

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): August 12, 2010

Corrections Corporation of America

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of incorporation)

001-16109

(Commission File Number)

62-1763875

(I.R.S. Employer
Identification No.)

10 Burton Hills Boulevard, Nashville, Tennessee

(Address of principal executive offices)

37215

(Zip Code)

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

Not Applicable

(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 (see General Instruction A.2. below):

- 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))

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On August 12, 2010, Corrections Corporation of America (the “Company”) entered into a Stock Option Cancellation Agreement (the “Cancellation Agreement”) with John D. Ferguson, Chairman of the Company’s Board of Directors, pursuant to which Mr. Ferguson surrendered and cancelled certain previously granted options (the “Cancelled Options”) to purchase shares of the Company’s common stock in order to make additional shares available under the Company’s Amended and Restated 2000 Stock Incentive Plan and its 2008 Stock Incentive Plan for future equity grants to Company personnel. Mr. Ferguson stated his belief that the shares underlying the Cancelled Options would be better utilized by the Company to make future incentive grants to other Company employees. Pursuant to the terms of the Cancellation Agreement, Mr. Ferguson and the Company acknowledged and agreed that the surrender and cancellation of the Cancelled Options was without any expectation to receive, and was without any obligation on the Company to pay or grant, any cash, equity awards or other consideration presently or in the future in regard to the cancellation of the Cancelled Options. The Cancelled Options that were surrendered had an exercise price that ranged from \$26.53 to \$26.71 per share. The aggregate number of shares underlying the Cancelled Options held by Mr. Ferguson was 165,647.

Under applicable accounting standards, the Company will account for the cancellation as a settlement for no consideration, and the Company will record the previously unrecognized compensation cost related to the Cancelled Stock Options of \$0.1 million during the three months ending September 30, 2010.

The foregoing description of the Cancellation Agreement is qualified in its entirety by reference to the Cancellation Agreement, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

10.1 Stock Option Cancellation Agreement.

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.

Date: August 16, 2010

CORRECTIONS CORPORATION OF AMERICA

By: /s/ Todd J Mullenger

Todd J Mullenger
Executive Vice President and
Chief Financial Officer

INDEX OF EXHIBITS

10.1 Stock Option Cancellation Agreement.

**CORRECTIONS CORPORATION OF AMERICA
STOCK OPTION CANCELLATION AGREEMENT**

This STOCK OPTION CANCELLATION AGREEMENT (the "Agreement") is by and between Corrections Corporation of America, a Maryland corporation (the "Company"), and John D. Ferguson (the "Employee").

WHEREAS, the Employee believes that it is in the best interest of the Company and its stockholders to voluntarily cancel existing Company stock options held by Employee set forth on Exhibit A (the "Cancelled Options") that have relatively low incentive or retention value at this time so that additional shares become available for grant under the Company's Amended and Restated 2000 Stock Incentive Plan and its 2008 Stock Incentive Plan (the "Stock Plans"), which the Company may use for future equity grants to Company personnel in order to recruit, retain and motivate such personnel; and

WHEREAS, the Company is relying upon the Employee's surrender and cancellation of the Cancelled Options in making determinations about the future grant of equity awards pursuant to the Stock Plans and otherwise in regard to the administration of the Stock Plans.

NOW, THEREFORE, the parties hereby agree as follows:

Section 1. Cancellation of Options. The Employee hereby surrenders the Cancelled Options for cancellation, and the Company hereby accepts such surrender and cancellation. By execution of this Agreement, the parties have taken all steps necessary to cancel the Cancelled Options.

Section 2. No Expectation or Obligation. The Company and Employee acknowledge and agree that the surrender and cancellation of the Cancelled Options described herein shall be without any expectation of the Employee to receive, and without imposing any obligation on the Company to pay or grant, any cash, equity awards or other consideration presently or in the future in regard to the cancellation of the Cancelled Options.

Section 3. Miscellaneous. This Agreement contains all of the understandings between the Company and Employee concerning the cancellation of the options. The Company and Employee have made no promises, agreements, conditions, or understandings relating to this subject matter, either orally or in writing, that are not included in this Agreement. This Agreement may be executed in counterparts, each of which when signed by the Company and the Employee will be deemed an original and all of which together will be deemed the same agreement. This Agreement shall be governed and construed exclusively in accordance with the law of the State of Tennessee applicable to agreements to be performed in the State of Tennessee to the extent it may apply.

[signature page of Stock Option Cancellation Agreement]

The Company and the Employee have caused this Agreement to be signed and delivered as of the 12th day of August, 2010.

CORRECTIONS CORPORATION OF AMERICA

/s/ John D. Ferguson

By: /s/ Damon T. Hininger

Title: President

Exhibit A

Description of Cancelled Options

Grant Date	Grant Price	Qty Granted	Qty Vested	Qty Unvested	Vesting Schedule
2/16/07(1)	\$26.53(3)	75,504	75,504	-	One third on the anniversary date over a three-year period.
2/20/08(2)	\$26.71	90,143	60,095	30,048	One third on the anniversary date over a three-year period.

TOTAL OPTIONS CANCELLED — 165,647

(1) Awarded from the Amended and Restated 2000 Stock Incentive Plan

(2) Awarded from the 2008 Stock Incentive Plan

(3) Adjusted for the 2-for-1 stock split on July 6, 2007