

ZALE CORP
Form 4
August 21, 2013

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 *
Lennox Richard A

(Last) (First) (Middle)
901 WEST WALNUT HILL LANE
(Street)

IRVING, TX 75038

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
ZALE CORP [ZLC]

3. Date of Earliest Transaction
(Month/Day/Year)
08/19/2013

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)
EVP, Chief Marketing 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 Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
Common Stock	08/19/2013		M ⁽¹⁾		7,500	A	\$ 8.7
Common Stock	08/19/2013		F ⁽²⁾		2,052	D	\$ 8.7

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

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SEC 1474
(9-02)

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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. 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 Security (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock Units (Performance)	\$ 0					(3)	(3)	Common Stock	30,000
Restricted Stock Units	\$ 0					07/31/2013	(4)	Common Stock	20,100
Restricted Stock Units	\$ 0					09/02/2012	(5)	Common Stock	23,400
Stock Options (right to buy)	\$ 3.95					09/02/2012	09/02/2021	Common Stock	50,000
Stock Options (right to buy)	\$ 2					09/23/2011	09/23/2020	Common Stock	55,000
Stock Options (right to buy)	\$ 2.37					02/26/2011	02/26/2020	Common Stock	70,000
Restricted Stock Units	\$ 0	08/19/2013		M	7,500	08/17/2011	(6)	Common Stock	7,500
Stock Options (right to buy)	\$ 5.66					08/17/2010	08/17/2019	Common Stock	50,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Lennox Richard A 901 WEST WALNUT HILL LANE IRVING, TX 75038			EVP, Chief Marketing Officer	

Signatures

/s/ Richard A. Lennox 08/21/2013

**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) Reflects the issuance of 7,500 shares of Common Stock to the undersigned upon the vesting of restricted stock units as shown on Table 2 of this report.
- (2) Reflects the withholding of 2,052 shares by the Company to satisfy tax obligations in connection with the vesting of 7,500 shares of restricted stock units. No shares were bought or sold in the open market.

Performance-based restricted stock units granted under the Zale Corporation 2011 Omnibus Incentive Plan that vest as to 100% of the units if the Company satisfies a certain performance goal over any period of four consecutive fiscal quarters beginning on August 1, 2012 and ending on July 31, 2015. 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.
- (3) Restricted stock units granted under Zale Corporation 2011 Omnibus Incentive Plan that vest as to 33% of the units on the first anniversary of the grant date, as to an additional 33% of the units on the second anniversary of the grant date and as to the remaining 34% of the units on the third anniversary of the grant date. 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.
- (4) Restricted stock units granted under Zale Corporation 2003 Stock Incentive Plan that vest as to 33% of the units on the first anniversary of the grant date, as to an additional 33% of the units on the second anniversary of the grant date and as to the remaining 34% of the units on the third anniversary of the grant date. 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.
- (5) Restricted stock units granted under Zale Corporation 2003 Stock Incentive Plan that vest as to 25% of the units on the second anniversary of the grant date, as to an additional 25% of the units on the third anniversary of the grant date and as to the remaining 50% of the units on the fourth anniversary of the grant date. 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. This report reflects the vesting of the final 7,500 units.

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.