

ZALE CORP
Form 4
June 02, 2014

FORM 4

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

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Killion Theo

(Last) (First) (Middle)

C/O ZALE CORPORATION, 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)
05/29/2014

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)

Chief Executive 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	05/29/2014		D		234,778	D	0

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

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information contained in this form are not
required to respond unless the form
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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)

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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 Underlying Security (Instr. 3 and 4)	8. Title and Amount Underlying Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Restricted Stock Units (Performance)	\$ 0	05/29/2014		D	70,500	(2)	(2)	Common Stock
Restricted Stock Units	\$ 0	05/29/2014		D	70,500	(3)	(3)	Common Stock
Restricted Stock Units	\$ 0	05/29/2014		D	83,750	(3)	(3)	Common Stock
Restricted Stock Units	\$ 0	05/29/2014		D	44,200	(3)	(3)	Common Stock
Stock Options (right to buy)	\$ 3.95	05/29/2014		D	200,000	(4)	09/02/2021	Common Stock
Restricted Stock Units	\$ 0	05/29/2014		D	50,000	(3)	(3)	Common Stock
Stock Options (right to buy)	\$ 2	05/29/2014		D	200,000	(4)	09/23/2020	Common Stock
Stock Options (right to buy)	\$ 2.37	05/29/2014		D	100,000	(4)	02/26/2020	Common Stock
Stock Options (right to buy)	\$ 26.14	05/29/2014		D	82,000	(4)	09/16/2018	Common Stock
Stock Options (right to buy)	\$ 15.69	05/29/2014		D	100,000	(4)	01/23/2018	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Killion Theo C/O ZALE CORPORATION 901 WEST WALNUT HILL LANE IRVING, TX 75038	X Chief Executive Officer

Signatures

/s/ Theo Killion 06/02/2014

**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) Pursuant to the Agreement and Plan of Merger, dated as of February 19, 2014 (the "Merger Agreement"), by and among Zale Corporation ("Zale"), Signet Jewelers Limited and Carat Merger Sub, Inc., on May 29, 2014, each share of Zale common stock, par value \$0.01 per share ("Common Stock") issued and outstanding immediately prior to the Effective Time (as defined in the Merger Agreement), was converted into the right to receive \$21.00 in cash ("the "Merger Consideration").

(2) Pursuant to the Merger Agreement, on May 29, 2014, each restricted stock unit subject to performance-based vesting conditions ("Performance-Vested RSU") (x) became fully vested if more than 50% of the relevant performance period was completed as of May 29, 2014 or became 50% vested if 50% or less of the relevant performance period was completed as of May 29, 2014 and (y) was converted into the right to receive an amount in cash equal to the merger consideration with respect to each share of Common Stock that vests pursuant to such Performance-Vested RSU.

(3) Pursuant to the Merger Agreement, on May 29, 2014, each restricted stock unit subject to vesting conditions other than performance-based vesting conditions ("Time-Vested RSU") became fully vested, was canceled and was converted into the right to receive an amount in cash equal to the Merger Consideration with respect to each share of Common Stock subject to such Time-Vested RSU immediately prior to the Effective Time.

(4) Pursuant to the Merger Agreement, on May 29, 2014, each Zale stock option, whether vested or unvested, was canceled and converted into the right to receive an amount in cash equal to the excess (if any) of (x) the Merger Consideration multiplied by the number of shares of Common Stock underlying such stock option immediately prior to the Effective Time over (y) the aggregate exercise price payable upon exercise of such stock option immediately prior to the Effective Time. Each outstanding stock option that had an exercise price that was greater than or equal to the Merger Consideration was canceled for no consideration.

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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