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

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): December 15, 2010 (December 15, 2010)**

**AUTOZONE, INC.**

(Exact name of registrant as specified in its charter)

**Nevada**

(State or other jurisdiction  
of incorporation)

**1-10714**

(Commission File Number)

**62-1482048**

(IRS Employer Identification No.)

**123 South Front Street  
Memphis, Tennessee**

(Address of principal executive offices)

**38103**

(Zip Code)

Registrant's telephone number, including area code: **(901) 495-6500**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

AutoZone, Inc. 2011 Equity Incentive Award Plan. At the Annual Meeting of Stockholders of AutoZone, Inc. (“AutoZone”) on December 15, 2010, AutoZone’s stockholders approved the AutoZone, Inc. 2011 Equity Incentive Award Plan (“Plan”). The Plan previously had been approved by AutoZone’s Board of Directors (the “Board”) on October 17, 2010, subject to stockholder approval, and became effective immediately upon such stockholder approval. The Plan will allow AutoZone to provide equity-based compensation to non-employee directors and employees for their service to AutoZone or its subsidiaries or affiliates.

The Plan authorizes the Compensation Committee of the Board (the “Compensation Committee”) or the Board, where applicable, to grant stock options (including incentive stock options and non-qualified stock options), stock appreciation rights, restricted stock, restricted stock units, dividend equivalents, deferred stock, stock payments, performance share awards and other incentive awards. The Plan also authorizes the Compensation Committee to grant awards payable in the form of common stock that are intended to qualify as “performance-based compensation” under Internal Revenue Code of 1986, as amended (the “Code”) Section 162(m).

The aggregate number of shares of common stock available for equity grants pursuant to the Plan is equal to the sum of (i) 2,886,756, which is equal to the aggregate number of shares available for issuance on December 15, 2010 under the AutoZone, Inc. 2006 Stock Option Plan, the AutoZone, Inc. First Amended and Restated 2003 Director Compensation Plan and the AutoZone, Inc. First Amended and Restated 2003 Director Stock Option Plan (collectively, the “Prior Plans”) and (ii) any shares subject to awards outstanding under the Prior Plans as of December 15, 2010 which, on or after December 15, 2010, are forfeited or otherwise terminate or expire for any reason without the issuance of such shares. The number of shares authorized for grant as incentive stock options is 2,886,756. As of December 15, 2010, no further awards will be granted for issuance pursuant to the Prior Plans, as well as pursuant to the AutoZone, Inc. Third Amended and Restated 1996 Stock Option Plan, the AutoZone, Inc. Second Amended and Restated 1998 Director Compensation Plan and the AutoZone, Inc. Fourth Amended and Restated 1998 Director Stock Option Plan; however any outstanding awards under any of those plans will continue to be subject to the terms and conditions of the applicable plan. The maximum aggregate number of shares of common stock that may be subject to one or more awards granted to any one participant pursuant to the Plan during any calendar year is 200,000.

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The aggregate number of shares of AutoZone common stock available for equity grants pursuant to the Plan will be reduced by two shares for every share delivered in settlement of an award other than (i) a stock option, (ii) a stock appreciation right or (iii) any other award for which the holder pays the intrinsic value existing as of the date of grant (such awards, "Full Value Awards"), and each other award will be treated as using one share for each share subject to such award. To the extent that any award other than a Full Value Award is forfeited, expires or is settled in cash without the delivery of shares to the holder, then any shares subject to the award will again be available for the grant of an award pursuant to the Plan; if such forfeited, expired or cash-settled award is a Full Value Award, then the number of shares available under the Plan will be increased by two shares for each share subject to the award that is forfeited, expired or cash-settled.

The Plan is administered by the Compensation Committee, or such other committee of members of the Board as the Board may designate from time to time, except the Board shall conduct the general administration of the Plan with respect to awards granted to non-employee directors. The Compensation Committee may, except to the extent prohibited by applicable law or the listing standards of the New York Stock Exchange, allocate all or any portion of its responsibilities and powers to any one or more of its members or to one or more officers of AutoZone. However, the Compensation Committee may not make any delegation of its authority with regard to the granting of awards to (i) individuals subject to Section 16 of the Securities Exchange Act of 1934, as amended, (ii) certain employees with respect to awards intended to qualify as "performance-based compensation" under Section 162(m) of the Code or (iii) officers or directors of AutoZone to whom authority to grant or amend awards has been delegated pursuant to the Plan.

The Plan also contains provisions with respect to payment of purchase prices, vesting and expiration of awards, treatment of awards upon a change of control of AutoZone, adjustments for stock splits, recapitalizations and mergers, transferability of awards and tax withholding requirements. The Plan may be amended or terminated by the Board at any time. Outstanding grants may be amended by the Compensation Committee or the Board (subject to the provisions of the Plan); provided, that such amendment does not impair the rights of the participant holding such grant without his or her consent, except to the extent the amendment is made to cause the Plan or grant to comply with applicable laws. If it is not terminated sooner, the Plan will terminate on the tenth anniversary of the date on which the Plan was adopted by the Board, except with respect to then-outstanding grants.

The above summary of the Plan does not purport to be complete and is qualified in its entirety by reference to the Plan, which is attached as Exhibit A to AutoZone's Definitive Proxy Statement filed with the Securities and Exchange Commission on October 25, 2010 and incorporated herein by reference.

Performance-Based Restricted Stock Units Award Agreement. On December 15, 2010, the Compensation Committee of AutoZone's Board of Directors approved a Performance-Based Restricted Stock Units Award Agreement ("Agreement") between AutoZone and William C. Rhodes, III, AutoZone's Chairman, President and Chief Executive Officer, awarding Mr. Rhodes a grant of restricted stock units (the "Restricted Stock Units") with respect to 25,000 shares of AutoZone's common stock pursuant to the Plan.

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All or a portion of the Restricted Stock Units may be earned in accordance with the following terms and conditions:

(i) 100% of the Restricted Stock Units shall be earned either (A) on the date on which AutoZone's common stock achieves a Fair Market Value (as defined in the Plan) equal to or greater than \$461.12 per share for five consecutive trading days (the "Share Value Performance Condition") at any time during the period beginning October 1, 2010 and ending on (and including) October 1, 2015 or (B) AutoZone achieves a Diluted Earnings Per Share (as defined in the Agreement) equal to or greater than \$29.94 (the "EPS Performance Condition") on the last day of any fiscal year during the period beginning October 1, 2010 and ending on (and including) August 29, 2015; or

(ii) In the event that neither the Share Value Performance Condition nor the EPS Performance Condition is met on or before October 1, 2015, eighty percent (80%) of the Restricted Stock Units shall be earned if the Share Value Performance Condition is satisfied during the period beginning October 1, 2010 and ending on (and including) October 1, 2016 or the EPS Performance Condition is satisfied during the period beginning October 1, 2010 and ending on (and including) August 27, 2016.

Any Restricted Stock Units that become earned shall vest immediately upon the earliest to occur of the following dates on or after the date on which they have been earned: (i) October 1, 2015, (ii) October 1, 2016 or (iii) the date of Mr. Rhodes' termination of employment with AutoZone by reason of a termination by AutoZone without Cause or due to the Mr. Rhodes' death or Disability (each, as defined in the Agreement).

The vested Restricted Stock Units will be paid in shares of AutoZone common stock. Unless Mr. Rhodes elects to defer the payment of the shares of AutoZone common stock with respect to the Restricted Stock Units in accordance with Section 409A of the Code, all of the Restricted Stock Units that become vested will be paid in shares of AutoZone common stock as soon as practicable at the earliest to occur of the following dates on or after the date on which they become vested: (i) October 1, 2015, (ii) October 1, 2016 or (iii) the date of Mr. Rhodes' qualifying termination of employment by the Company without Cause or due to his death or Disability.

Any Restricted Stock Units which have not been earned as of the date on which Mr. Rhodes' employment with AutoZone terminates for any reason shall not become vested.

The above summary of the Agreement does not purport to be complete and is qualified in its entirety by reference to the Agreement, which is attached as Exhibit 10.2 to this Form 8-K.

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**Item 5.07. Submission of Matters to a Vote of Security Holders.**

At AutoZone's Annual Meeting of Stockholders held on December 15, 2010, the stockholders took the following actions:

The stockholders elected ten directors, each of whom will hold office until the Annual Meeting of Stockholders to be held in 2011 and until his or her successor is duly elected and qualified. The tabulation of votes with respect to each nominee for director was as follows:

<b>Nominee</b>	<b>Votes For</b>	<b>Votes Withheld</b>	<b>Broker Non-Votes</b>
William C. Crowley	35,222,855	1,815,082	1,305,868
Sue E. Gove	36,871,925	166,012	1,305,868
Earl G. Graves, Jr.	36,854,583	183,354	1,305,868
Robert R. Grusky	36,835,100	202,837	1,305,868
J. R. Hyde, III	36,708,672	329,265	1,305,868
W. Andrew McKenna	36,869,065	168,872	1,305,868
George R. Mrkonic, Jr.	36,850,660	187,277	1,305,868
Luis P. Nieto	36,872,925	165,012	1,305,868
William C. Rhodes, III	36,541,834	496,103	1,305,868
Theodore W. Ullyot	36,853,596	184,341	1,305,868

Adoption of the Plan was approved by stockholders. The tabulation of votes on this matter was as follows:

33,046,354 votes for

3,966,522 votes against

25,061 abstentions

1,305,868 broker non-votes

The Audit Committee's designation of Ernst & Young LLP as AutoZone's independent registered public accounting firm for the fiscal year ending August 27, 2011 was ratified by the stockholders. The tabulation of votes on this matter was as follows:

38,028,491 votes for

298,479 votes against

16,835 abstentions

There were no broker non-votes for this item.

**Item 8.01. Other Events.**

On December 15, 2010, AutoZone issued a press release announcing that its Board of Directors has authorized the repurchase of an additional \$500 million of its common stock in connection with AutoZone's ongoing share repurchase program. The press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

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**Item 9.01. Financial Statements and Exhibits.**

The following exhibits are filed with this Current Report pursuant to Item 5.02 and 8.01:

(d) Exhibits

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| 10.1 | AutoZone, Inc. 2011 Equity Incentive Award Plan (incorporated by reference to Exhibit A to AutoZone's Definitive Proxy Statement filed with the Securities and Exchange Commission on October 25, 2010). |
| 10.2 | Performance-Based Restricted Stock Units Award Agreement dated December 15, 2010, between AutoZone, Inc. and William C. Rhodes, III.   |
| 99.1 | Press Release dated December 15, 2010.   |
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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AUTOZONE, INC.

By: /s/ Harry L. Goldsmith  
Harry L. Goldsmith  
Executive Vice President, General Counsel and  
Secretary

Dated: December 15, 2010

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**EXHIBIT INDEX**

- 10.1 AutoZone, Inc. 2011 Equity Incentive Award Plan (incorporated by reference to Exhibit A to AutoZone's Definitive Proxy Statement filed with the Securities and Exchange Commission on October 25, 2010).
- 10.2 Performance-Based Restricted Stock Units Award Agreement dated December 15, 2010, between AutoZone, Inc. and William C. Rhodes, III.
- 99.1 Press Release dated December 15, 2010.



**PERFORMANCE-BASED RESTRICTED STOCK UNITS AWARD AGREEMENT**

THIS PERFORMANCE-BASED RESTRICTED STOCK UNITS AWARD AGREEMENT (this "Agreement") is entered into on December 15, 2010, between AutoZone, Inc., a Nevada corporation (the "Company") and William C. Rhodes, III (the "Executive"). This Agreement shall be effective as of the date on which the Company's stockholders approve the 2011 Equity Incentive Award Plan (the "Grant Date"), provided the Executive is employed by the Company on such date.

WHEREAS, the Board has adopted the AutoZone, Inc. 2011 Equity Incentive Award Plan (the "Plan"), subject to approval by the Company's stockholders;

WHEREAS, the Company wishes to carry out the Plan (the terms of which are hereby incorporated by reference and made a part of this Agreement);

WHEREAS, Section 9.4 of the Plan provides for the issuance of shares of the Company's common stock, par value \$.01 per share (the "Common Stock"), pursuant to Restricted Stock Unit awards ("Restricted Stock Units");

WHEREAS, the Compensation Committee of the Board of Directors, appointed to administer the Plan, has determined that it would be to the advantage and in the best interest of the Company and its stockholders to grant to the Executive the Restricted Stock Units as an inducement to the Executive to remain in the service of the Company and to incentivize outstanding performance to generate superior returns to the Company's stockholders, and has advised the Company thereof and instructed the undersigned officer to issue said Restricted Stock Units, subject to approval of the Plan by the Company's stockholders; and

WHEREAS, all capitalized terms used herein without definition shall have the meanings ascribed to such terms in this Agreement or, if not defined herein, in the Plan;

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto do hereby agree as follows:

**Article I**  
**Awards of Restricted Stock Units**

Section 1.1 — Awards of Restricted Stock Units

For good and valuable consideration, on the Grant Date the Company hereby grants to the Executive Restricted Stock Units for 25,000 shares of Common Stock upon the terms and conditions set forth in this Agreement and the Plan. Each Restricted Stock Unit represents the right to receive one share of Common Stock at the times and subject to the conditions set forth herein.

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Notwithstanding anything to the contrary anywhere else in this Agreement, the Restricted Stock Units granted under this Agreement are subject to the terms, definitions and provisions of this Agreement and the Plan, which is incorporated herein by reference.

#### Section 1.2 — Consideration to Company

In consideration for the grant of Restricted Stock Units provided for in this Agreement, the Executive agrees to render faithful and efficient services to the Company or to any Subsidiary. Nothing in this Agreement or in the Plan shall confer upon the Executive any right to continue in the service of the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company or any Subsidiary, which rights are hereby expressly reserved, to discharge or terminate the services of the Executive at any time for any reason whatsoever, with or without cause, except as expressly provided otherwise in a written agreement between the Company or a Subsidiary and the Executive.

### **Article II Earning and Payment**

#### Section 2.1 — Earning of Restricted Stock Units

(a) Subject to Section 2.2 hereof, the Restricted Stock Units shall be earned as follows

(i) One hundred percent (100%) of the Restricted Stock Units shall be earned either (A) on the date on which the Company's Common Stock achieves a Fair Market Value equal to or greater than \$461.12 per share for five (5) consecutive trading days (the "Share Value Performance Condition") at any time during the period beginning October 1, 2010 and ending on (and including) October 1, 2015 or (B) the Company achieves a Diluted Earnings Per Share equal to or greater than \$29.94 (the "EPS Performance Condition") on the last day of any fiscal year during the period beginning October 1, 2010 and ending on (and including) August 29, 2015; or

(ii) In the event that neither the Share Value Performance Condition nor the EPS Performance Condition is met on or before October 1, 2015, eighty percent (80%) of the Restricted Stock Units shall be earned if the Share Value Performance Condition is satisfied during the period beginning October 1, 2010 and ending on (and including) October 1, 2016 or the EPS Performance Condition is satisfied during the period beginning October 1, 2010 and ending on (and including) August 27, 2016.

(b) For purposes of this Agreement, "Diluted Earnings Per Share" shall be the Company's Diluted Earnings Per Share as stated on the Company's audited financial statements with respect to any fiscal year, as adjusted for any changes in accounting principles from those in effect on August 28, 2010 and with respect to any fiscal year which shall contain fifty-three (53) weeks adjusted to reflect a fifty-two (52) week year.

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## 2.2 — Vesting of Earned Awards

(a) Any Restricted Stock Units which have been earned pursuant to Section 2.1 shall vest immediately upon the earliest to occur of the following dates on or after the date on which they have been earned: (i) October 1, 2015, (ii) October 1, 2016 or (iii) the date of the Executive's termination of employment with the Company by reason of a termination by the Company without Cause (as defined below) or due to the Executive's death or Disability (as defined below).

(b) Any Restricted Stock Units which have been not earned pursuant to Section 2.1 hereof as of the date on which the Executive's employment with the Company terminates for any reason shall not be vested.

(c) For purposes of this Agreement, (i) "Cause" shall mean the Executive's willful engagement in conduct which is demonstrably or materially injurious to the Company, monetarily or otherwise; provided, however, no act or failure to act will be considered "willful" unless done, or omitted to be done, by Executive not in good faith and without reasonable belief that his action or omission was in the best interest of the Company and (ii) "Disability" shall mean a determination by the Company that the Executive is "totally disabled," as that term is defined in the Company's long term disability plan as in effect from time.

## 2.3 — Payment of Vested Restricted Stock Units

(a) Unless the Executive has elected to defer the payment of shares of Common Stock with respect to the Restricted Stock Units in accordance with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), all of the Executive's Restricted Stock Units which are then vested pursuant to Sections 2.1 and 2.2 hereof shall be paid in shares of Common Stock as soon as practicable after the earliest to occur of the following dates on or after the date on which they are vested: (i) October 1, 2015, (ii) October 1, 2016 or (iii) the date of the Executive's termination of employment by the Company without Cause or due to the Executive's death or Disability, provided that such termination of employment constitutes a "separation from service" within the meaning of Section 409A(a)(2)(A)(i) of the Code and Treasury Regulation Section 1.409A-1(h) (a "Separation from Service").

(b) Notwithstanding anything to the contrary in this Agreement, no Restricted Stock Unit shall be paid to the Executive pursuant to Section 2.3(a) hereof during the six (6)-month period following the Executive's Separation from Service if the Company determines that paying such amounts at the time or times indicated in this Agreement would be a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code. If the payment of any of the Executive's Restricted Stock Units is delayed as a result of the previous sentence, then on the first business day following the end of such six (6)-month period (or such earlier date upon which such amount can be paid under Section 409A of the Code without resulting in a prohibited distribution, including as a result of the Executive's death), such Restricted Stock Units shall be paid in shares of Common Stock.

(c) All payments made in shares of Common Stock shall be made by the Company in the form of whole shares of Common Stock, and any fractional share shall be paid in cash in an amount equal to the value of such fractional share determined based on the Fair Market Value as of the date immediately prior to such payment.

(d) The time of payment of the Restricted Stock Units under this Agreement may not be changed except as may be permitted by the Administrator in accordance with Section 409A of the Code and the applicable Treasury Regulations promulgated thereunder.

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## 2.4 — Restricted Stock Units Not Transferable

During the lifetime of the Executive, the Restricted Stock Units may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution, unless and until the shares of Common Stock underlying the Restricted Stock Units have been issued, and all restrictions applicable to such shares of Common Stock have lapsed. The Restricted Stock Units and any interest or right therein shall not be liable for the debts, contracts or engagements of the Executive or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

## 2.5 — Tax Withholding

Notwithstanding anything to the contrary in this Agreement, the Company shall be entitled to require payment by the Executive of any sums required by applicable law to be withheld with respect to the grant of Restricted Stock Units or the issuance of shares of Common Stock, as applicable. Such payment shall be made by deduction from other compensation payable to the Executive or, in the sole discretion of the Executive, may include:

(i) Cash or check;

(ii) Surrender of shares of Common Stock (including, without limitation, shares of Common Stock otherwise issuable under the Restricted Stock Units) held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences and having a Fair Market Value on the date of delivery equal to the minimum amount required to be withheld by statute; or

(iii) Through the delivery of a notice that the Executive has placed a market sell order with a broker with respect to shares of Common Stock then issuable under the Restricted Stock Units, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of its withholding obligations; provided that payment of such proceeds is then made to the Company at such time as may be required by the Company, but in any event not later than the settlement of such sale).

The Company shall not be obligated to deliver any new certificate representing shares of Common Stock to the Executive or the Executive's legal representative or enter such share of Common Stock in book entry form unless and until the Executive or the Executive's legal representative shall have paid or otherwise satisfied in full the amount of all federal, state and local taxes applicable to the taxable income of the Executive resulting from the grant of the Restricted Stock Units or the issuance of shares of Common Stock.

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## 2.6 — Adjustments Upon Specified Events

Upon the occurrence of certain events relating to the Common Stock contemplated by Section 13.2 of the Plan (including, without limitation, an extraordinary cash dividend on such Common Stock), the Administrator shall make such adjustments the Administrator deems appropriate in the number of Restricted Stock Units then outstanding and the number and kind of securities that may be issued in respect of the Restricted Stock Units. The Executive acknowledges that the Restricted Stock Units are subject to amendment, modification and termination in certain events as provided in this Agreement and Section 13.2 of the Plan.

### **Article III Miscellaneous**

#### 3.1 — Administration

The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon the Executive, the Company and all other interested persons. No member of the Committee or the Board shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, this Agreement or the Restricted Stock Units.

#### 3.2 — Binding Agreement

Subject to the limitation on the transferability of the Restricted Stock Units contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

#### 3.3 — Conditions to Issuance of Stock Certificates

Shares of Common Stock which are paid in settlement of Restricted Stock Units may be either previously authorized but unissued shares, treasury shares or shares purchased on the open market. The shares of Common Stock issued pursuant to this Agreement shall be held in book entry form and no certificates shall be issued therefor; provided, however, that certificates may be issued for shares of Common Stock issued pursuant to this Agreement at the request of the holder and in accordance with the charter and bylaws of the Company, as amended or supplemented from time to time. The Company shall not be required to issue such shares in book entry or certificated form prior to fulfillment of all of the following conditions:

- (a) The admission of such shares to listing on all stock exchanges on which such class of stock is then listed;
  - (b) The completion of any registration or other qualification of such shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Committee shall, in its absolute discretion, deem necessary or advisable;
  - (c) The obtaining of any approval or other clearance from any state or federal governmental agency which the Committee shall, in its absolute discretion, determine to be necessary or advisable; and
  - (d) To the extent that the Executive has elected to pay withholding taxes in cash pursuant to Section 2.5 hereof, the receipt by the Company of full payment for such shares.
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The Company will use commercially reasonable efforts to satisfy all of the foregoing conditions on or prior to the date when any payment of the Restricted Stock Units is to be made to the Executive pursuant to Section 2.3(a) or (b) hereof (and, if any of the foregoing conditions remain unsatisfied as of such date, the Company will use commercially reasonable efforts to satisfy such conditions as promptly as reasonably practicable).

In the event that the Company delays a payment in settlement of Restricted Stock Units because it reasonably determines that the issuance of shares of Common Stock in settlement of Restricted Stock Units will violate federal securities laws or other applicable law, such payment shall be made at the earliest date at which the Company reasonably determines that the making of such payment will not cause such violation, as required by Treasury Regulation Section 1.409A-2(b)(7)(ii). The Company shall not delay any payment if such delay will result in a violation of Section 409A of the Code.

### 3.4 — Notices

Any notice to be given by the Executive under the terms of this Agreement shall be addressed to the Secretary of the Company (or, in the event that the Executive is the Secretary of the Company, then to the Company's non-executive Chairman of the Board or Lead Director). Any notice to be given to the Executive shall be addressed to him at his home address on record with the Company. By a notice given pursuant to this Section 3.4, either party may hereafter designate a different address for notices to be given to him. Any notice which is required to be given to the Executive shall, if Executive is then deceased, be given to the Executive's personal representative if such representative has previously informed the Company of his or her status and address by written notice under this Section 3.4. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or upon deposit in the United States mail by certified mail, with postage and fees prepaid, addressed as set forth above or upon confirmation of delivery by a nationally recognized overnight delivery service.

### 3.5 — Rights as Stockholder

Except as otherwise provided herein, the holder of the Restricted Stock Units shall not have any of the rights of a stockholder with respect to the Restricted Stock Units until shares of Common Stock are paid to him in settlement of such Restricted Stock Units.

### 3.6 — Conformity to Securities Laws

The Executive acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of all applicable federal and state laws, rules and regulations (including, but not limited to the Securities Act and the Exchange Act and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, including without limitation the applicable exemptive conditions of Rule 16b-3) and to such approvals by any listing, regulatory or other governmental authority as may, in the opinion of counsel for the Company, be necessary or advisable in connection therewith. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Restricted Stock Units granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan, this Agreement and the Restricted Stock Units shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

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### 3.7 — Amendments, Suspension and Termination

To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Committee or the Board; provided that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the Restricted Stock Units in any material way without the prior written consent of the Executive.

### 3.8 — Successors and Assigns

The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 2.4, this Agreement shall be binding upon the Executive and his or her heirs, executors, administrators, successors and assigns.

### 3.9 — Limitations Applicable to Section 16 Persons

Notwithstanding any other provision of the Plan or this Agreement, if the Executive is subject to Section 16 of the Exchange Act, the Plan, the Restricted Stock Units, and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

### 3.10 — Entire Agreement

The Plan and this Agreement constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and the Executive with respect to the subject matter hereof.

### 3.11 — Section 409A

To the extent that the Administrator determines that any Restricted Stock Units may not be exempt from or compliant with Section 409A of the Code, the Administrator may amend this Agreement in a manner intended to comply with the requirements of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A") or an exemption therefrom (including amendments with retroactive effect), or take any other actions as it deems necessary or appropriate to (i) exempt the Restricted Stock Units from Section 409A and/or preserve the intended tax treatment of the benefits provided with respect to the Restricted Stock Units, or (ii) comply with the requirements of Section 409A. To the extent applicable, this Agreement shall be interpreted in accordance with the provisions of Section 409A. Notwithstanding anything herein to the contrary, the Executive expressly agrees and acknowledges that in the event that any taxes are imposed under Section 409A in respect of any compensation or benefits payable to the Executive, then (A) the payment of such taxes shall be solely the Executive's responsibility, (B) neither the Company nor any of its past or present directors, officers, employees or agents shall have any liability for any such taxes and (C) the Executive shall indemnify and hold harmless, to the greatest extent permitted under law, each of the foregoing from and against any claims or liabilities that may arise in respect of any such taxes.

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3.12 — Limitation on the Executive's Rights

Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. The Executive shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the Restricted Stock Units, and rights no greater than the right to receive the Common Stock as a general unsecured creditor with respect to Restricted Stock Units, as and when payable hereunder.

3.13 — Not a Contract of Service Relationship

Nothing in this Agreement or in the Plan shall confer upon the Executive any right to serve or continue to serve as an Employee, Consultant or member of the Board.

3.14 — Clawback

To the extent required by applicable law, any applicable securities exchange listing standards or any clawback policy adopted by the Company from time to time, the Restricted Stock Units and amounts paid or payable pursuant to or with respect to the Restricted Stock Units shall be subject to clawback as determined by the Administrator.

3.15 — Governing Law

This Agreement shall be administered, interpreted and enforced under the internal laws of the State of Nevada without regard to conflicts of laws thereof.

IN WITNESS WHEREOF, this Agreement has been executed and delivered by the parties hereto.

**AUTOZONE, INC.**,  
a Nevada corporation

By: /s/ Timothy W. Briggs  
Name: Timothy W. Briggs  
Title: Senior Vice President, Human Resources

By: /s/ Harry L. Goldsmith  
Name: Harry L. Goldsmith  
Title: Executive Vice President, General Counsel  
and Secretary

EXECUTIVE

/s/ William C. Rhodes, III  
William C. Rhodes, III



**AUTOZONE AUTHORIZES ADDITIONAL STOCK REPURCHASE**

Memphis, Tenn. (December 15, 2010) — AutoZone, Inc. (NYSE: AZO), today announced its Board of Directors authorized the repurchase of an additional \$500 million of the Company's common stock in connection with its ongoing share repurchase program. Since the inception of the repurchase program in 1998, and including the above amount, AutoZone's Board of Directors has authorized \$9.9 billion.

"AutoZone's continued strong financial performance allows us to repurchase our stock while maintaining our investment grade credit ratings," said Bill Giles, Executive Vice President, Chief Financial Officer, Information Technology and Store Development. "We remain committed to utilizing share repurchases within the bounds of a disciplined capital structure to enhance stockholder returns while maintaining adequate liquidity to execute our plans."

**About AutoZone:**

As of November 20, 2010, AutoZone sells auto and light truck parts, chemicals and accessories through 4,404 AutoZone stores in 48 U.S. states plus the District of Columbia and Puerto Rico and 241 stores in Mexico.

AutoZone is the leading retailer and a leading distributor of automotive replacement parts and accessories in the United States. Each store carries an extensive product line for cars, sport utility vehicles, vans and light trucks, including new and remanufactured automotive hard parts, maintenance items, accessories, and non-automotive products. Many stores also have a commercial sales program that provides commercial credit and prompt delivery of parts and other products to local, regional and national repair garages, dealers, service stations, and public sector accounts. AutoZone also sells the ALLDATA brand diagnostic and repair software. On the web AutoZone sells auto and light truck parts through [www.autozone.com](http://www.autozone.com), and as part of our commercial sales program, through [www.autozonepro.com](http://www.autozonepro.com).

AutoZone does not derive revenue from automotive repair or installation.

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