



Executive Stock Ownership Guidelines

Share Ownership Requirements.

CarMax, Inc. (the “Company”) considers ownership of Company stock by the Company’s Chief Executive Officer, President (if the office is held by an officer other than the Chief Executive Officer), Executive Vice Presidents and Senior Vice Presidents (each a “Subject Officer”) to be important to further align the interests of the Subject Officers with the Company’s shareholders. Accordingly, the Company’s Compensation and Personnel Committee has adopted the following Executive Stock Ownership Guidelines (the “Guidelines”). The Guidelines provide that, no later than five years after becoming a Subject Officer, each Subject Officer shall meet the appropriate share ownership requirements set forth below. Further, each Subject Officer shall continue to meet the appropriate requirement so long as he or she serves as a Subject Officer.

Subject Officers	Share Ownership Requirements
Chief Executive Officer President (as appropriate)	6 x Base Salary (but not to exceed 300,000 shares)
Executive Vice President	3 x Base Salary (but not to exceed 100,000 shares)
Senior Vice President	2 x Base Salary (but not to exceed 50,000 shares)

Share Counting.

In determining compliance with the share ownership requirements, the following forms of equity shall be counted:

- (a) All shares of common stock owned outright;
- (b) All shares of common stock owned outright and held by immediate family members;
- (c) All vested stock options (for purposes of these Guidelines, the value of each stock option shall be the excess of the market price of the underlying stock over the exercise price of the option);
- (d) All unvested shares of restricted stock;
- (e) All unvested, stock-settled market stock units (“MSUs”) (for purposes of these Guidelines, the value of each MSU shall be calculated by multiplying the number of MSUs awarded on the Grant Date by the market price of the underlying stock); and
- (f) All unvested, stock-settled performance stock units (“PSUs”) (for purposes of these Guidelines, the value of each PSU shall be calculated by multiplying the number of PSUs awarded on the Grant Date by the market price of the underlying stock).

Measurement Date.

Compliance with these Guidelines shall be measured on an annual basis as of the last trading day of each fiscal year. Once a Subject Officer achieves compliance with these Guidelines, the Subject Officer shall be deemed in compliance on a going-forward basis, so long as the Subject Officer has not at any time sold shares of Company common stock that results in the Subject Officer’s noncompliance with these Guidelines immediately following any such sale.

Failure to Comply.

Subject Officers who are not in compliance with the appropriate share ownership requirements as of each measurement date shall retain all Company common stock received from the Company (a) as a direct stock grant, (b) upon the vesting of restricted stock grants (net of the applicable taxes), (c) upon the vesting of MSUs (net of applicable taxes), (d) upon the vesting of PSUs (net of applicable taxes) and (e) upon the exercise of stock options (net of applicable taxes and the purchase price of the stock options). Upon the Subject Officer's satisfaction of the appropriate share ownership requirement, these retention conditions shall no longer apply.

Effective as of April 19, 2016