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Breeden Richard Form 4	1 C									
FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION							M OMB	3735-0787		
Check this bo if no longer subject to Section 16. Form 4 or Form 5 obligations may continue <i>See</i> Instruction 1(b).	STATEM Filed purs Section 17(a	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							Number:January 31,Expires:2005Estimated averageburden hours perresponse0.5	
(Print or Type Resp	onses)									
1. Name and Address of Reporting Person <u>*</u> Breeden Richard C			2. Issuer Name and Ticker or Trading Symbol ZALE CORP [ZLC]				5. Relationship of Reporting Person(s) to Issuer (Check all applicable)			
(Last) (First) (Middle) 100 NORTHFIELD STREET			3. Date of Earliest Transaction (Month/Day/Year) 02/27/2009				X_ DirectorX_ 10% Owner Officer (give title Other (specify below) below)			
				If Amendment, Date Original led(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 			
(City)		Zip)	Table	I Nor D			Person			
1.Title of 2.	Transaction Date Aonth/Day/Year)	2A. Dee Executio any		3. Transactic Code (Instr. 8)	4. Securit onAcquired Disposed (Instr. 3, 4 Amount	ies (A) or of (D)	quired, Disposed of 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)		Ily Owned 7. Nature of Indirect Beneficial Ownership (Instr. 4)	
Common Stock							1,040	D		
Common Stock							9,070,839	I	See Footnote (2)	

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

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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. Transactic Code (Instr. 8)	5. Number or of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)				7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amoun or Numbe of Shares	
Stock Options (right to buy)	\$ 14.46					01/17/2009 <u>(3)</u>	01/17/2018	Common Stock	3,080	
Restricted Stock Units	\$ 0 <u>(1)</u>					11/18/2009(1)	(1)	Common Stock	4,902 (1)	
Deferred Stock Units	\$ 0 <u>(4)</u>	02/27/2009		А	8,000	(4)	(4)	Common Stock	8,000	

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		
Breeden Richard C 100 NORTHFIELD STREET GREENWICH, CT 06830	Х	Х				
Signatures						

Hilary Molay, by power of 03/03/2009 attorney

**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).

Restricted stock units granted under Zale Corporation Non-Employee Director Equity Compensation Plan, as amended (the "Plan"), that vest on November 18, 2009. Upon vesting, the holder will be entitled to receive one share of common stock for each unit, unless the Board of Directors determines that payment shall be made in cash. The holder has elected to defer delivery of any shares that would be

(1) due by virtue of vesting until the date that is six months following his separation from service on the Company's Board. Pursuant to the Funds' (as defined below) governing documents, any economic benefit with respect to this grant will be apportioned among the Funds (as defined below)

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Richard C. Breeden is the managing member of Breeden Capital Partners, LLC, managing member and Chairman and Chief Executive of Breeden Capital Management LLC and the Key Principal of Breeden Partners (Cayman) Ltd., and, as such, may be deemed to be the

- (2) indirect beneficial owner of the shares of Common Stock owned by Breeden Partners L.P., Breeden Partners (California) L.P., Breeden Partners (California) II L.P., Breeden Partners (New York) I L.P., Breeden Partners Holdco Ltd. and Breeden Partners (Cayman) Ltd. (the "Funds"); however, he disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein.
- (3) Granted under the Plan and vests in four annual installments beginning January 17, 2009. Pursuant to the Funds' governing documents, any economic benefit with respect to these stock options will be apportioned among the Funds.

Deferred stock units granted under the Plan. Under the terms of the Plan, Mr. Breeden elected to receive the deferred stock units in lieu of a quarterly cash retainer payment of \$10,000 for service as a member of the Company's Board of Directors. Mr. Breeden was granted 8,000 deferred stock units based on the 2/27/2009 closing price of \$1.25. The deferred stock units vest immediately upon grant. The

(4) holder is entitled to receive one share of common stock for each unit, unless the Board of Directors determines that payment shall be made in cash. The holder has elected to defer delivery of any shares that would be due until the date that is six months following his separation from service on the Company's Board. Pursuant to the Funds' governing documents, any economic benefit with respect to this grant will be apportioned among the Funds.

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.