

SANFILIPPO JOHN B & SON INC
Form DEF 14A
September 11, 2009

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A
(Rule 14a-101)

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES
EXCHANGE ACT OF 1934 (Amendment No.)

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to § 240.14a-12

John B. Sanfilippo & Son, Inc.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials:

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

TABLE OF CONTENTS

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT
NOMINEES FOR ELECTION BY THE HOLDERS OF COMMON STOCK
NOMINEES FOR ELECTION BY THE HOLDERS OF CLASS A STOCK
CORPORATE GOVERNANCE
DIRECTOR NOMINATIONS
AUDIT COMMITTEE REPORT
COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS
COMPENSATION DISCUSSION AND ANALYSIS
COMPENSATION OF EXECUTIVE OFFICERS
COMPENSATION COMMITTEE REPORT
PERFORMANCE GRAPH
REVIEW OF RELATED PARTY TRANSACTIONS
SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE
ANNUAL REPORT ON FORM 10-K
STOCKHOLDER PROPOSALS FOR THE 2010 ANNUAL MEETING
PROXY SOLICITATION
OTHER MATTERS

JOHN B. SANFILIPPO & SON, INC.

1703 North Randall Road
Elgin, Illinois 60123

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

to be held
on October 28, 2009

TO THE STOCKHOLDERS:

The annual meeting of stockholders of John B. Sanfilippo & Son, Inc. will be held on Wednesday, October 28, 2009, at 10:00 a.m., local time, at 1707 N. Randall Road, Elgin, Illinois 60123, for the following purposes:

1. To elect directors;
2. To ratify the action of the Audit Committee in appointing PricewaterhouseCoopers LLP as our independent auditors for the fiscal year ending June 24, 2010; and
3. To transact such other business as may properly be brought before the annual meeting or any adjournment or postponement thereof.

The annual meeting may be postponed or adjourned from time to time without any notice other than announcement at the meeting, and any and all business for which notice is hereby given may be transacted at any such postponed or adjourned meeting.

The Board of Directors has fixed the close of business on August 31, 2009, as the record date for determination of stockholders entitled to notice of and to vote at the annual meeting. A list of these stockholders will be available for inspection for 10 days preceding the meeting (at 1707 N. Randall Road, Elgin, Illinois 60123) and will also be available for inspection at the meeting.

On or about the mailing date of this notice and our proxy statement, a Notice of Internet Availability of Proxy Materials (the Internet Notice) was mailed to stockholders who were not sent the printed proxy materials. The Internet Notice provides details regarding the availability of our full proxy materials, including our proxy statement and our annual report, at the Internet website address <http://www.proxydocs.com/JBSS>. All stockholders were mailed either the Internet Notice, or the printed proxy materials which include a proxy card.

If a stockholder wishes to vote electronically, the stockholder should follow the instructions on how to vote electronically that are included on the stockholder's proxy card or Internet Notice. The internet availability of our proxy materials gives our stockholder's fast and convenient access to our proxy materials, reduces the impact on the environment, and reduces printing and mailing costs.

Whether or not a stockholder plans to attend the annual meeting and vote in person, we request that the stockholder read our proxy materials and submit the stockholder's proxy vote. A stockholder submitting a proxy vote will not affect the stockholder's right to attend the meeting and vote in person.

By Order of the Board of Directors

MICHAEL J. VALENTINE

Secretary

Elgin, Illinois

September 11, 2009

John B. Sanfilippo & Son, Inc.

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS

October 28, 2009

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors of John B. Sanfilippo & Son, Inc., a Delaware corporation, of proxies for use at the annual meeting of our stockholders to be held on Wednesday, October 28, 2009, at 10:00 a.m., local time, at 1707 N. Randall Road, Elgin, Illinois 60123-7820, and at any postponement or adjournment thereof (the Annual Meeting). All shares of our Common Stock, \$.01 par value (the Common Stock), and our Class A Common Stock, \$.01 par value (the Class A Stock), entitled to vote at the Annual Meeting which are represented by properly submitted proxies will, unless such proxies have been revoked, be voted in accordance with the instructions given in such proxies.

Any stockholder who has given a proxy may revoke it by: (a) delivering a written notice of revocation to our Secretary prior to the exercise of the proxy at the Annual Meeting; (b) duly submitting a subsequent proxy so that it is received by 5:00 p.m. Eastern Time on October 27, 2009; or (c) attending the Annual Meeting and voting in person.

Any written notice of revocation should be received by us at 1703 N. Randall Road, Elgin, Illinois 60123-7820, Attention: Secretary, or hand delivered to the Secretary, before the closing of the polls at the Annual Meeting.

Unless the context otherwise requires, references herein to we, us, the company or our company refer to John B. Sanfilippo & Son, Inc. The mailing address of our principal executive offices is 1703 N. Randall Road, Elgin, Illinois 60123-7820.

This Proxy Statement and the form of proxy are first being sent or made available to stockholders on or about September 11, 2009.

On or about the mailing date of this Proxy Statement, a Notice of Internet Availability of Proxy Materials (the Internet Notice) was mailed to stockholders who were not sent the printed proxy materials. The Internet Notice provides details regarding the availability of our full proxy materials, including our proxy statement and our annual report, at the Internet website address <http://www.proxydocs.com/JBSS>. All stockholders were mailed either the Internet Notice, or the printed proxy materials which include a proxy card. If a stockholder wishes to vote electronically, the stockholder should follow the instructions on how to vote electronically that are included on the stockholder's proxy card or Internet Notice.

Record Date and Shares Outstanding

We had outstanding on August 31, 2009, the record date for determination of stockholders entitled to notice of and to vote at the Annual Meeting, 8,022,699 shares of Common Stock (excluding 117,900 treasury shares) and 2,597,426 shares of Class A Stock. The Common Stock is traded on the NASDAQ Global Market. There is no established public trading market for the Class A Stock.

Voting and Quorum

Pursuant to our Restated Certificate of Incorporation (as amended, the Restated Certificate), so long as the total number of shares of Class A Stock outstanding is greater than or equal to 12¹/₂% of the total number of shares of Class A Stock and Common Stock outstanding, the holders of Common Stock voting as a class are entitled to elect such number (rounded to the next highest number in the case of a fraction) of directors as equals 25% of the total number of directors constituting the full Board of Directors and the holders of Class A Stock voting as a class are entitled to elect the remaining directors. With respect to all matters other than the election of directors or any matters for which class voting is required by law, the holders of Common Stock and the holders of Class A Stock will vote together as a single class and the holders of Common Stock will be

entitled to one vote per share of Common Stock and the holders of Class A Stock will be entitled to 10 votes per share of Class A Stock.

Our Restated Certificate does not entitle holders of Common Stock to cumulative voting. However, solely with respect to the election of directors, the Restated Certificate entitles each holder of Class A Stock, in person or by proxy, to either (a) vote the number of shares of Class A Stock owned by such holder for as many persons as there are directors to be elected by holders of Class A Stock (Class A Directors), or (b) cumulate said votes (by multiplying the number of shares of Class A Stock owned by such holder by the number of candidates for election as a Class A Director) and either (i) give one candidate all of the cumulated votes, or (ii) distribute the cumulated votes among such candidates as the holder sees fit.

The presence at the Annual Meeting, in person or by proxy, of holders of Common Stock entitled to cast at least a majority of the votes which the Common Stock is entitled to cast is required in order to establish a quorum for the purpose of electing the directors to be elected by holders of Common Stock (the Common Stock Directors). The presence at the Annual Meeting, in person or by proxy, of holders of Class A Stock entitled to cast at least a majority of the votes which the Class A Stock is entitled to cast is required in order to establish a quorum for the purpose of electing the Class A Directors. The presence at the Annual Meeting, in person or by proxy, of holders of Common Stock and Class A Stock entitled to cast at least a majority of the aggregate number of votes which all such stock is entitled to cast on matters other than the election of directors is required in order to establish a quorum for the purpose of any other business.

Two proposals are scheduled for stockholder consideration at the Annual Meeting, each of which is described more fully herein: (a) the election of eight directors; and (b) the ratification of the action of the Audit Committee in appointing PricewaterhouseCoopers LLP as our Independent Registered Public Accounting Firm for the fiscal year ending June 24, 2010. The vote required and method of counting votes for each of these proposals is as follows:

Proposal 1: Election of Directors

At the meeting, the holders of Common Stock voting as a class will be entitled to elect two of the eight directors, and the holders of Class A Stock voting as a class will be entitled to elect the remaining six directors. Directors elected by holders of both Common Stock and Class A Stock are elected by a plurality of the votes cast for each such class. If a properly submitted, unrevoked proxy does not specifically direct the voting of the shares covered by such proxy, the proxy will be voted **FOR** the election of all director nominees to be elected by holders of the class of shares covered by such proxy as listed herein.

If any nominee is unable to act as director because of an unexpected occurrence, the proxy holders may vote the proxies for another person or the Board of Directors may reduce the number of directors to be elected.

Proposal 2: Ratification of the Independent Registered Public Accounting Firm

To be approved, the ratification of PricewaterhouseCoopers LLP requires the affirmative vote of the holders of shares representing a majority of the votes present or represented by proxy and entitled to vote by the holders of Common Stock and Class A Stock, voting together as one class. If a properly submitted, unrevoked proxy does not specifically direct the voting of the shares covered by such proxy, the proxy will be voted **FOR** Proposal 2.

Abstentions and Non-Votes

Shares not present at the meeting and shares voting abstain have no effect on the election of directors (Proposal 1). For the proposal ratifying the selection of PricewaterhouseCoopers LLP as our Independent Registered Public Accounting Firm for fiscal 2010 (Proposal 2), abstentions are treated as shares present or represented and voting; therefore, abstaining has the same effect as a negative vote. Broker non-votes on a proposal (shares held by brokers that do not have discretionary authority to vote on the matter and have not received voting instructions from their clients) are not counted or deemed present or represented for determining whether stockholders have approved that proposal.

Other Proposals

If other matters are properly presented for a vote at the Annual Meeting, the persons named as proxies will vote on such matters in accordance with their best judgment. We have not received notice of other matters that may be properly presented for a vote at the Annual Meeting.

**SECURITY OWNERSHIP OF CERTAIN
BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth information as of August 31, 2009, except where otherwise indicated in the footnotes, with respect to the beneficial ownership of Common Stock and Class A Stock by (a) each individual, group, or entity known by us to be the beneficial owner of more than 5% of the outstanding shares of Common Stock or Class A Stock, (b) each of our directors and nominees for election as a director, (c) each of our named executive officers, and (d) all of our directors and executive officers as a group. The information set forth in the table as to directors and executive officers is based upon information furnished to us by them in connection with the preparation of this Proxy Statement. Except where otherwise indicated in the footnotes to this table, the mailing address of each of the stockholders named in the table is: c/o John B. Sanfilippo & Son, Inc., 1703 N. Randall Road, Elgin, Illinois 60123-7820. None of the shares shown in the following table as beneficially owned by directors and executive officers has been hedged or pledged as security for any obligation.

Name	No. of Shares of Common Stock ⁽¹⁾	% of Outstanding Shares of Common Stock	No. of Shares of Class A Stock ⁽¹⁾⁽²⁾	% of Outstanding Shares of Class A Stock	% of Outstanding Votes on Matters Other than Election of Directors
Jasper B. Sanfilippo ⁽³⁾⁽⁴⁾⁽⁷⁾⁺	43,312	*	163,045	6.3	4.9
Marian R. Sanfilippo ⁽⁵⁾⁽⁶⁾⁽⁷⁾	26,984	*	220,220	8.5	6.6
Jeffrey T. Sanfilippo ⁽⁷⁾⁽⁸⁾⁺	40,832	*	44,044	1.7	1.4
Jasper B. Sanfilippo, Jr. ⁽⁷⁾⁽⁸⁾⁺	12,000	*	1,429,275	55.0	42.1
Lisa A. Evon ⁽⁷⁾⁽⁸⁾	625	*	44,044	1.7	1.3
John E. Sanfilippo ⁽⁷⁾⁽⁸⁾	28,152	*	44,044	1.7	1.4
James J. Sanfilippo ⁽⁷⁾⁽⁸⁾			1,429,275	55.0	42.0
Total Controlling Group ⁽⁷⁾	114,241	1.4	1,768,496	68.1	52.3
Michael J. Valentine ⁽⁹⁾⁺	12,000	*	568,342	21.9	16.7
Mathias A. Valentine ⁽¹⁰⁾⁺	2,000		260,588	10.0	7.7
Total Valentine Group ⁽¹¹⁾	14,000	*	828,930	31.9	24.4
James A. Valentine ⁽¹²⁾⁻	12,350	*			*
Walter R. Tankersley ⁽¹³⁾⁻	24,592	*			*
Timothy R. Donovan ⁽¹⁴⁾⁺	7,250	*			*
Governor Jim Edgar ⁽¹⁵⁾⁺	11,750	*			*
Daniel M. Wright ⁽¹⁶⁾⁺	5,750	*			*
Pekin Singer Strauss Asset Mgmt ⁽¹⁷⁾	1,187,154	14.8			3.5
Dimensional Fund Advisors LP ⁽¹⁸⁾	688,183	8.6			2.0
All directors and executive officers as a group (17 persons all of whom are	224,596	2.7	2,465,294	94.9	72.8

stockholders and/or option holders)
(3)(4)(5)(6)(7)(8)(9)(11)(12)(13)(14)(15)(16)(19)

- + Denotes director.
- Denotes named executive officer.
- * Less than one percent (1%).

- (1) Except as otherwise indicated below, beneficial ownership means the sole power to vote and dispose of shares. In calculating each holder's percentage ownership and beneficial ownership in the table above, shares of Common Stock which may be acquired by the holder through the exercise of stock options that are exercisable or the conversion of restricted stock units (RSUs) that are vested on or within 60 days of August 31, 2009, are included.
- (2) Each share of Class A Stock is convertible at the option of the holder thereof at any time and from time to time into one share of Common Stock. In addition, the Restated Certificate provides that

Class A Stock may be transferred only to (a) Jasper B. Sanfilippo or Mathias A. Valentine, (b) a spouse or lineal descendant of Jasper B. Sanfilippo or Mathias A. Valentine, (c) trusts for the benefit of any of the foregoing individuals, (d) entities controlled by any of the foregoing individuals, (e) John B. Sanfilippo & Son, Inc., or (f) any bank or other financial institution as a bona fide pledge of shares of Class A Stock by the owner thereof as collateral security for indebtedness due to the pledgee (collectively, the Permitted Transferees), and that upon any transfer of Class A Stock to someone other than a Permitted Transferee each share transferred will automatically be converted into

one share of
Common Stock.

- (3) Includes 32,609 shares of Class A Stock held by Jasper B. Sanfilippo as trustee of the James J. Sanfilippo Trust, dated September 26, 1991, 32,609 shares of Class A Stock held by Jasper B. Sanfilippo as trustee of the Jasper B. Sanfilippo, Jr. Trust, dated September 23, 1991, 32,609 shares of Class A Stock held by Jasper B. Sanfilippo as trustee of the Lisa Ann Sanfilippo Trust, dated October 4, 1991, 32,609 shares of Class A Stock held by Jasper B. Sanfilippo as trustee of the Jeffrey T. Sanfilippo Trust, dated October 4, 1991, and 32,609 shares of Class A Stock held by Jasper B. Sanfilippo as trustee of the John E. Sanfilippo

Trust, dated October 2, 1991. The beneficiaries of the aforementioned trusts are the children of Jasper and Marian Sanfilippo (two of whom, Jasper B. Sanfilippo, Jr. and Jeffrey T. Sanfilippo, are executive officers and directors of our company).

- (4) Includes 22,480 shares of Common Stock held directly by Jasper B. Sanfilippo, 2,000 RSUs that are convertible to 2,000 shares of Common Stock on or within 60 days of August 31, 2009, and 18,832 shares of Common Stock held by Jasper B. Sanfilippo as a co-trustee of the Sanfilippo Family Education Trust, dated October 17, 1997, the beneficiaries of which are the grandchildren of Jasper and Marian Sanfilippo. As

co-trustee,
Jasper B.
Sanfilippo
shares voting
and dispositive
power over the
18,832 shares of
Common Stock
held in the trust.

- (5) Includes 44,044
shares of
Class A Stock
held by Marian
Sanfilippo as
co-trustee of the
Jeffrey T.
Sanfilippo
Irrevocable
Trust, dated
October 6,
2006, 44,044
shares of
Class A Stock
held by Marian
Sanfilippo as
co-trustee of the
Jasper B.
Sanfilippo, Jr.
Irrevocable
Trust, dated
October 6,
2006, 44,044
shares of
Class A Stock
held by Marian
Sanfilippo as
co-trustee of the
John E.
Sanfilippo
Irrevocable
Trust, dated
October 6,
2006, 44,044
shares of
Class A Stock
held by Marian
Sanfilippo as
co-trustee of the
James J.
Sanfilippo

Irrevocable Trust, dated October 6, 2006, and 44,044 shares of Class A Stock held by Marian Sanfilippo as co-trustee of the Lisa A. Evon Irrevocable Trust, dated October 6, 2006. The beneficiaries of the aforementioned trusts are the children of Jasper and Marian Sanfilippo (two of whom, Jasper B. Sanfilippo, Jr. and Jeffrey T. Sanfilippo are executive officers and directors of our company). As co-trustee, Marian Sanfilippo shares voting and dispositive power over the aggregate 220,220 shares of Class A Stock held in the aforementioned trusts.

- (6) Includes 8,152 shares of Common Stock held directly by Marian Sanfilippo and 18,832 shares of

Common Stock held as a co-trustee of the Sanfilippo Family Education Trust, dated October 17, 1997, the beneficiaries of which are the grandchildren of Jasper and Marian Sanfilippo. As co-trustee, Marian Sanfilippo shares voting and dispositive power over the 18,832 shares of Common Stock held in the trust.

- (7) On June 21, 2004, a Schedule 13D was filed jointly by the persons referenced in the stock table (the Controlling Group). The Schedule 13D was amended on March 21, 2007, January 16, 2008, and September 10, 2009. The Controlling Group made a single, joint filing to reflect the formation of a group within the meaning of Section 13(d)(3) of the Securities Exchange Act

of 1934, as amended (the Exchange Act).

Except as expressly set forth in the Schedule 13D, each member of the Controlling Group disclaims beneficial ownership of the Common Stock and Class A Stock beneficially owned by any other member of the Controlling Group.

By filing the Schedule 13D, the members of the Controlling Group provided notice that they (a) beneficially own, in the aggregate, securities controlling in excess of 50% of the voting power of our common equity and (b) intend to act as a group. As a result, we are a controlled company pursuant to Section 5615(c)(1) of the Nasdaq Listing Rules.

The members of the Controlling Group are deemed to beneficially own an aggregate of 1,768,496 shares of Class A Stock and 114,241 shares of Common Stock, which includes 68.1% of the total outstanding shares of Class A Stock and 19.2% of the total outstanding shares of Common Stock, assuming the conversion of all such shares of Class A Stock into an equal number of shares of Common Stock. Based on the relative voting rights of the

Class A Stock and Common Stock, the Reporting Persons have or share 52.3% of the total outstanding voting power of our common equity, calculated by using 10 votes per share of Class A Stock and assuming that the applicable shares of Class A Stock are not converted into Common Stock.

The beneficial ownership of Jasper B. Sanfilippo and Marian R. Sanfilippo is described in footnotes (3), (4), (5) and (6) above. The beneficial ownership of the remainder of the Controlling Group is as follows:

Jeffrey T.

Sanfilippo: The beneficial ownership of Jeffrey T. Sanfilippo includes (a) 18,832 shares of Common Stock held as a co-trustee of the Sanfilippo Family Education Trust, dated October 17, 1997, the beneficiaries of which are the grandchildren of Jasper and Marian

Sanfilippo,
(b) options to purchase 12,000 shares of Common Stock with a weighted average exercise price of \$17.17 per share on or within 60 days of August 31, 2009,
(c) 10,000 shares of Common Stock held directly by Jeffrey T. Sanfilippo, and (d) 44,044 shares of Class A Stock held as co-trustee of the Jeffrey T. Sanfilippo Irrevocable Trust, dated October 6, 2006. As co-trustee, Jeffrey T. Sanfilippo shares voting and dispositive power over the 18,832 shares of Common Stock held in the Sanfilippo Family Education Trust and the 44,044 shares of Class A Stock held in the Jeffrey T. Sanfilippo Irrevocable Trust, dated October 6, 2006.

Jasper B.

Sanfilippo, Jr.:

The beneficial ownership of Jasper B. Sanfilippo, Jr. includes
(a) options to purchase 12,000

shares of Common Stock with a weighted average exercise price of \$17.17 per share on or within 60 days of August 31, 2009, (b) 1,385,231 shares of Class A Stock held as co-trustee of the Sanfilippo Family 1999 Generation Skipping Trust Agreement, dated December 31, 1999, and (c) 44,044 shares of Class A Stock held as co-trustee of the Jasper B. Sanfilippo, Jr. Irrevocable Trust, dated October 6, 2006. As co-trustee, Jasper B. Sanfilippo, Jr. shares voting and dispositive power over the 44,044 shares of Class A Stock held in the Jasper B. Sanfilippo, Jr. Irrevocable Trust, dated October 6, 2006 and the 1,385,231 shares of Class A Stock held in the Sanfilippo Family 1999 Generation Skipping Trust Agreement, dated December 31, 1999.

Lisa A. Evon:

The beneficial ownership of Lisa

A. Evon includes
(a) options to purchase 625 shares of Common Stock with an exercise price of \$7.95 per share on or within 60 days of August 31, 2009, and
(b) 44,044 shares of Class A Stock held as co-trustee of the Lisa A. Evon Irrevocable Trust, dated October 6, 2006. As co-trustee, Lisa A. Evon shares voting and dispositive power over the 44,044 shares of Class A Stock held in the trust.

John E.

Sanfilippo: The beneficial ownership of John E. Sanfilippo includes (a) 28,152 shares of Common Stock held directly by John E. Sanfilippo and (b) 44,044 shares of Class A Stock held as co-trustee of the John E. Sanfilippo Irrevocable Trust, dated October 6, 2006. As co-trustee, John E. Sanfilippo shares voting and dispositive power over the 44,044 shares of Class A Stock held in the trust.

James J.

Sanfilippo: The beneficial ownership of James J. Sanfilippo includes (a) 1,385,231 shares of Class A Stock held as co-trustee of the Sanfilippo Family 1999 Generation Skipping Trust Agreement, dated December 31, 1999, and (b) 44,044 shares of Class A Stock held as co-trustee of the James J. Sanfilippo Irrevocable Trust, dated October 6, 2006. As co-trustee, James J. Sanfilippo shares voting and dispositive power over the 44,044 shares of Class A Stock held in the James J. Sanfilippo Irrevocable Trust, dated October 6, 2006 and the 1,385,231 shares of Class A Stock held in the Sanfilippo Family 1999 Generation Skipping Trust Agreement, dated December 31, 1999.

Jeffrey T.
Sanfilippo,
Jasper B.
Sanfilippo, Jr.,
Lisa A. Evon,
John E.
Sanfilippo and
James J.
Sanfilippo, as
co-trustees of
each of their
aforementioned
trusts dated
October 6,
2006, are also
the sole
beneficiaries
under each of
their respective
trusts.

The
beneficiaries of
the Sanfilippo
Family 1999
Generation
Skipping Trust
Agreement,
dated
December 31,
1999 are the
descendants of
Marian
Sanfilippo, as
grantor, which
include James J.
Sanfilippo and
Jasper B.
Sanfilippo, Jr.,
who together
are the trustees
of that trust.

The information
set forth in the
table above and
in the
accompanying
footnotes with

respect to
Marian R.
Sanfilippo, Lisa
A. Evon, John
E. Sanfilippo
and James J.
Sanfilippo is
based solely on
the
Schedule 13D
filed by the
Controlling
Group, as
amended on
September 10,
2009.

- (8) Excludes 32,609 shares of Class A Stock held by Jasper B. Sanfilippo as trustee of the trusts described in footnote (3) above, the beneficiary of which is the individual in the table that has a reference to this footnote (8) by his or her name.
- (9) Includes 568,342 shares of Class A Stock held as trustee of the following three trusts under the Valentine Trust, dated March 26, 1991: the Trust for Michael J. Valentine under the Valentine Trust, dated March 26, 1991, and the Trust for James A.

Valentine under the Valentine Trust, dated March 26, 1991, each of which owns 189,447 shares of Class A Stock, and the Trust for Mary Jo Carroll under the Valentine Trust, dated March 26, 1991, which owns 189,448 shares of Class A Stock.

The beneficiaries of these trusts are the children of Mathias and Mary Valentine, including Michael J.

Valentine, an executive officer and director of our company, and James A. Valentine, an executive officer of our company.

Includes options to purchase 12,000 shares of Common Stock with a weighted average exercise price of \$17.17 per share on or within 60 days of August 31, 2009.

- (10) Includes 2,000 RSUs that are convertible to 2,000 shares of

Common Stock
on or within
60 days of
August 31,
2009, and
260,588 shares
of Class A
Stock held
directly by
Mathias A.
Valentine.

- (11) Michael J.
Valentine and
Mathias A.
Valentine have
formed a group
as reflected by
the
Schedule 13Ds
filed on June 21,
2004. The total
beneficial
ownership of
the group
consists of
828,930 shares
of Class A
Stock, 2,000
RSUs that are
convertible to
2,000 shares of
Common Stock
on or within
60 days of
August 31, 2009
and options to
purchase 12,000
shares of
Common Stock
with a weighted
average exercise
price of \$17.17
per share on or
within 60 days
of August 31,
2009, which
represents
31.9% of the
issued and
outstanding

Class A Stock,
and 9.5% of the
issued and
outstanding
Common Stock
assuming the
conversion of
all such shares
of Class A
Stock into an
equal number of
shares of
Common Stock.

Based on the
relative voting
rights of the
Class A Stock
and Common
Stock, Michael
J. Valentine
directly or
indirectly
controls 16.7%,
while Mathias
A. Valentine
directly controls
7.7% of the total
outstanding
voting power of
our common
equity. In
addition, the
group directly
controls 24.4%
of the total
outstanding
voting power of
our common
equity. These
percentages
assume that the
applicable
shares of
Class A Stock
are not
converted into
Common Stock,
and are
calculated using
10 votes per

share of Class A
Stock.

- (12) Includes options to purchase 12,000 shares of Common Stock with a weighted average exercise price of \$17.17 per share on or within 60 days of August 31, 2009, and includes 350 shares of Common Stock held directly by James A. Valentine. Excludes 189,447 shares of Class A Stock held as trustee by Michael J. Valentine, an executive officer and director of our company.
- (13) Includes options to purchase 23,900 shares of Common Stock with a weighted average exercise price of \$13.15 per share on or within 60 days of August 31, 2009, and includes 692 shares of Common Stock held directly by Walter R. Tankersley.

(14)

Includes options to purchase 5,250 shares of Common Stock with a weighted average exercise price of \$16.06 per share on or within 60 days of August 31, 2009, and includes 2,000 RSUs that are convertible to 2,000 shares of Common Stock on or within 60 days of August 31, 2009. Excludes (a) 35,000 shares of Common Stock held by Mr. Donovan's spouse, Elaine Karacic, as trustee of certain trusts, the beneficiaries of which are the children of

Mr. Donovan
and
Ms. Karacic,
(b) 6,791 shares
of Common
Stock held by
Ms. Karacic as
trustee of a
trust, the
beneficiary of
which is
Ms. Karacic's
sibling, and
(c) 30,619
shares of
Common Stock
held by
Ms. Karacic in
her name.

Mr. Donovan
disclaims
beneficial
ownership of all
of the foregoing
excluded shares
of Common
Stock.

Mr. Donovan's
mailing address
is: c/o Harrah's
Entertainment,
Inc., One
Caesars Palace
Drive, Las
Vegas, Nevada
89109.

- (15) Includes options
to purchase
7,750 shares of
Common Stock
with a weighted
average exercise
price of \$12.36
per share on or
within 60 days
of August 31,
2009, includes
2,000 RSUs that

are convertible to 2,000 shares of Common Stock on or within 60 days of August 31, 2009, and includes 2,000 shares of Common Stock held directly by Gov. Jim Edgar.

- (16) Includes options to purchase 1,750 shares of Common Stock with a weighted average exercise price of \$14.78 per share on or within 60 days of August 31, 2009, includes 2,000 RSUs that are convertible to 2,000 shares of Common Stock on or within 60 days of August 31, 2009, and includes 2,000 shares of Common Stock held directly by Daniel M. Wright.

- (17) The information set forth in the table above and in this footnote is based solely on Form 13F-HR as of June 30, 2009, filed by Pekin Singer Strauss Asset Management

dated
August 18,
2009. The
mailing address
of Pekin Singer
Strauss Asset
Management is:
21 South Clark
Street,
Suite 3325,
Chicago, Illinois
60603.

(18) The information
set forth in the
table above and
in this footnote
is based solely
on Form
13F-HR as of
June 30, 2009,
filed by
Dimensional
Fund Advisors
LP dated
August 7, 2009.
The mailing
address of
Dimensional
Fund Advisors
LP is: 6300 Bee
Cave Road,
Building One,
Austin, Texas
78746.

(19) Includes options
to purchase a
total of 147,900
shares of
Common Stock
(including the
options referred
to in footnotes
7, 9, 11, 12, 13,
14, 15 and 16
above) at prices
ranging from
\$3.438 to
\$32.30 per share
which are

exercisable by certain of the directors and executive officers on or within 60 days of August 31, 2009, and includes 10,000 RSUs that are convertible to 10,000 shares of Common Stock on or within 60 days of August 31, 2009 (including the RSUs referred to in footnotes 4, 10, 11, 14, 15 and 16.

PROPOSAL 1: ELECTION OF DIRECTORS

Eight directors are to be elected to serve until the next annual meeting of stockholders and until their respective successors shall be elected and qualified. Two of such directors are to be elected by the holders of Common Stock voting as a class and the remaining six directors are to be elected by the holders of Class A Stock voting as a class. While the Board of Directors does not contemplate that any nominee for election as a director will not be able to serve, if any of the nominees for election shall be unable or shall fail to serve as a director, the holders of proxies shall vote such proxies for such other person or persons as shall be determined by such holders in their discretion or, so long as such action does not conflict with the provisions of our Restated Certificate relating to the proportion of directors to be elected by the holders of Common Stock, the Board of Directors may, in its discretion, reduce the number of directors to be elected.

The Board of Directors recommends that the stockholders vote FOR each of the nominees listed herein.

NOMINEES FOR ELECTION BY THE HOLDERS OF COMMON STOCK

The name of and certain information regarding each nominee for election to our Board of Directors by the holders of Common Stock, as reported to us, is set forth below.

Governor Jim Edgar, Director, age 63 Gov. Edgar is currently a Distinguished Fellow at the University of Illinois Institute of Government and Public Affairs where he is also a teacher and lecturer. He has been in this position since January 1999. He was also a Resident Fellow at the John F. Kennedy School of Government at Harvard University during the 1999 fall semester. Gov. Edgar served as Governor of the State of Illinois from January 14, 1991 through January 11, 1999. Prior to his election, Gov. Edgar served as the Illinois Secretary of State from 1981 to 1991. Gov. Edgar's retirement from public office marked 30 years of state government service. Gov. Edgar serves on the board of directors of Alberto Culver Company, Horizon Group Properties, Inc. and Youbet.com, Inc. Gov. Edgar has been a member of our Board of Directors since October 1999 and is a

member of our Audit Committee and our Compensation Committee and is the Chairman of our Corporate Governance Committee (the Governance Committee).

Daniel M. Wright, Director, age 71 Mr. Wright currently serves on the Board of Directors of RC2 Corporation, where he is a member of its Audit Committee. Mr. Wright previously worked for Arthur Andersen LLP for 37 years as an auditor, where his clients consisted of privately-held and registered public companies. Mr. Wright was a Partner with Arthur Andersen from 1973 through August 1998, and became a certified public accountant in 1968. Throughout his career, and since his retirement in 1998, Mr. Wright has been active in numerous civic and philanthropic organizations. Mr. Wright has been a member of our Board of Directors since October 2005 and is a member of our Compensation Committee and our Governance Committee and is the Chairman of our Audit Committee.

NOMINEES FOR ELECTION BY THE HOLDERS OF CLASS A STOCK

The name of and certain information regarding each nominee for election to our Board of Directors by the holders of Class A Stock, as reported to us, is set forth below.

Jasper B. Sanfilippo, Director, age 78 Mr. Sanfilippo was employed by us from 1953 to his retirement as an employee of our company in January 2008. Mr. Sanfilippo served as our President from 1982 to December 1995 and was our Treasurer from 1959 to October 1991. He became our Chairman of the Board of Directors and Chief Executive Officer in October 1991 and has been a member of our Board of Directors since 1959. Mr. Sanfilippo was also a member of our Compensation Committee until April 28, 2004 and was a member of the Stock Option Committee until February 27, 1997 (when that Committee was disbanded). Mr. Sanfilippo resigned as Chief Executive Officer of our company in November 2006, as our employee Chairman of the Board of Directors on January 10, 2008 and as our Chairman of the Board of Directors on October 30, 2008. Mr. Sanfilippo is the father of Jasper B. Sanfilippo, Jr. and Jeffrey T. Sanfilippo, both of whom are executive officers and directors of our company, the brother-in-law of Mathias A. Valentine, a director of our company, the uncle of Michael J. Valentine, a director and an executive officer of our company, and James A. Valentine, an executive officer of our company.

Mr. Sanfilippo is also the uncle by marriage of Timothy R. Donovan, a director of our company.

Jasper B. Sanfilippo, Jr., Chief Operating Officer, President, Assistant Secretary and Director, age 41

Mr. Sanfilippo was appointed as a member of the Board of Directors in December 2003 upon the recommendation of our senior management and the unanimous approval of the Board of Directors. Mr. Sanfilippo has been employed by us since 1992 and in 2001 was named Executive Vice President Operations, retaining his position as Assistant Secretary, which he assumed in December 1995. He became our Senior Vice President Operations in August 1999 and served as Vice President Operations between December 1995 and August 1999. Prior to that, Mr. Sanfilippo was the General Manager of our Gustine, California facility beginning in October 1995, and from June 1992 to October 1995 he served as Assistant Treasurer and worked in our Financial Relations department. On May 8, 2006 our Board of Directors approved a succession plan finalized and adopted at the Board of Directors meeting held on November 6, 2006. Pursuant to the succession plan, Mr. Sanfilippo was elected as our Chief Operating Officer and President and he has since then continued to hold such positions. In May 2007, Mr. Sanfilippo was named as our Treasurer and held that position until January 2009. Mr. Sanfilippo is the son of Jasper B. Sanfilippo, a director of our company, the nephew of Mathias A. Valentine, a director of our company, the brother of Jeffrey T. Sanfilippo and the cousin of Michael J. Valentine, both of whom are executive officers and directors of our company, and James A. Valentine, an executive officer of our company. Mr. Sanfilippo is also a first cousin by marriage of Timothy R. Donovan, a director of our company.

Jeffrey T. Sanfilippo, Chief Executive Officer and Chairman of the Board of Directors, age 46 Mr. Sanfilippo has been employed by us since 1991 and was named our Executive Vice President Sales and Marketing in January 2001. Mr. Sanfilippo became a director of our company in August 1999 and was elected our Chairman of the Board of Directors on October 30, 2008. He served as Senior Vice President Sales and Marketing from August 1999 to January 2001 and as General Manager West Coast Operations from September 1991 to September 1993. He served as Vice President West Coast Operations and Sales from October 1993 to September 1995. He served as Vice President Sales and Marketing from October 1995 to August 1999. On May 8, 2006 our Board of Directors approved a succession plan finalized and adopted at the Board of Directors meeting held on November 6, 2006. Pursuant to the succession plan, Mr. Sanfilippo was elected as our Chief Executive Officer and he has since then continued to hold

such position. Mr. Sanfilippo is the son of Jasper B. Sanfilippo, a director of our company, the nephew of Mathias A. Valentine, a director of our company, the brother of Jasper B. Sanfilippo, Jr., an executive officer and director of our company, the cousin of Michael J. Valentine, an executive officer and director of our

company, and James A. Valentine, an executive officer of our company. Mr. Sanfilippo is also a first cousin by marriage of Timothy R. Donovan, a director of our company.

Mathias A. Valentine, Director, age 76 Mr. Valentine was employed by us from 1960 until his retirement in January 2006. He was named our President in December 1995. He served as our Secretary from 1969 to December 1995, as our Executive Vice President from 1987 to October 1991 and as our Senior Executive Vice President and Treasurer from October 1991 to December 1995. He has been a member of our Board of Directors since 1969. Mr. Valentine was also a member of our Compensation Committee until April 28, 2004 and was a member of the Stock Option Committee until February 27, 1997 (when that Committee was disbanded). Mr. Valentine retired from our company on January 3, 2006. Mr. Valentine is the brother-in-law of Jasper B. Sanfilippo, a director of our company, the father of Michael J. Valentine, a director and an executive officer of our company, and James A. Valentine, an executive officer of our company. Mr. Valentine is the uncle of Jasper B. Sanfilippo, Jr. and Jeffrey T. Sanfilippo, both of whom are executive officers and directors of our company. Mr. Valentine is also the uncle by marriage of Timothy R. Donovan, a director of our company.

Michael J. Valentine, Chief Financial Officer, Group President, Secretary and Director, age 50 Mr. Valentine has been employed by us since 1987 and in January 2001 was named Executive Vice President Finance, Chief Financial Officer and Secretary. Mr. Valentine was elected as a director of our company in April 1997. Mr. Valentine served as our Senior Vice President and Secretary from August 1999 to January 2001. He served as Vice President and Secretary from December 1995 to August 1999. He served as our Assistant Secretary and General Manager of External Operations from June 1987 and 1990, respectively, to December 1995. On May 8, 2006 our Board of Directors approved a succession plan, which was finalized and adopted at the Board of Directors meeting held on November 6, 2006. Pursuant to the succession plan, Mr. Valentine was elected as our company's Chief Financial Officer and Group President and he has since then continued to hold such positions. In February 2007, Mr. Valentine was appointed as Secretary of our company. Mr. Valentine is the son of Mathias A. Valentine, a director of our company, the brother of James A. Valentine, an executive officer of our company, the nephew of Jasper B. Sanfilippo, a director of our company, and cousin of Jasper B. Sanfilippo, Jr. and Jeffrey T. Sanfilippo, both of whom are executive officers and directors of our company. Mr. Valentine is also a first cousin by marriage of Timothy R. Donovan, a director of our company.

Timothy R. Donovan, Director, age 53 Mr. Donovan is the Senior Vice President and General Counsel of Harrah's Entertainment, Inc., the world's largest gaming and resort company. Mr. Donovan joined Harrah's in April 2009 upon his resignation as Executive Vice President and General Counsel for Republic Services, Inc. which merged with Allied Waste Industries where Mr. Donovan held similar positions since April 2007. Mr. Donovan served in various senior positions with Tenneco Inc. (formerly known as Tenneco Automotive Inc.) from July 1999 until his resignation in February 2007, most recently as Executive Vice President, Strategy and Business Development, and General Counsel. In addition to his duties as General Counsel, Mr. Donovan also served as Managing Director of portions of Tenneco's international operations from May 2001 through July 2005, including Asia (2001 through 2005), Australia (2004 through 2005) and South America (2001 through 2004), as a member of Tenneco's board of directors from March 2004 until February 2007 and as a member of Tenneco's Office of the Chief Executive from July 2006 until January 2007. Mr. Donovan was a partner in the law firm of Jenner & Block LLP from 1989 until his resignation in September 1999, and from approximately 1997 through 1999 served as the Chairman of the firm's Corporate and Securities Department and as a member of its Executive Committee. Mr. Donovan joined Jenner & Block LLP in 1982 after serving as a staff trial attorney at the Chicago District Counsel's Office of the Internal Revenue Service. Mr. Donovan was elected as a member of our Board of Directors in October 1999 and serves as a member of our Audit Committee, a member of our Governance Committee and the Chairman of our Compensation Committee. Mr. Donovan is a nephew by marriage of Mr. Jasper B. Sanfilippo and Mr. Mathias A. Valentine, both of whom are directors of our company, and the first cousin by marriage of Jasper B. Sanfilippo, Jr., Jeffrey T. Sanfilippo, Michael J. Valentine and James A. Valentine, each of whom is an executive officer and certain of whom are also directors of our company.

CORPORATE GOVERNANCE

Director Independence

On June 21, 2004, Jasper B. Sanfilippo, his spouse Marian Sanfilippo and their five children (two of whom are directors and executive officers of our company) jointly filed a Schedule 13D indicating their intention to act together as a group. The Schedule 13D was amended on March 21, 2007, January 16, 2008, and September 10, 2009. This group beneficially owns shares entitled to cast 52.3% of votes eligible to be cast on matters submitted to stockholders generally (other than the election of directors which are elected as described above). Accordingly, under Nasdaq Listing Rule 5615(c)(1), we qualify as a controlled company. Pursuant to the provisions of the Nasdaq rules applicable to controlled companies, we are not required to have (a) a majority of independent directors, (b) a nominations committee comprised solely of independent directors, or (c) a compensation committee comprised solely of independent directors. Nevertheless, three of our nominees for election to the Board of Directors are independent, and our Compensation Committee and Governance Committee are comprised solely of independent directors.

A director is independent under Nasdaq Listing Rule 5605(a)(2) if: (a) neither he, she nor certain members of his or her family has been an executive officer of our company within the previous three years; (b) he or she has not been an employee of the company at any time in the previous three years; (c) neither he, she nor certain family members have accepted compensation from the company (outside of certain identified compensation, such as payment for board service) in excess of \$120,000 in any 12 month period within the previous three years; (d) neither he, she nor certain family members is a partner, controlling stockholder, or executive officer of an organization to which the company made or from which the company received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year, or \$200,000, whichever is more (except solely from investments in the company's securities and payments under non-discretionary charitable contribution matching programs); (e) neither he, she nor certain family members is an executive officer of another entity where at any time during the past three years any of the executive officers of the company served on the compensation committee of such other entity; (f) neither he, she nor certain family members is a current partner of the company's outside auditor, or was a partner or employee of the company's outside auditor who worked on the company's audit at any time during any of the past three years; and (g) he or she does not have, in the opinion of the board of directors, any relationships which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. A family member is defined by Nasdaq Listing Rule 5605(a)(2) as including a person's spouse, parents, children and siblings, whether by blood, marriage or adoption, or anyone residing in such person's home. Both Jasper B. Sanfilippo and Mathias A. Valentine are uncles by marriage of Timothy R. Donovan and the Management Team (as defined below) members are cousins by marriage of Timothy R. Donovan. However, because Timothy R. Donovan is not considered a family member pursuant to the Nasdaq rules, and, for the reasons discussed below, he qualifies as an independent director pursuant to Nasdaq Listing Rule 5605(a)(2).

Independence of the Board of Directors

The Board of Directors has determined that Gov. Jim Edgar, Daniel M. Wright, and Timothy R. Donovan are independent under Nasdaq Listing Rule 5605(a)(2) and that such directors have no material relationships with our company that would compromise their independence. At the Board of Directors meeting held on October 30, 2008, our Board of Directors reviewed the independence of the non-management independent directors in accordance with Nasdaq Listing Rule 5605(a)(2). In carrying out that review, our Board of Directors sought to determine whether there are or have been any relationships which would interfere with Gov. Jim Edgar, Daniel M. Wright, and Timothy R. Donovan's exercise of independent judgment in carrying out their responsibilities as directors. Specifically, our Board of Directors focused on their relationships with employees of our company and whether they, their family members or entities in which they have a significant interest, paid or received payments for property or services to or from our company. In particular, our Board of Directors considered Timothy R. Donovan's familial relationships with certain members of the Management Team, Jasper B. Sanfilippo, Mathias A. Valentine and Roseanne Christman (our Director of Corporate Marketing - Private Brands), and unanimously concluded that such relationships did not impact Timothy R. Donovan's independence because, among other reasons: (a) his relationships with the Management Team, Jasper B. Sanfilippo, Mathias A. Valentine and Roseanne Christman are sufficiently distant because his relationships to those individuals are all based upon marriage; and (b) in his role and experience as general counsel of another

public company, he has a full understanding of his responsibilities with respect to being an independent director.

Independence of the Compensation Committee and the Corporate Governance Committee

As a controlled company, we are not required to maintain independent committees overseeing our compensation and nominating policies and practices. However, as a matter of good corporate governance, the Board of Directors has nevertheless determined that the best interests of our company and its stockholders are served by adopting such practices.

The Compensation Committee is comprised of Timothy R. Donovan, Chairman, Gov. Jim Edgar and Daniel M. Wright. The Governance Committee is comprised of Gov. Jim Edgar, Chairman, Daniel M. Wright and Timothy R. Donovan. Each member of the Compensation Committee and Governance Committee is an independent director as defined in Section 5605(a)(2) of the Nasdaq Listing Rules.

Independence of the Audit Committee

The Board of Directors has determined that (a) each member of the Audit Committee is an independent director as defined in Section 5605(a)(2) of the Nasdaq Listing Rules and (b) each member of the Audit Committee is independent for purposes of Section 10A and Rule 10A-3 of the Exchange Act.

Board Meetings and Committees

Board of Directors

Our Board of Directors held eight meetings during fiscal 2009. All directors attended at least 75% of the meetings of the Board of Directors, except for Jasper B. Sanfilippo who attended five of the eight Board of Directors meetings. All directors attended at least 75% of the meetings of the committees of the Board of Directors on which they served. All directors attended the 2008 annual meeting of stockholders. The separately-designated standing committees of the Board of Directors include the Audit Committee, the Compensation Committee and the Governance Committee. Each committee has adopted a charter which governs its activities. These committee charters are available on our website at www.jbssinc.com.

Compensation Committee

The Compensation Committee is comprised of Timothy R. Donovan, Chairman, Gov. Jim Edgar and Daniel M. Wright, who are independent directors as described above. The Compensation Committee held seven meetings during fiscal 2009.

The Compensation Committee reviews and makes recommendations to the Board of Directors with respect to the salaries, equity grants (such as RSUs or stock options), incentive compensation (such as the Sanfilippo Value Added Plan, the SVA Plan) and other compensation of executive officers and non-management directors (management directors are not separately compensated for their service as directors). The Compensation Committee may solicit recommendations as to compensation of non-management directors and executive officers from other members of the Board of Directors and executive officers. The Compensation Committee may review market comparisons of the compensation of the Chief Executive Officer and other executive officers that are prepared by its compensation consultant and our company.

In carrying out its purposes, the Compensation Committee is authorized to take all actions that it deems necessary or appropriate, it may draw upon and direct such internal resources of the company as it deems necessary, and it may engage such compensation consultants, search firms, legal advisors and other advisors as it deems desirable, at the cost and expense of the company. The Compensation Committee has the sole authority to retain and terminate any such consultant, firm or advisor, including the sole authority to determine fees and terms of retention. The Compensation Committee is also authorized to establish a subcommittee, delegate to it the responsibilities provided for under the Compensation Committee's charter, and grant to it as much authority, including the full authority of the Compensation Committee, as the Compensation Committee deems necessary or appropriate, so long as the member or members of such subcommittee are independent directors as contemplated by the Compensation Committee's charter. In fiscal 2009, the Compensation Committee directly engaged ExeQuity LLP (ExeQuity), an independent compensation consultant, to review the proposed fiscal 2009 base salaries, conduct certain market analysis, review the SVA Plan and its related targets, advise the Compensation Committee with respect to granting fiscal 2009 equity awards pursuant to the 2008 Equity Incentive Plan, as amended (the 2008 Plan), and advise the Compensation Committee on the compensation of our executive officers and our non-management directors. ExeQuity's advice and the results of its review were used by the

Compensation Committee in determining executive officer and non-management director compensation.

Compensation Committee Interlocks and Insider Participation

During fiscal 2009, Gov. Jim Edgar, Timothy R. Donovan (the Chairman of the Compensation Committee) and Daniel M. Wright served as the sole members of the Compensation Committee. Neither Gov. Jim Edgar, Daniel M. Wright nor Timothy R. Donovan (a) was, during the fiscal year, an officer or employee of the company, (b) was formerly an officer of the company, or (c) had any related party transactions with the company other than the one listed below for Timothy R. Donovan.

Roseanne Christman, Director of Corporate Marketing Private Brands, is the sister-in-law of Timothy R. Donovan. Roseanne Christman's total compensation for fiscal 2009 was \$196,018 including \$53,688 related to incentive plan compensation pursuant to our company's SVA Plan. The Compensation Committee, of which Mr. Donovan is a member, did not set Roseanne Christman's salary. Rather, the Audit Committee, of which Mr. Donovan is a member, reviewed and approved Roseanne Christman's salary and it will continue to review her salary along with other related parties in the future. See Review of Related Party Transactions below.

No executive officer of our company served on the board of directors or the compensation committee of another company which had any of its officers or directors serving on our Compensation Committee or on our Board of Directors at any time during fiscal 2009.

Corporate Governance Committee

The Governance Committee was formed in order to, among other things, make director nominee recommendations to the Board of Directors and to assist our company refine its corporate governance policies and procedures. The Governance Committee is comprised of Gov. Jim Edgar, Chairman, Timothy R. Donovan and Daniel M. Wright, who are independent directors as described above. The Governance Committee held three meetings during fiscal 2009. The Governance Committee screens candidates considered for election to the Board of Directors. The Governance Committee reviews and makes recommendations on matters related to the practices, policies and procedures of the Board of Directors and the committees of the Board of Directors. The Governance Committee has the lead role in shaping our overall system of corporate governance. As part of its duties, the Governance Committee assesses the size, structure and composition of the Board of Directors and committees of the Board of Directors and coordinates the performance evaluation of the Board of Directors and the committees of the Board of Directors.

Audit Committee

The Audit Committee provides oversight on matters relating to accounting, financial reporting, internal control, auditing, and regulatory compliance. The Audit Committee also has the sole authority to: (a) retain and terminate the Independent Registered Public Accounting Firm that audits our annual consolidated financial statements; (b) evaluate the independence of the auditors; and (c) arrange with the auditors the scope of their audit. Additionally, the Audit Committee reviews our audited financial statements with management and the Independent Registered Public Accounting Firm, recommends whether such audited financial statements should be included in our Annual Report on Form 10-K and prepares a report to stockholders to be included in our proxy statement. Further, the Audit Committee reviews related party transactions for potential conflict of interest situations and decides whether such transactions stand the test of competitive bids or arms length negotiations with an independent party. The Audit Committee is comprised of Daniel M. Wright, Chairman, Timothy R. Donovan and Gov. Jim Edgar. The Audit Committee held nine meetings during fiscal 2009.

The Board of Directors has determined that (a) each member of the Audit Committee is an independent director as defined in Section 5605(a)(2) of the Nasdaq Listing Rules, (b) each member of the Audit Committee is independent for purposes of Section 10A and Rule 10A-3 of the Exchange Act, and (c) Mr. Wright, the Chairman of the Audit Committee, and Mr. Donovan, a member of the Audit Committee, are audit committee financial experts as defined by the Securities and Exchange Commission (the Commission). With respect to its assessment of whether Messrs. Wright and Donovan are audit committee financial experts, the Board of Directors considered, among other things, Messrs. Wright and Donovan's experience as described under Nominees for Election by the Holders of Common Stock and Nominees for Election by the Holders of Class A Stock, respectively.

Stockholder Communication with Directors

We recognize the importance of providing our stockholders with the ability to communicate with members of the Board of Directors. Accordingly, we have established a policy for stockholder communications with directors. This policy is not intended to cover communications of complaints regarding accounting or auditing matters, with respect to which we have established the Anonymous Incident Reporting System for Accounting and Auditing Matters, which is posted on our website at www.jbssinc.com. Stockholders wishing to communicate with the Board of Directors as a whole, or with certain directors individually, may do so by sending a written communication to the following address:

John B. Sanfilippo & Son, Inc.
Stockholder Communications with Directors
Attn: Corporate Secretary
1703 N. Randall Road
Elgin, Illinois 60123-7820

Each stockholder communication should include an indication of the submitting stockholder's status as a stockholder in order to submit such communication. Each such communication will be received for handling by our Secretary for the sole purpose of determining whether the contents represent a communication to the Board of Directors or an individual director. The Secretary will maintain originals of each communication received and will provide copies to the addressee(s) and any appropriate committee(s) or director(s) based on the expressed desire of the communicating stockholder. The Board of Directors, the committee(s) or the applicable individual director(s) may elect to respond to the communication as each deems appropriate.

Director Attendance at Meetings

It is expected that each member of the Board of Directors will be available to attend all regularly scheduled meetings of the Board of Directors and all regularly scheduled meetings of the committees on which a director serves, as well as our annual meeting of stockholders, after taking into consideration the director's other business and professional commitments. Each director is expected to make his or her best effort to attend all of the special meetings of the Board of Directors and of the committees on which a director serves.

DIRECTOR NOMINATIONS

Director Qualifications

While there is no single set of characteristics required to be possessed by each member of the Board of Directors, the Governance Committee will consider whether to nominate a candidate for director based on a variety of criteria, including, but not limited to: (a) the candidate's personal integrity; (b) whether the candidate has demonstrated achievement in one or more forms of business, professional, governmental, communal, scientific or educational endeavors sufficient to enable the candidate to make a significant and immediate contribution to the Board of Directors' discussion and decision-making regarding the array of complex issues facing our company; (c) the candidate's level of familiarity with our business and competitive environment; (d) the candidate's ability to function effectively in an oversight role; (e) the candidate's understanding of the issues affecting a public company of a size and complexity similar to our company; and (f) whether the candidate has, and is prepared to devote, adequate time to the Board of Directors and its committees. Under exceptional and limited circumstances, the Governance Committee may approve the candidacy of a candidate notwithstanding the foregoing criteria if the Governance Committee believes the service of such a nominee is in our best interests and those of our stockholders.

However, the Governance Committee considers certain items to be minimum requirements for nomination to our Board of Directors. Those requirements are: (a) a commitment to the duties and responsibilities of a director; (b) the ability to contribute meaningfully to the Board of Directors' supervisory management of the company and its officers; and (c) an outstanding record of integrity in prior professional activities.

In addition, the Governance Committee ensures that:

at least three of the directors serving at any time on the Board of Directors are independent, as defined under the rules of the principal stock market on which our common shares are listed for trading;

all members of the Audit Committee satisfy the financial literacy requirements required under the rules of the principal stock market on which our common shares are listed for trading;

at least one of the Audit Committee members qualifies as an audit committee financial expert under the rules of the Commission; and

at least one of the independent directors has experience as a senior executive at a public company or a substantially-large private company.

In selecting a nominee for our Board of Directors, the Governance Committee may receive suggestions from many different groups including, but not limited to, the company's current and former executive officers and directors, and such suggestions may or may not be in response to a request from the Governance Committee. As described below, the Governance Committee will also consider nominations from stockholders. From time to time, the Governance Committee may engage a third party for a fee to assist it in identifying potential director candidates.

After identifying a potential director nominee and deciding to further pursue the potential nominee, the Governance Committee will then evaluate the potential nominee by using information collected from a variety of sources. Those sources include, but are not limited to, publicly available information, information provided by knowledgeable members of the company and information provided by the potential candidate. The Governance Committee may contact the potential nominee to determine his or her interest and willingness to serve as a director and may conduct one or more in-person or telephonic interviews with the potential candidate. The Governance Committee may contact references of the potential candidate or other members of the professional community who may have relevant knowledge of the potential candidate's qualifications and successes. The Governance Committee may compare the potential candidate's information to all such information collected for other potential candidates.

Nominations of Directors by Stockholders

The Governance Committee does not solicit, but will consider, nominees for director submitted by holders of our Common Stock and Class A Stock. The Governance Committee follows the same process and uses the same criteria for evaluating candidates proposed by stockholders as it uses for all other candidates, although the number of shares held by the proposing stockholder and the length of time such shares have been held may be considered by the Governance Committee.

Stockholders wishing to have the Governance Committee consider a director nominee may do so by sending notice of the nominee's name, biographical information and qualifications to the Governance Committee at: c/o Secretary, John B. Sanfilippo & Son, Inc., 1703 N. Randall Road, Elgin, Illinois 60123-7820. Under our company's Bylaws and applicable law, all director nominations submitted by our stockholders must provide (a) all information relating to the nominee that is required to be disclosed in a solicitation of proxies for the election of directors in an election contest, or as is otherwise required, pursuant to and in accordance with Regulation 14A under the Exchange Act, (b) the nominee's written consent to being named in the proxy statement as a nominee and to serving as a director, if elected, and (c) the submitting stockholder's written consent to being named in the proxy statement as the stockholder recommending the director nomination. In addition, such notice of a nominee shall include, as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (a) the name and address of such stockholder, as they appear on our company's books, and of such beneficial owner, (b) the class and number of shares of stock of our company which are owned beneficially and of record by such stockholder and such beneficial owner, (c) a representation that the stockholder is a holder of record of the stock of our company entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose the nominee, and (d) a representation of whether the stockholder or the beneficial owner, if any, intends to or is part of a group which intends to (i) deliver a proxy statement and/or form of proxy to holders of at least the percentage of our company's outstanding capital stock required to elect the nominee and/or (ii) otherwise solicit proxies from

stockholders in support of the nominee's election. The foregoing requirements will be deemed satisfied by the stockholder if that stockholder has notified our company of his, her or its intention to present a nomination at an annual meeting in compliance with the applicable rules and regulations

under the Exchange Act and such stockholder's nomination has been included in a proxy statement that has been prepared by our company to solicit proxies for such annual meeting. Our company may require any proposed nominee to furnish such other information as it may reasonably require in order to determine the eligibility of such proposed nominee to serve as a director of our company.

Please see "Stockholder Proposals for the 2010 Annual Meeting" below for the notice deadlines for stockholder's director nominations to be considered for inclusion in our company's proxy materials and stockholder's director nominations to be presented at the 2010 annual meeting (but not to be included in our company's proxy materials).

AUDIT COMMITTEE REPORT

The Audit Committee has reviewed and discussed with management and PricewaterhouseCoopers LLP (PwC), the company's Independent Registered Public Accounting Firm for fiscal 2009, the company's audited financial statements as of and for the year ending June 25, 2009. Management is responsible for the company's financial reporting process, including maintaining a system of internal controls, and is responsible for preparing the consolidated financial statements in accordance with United States generally accepted accounting principles (GAAP). PwC is responsible for auditing those financial statements and for giving an opinion regarding the conformity of the financial statements with GAAP. Additionally, in accordance with Section 404 of the Sarbanes-Oxley Act of 2002, the Audit Committee reviewed and discussed with management, the company's internal auditors and PwC, management's report on the operating effectiveness of internal control over financial reporting, including PwC's related report.

The Audit Committee has also discussed with PwC the matters required by Statement on Auditing Standards No. 114, *The Auditors' Communication with Those Charged with Governance*, by the Auditing Standards Board of the American Institute of Certified Public Accountants (such Statement on Auditing Standards superseded Statement on Auditing Standards No. 61, *Communication with Audit Committees*). In addition, the Audit Committee has received and reviewed the written disclosures and letter from PwC regarding PwC's communications with the Audit Committee concerning independence, as required by Ethics and Independence Rule 3526, *Communication with Audit Committees Concerning Independence*, as adopted by the Public Company Accounting Oversight Board (such Ethics and Independence Rule superseded Independence Standard No. 1, *Independence Discussions with Audit Committees*). Also, the Audit Committee has discussed with PwC the independence of PwC, including whether PwC's independence is compatible with PwC providing non-audit services to the company. Based on the foregoing discussions and reviews, the Audit Committee is satisfied with the independence of PwC.

In reliance on the reviews and discussions described above and the report of PwC, the Audit Committee recommended to the Board of Directors, and the Board of Directors approved, the inclusion of the audited financial statements in the company's Annual Report on Form 10-K for the year ended June 25, 2009, for filing with the Commission.

Respectfully submitted by all of the members of the Audit Committee of the Board of Directors.

Daniel M. Wright, Chairman

Timothy R. Donovan

Governor Jim Edgar

The information contained in the preceding report shall not be deemed to be soliciting material or to be filed with the Commission, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that we specifically incorporate it by reference in such filing.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

Compensation of Directors

During fiscal 2009, compensation to directors who were not employees of our company was paid at the rate of \$31,200 per year plus \$1,600 for each Board of Directors or committee meeting attended and \$1,100 for each telephonic meeting of the Board of Directors or committee meeting in which they participated. In addition, the Audit Committee Chairman and Compensation Committee Chairman were paid at the rate of \$10,400 per year. The Governance Committee Chairman was paid at a rate of \$5,200 per year. Directors are also reimbursed for their reasonable expenses incurred in attending such meetings. Directors who are employees of our company receive no additional compensation for their services as directors.

Under the 2008 Plan, as amended, a director who is not an employee of our company, our subsidiary, or any of their affiliates (an Outside Director) is eligible to participate in the 2008 Plan. On November 13, 2008, the Compensation Committee granted 2,000 RSUs to each of our five Outside Directors. These RSUs will vest on the date of the next annual stockholders meeting (October 28, 2009), and once vested, they generally become payable in an equal number of Common Stock after the director ceases being a member of the Board of Directors.

The aggregate compensation paid to or earned by non-employee directors during fiscal 2009 was \$362,099, as detailed in the following table:

Director Compensation for Fiscal Year 2009

Director	Total Compensation \$	Cash Retainer	Committee		Stock	Restricted
			Chairman Retainer	Meeting Fees	Option Awards ⁽¹⁾	Stock Unit Awards ⁽²⁾