

CARMAX INC  
Form 4  
April 12, 2012

**FORM 4**

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
DOLAN MICHAEL K

(Last) (First) (Middle)  
12800 TUCKAHOE CREEK  
PARKWAY  
(Street)

RICHMOND, VA 23238

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
CARMAX INC [KMX]

3. Date of Earliest Transaction (Month/Day/Year)  
04/10/2012

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)  
CAO/Executive Vice President

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 or Price		
Common Stock	04/10/2012		M		29,048 A \$ 0	D	
Common Stock	04/10/2012		F		9,354 D \$ 32.54	D	
Common Stock	04/10/2012		M		50,000 A \$ 14.8	D	
Common Stock	04/10/2012		M		50,000 A \$ 17.2	D	
Common Stock	04/10/2012		S		100,000 D \$ 31.9 (1)	D	

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

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(9-02)

**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 Underlying Security (Instr. 3 and 4)
					V	(A)	(D)	Date Exercisable	
Restricted Stock Units	(2)	04/10/2012		M		14,524	(3)	(3)	Common Stock
Stock Options (Right to Buy)	\$ 14.8	04/10/2012		M		50,000	04/01/2005	04/01/2014	Common Stock
Stock Options (Right to Buy)	\$ 17.2	04/10/2012		M		50,000	05/01/2007	05/01/2013	Common Stock
Restricted Stock Units	\$ 0 (4)	04/10/2012		A	10,679		(4)	(5)	Common Stock
Stock Options (Right to Buy)	\$ 31.76	04/10/2012		A	102,843		04/10/2013(6)	04/10/2019	Common Stock
SARS	\$ 31.76	04/10/2012		A	102,843		04/10/2013(7)	04/10/2019	Common Stock

## Reporting Owners

**Reporting Owner Name / Address**

**Relationships**

Director    10% Owner    Officer    Other

DOLAN MICHAEL K  
12800 TUCKAHOE CREEK PARKWAY  
RICHMOND, VA 23238

CAO/Executive Vice President

## Signatures

Lisa Ferron Lee

04/12/2012

\*\*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).

- The shares with respect to this transaction were sold at prices ranging from \$31.53 to \$32.03. Upon request, the Reporting Person will
- (1) provide the Securities and Exchange Commission staff, the Issuer, or any security holder of the Issuer, full information regarding the number of shares sold at each separate price.
  - (2) Following vesting of the restricted stock units, which are referred to by the Company as market stock units (MSUs), the Reporting Person received two times the number of MSUs in shares of Company common stock.
  - (3) The restricted stock units vested on April 7, 2012, and were settled in Company common stock on April 10, 2012.
- Shares of Company common stock will be issued to the Reporting Person following vesting of the restricted stock units, which are referred to by the Company as market stock units (MSUs), in accordance with the terms of the Form of Notice of Market Stock Unit
- (4) Grant filed as Exhibit 10.2 to the Company's Current Report on Form 8-K filed on December 23, 2011. The minimum number of shares of Company common stock that will be issued to the Reporting Person at payment is zero, and the maximum number of shares of Company common stock that will be issued at payment is two times the number of MSUs.

(5) The restricted stock units shall vest on April 10, 2015.

(6) The stock options are exercisable with respect to one-fourth of the underlying shares of Common Stock on each of April 10, 2013, April 10, 2014, April 10, 2015 and April 10, 2016.

The stock options and the stock appreciation rights (SARs) were granted in tandem. Accordingly, the exercise of one results in the surrender to the Issuer of the other. The SARs, which will entitle the Reporting Person to receive the cash value of the options in lieu of exercising the options, become exercisable only following a change in control of the Issuer as set forth in the Issuer's 2002 Stock Incentive Plan, as amended and restated.

(7)

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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