

Churches Brady
Form 4
September 05, 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 *
Churches Brady

2. Issuer Name and Ticker or Trading Symbol
TUESDAY MORNING CORP/DE [TUES]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
6250 LBJ FREEWAY
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
09/01/2012

Director 10% Owner
 Officer (give title below) Other (specify below)
President and CEO

DALLAS, TX 75240
(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

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)		
				(A) or (D)	Code	V	Amount	(D)	Price

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

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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)

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		Date Exercisable	Expiration Date	Title	Am Nun Sha
				Code	V				
Non-Qualified Stock Option (right to buy)	\$ 5.56	09/01/2012	A	445,995	(1)	09/01/2022	Common Stock	44	
Incentive Stock Option (right to buy)	\$ 5.56	09/01/2012	A	54,005	(1)	09/01/2022	Common Stock	54	
Non-Qualified Stock Option (right to buy)	\$ 5.59	09/01/2012	A	300,000	(1)	09/01/2022	Common Stock	30	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Churches Brady 6250 LBJ FREEWAY DALLAS, TX 75240	X		President and CEO	

Signatures

By: Brian Monahan For: Brady
Churches

09/05/2012

__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 stock options generally vest as follows: (i) options to purchase the first one-third tranche of shares of common stock will vest if the weighted-average closing price per share of the common stock for 90 consecutive trading days (the "Trailing Trading Price") equals or exceeds \$7.50 per share, (ii) options to purchase the second one-third tranches of shares of common stock will vest if the Trailing Trading Price equals or exceeds \$10.00 per share, and (iii) options to purchase the third one-third tranches of shares of common stock will vest if the Trailing Trading Price equals or exceeds \$12.50 per share. Any stock options that have not vested before the third anniversary of the grant date will generally terminate at such time; provided, that if the second tranche of stock options vest because the Trailing Trading Price for such options is met, then the remaining stock options will generally terminate if not vested by the fourth anniversary of the grant date.
- (1) (i) options to purchase the first one-third tranche of shares of common stock will vest if the weighted-average closing price per share of the common stock for 90 consecutive trading days (the "Trailing Trading Price") equals or exceeds \$7.50 per share, (ii) options to purchase the second one-third tranches of shares of common stock will vest if the Trailing Trading Price equals or exceeds \$10.00 per share, and (iii) options to purchase the third one-third tranches of shares of common stock will vest if the Trailing Trading Price equals or exceeds \$12.50 per share. Any stock options that have not vested before the third anniversary of the grant date will generally terminate at such time; provided, that if the second tranche of stock options vest because the Trailing Trading Price for such options is met, then the remaining stock options will generally terminate if not vested by the fourth anniversary of the grant date.
 - (2) Granted under the Tuesday Morning Corporation 2004 Long-Term Equity Incentive Plan pursuant to the terms of Mr. Churches' Employment Agreement dated September 1, 2012.
 - (3) Granted under the Tuesday Morning Corporation 2008 Long-Term Equity Incentive Plan pursuant to the terms of Mr. Churches' Employment Agreement dated September 1, 2012.

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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