respect of dividend rights that vested in connection with the 16,872 shares acquired as reported in footnote 3.
- Shares acquired in connection with RSUs granted on 12/19/2012 that were subject to the achievement of both a performance goal relating to return on equity and the Human Resources Committee's determination based on the recipient's overall leadership effectiveness from the grant date through 12/31/2016.
- (6) Represents shares of common stock received by the individual in settlement of RSUs that were granted in respect of dividend rights that vested in connection with the 16,873 shares acquired as reported in footnote 5.
- (7) Shares acquired upon the vesting of the portion of the performance shares granted in 2014 that were tied to the total shareholder return performance metric.
- (8) Represents shares of common stock received by the individual in settlement of dividend rights that vested in connection with the performance shares that vested on February 21, 2017 as reported in footnote 7.
- (9) Each RSU represents a contingent right to receive the economic equivalent of one share of the Company's common stock,
- Represents 50,617 RSUs that were granted on 12/19/2012, and 8,422 RSUs that were granted in respect of related dividend equivalent rights over the vesting period. All such RSUs vested on 12/31/2016 and were settled through the issuance of common stock on 02/21/2017 as described in footnote 1.
- Each RSU represents a contingent right to receive the economic equivalent of one share of the Company's common stock. The RSUs in (11) this footnote 11 will be settled, at the reporting person's election, in 100% shares of common stock, 50% in common stock and 50% in cash, or 100% cash.
- (12) The RSU award was granted and was effective on February 21, 2017, and vests in four equal, annual installments beginning on February 20, 2018, and will be settled in four equal, annual installments beginning February 20, 2018.

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.

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