SANDERSON FARMS INC

Form 4

November 02, 2011

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB Number: 3235-0287

Estimated average

burden hours per

5. Relationship of Reporting Person(s) to

Issuer

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Expires: January 31, 2005

OMB APPROVAL

Form 4 or Form 5 obligations may continue.

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

2. Issuer Name and Ticker or Trading

SANDERSON FARMS INC

Symbol

response... 0.5

See Instruction 1(b).

(Print or Type Responses)

GRIMES JAMES A

1. Name and Address of Reporting Person *

			[SAFM]					(Check all applicable)				
(Last) (First) (Middle) 127 FLYNT ROAD		3. Date of Earliest Transaction (Month/Day/Year) 10/31/2011						Director 10% Owner Nother (give title Other (specify below) Sec'y/Chief Acctg. Officer				
(Street)			4. If Amendment, Date Original Filed(Month/Day/Year)						6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person			
LAUREL, N	AS 39443								Form filed by Person	More than One R	Reporting	
(City)	(State)	(Zip)	Tabl	e I - Non	-De	erivative (Secur	ities Ac	quired, Disposed	of, or Beneficia	ally Owned	
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	Execution any	med on Date, if Day/Year)	Code (Instr. 8	3)	4. Securin(A) or Di (D) (Instr. 3,	ispose	d of	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)		
Common Stock	10/31/2011			M		2,900	A	\$ 0 (1)	26,800	D		
Common Stock	10/31/2011			F		925	D	\$ 49.5	25,875	D		
Common Stock									7,181	I	Allocated to Reporting Person's Account in Issuer ESOP.	

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

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SEC 1474 (9-02)

D

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5. Number	6. Date Exer	cisable and	7. Title and A	Amount of	8
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transaction Derivative		Expiration Date		Underlying Securities		J
Security	or Exercise		any	Code	Securities	(Month/Day/	Year)	(Instr. 3 and	4)	(
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Acquired					(
	Derivative				(A) or					
	Security				Disposed of					
					(D)					
					(Instr. 3, 4,					
					and 5)					
						Date Exercisable	Expiration Date	Title	Amount or Number	
				Code V	(A) (D)				of Shares	
Performance Shares	<u>(1)</u>	10/31/2011		M	2,900	<u>(1)</u>	<u>(1)</u>	Common Stock	2,900	

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

GRIMES JAMES A 127 FLYNT ROAD LAUREL, MS 39443

Sec'y/Chief Acctg. Officer

Signatures

/s/ Michael D. Cockrell, Attorney-In-Fact

11/02/2011

**Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

The reported transaction was the vesting of performance shares that were awarded on January 29, 2009. The award entitled the Reporting Person to a number of shares of common stock based on the Issuer's level of achievement of performance measures over a two-year period ending October 31, 2010. The performance measures were return on equity and return on sales. On December 13, 2010, the Issuer's

(1) Compensation Committee determined that based on the Issuer's actual performance, the Reporting Person was entitled to the number of shares reported in Table II. However, the Reporting Person's performance share agreement provided that the earned shares would not be issued unless the Reporting Person was employed by the Issuer (with some exceptions) for an additional one-year vesting period ending on October 31, 2011. That condition has now been met.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Reporting Owners 2

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