

ZALE CORP  
Form 3  
August 31, 2006

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0104  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

**INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Â Hollander Gilbert P		(Month/Day/Year)	ZALE CORP [ZLC]	
(Last)	(First)	(Middle)	08/30/2006	
C/O ZALE CORPORATION,Â 901 WEST WALNUT HILL LANE			4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)			(Check all applicable)	
IRVING,Â TXÂ 75038-1033			<input type="checkbox"/> Director	<input type="checkbox"/> 10% Owner
(City)	(State)	(Zip)	<input checked="" type="checkbox"/> Officer	<input type="checkbox"/> Other
			(give title below) (specify below)	
			Group Senior Vice President	
			6. Individual or Joint/Group Filing(Check Applicable Line)	
			<input checked="" type="checkbox"/> Form filed by One Reporting Person	
			<input type="checkbox"/> Form filed by More than One Reporting Person	

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock <sup>(1)</sup>	3,500	D	Â

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

SEC 1473 (7-02)

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative	5. Ownership Form of Derivative Security:	6. Nature of Indirect Beneficial Ownership (Instr. 5)
---	---	--	---	---	--

Edgar Filing: ZALE CORP - Form 3

	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Security	Direct (D) or Indirect (I) (Instr. 5)	
Stock Options (Right to buy)	07/17/2003	07/17/2012	Common Stock	2,500 <sup>(2)</sup>	\$ 14.145	D	Â
Stock Options (Right to buy)	07/22/2004	07/22/2013	Common Stock	8,524 <sup>(3)</sup>	\$ 23.23	D	Â
Stock Options (Right to buy)	05/05/2007	05/05/2016	Common Stock	25,000 <sup>(4)</sup>	\$ 24.1	D	Â
Stock Options (Right to buy)	01/10/2006	01/10/2015	Common Stock	10,000 <sup>(5)</sup>	\$ 26.33	D	Â
Stock Options (Right to buy)	08/29/2007	08/29/2016	Common Stock	15,000 <sup>(6)</sup>	\$ 27.24	D	Â
Stock Options (Right to buy)	07/21/2005	07/21/2014	Common Stock	10,000 <sup>(7)</sup>	\$ 27.44	D	Â
Stock Options (Right to buy)	09/06/2006	09/06/2015	Common Stock	10,000 <sup>(8)</sup>	\$ 27.52	D	Â

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Hollander Gilbert P C/O ZALE CORPORATION 901 WEST WALNUT HILL LANE IRVING, TX 75038-1033	Â	Â	Â Group Senior Vice President	Â

## Signatures

Gilbert P  
Hollander

08/31/2006

\*\*Signature of  
Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(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) Includes 1,500 time-vesting restricted stock units granted under the Zale Corporation 2003 Stock Incentive Plan that vest 100% on 9/6/2008. Also includes 2,000 time-vesting restricted stock units granted under the Zale Corporation 2003 Stock Incentive Plan that vest 100% on 8/31/2009. This does not include 1,500 performance-based restricted units granted to Mr. Hollander on 11/11/05, which entitle Mr. Hollander to receive a specified number of shares of the Company's common stock based on the Company's achievement of performance targets established by the Company's Compensation Committee for fiscal years 2006 through 2008, nor does it include 2,000 performance-based restricted units granted to Mr. Hollander on 8/29/06.
  - (2) Represents a 5,000 share grant approved under the Zale Corporation Omnibus Stock Incentive Plan and which began vesting in four equal annual installments on 7/17/03.
  - (3)

### Edgar Filing: ZALE CORP - Form 3

Represents a 10,000 share grant approved under the Zale Corporation Omnibus Stock Incentive Plan and which began vesting in four equal annual installments on 7/22/04.

- (4) Represents a 25,000 share grant approved under the Zale Corporation 2003 Stock Incentive Plan and which begins vesting in four equal annual installments on 5/5/07.
- (5) Represents a 10,000 share grant approved under the Zale Corporation 2003 Stock Incentive Plan and which began vesting in four equal annual installments on 1/10/06.
- (6) Represents a 15,000 share grant approved under the Zale Corporation 2003 Stock Incentive Plan and which begins vesting in four equal annual installments on 8/29/07.
- (7) Represents a 10,000 share grant approved under the Zale Corporation 2003 Stock Incentive Plan and which began vesting in four equal annual installments on 7/21/05.
- (8) Represents a 10,000 share grant approved under the Zale Corporation 2003 Stock Incentive Plan and which begins vesting in four equal annual installments on 9/6/06.

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.