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 18, 2000 (December 14, 2000)

Corrections Corporation of America
(Exact name of registrant as specified in its charter)

Maryland	0-25245	62-1763875
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

10 Burton Hills Boulevard, Nashville, Tennessee 37215
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: (615) 263-3000

Not Applicable
(Former name or former address, if changed since last report)

ITEM 5. Other Events.

Execution of Memorandum of Understanding Regarding Revised Terms of Stockholder Litigation Settlement

On December 14, 2000, Corrections Corporation of America, a Maryland corporation formerly known as Prison Realty Trust, Inc. (the "Company"), entered into a Memorandum of Understanding with the plaintiffs in the Company's outstanding stockholder litigation providing for an amendment to the terms of the previously announced settlements (the "Memorandum of Understanding").

Pursuant to the revised terms of the settlements as set forth in the Memorandum of Understanding, the Company has agreed to issue the plaintiffs:

- an aggregate of 51,500,000 shares of the Company's common stock; and
- a subordinated promissory note in the aggregate principal amount of $29.0 million.

All of the shares of common stock to be issued by the Company will be issued after final court approval of the settlements. The promissory note, which will be issued on the date the settlements become effective, will be due January 3, 2005 and accrue interest at a rate of 6.0% per annum. All principal and interest due under the note will be payable in one lump sum at maturity; provided, however, that should the average trading price of the Company's common stock meet or exceed a "termination price" (generally expected to be between $1.06 — $1.25 per share as determined based on the average trading price of the Company's common stock for the three trading days prior to the final approval of the settlements) for 15 consecutive trading days at any time prior to the maturity date of the note, all amounts outstanding under the promissory note will be deemed fully satisfied without further action by the Company. To the extent the highest average trading price of the common stock does not reach the "termination price" during the period, the amount to be paid under the note will be reduced by the amount the shares of stock issued to the plaintiffs appreciate in value pursuant to a calculation to be made at the time of the maturity of the note.

The issuance of the shares of common stock and promissory note described above by the Company will be in lieu of the requirement of the previously announced settlement agreements that the Company issue the plaintiffs 17,235,715 shares of its common stock at an agreed value of $4.375 per share. Under the terms of the settlement agreements, these shares were subject to a stock price guarantee of $4.375 per share, which would have required the Company to pay or issue, at its option, cash or additional shares of common stock to the plaintiffs if the trading price of the Company's common stock did not reach $4.375 per share for a specified number of trading days during the period from the completion of the settlements through August 31, 2001. As a result, the Company, which expected to satisfy the stock price guarantee in additional shares of common stock rather than in cash, would have been required to issue an indeterminate number of shares of its common stock based on the continued trading price of the Company's common stock through August 31, 2001.

No other terms of the previously announced settlement agreements have been altered by the terms of the agreement set forth in the Memorandum of Understanding. Please see the Company's Current Report on Form 8-K as filed with the U.S. Securities and Exchange Commission on October 30, 2000 for a complete description of the terms of the previously announced settlement agreements.

The Memorandum of Understanding is subject to the execution of a definitive amendment to the previously agreed to stipulations of settlement and subsequent court approval. In addition, the issuance of the shares of common stock is subject to the Company meeting certain requirements under the rules of the New York Stock Exchange and the issuance and terms of the promissory note are subject to the approval and consent of the Company's lenders.

The complete text of the Memorandum of Understanding is included as Exhibit 10.1 hereto and is incorporated herein in its entirety. The press release issued by the Company on December 15, 2000 with respect to the execution of the Memorandum of Understanding is filed herewith as Exhibit 99.1 and is incorporated herein in its entirety.

Forward Looking Statements.

This Form 8-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Actual results could differ materially from those as set forth in the forward-looking statements.

ITEM 7(c). Exhibits.

The following exhibits are filed as part of this Current Report:

Exhibit Number	Description of Exhibits
10.1	Memorandum of Understanding, dated December 14, 2000, by and among attorneys for the Company and the plaintiffs.
99.1	Company press release, dated December 15, 2000, announcing the execution of the Memorandum of Understanding.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the undersigned Registrant has duly caused this Current Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

Date: December 18, 2000

CORRECTIONS CORPORATION OF AMERICA

By: /s/ John D. Ferguson
Its: Chief Executive Officer and President

EXHIBIT INDEX

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EXHIBIT 10.1

MEMORANDUM OF UNDERSTANDING AMENDING STIPULATIONS

This is a Memorandum of Understanding ("MOU") in furtherance of the parties agreement to amend the Stipulations of Settlement dated October 5, 2000, October 11, 2000 and October 12, 2000 (collectively the "Stipulations") between and among the plaintiffs in In re Prison Realty Securities Litigation, Civ. No. 3:99-0452 (M.D. Tenn); In re Old CCA Securities Litigation, Civ. No. 3:99-0458 (M.D. Tenn) and Neiger v. Crants et. al., Civ. No. 3:99-1205 (M.D. Tenn) (collectively the "Federal Actions"); as well as Dasburg, S.A. v. Corrections Corporation of America, Civil Action No. 98-2391-III (Ch. Ct. Tenn.)(the "Dashburg Action"); Wanstrath v. Crants et. al., Civil Action No. 99-1719-III (Ch. Ct. Tenn.); and Bernstein v. Prison Realty Trust, Inc., Civil Action No. 99-3794-II (Ch. Ct. Tenn.)(collectively "the Actions") and defendants in each of the Actions.

The Stipulations provided that Prison Realty Trust Inc. and/or its successors in interest ("CXW") would issue a total of 17,235,000 shares of CXW common stock, which stock had a guaranteed value of $4 3/8 per share.

The parties have mutually agreed that this MOU reflects an intent by the parties to amend certain terms of the Stipulations. All terms not specifically addressed in this amendment to the Stipulations shall remain unaltered and in full force and effect. Therefore, it is agreed that, subject to its ability to issue shares of common stock without being delisted by the New York Stock Exchange, CXW shall now issue a fixed number of CXW shares of common stock totaling 51,500,000 to the class members in the Federal Actions, the Dasburg Action, and plaintiffs' counsel in all of the Actions, which shares shall be freely tradeable at the time of issuance (the "Stock Consideration"). The agreement to issue the Stock Consideration shall replace defendants' obligation to issue 17,235,000 shares of CXW common stock which were subject to the guarantee provisions as reflected in paragraph 2.1(c) of the Stipulations executed on October 11, 2000 and October 12, 2000. The date when CXW common stock is actually issued pursuant to the Stipulations, as amended hereby, shall be referred to herein as the "Distribution Date."

Additionally, subject to CXW's ability to obtain any necessary waivers or consents from its existing lenders, CXW shall issue, solely with respect to the class members in the Federal Actions and the Dasburg Action, a subordinated note, in the amount of $29 million which shall accrue interest at 6% and which interest shall not be payable until the maturity of the note on January 3, 2005, under certain circumstances (the "Note").

Defendants' obligation pursuant to the Note shall be extinguished if, for any 15 consecutive trading days following the Distribution Date, the average trading price of CXW's common stock equals or exceeds the "Termination Price", which price will be based on the average trading price of CXW's common stock for the three (3) trading days prior to the date of final approval of the last of the Actions to be approved. If the average trading price of CXW common stock for this three day period is $0.34 per share or less, the Termination Price shall be $1.06 per share. If CXW's trading price for this three day period is between $0.34 and $0.53 per share, the Termination Price shall be the average price for the three day period, plus $0.72 per share. If CXW's trading price for this three day period is $0.53 per share or more, the Termination Price shall be $1.25 per share. These Termination Prices and trading prices detailed herein shall be adjusted to account for CXW stock splits, stock dividends, mergers, recapitalizations, reorganizations, or other corporate transactions prior to the Distribution Date.

On January 3, 2005, the amount to be paid pursuant to the Note shall be computed as the $29 million principal amount, plus accrued interest, less any appreciation in the value of the Stock Consideration. The appreciation in the value of the Stock Consideration shall be calculated by multiplying 51,500,000 (i.e., the number of shares issued as the Stock Consideration) by the excess of the average trading price of CXW common stock for the 50 consecutive trading days prior to January 3, 2005 (i.e., the maturity date) over the common stock trading price on the three (3) trading days prior to the date of final approval of the last of the Actions to be approved (i.e., the date the Termination Price is set), subject to the collar of .34 to .53 per share set forth in the paragraph above. To the extent the appreciation in the value of the Stock Consideration exceeds the principal amount of the Note plus accrued interest, the Note shall be extinguished without any payment due.

The parties agree to use their best efforts to prepare amendments to the Stipulations of Settlement in the Actions and all accompanying documents to reflect these terms and conditions and to use their best efforts to obtain final approval from the respective courts of the settlements. If Defendants are unable to issue the shares of stock contemplated herein, without being delisted by the New York Stock Exchange, or do not obtain such waivers and consents described above prior to the execution of an amendment to the Stipulation of Settlement, the parties agree that this amendment shall be null and void and the parties shall return to the positions held by them as of December 13, 2000.

Dated: December 14, 2000

COUNSEL FOR PZN PLAINTIFFS

/s/ DARREN ROBBINS

William S. Lerach
Darren Robbins

/S/ DANIEL C. GIRARD

Daniel C. Girard
Robert A. Jigarjian

COUNSEL FOR OLD CCA PLAINTIFFS

/s/ JEFFREY C. BLOCK

Glen DeValerio
Jeffrey C. Block

COUNSEL FOR NEIGER PLAINTIFFS

/s/ STEVEN E. CAULEY

Steven E. Cauley

COUNSEL FOR WANSTRATH PLAINTIFFS

/s/ RICHARD S. SCHIFFRIN

Richard S. Schiffrin
Robert B. Weiser

COUNSEL FOR BERNSTEIN PLAINTIFFS

/s/ PAUL J. GELLER

Paul J. Geller

COUNSEL FOR DASBURG PLAINTIFFS

/s/ STANLEY M. CHERNAU

Stanley M. Chernau

COUNSEL FOR ALL DEFENDANTS
OTHER THAN DEFENDANT CUNY

/s/ BRUCE D. ANGIOLILLO

Bruce D. Angiolillo
John K. Kim

COUNSEL FOR DEFENDANT CUNY

/s/ JOHN T. MONTGOMERY

John T. Montgomery

EXHIBIT 99.1

Contact:
Media Contact - Susan Hart (615) 263-3104
Investor Contact - Karin Demler (615) 263-3005

CORRECTIONS CORPORATION OF AMERICA
ENTERS INTO MEMORANDUM OF UNDERSTANDING REGARDING REVISED TERMS OF
STOCKHOLDER LITIGATION SETTLEMENT

NASHVILLE, Tenn.--(BUSINESS WIRE)--December 15, 2000--Corrections Corporation of America (formerly Prison Realty Trust, Inc.) (NYSE: CXW - news) announced today that it has entered into a Memorandum of Understanding with the plaintiffs in the Company's outstanding stockholder litigation providing for an amendment to the terms of the previously announced settlements.

Pursuant to the revised terms of the settlements as set forth in the Memorandum of Understanding, the Company has agreed to issue the plaintiffs:

- an aggregate of 51,500,000 shares of the Company's common stock; and

- a subordinated promissory note in the aggregate principal amount of $29.0 million.

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The issuance of the shares of common stock and promissory note described above by the Company will be in lieu of the requirement of the previously announced settlement agreements that the Company issue the plaintiffs 17,235,715 shares of its common stock at an agreed value of $4.375 per share. Under the terms of the settlement agreements, these shares were subject to a stock price guarantee of $4.375 per share, which would have required the Company to pay or issue, at its option, cash or additional shares of common stock to the plaintiffs if the trading price of the Company's common stock did not reach $4.375 per share for a specified number of trading days during the period from the completion of the settlement through August 31, 2001. As a result, the Company, which expected to satisfy the stock price guarantee in additional shares of common stock rather than in cash, would have been required to issue an indeterminate number of shares of its common stock based on the continued trading price of the Company's common stock through August 31, 2001.

No other terms of the previously announced settlement agreements have been altered by the terms of the agreement set forth in the Memorandum of Understanding.

The Memorandum of Understanding is subject to the execution of a definitive amendment to the previously agreed to stipulations of settlement and subsequent court approval. In addition, the issuance of the shares of common stock is subject to the Company meeting certain requirements under the rules of the New York Stock Exchange and the issuance and terms of the promissory note are subject to the approval and consent of the Company's lenders.

"The revised terms of the settlement provide clarity to our existing stockholders and the investment community regarding the number of shares of common stock to be issued by the Company in connection with the resolution of the litigation," stated John D. Ferguson, chief executive officer and president of the Company. "We feel that this is important as we are evaluated in the marketplace and will ultimately provide increased value to our current and future stockholders."

ABOUT THE COMPANY

The Company is the nation's largest provider of detention and corrections services to governmental agencies. The Company is the industry leader in private sector corrections with approximately 61,000 beds in 68 facilities under contract for management in the United States and Puerto Rico. The Company's full range of services includes design, construction, ownership, renovation and management of new or existing jails and prisons, as well as long distance inmate transportation services.

FORWARD-LOOKING STATEMENTS

This press release contains statements that are forward-looking statements as defined within the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from the statements made. Factors that could cause operating and financial results to differ are described in the Company's Form 10-K, as well as in other documents filed with the Securities and Exchange Commission, and these factors include, but are not limited to, the growth of the private corrections and detention industry, the Company's ability to obtain and maintain facility management contracts and general market conditions. The Company does not undertake any obligation to publicly release the result of any revisions to forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.