

UNIFIRST CORP  
Form DEF 14A  
December 04, 2007  
**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

**UniFirst Corporation**

*(Name of Registrant as Specified In Its Charter)*

N/A

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

**Payment of Filing Fee (Check the appropriate box):**

Edgar Filing: UNIFIRST CORP - Form DEF 14A

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:

**UNIFIRST CORPORATION**

**68 Jonspin Road**

**Wilmington, Massachusetts 01887**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**To Be Held On Tuesday, January 8, 2008**

The Annual Meeting of the Shareholders of UniFirst Corporation (the Company) will be held at the Conference Center of Goodwin Procter LLP, located on the second floor at Exchange Place, Boston, Massachusetts 02109 on Tuesday, January 8, 2008 at 10:00 A.M. for the following purposes:

1. To elect three Class II Directors, each to serve for a term of three years until the 2011 Annual Meeting of Shareholders and until their respective successors are duly elected and qualified;
2. To ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending August 30, 2008; and
3. To consider and act upon any other matters which may properly come before the meeting or any adjournment or postponement thereof.

The Board of Directors has fixed the close of business on November 16, 2007 as the record date for the Annual Meeting. All shareholders of record on that date are entitled to receive notice of and to vote at the meeting.

By Order of the Board of Directors,

RAYMOND C. ZEMLIN, Secretary

Wilmington, Massachusetts

December 4, 2007

**YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU EXPECT TO BE PRESENT AT THE ANNUAL MEETING, PLEASE COMPLETE AND SIGN THE ENCLOSED PROXY AND RETURN IT PROMPTLY IN THE ENCLOSED ENVELOPE. NO POSTAGE IS REQUIRED IF MAILED WITHIN THE UNITED STATES. YOUR PROXY MAY BE REVOKED BY YOU AT ANY TIME PRIOR TO ITS USE. IF YOU ATTEND THE MEETING, YOU MAY CONTINUE TO HAVE YOUR SHARES VOTED AS INSTRUCTED IN THE PROXY OR YOU MAY WITHDRAW YOUR PROXY AT THE MEETING AND VOTE YOUR SHARES IN PERSON.**

**Important**

Please note that due to security procedures, if you decide to attend the Annual Meeting, you will be required to show a form of picture identification to gain access to the offices of Goodwin Procter LLP. Please contact the Company's Investor Relations group at (978) 658-8888 if you plan to attend the Annual Meeting.

**UNIFIRST CORPORATION**

**68 Jonspin Road**

**Wilmington, Massachusetts 01887**

**PROXY STATEMENT FOR 2008 ANNUAL MEETING OF SHAREHOLDERS**

**to be held on January 8, 2008**

**at 10:00 A.M. at the Conference Center of Goodwin Procter LLP,**

**located on the second floor at Exchange Place,**

**Boston, Massachusetts 02109**

**General Information**

The enclosed proxy is being solicited on behalf of the Board of Directors of UniFirst Corporation (the Company, UniFirst, we, our or us) for the 2008 Annual Meeting of Shareholders to be held on Tuesday, January 8, 2008 (the Annual Meeting) and at any adjournments or postponements thereof. This Proxy Statement, the enclosed proxy and the Company's 2007 Annual Report to Shareholders are being first mailed to shareholders on or about December 4, 2007.

Any shareholder signing and returning the enclosed proxy has the power to revoke it by (1) giving written notice of revocation of such proxy to the Secretary of the Company at the address set forth above, (2) completing, signing and submitting a new proxy card relating to the same shares and bearing a later date, or (3) attending the meeting and voting in person, although attendance at the meeting will not, by itself, revoke a proxy. The shares represented by the enclosed proxy will be voted as specified therein if said proxy is properly signed and received by the Company prior to the time of the Annual Meeting and is not properly revoked. The expense of this proxy solicitation will be borne by the Company. In addition to the solicitation of proxies by mail, the Directors, officers and employees of the Company may also solicit proxies personally or by telephone without special compensation for such activities. The Company may also request persons, firms and corporations holding shares in their names or in the names of their nominees, which are beneficially owned by others, to send proxy material to and obtain proxies from such beneficial owners. The Company will reimburse such holders for their reasonable expenses in connection therewith.

The Board of Directors has fixed the close of business on November 16, 2007 as the Record Date for the determination of the shareholders entitled to notice of, and to vote at, the Annual Meeting and any adjournments or postponements thereof. As of the close of business on the Record Date, there were outstanding and entitled to vote 14,352,349 shares of common stock, par value \$0.10 per share (Common Stock), and 4,937,449 shares of Class B common stock, par value \$0.10 per share (Class B Common Stock). Transferees after such date will not be entitled to vote at the Annual Meeting. Each share of Common Stock is entitled to one vote per share. Each share of Class B Common Stock is entitled to ten votes per share. All actions submitted to a vote of shareholders at the 2008 Annual Meeting are voted on by holders of Common Stock and Class B Common Stock voting together as a single class.

As more fully described in this Proxy Statement, the purposes of the Annual Meeting are (1) to elect three Class II Directors, each to serve for a term of three years until the 2011 Annual Meeting of Shareholders and until their respective successors are duly elected and qualified; (2) to ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending August 30, 2008; and (3) to consider and act upon any other matters which may properly come before the Annual Meeting or any adjournment

## Edgar Filing: UNIFIRST CORP - Form DEF 14A

or postponement thereof. With respect to the election of three Class II Directors, a plurality of the votes cast by holders of shares of Common Stock and Class B Common Stock, voting together as a single class and represented in person or by proxy at the Annual Meeting and entitled to vote thereon, is necessary to elect Ronald D. Croatti, Donald J. Evans and Thomas S. Postek. With respect to the ratification of Ernst & Young LLP as the Company's independent registered public accounting firm and each other matter expected to be voted upon at the Annual Meeting, the affirmative vote of a majority of the votes cast by holders of shares of Common Stock and Class B Common Stock, voting together as a single class and represented in person or by proxy at the Annual Meeting and entitled to vote thereon is necessary for approval.

Consistent with applicable law, the Company intends to count abstentions and broker non-votes only for the purpose of determining the presence or absence of a quorum for the transaction of business. Any shares not voted (whether by abstention, broker non-vote or otherwise) will have no impact on the election of Directors, except to the extent that the failure to vote for an individual results in another individual receiving a larger percentage of votes, and no impact on the proposal for approval of each other matter expected to be voted on at the Annual Meeting.

### **PROPOSAL 1**

#### **ELECTION OF DIRECTORS**

The Board of Directors of the Company is currently composed of seven members, divided into three classes of two, two and three directors, respectively. One class is elected each year at the annual meeting of shareholders. The Directors in each class serve for a term of three years and until their successors are duly elected and qualified. As the term of one class expires, a successor class is elected at each annual meeting of shareholders. Albert Cohen, a member of the Company's Board of Directors since 1989, died on November 25, 2006.

At the Annual Meeting, three Class II Directors will be elected to serve until the 2011 Annual Meeting of Shareholders and until their successors are duly elected and qualified. The Board of Directors has nominated Ronald D. Croatti, Donald J. Evans and Thomas S. Postek to be elected by holders of Common Stock and Class B Common Stock, voting together as a single class, to serve as Class II Directors (collectively, the

Nominees). Messrs. Croatti and Evans are up for re-election as Class II Directors at the Annual Meeting, and Mr. Postek has been nominated by the Board of Directors upon the recommendation of the Nominating and Corporate Governance Committee for election as a Class II Director at the Annual Meeting.

Unless otherwise instructed, the persons named in the proxy will vote the shares to which the proxy relates **FOR** the election of the Nominees to the Board of Directors. While the Company has no reason to believe that any of the Nominees will be unable to serve as a Director, in the event any of the Nominees should become unavailable to serve at the time of the Annual Meeting, it is the intention of the persons named in the enclosed proxy to vote such proxy for such other person or persons as the Board of Directors may recommend.

**THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF RONALD D. CROATTI, DONALD J. EVANS AND THOMAS S. POSTEK AS CLASS II DIRECTORS.**

#### **Information Regarding Nominees and Directors**

The following table sets forth certain information with respect to the three Nominees for election as Directors at the Annual Meeting and those continuing Directors of the Company whose terms expire at the annual meetings of shareholders in 2009 and 2010, based on information

Edgar Filing: UNIFIRST CORP - Form DEF 14A

furnished to the Company by each Director.

	<b>Director</b>
<b>Class II Nominees for Election at 2008 Annual Meeting Nominated to Serve a Term that Expires in 2011</b>	<b>Age Since</b>
<u>Ronald D. Croatti(1)</u>	64 1982
<b>Mr. Croatti</b> joined the Company in 1965. He became Director of the Company in 1982, Vice Chairman of the Board in 1986 and has served as Chief Executive Officer since 1991. He has also served as President since 1995 and Chairman of the Board since 2002. Mr. Croatti has overall responsibility for the management of the Company.	
<u>Donald J. Evans</u>	81 1973
<b>Mr. Evans</b> has served as Director of the Company since 1973. He served as General Counsel and First Deputy Commissioner, Massachusetts Department of Revenue, from 1996 to 2003. Prior to that time, Mr. Evans was a senior partner in the law firm of Goodwin Procter LLP, the Company's general counsel. Mr. Evans is a Trustee of the Massachusetts Eye and Ear Infirmary.	
<u>Thomas S. Postek</u>	65 N/A
<b>Mr. Postek</b> is a new nominee to the Board of Directors. He is a certified public accountant and chartered financial analyst currently affiliated with Geneva Investment Management of Chicago, Illinois. Mr. Postek is a member of the Board of Directors of Lawson Products, Inc., a publicly traded distributor of fasteners and other industrial supplies. From 1986 to 2001, Mr. Postek was a partner and principal of William Blair & Company, LLC. During his tenure at William Blair, Mr. Postek covered various business services as an analyst, including industrial distribution. Mr. Postek also served on the staff of the Financial Accounting Standards Board from 1980 to 1982.	

	<b>Director</b>
<b>Class I Continuing Directors -- Term Expires in 2009</b>	<b>Age Since</b>
<u>Anthony F. DiFillippo(1)</u>	80 2002
<b>Mr. DiFillippo</b> was the President of UniFirst until he retired in 1995 and, since 1995, he has served as a consultant to UniFirst. He became a Director in 2002.	
<u>Robert F. Collings (2)</u>	69 2005
<b>Mr. Collings</b> has served as Director of the Company since July 2005. He was a founder and President of Data Terminal Systems, Inc., a provider of electronic cash register/retail business control systems, from 1970 to 1981 and the founder and President of Resource Dynamics, Inc., a company that offered a facilities planning and management system, from 1981 until its sale in 1984. He is currently the Principal of The Collings Foundation, which he founded in 1979, a member of the President's Council of Massachusetts General Hospital and on the Board of Advisors of New Boston Real Estate.	

	<b>Director</b>
<b>Class III Continuing Directors -- Term Expires in 2010</b>	<b>Age Since</b>
<u>Cynthia Croatti(1)</u>	52 1995
<b>Ms. Croatti</b> joined the Company in 1980. She has served as Director since 1995, Treasurer since 1982 and Executive Vice President since 2001. In addition, she has primary responsibility for overseeing the human resources and purchasing functions of the Company.	
<u>Phillip L. Cohen (2)</u>	76 2000
<b>Mr. Cohen</b> has served as Director of the Company since 2000. He is a certified public accountant and was a partner with an international public accounting firm from 1965 until his retirement in 1994 and has been a financial consultant since that date. He is a Director emeritus and former Treasurer of the Greater Boston Convention and Visitors Bureau and a Director of Kazmaier Associates, Inc. and S/R Industries, Inc.	
<u>Michael Iandoli</u>	62 2007
<b>Mr. Iandoli</b> has served as Director of the Company since January 2007. He served for over 30 years as a senior executive and President of TAC Worldwide Companies, a contract labor firm serving the automotive and high-tech industries. He is a Vice President of the Executive Committee at the Larz Anderson Auto Museum.	

## Edgar Filing: UNIFIRST CORP - Form DEF 14A

- (1) Ronald D. Croatti and Cynthia Croatti are siblings, and Anthony F. DiFillippo is Cynthia Croatti's uncle. Anthony F. DiFillippo is the father of David A. DiFillippo, an executive officer of the Company.
- (2) The Company has designated Messrs. Collings and Cohen as the Directors to be elected by the holders of Common Stock voting separately as a single class.

### Meetings of the Board of Directors and Its Committees

*Board of Directors.* The Company's Board of Directors is divided into three classes, and the members of each class serve for staggered three-year terms. The Board is currently composed of two Class I Directors (Messrs. DiFillippo and Collings), two Class II Directors (Messrs. Croatti and Evans) and three Class III Directors (Ms. Croatti, and Messrs. Cohen and M. Iandoli). Two Class II Directors are up for re-election as Class II Directors at the Annual Meeting, and Mr. Postek has been nominated by the Board of Directors upon the recommendation of the Nominating and Corporate Governance Committee for election as a Class II Director at the Annual Meeting. The terms of the continuing Class I and III Directors will expire upon the election and qualification of Directors at the Annual Meeting of Shareholders in 2009 and 2010, respectively. At each annual meeting of shareholders, Directors generally will be re-elected or elected for a full term of three years to succeed those Directors whose terms are expiring. The Board of Directors held six meetings during the Company's 2007 fiscal year.

*Audit Committee.* During the 2007 fiscal year, the Audit Committee consisted of Messrs. Cohen (Chairman), Collings and Evans. The Audit Committee met on eleven occasions during fiscal 2007. The Audit Committee is responsible for assisting the Board of Directors in its oversight of (1) the integrity of the Company's financial statements and reporting process, (2) the qualifications, independence and performance of the Company's independent registered public accounting firm, (3) the performance of the Company's internal audit function, and (4) the Company's compliance with legal and regulatory requirements. The Board of Directors and the Audit Committee adopted a written Audit Committee Charter in 2000, which they revised in 2001, 2003, 2005 and 2007. The amended and restated Audit Committee Charter is available on the Company's website at [www.unifirst.com](http://www.unifirst.com) and will be sent in paper form to any shareholder who submits a request to the Company's Corporate Secretary at the address listed on page 1. The Board of Directors has determined that each of the members of the Audit Committee is independent under the rules of the New York Stock Exchange and the SEC. The Board of Directors has determined that Phillip L. Cohen is an audit committee financial expert under the Securities Exchange Act of 1934, as amended (the Exchange Act). The Board of Directors and the Audit Committee have adopted a Statement of Corporate Policy and Code of Business Conduct, which is available on the Company's website at [www.unifirst.com](http://www.unifirst.com) and will be sent in paper form to any shareholder who submits a request to the Company's Secretary at the address listed on page 1. The Company's Audit Committee Complaint Procedure is also available on the Company's website [www.unifirst.com](http://www.unifirst.com).

*Compensation Committee.* During the 2007 fiscal year, the Compensation Committee consisted of Messrs. Collings (Chairman), Evans and Iandoli and met on three occasions. The Compensation Committee is responsible for reviewing and approving the Company's executive compensation program, recommending awards under the Company's equity compensation plans and establishing the compensation for the Company's Chief Executive Officer. The Board of Directors and the Compensation Committee have adopted a written Compensation Committee Charter, which was revised in 2007. A copy of the Compensation Committee Charter is available on the Company's website at [www.unifirst.com](http://www.unifirst.com) and will be sent in paper form to any shareholder who submits a request to the Company's Secretary at the address listed on page 1.

*Nominating and Corporate Governance Committee.* During the 2007 fiscal year, the Nominating and Corporate Governance Committee consisted of Messrs. Evans (Chairman), Cohen and Iandoli. The Nominating and Corporate Governance Committee met three times in fiscal 2007. The Nominating and Corporate Governance Committee reviews and evaluates potential nominees for election or appointment to the Board of Directors and recommends such nominees to the full Board of Directors. The Board of Directors and the Nominating and Corporate Governance Committee have adopted a written Nominating and Corporate Governance Committee Charter, which they revised in 2007. A copy of the Nominating and Corporate Governance Committee Charter is available on the Company's website at [www.unifirst.com](http://www.unifirst.com) and will be sent in paper form to any shareholder who submits a request to the Company's Secretary at the address listed on page 1. The Board of Directors has determined that each of the members of the Nominating and Corporate Governance Committee is independent under the rules of the New York Stock Exchange and the SEC. The Nominating and Corporate Governance Committee's policy is to review and consider all Director candidates



## Edgar Filing: UNIFIRST CORP - Form DEF 14A

recommended by any of the Company's Directors or stockholders. Such review and consideration is to proceed in accordance with the Company's By-laws, Corporate Governance Guidelines and Policy Regarding New Director Nominations. See "Other Matters - Shareholder Proposals" for a summary of these requirements. The Nominating and Corporate Governance Committee is also responsible for developing and recommending to the Board of Directors a set of Corporate Governance Guidelines applicable to the Company and periodically reviewing such guidelines and recommending any changes to those guidelines to the Board of Directors. The Corporate Governance Guidelines are available on the Company's website at [www.unifirst.com](http://www.unifirst.com) and will be sent in paper form to any shareholder who submits a request to the Company's Corporate Secretary at the address listed on page 1. In addition, the Nominating and Corporate Governance Committee maintains a Policy Regarding New Director Nominations, which is available on the Company's website at [www.unifirst.com](http://www.unifirst.com). Since this policy was adopted, there have been no material changes to the procedures by which shareholders may recommend nominees to the Board of Directors.

Each continuing Director attended at least 75% of all of the meetings of the Board of Directors and of the committees of which the Director was a member held during the last fiscal year. Our Annual Meeting of shareholders is generally held to coincide with one of the Board's regularly scheduled meetings. Directors are strongly encouraged to attend the Annual Meeting. Each of the Directors attended the 2007 Annual Meeting of Shareholders.

Please note that information contained in our website is not incorporated by reference in, or considered to be a part of, this proxy statement.

### **Independence of Board Members**

The Board of Directors has determined that each of Messrs. Cohen, Collings, Evans and Iandoli is an independent director in accordance with the corporate governance rules of the New York Stock Exchange as a result of having no material relationship with the Company other than (1) serving as a Director and a Board Committee member, (2) receiving related fees as disclosed in this document and (3) having beneficial ownership of UniFirst securities as disclosed in the section of this document entitled "Security Ownership of Management and Principal Shareholders."

### **Meetings of Independent Directors**

Independent Directors of the Company regularly meet in executive sessions outside the presence of management. The presiding Director for these meetings is Mr. Evans. Any interested party or shareholder who wishes to make their concerns known to the independent Directors may avail themselves of the same procedures provided below under the heading "Communication with the Board of Directors."

### **Communication with the Board of Directors**

Any interested party or shareholder who wishes to communicate with any of the Company's Directors or the Board of Directors as a group, may do so by writing to the Board of Directors, or such individual Director(s) c/o Chief Financial Officer, UniFirst Corporation, 68 Jonspin Road, Wilmington, MA 01887. The Company recommends that all correspondence be sent via certified U.S. mail, return receipt requested. All correspondence received by the Chief Financial Officer will be forwarded by him promptly to the appropriate addressee(s).

### **Security Ownership of Management and Principal Shareholders**

Edgar Filing: UNIFIRST CORP - Form DEF 14A

The following table sets forth as of November 16, 2007 certain information concerning shares of Common Stock and Class B Common Stock beneficially owned by (i) each Director and Nominee, (ii) each of the executive officers of the Company named in the Summary Compensation Table, and (iii) all executive officers and Directors as a group, in each case based solely on information furnished by such individuals. Except as otherwise specified, the named beneficial owner has sole voting and investment power. The information in the table reflects shares outstanding of the Company's Common Stock and Class B Common Stock on November 16, 2007.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percentage of	
		All Outstanding Shares(1)	Percentage of Voting Power(1)
Ronald D. Croatti(2)(3)	851,928	4.4	% 13.2 %
Cynthia Croatti(3)(4)	4,800	*	*
Bruce P. Boynton(3)(5)	1,375	*	*
John B. Bartlett(3)	1,400	*	*
Donald J. Evans(3)(5)	5,400	*	*
Phillip L. Cohen(3)(5)	4,000	*	*
Anthony F. DiFillippo(3)(5)(6)	51,500	*	*
Robert F. Collings(3)(5)	2,500	*	*
Michael Iandoli(3)(5)	1,500	*	*
David A. DiFillippo(3)(7)	6,357	*	*
Thomas S. Postek(8)	15,000	*	*
All Directors and executive officers as a group(3)(10 persons)	930,760	4.8	% 13.4 %

\* Less than 1%.

- (1) The percentages have been determined in accordance with Rule 13d-3 under the Exchange Act. As of November 16, 2007, a total of 19,289,798 shares of common stock were outstanding, of which 14,352,349 were shares of Common Stock entitled to one vote per share and 4,937,449 were shares of Class B Common Stock entitled to ten votes per share. Each share of Class B Common Stock is convertible into one share of Common Stock.
- (2) Ronald D. Croatti owns 843,528 shares of Class B Common Stock, representing 17.1% of such class, 2,100 shares of Common Stock, plus the options to purchase Common Stock listed in footnote 3. The information presented does not include any shares owned by Mr. Croatti's children, as to which shares Mr. Croatti disclaims any beneficial interest. Mr. Croatti is a stockholder and director of each of the general partners of The Queue Limited Partnership and The Red Cat Limited Partnership, which respectively own 2,152,152 and 1,021,748 shares of Class B Common Stock. Mr. Croatti is a trustee and beneficiary of The Marie Croatti QTIP Trust, which owns 36,107 shares of Class B Common Stock. Mr. Croatti is the manager of MMC Trust LLC, which owns 950 shares of Common Stock. The information presented for Mr. Croatti does not include any shares owned by The Queue Limited Partnership, The Red Cat Limited Partnership, The Marie Croatti QTIP Trust or MMC Trust LLC. In addition, the information presented does not include any shares owned by certain trusts of which Mr. Croatti is a trustee and which, in the aggregate, beneficially own 132,792 shares of Class B Common Stock.
- (3) Includes the right to acquire, pursuant to the exercise of stock options, within 60 days after November 16, 2007, the following number of shares of Common Stock: Ronald D. Croatti, 6,300 shares; Cynthia Croatti, 3,800 shares; John B. Bartlett, 1,400 shares; Bruce P. Boynton, 1,375 shares; and David A. DiFillippo, 3,000 shares. The non-employee Directors have presently exercisable options to purchase the following number of shares of Common Stock: 4,000 shares each in the case of Messrs. Cohen and Evans; 2,500 shares in the case of Mr. Collings; and 1,500 shares each in the case of Messrs. A. DiFillippo and Iandoli.
- (4)

## Edgar Filing: UNIFIRST CORP - Form DEF 14A

Ms. Croatti owns 1,000 shares of Common Stock plus the options to purchase Common Stock listed in footnote 3. The information presented does not include any shares owned by Ms. Croatti's children, as to which shares Ms. Croatti disclaims any beneficial interest. Ms. Croatti is a stockholder and director of each of the general partners of The Queue Limited Partnership and the Red Cat Limited Partnership, which respectively own 2,152,152 and 1,021,748 shares of Class B Common Stock. Ms. Croatti is a trustee and beneficiary of The Marie Croatti QTIP Trust which owns 36,107 shares of Class B Common Stock. The information presented for Ms. Croatti does not include any shares owned by The Queue Limited Partnership, The Red Cat Limited Partnership or The Marie Croatti QTIP Trust. In addition, the information presented for Ms. Croatti does not include any shares beneficially owned by certain other trusts for which Ms. Croatti is a trustee and certain entities for which Ms. Croatti serves as manager and which, in the aggregate, beneficially own 80,534 shares of Common Stock and 67,069 shares of Class B Common Stock.

- (5) Mr. Evans owns 1,400 shares of Common Stock and the options to purchase Common Stock listed in footnote 3. Mr. A. DiFillippo owns 42,750 shares of Common Stock, beneficially owns shares of Common Stock listed in footnote 6, plus the options to purchase Common Stock listed in footnote 3. Messrs. Boynton, Cohen, Collings and Iandoli have the options to purchase Common Stock listed in footnote 3.
- (6) Includes 7,250 shares beneficially owned by Mr. A. DiFillippo's spouse, plus the options to purchase Common Stock listed in footnote 3.
- (7) Mr. D. DiFillippo owns 3,357 shares of Common Stock and the options to purchase Common Stock listed in footnote 3. In addition, the information presented for Mr. DiFillippo does not include 4,125 shares of Common Stock beneficially owned by his children's trusts, of which he is a trustee.
- (8) Mr. Postek is a new nominee to the Board of Directors who beneficially owns 15,000 shares of Common Stock.

To the best knowledge of the Company, the following are the only beneficial owners of more than 5% of the outstanding shares of Common Stock or Class B Common Stock of the Company as of November 16, 2007. All information presented is based solely on information provided by each beneficial owner.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percentage of	
		All Outstanding Shares(1)	Percentage of Voting Power(1)
The Queue Limited Partnership(2)	2,152,152	11.2	% 33.8
The Red Cat Limited Partnership(3)	1,021,748	5.3	16.0
Arnhold and S. Bleichroeder Advisers, LLC(4)	2,314,326	12.0	3.6
Tweedy, Browne Company, LLC(5)	1,355,190	7.0	2.1
Dimensional Fund Advisers, Inc.(6)	1,149,683	6.0	1.8
Wellington Management Company, LLP(7)	1,085,325	5.6	1.7
Bank of America Corporation(8)	979,789	5.1	1.5
Ronald D. Croatti(9)	851,928	4.4	13.2
Barclays Global Investors UK Holdings LTD.(10)	823,726	4.3	1.3
Cecelia Levenstein(11)	612,157	3.2	7.2

(1) The percentages have been determined in accordance with Rule 13d-3 under the Exchange Act. As of November 16, 2007, a total of 19,289,798 shares of common stock were outstanding, of which 14,352,349 were shares of Common Stock entitled to one vote per share and 4,937,449 were shares of Class B Common Stock entitled to ten votes per share. Each share of Class B Common Stock is convertible into one share of Common Stock.

(2) The Queue Limited Partnership ( QLP ) owns 2,152,152 shares of Class B Common Stock, representing 43.6% of such class. The general partner of QLP is Queue Management Associates, Inc. ( QMA ), which has sole voting and dispositive power over the shares

## Edgar Filing: UNIFIRST CORP - Form DEF 14A

owned by QLP. Ronald D. Croatti, Cynthia Croatti and Cecelia Levenstein are the sole stockholders and directors of QMA. All decisions by the directors of QMA must be made unanimously. The address of QLP is c/o UniFirst Corporation, 68 Jonspin Road, Wilmington, MA 01887.

- (3) The Red Cat Limited Partnership ( RCLP ) owns 1,021,748 shares of Class B Common Stock, representing 20.7% of such class. The general partner of RCLP is Red Cat Management Associates, Inc. (RCMA ), which has sole voting and dispositive power over the shares owned by RCLP. Ronald D. Croatti and Cynthia Croatti are the sole stockholders and directors of RCMA. The address of RCLP is c/o UniFirst Corporation, 68 Jonspin Road, Wilmington, MA 01887.
- (4) Arnhold and S. Bleichroeder Advisers, LLC beneficially owns shares of Common Stock only, representing 16.1% of such class. The address of Arnhold and S. Bleichroeder Advisers, LLC is 1345 Avenue of the Americas, New York, NY 10105. The Company has relied solely upon information contained in the Form 13F filed with the Securities and Exchange Commission by Arnhold and S. Bleichroeder Advisers, LLC on November 13, 2007.
- (5) Tweedy, Browne Company, LLC beneficially owns shares of Common Stock only, representing 9.4% of such class. The address of Tweedy, Browne Company, LLC is 350 Park Avenue, 9<sup>th</sup> Floor, New York, NY 10022. The Company has relied solely upon information contained in the Form 13F filed with the Securities and Exchange Commission by Tweedy, Browne Company, LLC on November 7, 2007.
- (6) Dimensional Fund Advisors, Inc. beneficially owns shares of Common Stock only, representing 8.0% of such class. The address of Dimensional Fund Advisors Inc. is 1299 Ocean Avenue, Santa Monica, CA 90401. The Company has relied solely upon the information contained in the Form 13F filed with the Securities and Exchange Commission by Dimensional Fund Advisors Inc. on October 25, 2007.
- (7) Wellington Management Company, LLP beneficially owns shares of Common Stock only, representing 7.6% of such class. The address of Wellington Management Company, LLP is 75 State Street, Boston, MA 02109. The Company has relied solely upon the information contained in the Form 13F filed with the Securities and Exchange Commission by Wellington Management Company, LLP on November 14, 2007.
- (8) Bank of America Corporation owns shares of Common Stock only, representing 6.8% of such class. The address of Bank of America Corporation is 100 North Tryon Street, Floor 25, Bank of America Corporate Center, Charlotte, NC 28255. The Company has relied solely upon the information contained in the Form 13F filed with the Securities and Exchange Commission by Bank of America Corporation on November 13, 2007.
- (9) Ronald D. Croatti owns 843,528 shares of Class B Common Stock, representing 17.1% of such class, plus the options to purchase Common Stock listed in footnote 3 to the preceding table. The information presented does not include any shares owned by Mr. Croatti's children, as to which shares Mr. Croatti disclaims any beneficial interest. Mr. Croatti is a stockholder and director of each of the general partners of The Queue Limited Partnership and The Red Cat Limited Partnership, which respectively own 2,152,152 and 1,021,748 shares of Class B Common Stock. Mr. Croatti is a trustee and beneficiary of the Marie Croatti QTIP Trust, which owns 36,107 shares of Class B Common Stock. Mr. Croatti is the manager of MMC Trust LLC, which owns 950 shares of Common Stock. The information presented for Mr. Croatti does not include any shares owned by The Queue Limited Partnership, The Red Cat Limited Partnership, The Marie Croatti QTIP Trust or MMC Trust LLC. In addition, the information presented does not include any shares owned by certain trusts of which Mr. Croatti is a trustee and which, in the aggregate, beneficially own 132,792 shares of Class B Common Stock. The address of Ronald D. Croatti is c/o UniFirst Corporation, 68 Jonspin Road, Wilmington, MA 01887.
- (10) Barclays Global Investors UK Holdings LTD. beneficially owns shares of Common Stock only, representing 5.7% of such class. The address of Barclays Global Investors is 1 Churchill Place, London XO E14 5HP. The Company has relied solely upon the information contained in the Form 13F filed with the Securities and Exchange Commission by Barclays Global Investors on November 13, 2007.

## Edgar Filing: UNIFIRST CORP - Form DEF 14A

- (11) Cecelia Levenstein is the daughter of Marie Croatti. Ms. Levenstein owns 444,349 shares of Class B Common Stock, representing 9.0% of such class, and 167,808 shares of Common Stock. Ms. Levenstein is a stockholder and director of the general partner of The Queue Limited Partnership, which owns 2,152,152 shares of Class B Common Stock. The information presented for Ms. Levenstein does not include any shares owned by The Queue Limited Partnership. In addition, the information presented for Ms. Levenstein does not include any shares beneficially owned by certain other trusts for which Ms. Levenstein is a trustee and, which, in the aggregate, beneficially own 38,138 shares of Class B Common Stock. The address of Ms. Levenstein is c/o UniFirst Corporation, 68 Jonspin Road, Wilmington, MA 01887.

### EXECUTIVE COMPENSATION

#### Compensation Discussion and Analysis

The Compensation Committee of our Board of Directors, in collaboration with management, develops and implements our compensation policies. The Compensation Committee also reviews and establishes the compensation paid to our executive officers. We believe we provide an appropriate and competitive total compensation package to our executive officers through a combination of base salary, annual cash incentive bonuses, long-term equity incentive compensation and broad-based benefits programs. We place significant emphasis on pay for performance-based incentive compensation, which is designed to reward our executive officers based on the achievement of predetermined corporate goals.

This Compensation Discussion and Analysis describes our compensation objectives, policies and practices with respect to our Chief Executive Officer, Chief Financial Officer and other three most highly-compensated executive officers as determined in accordance with applicable SEC rules (collectively, our named executive officers ).

#### *Objectives of Our Executive Compensation Programs*

Our compensation programs for our named executive officers are designed to achieve the following objectives:

attract and retain talented and experienced executives in the highly competitive uniform rental and sales industry;

motivate and reward executives whose knowledge, skills and performance are critical to our success and the furtherance of our long term strategic plan;

align the interests of our executives and stockholders by motivating executives to increase stockholder value and by rewarding executives when stockholder value increases;

provide a competitive compensation package which is weighted heavily towards pay for performance, and in which a significant portion of total compensation is determined by corporate and individual performance and the creation of stockholder value;

ensure fairness among our executive officers by recognizing the contributions each executive makes to our success; and

## Edgar Filing: UNIFIRST CORP - Form DEF 14A

foster a shared commitment among executives by coordinating their corporate and individual goals.

### *Our Executive Compensation Programs and Plans*

We designed our executive compensation programs and plans to achieve the objectives described above. Our executive compensation primarily consists of base salary, annual cash incentive bonuses, long-term equity incentive compensation and broad-based benefits programs. Consistent with the significant emphasis we place on performance-based incentive compensation, we have linked our annual cash incentive bonuses to the achievement of predetermined corporate performance goals.

Within the context of the overall objectives of our compensation programs, we determined the specific amounts of compensation to be paid to each of our named executive officers in fiscal 2007 based on a number of factors:

the performance of our named executive officers in prior years;

the roles and responsibilities of our named executive officers;

the individual experience and skills of, and expected contributions from, our named executive officers;

for each named executive officer, other than our Chief Executive Officer, the evaluations and recommendations of our Chief Executive Officer; and

the amounts of compensation being paid to our other named executive officers.

Each of the primary elements of our executive compensation is discussed in detail below, including a description of how each element fits into the overall compensation of our named executive officers. We also discuss below the amounts of compensation paid to our named executive officers for calendar 2007 under each of these elements. In the descriptions below, we highlight particular compensation objectives that we have designed specific elements of our executive compensation program to address. However, it should be noted that we have designed our compensation programs to complement each other and collectively serve all of our executive compensation objectives described above. Accordingly, whether or not specifically mentioned below, we believe that each element of our executive compensation program serves each of our objectives to a greater or lesser extent.

#### *Base Salary*

We pay our named executive officers a base salary, which we review and determine annually. We believe that a competitive minimum level of compensation is a necessary element of any compensation program that is designed to attract and retain talented and experienced executive officers who will further our long term strategic plan and increase stockholder value. We also believe that attractive base salaries can motivate and reward executive officers for their overall performance.

## Edgar Filing: UNIFIRST CORP - Form DEF 14A

The base salaries set forth in Summary Compensation Table below reflect the base salaries earned by our named executive officers in fiscal 2007. We determine the base salaries of our named executive officers on a calendar year basis. In calendar 2007, we increased the base salaries of our named executive officers as follows: Ronald D. Croatti's base salary increased from \$442,000 to \$468,500 per year, John B. Bartlett's base salary increased from \$304,004 to \$322,250 per year, Cynthia Croatti's base salary increased from \$295,006 to \$311,250 per year, Bruce P. Boynton's base salary increased from \$237,001 to \$248,850 per year and David A. DiFillippo's base salary increased from \$227,002 to \$240,650 per year. Mr. Croatti's base salary was increased by our Compensation Committee as a result of his substantial contributions to our success in fiscal 2006, his strong leadership skills and strategic vision. The base salaries of our other named executive officers reflected 5.0% to 6.0% increases as determined by our Compensation Committee after reviewing Mr. Croatti's recommendations with respect to the base salaries to be paid to each named executive officer.

The base salaries paid to our named executive officers reflect the general performance of our named executive officers during prior years, their roles and responsibilities, and their experience, skills and contributions.

### *Annual Cash Incentive Bonuses*

Consistent with our emphasis on performance incentive compensation programs, our named executive officers are eligible to receive annual cash incentive bonuses primarily based on their performance as measured against predetermined corporate financial goals that we establish. The primary objective of our annual cash incentive bonuses is to motivate our named executive officers and to reward them for meeting our short-term objectives using a performance-based compensation program with objectively determinable goals. Our annual cash incentive bonuses also align the interests of our named executive officers and our stockholders by providing our executives with incentives to increase stockholder value and a reward for doing so.

Under our bonus plan, our named executive officers have the potential to earn annual cash incentive bonuses at a level that represents a meaningful portion of our named executive officers' cash compensation. Our bonus plan provides for potential annual cash incentive bonuses that range from no annual bonus to an annual bonus of up to 28% of the named executive officer's base salary for the fiscal year. Potential bonus payments under our bonus plan are linked to objective criteria set forth in our bonus plan. Our named executive officers can earn annual cash incentive bonuses based on predetermined goals based on corporate revenues, earnings per share and customer retention.

At the beginning of each fiscal year, we set a fiscal year target for corporate revenues for purposes of our bonus plan. At the end of each fiscal year, we compare actual revenues for the fiscal year to target revenues and actual revenues for the fiscal year to revenues for the prior fiscal year. Based on our actual revenues for the fiscal year, each named executive officer can earn a bonus of up to 8% of his or her base salary.

At the beginning of each fiscal year, we set a fiscal year target amount of corporate earnings per share for purposes of our bonus plan. At the end of each fiscal year, we compare actual earnings per share for the fiscal year to target earnings per share and actual earnings per share for the fiscal year to prior fiscal year earnings per share. Based on our actual earnings per share for the fiscal year, each named executive officer can earn a bonus of up to 16% of his or her base salary.

Our bonus plan also provides for annual cash incentive bonuses of up to 4% of base salary for our named executive officers based on customer retention.

No annual cash incentive bonuses are paid to our named executive officers unless at least one of the revenue targets and one of the earnings per share targets are achieved.

## Edgar Filing: UNIFIRST CORP - Form DEF 14A

In establishing our bonus levels, we consider the incentives that we want to provide to our executives as well as the bonus levels for comparable positions at similarly situated companies and our historical practices. Overall, the minimum revenue, earnings per share and customer retention targets under our bonus plan were set at levels that we believed to be achievable with strong performance by our executives. Although we cannot always predict the different events that will impact our business during an upcoming year, we set our minimum performance goals for the target amount of annual incentive cash bonuses at levels that we believe will be achieved by our named executive officers a majority of the time. We set the performance goals for the maximum bonus payments under our bonus plan at a level that we believe will be achieved only as a result of exceptional financial performance. The maximum bonus payments under our bonus plan are intended to provide for correspondingly greater incentives in the event that performance is within a specified range above the target level and are correspondingly more difficult to achieve.

In fiscal 2007, our named executive officers received the following annual cash incentive bonuses:

<b>Name</b>	<b>Bonus(\$)</b>	<b>% of Base Salary</b>
Ronald D. Croatti	\$123,743	27%
Cynthia Croatti	\$82,351	27%
John B. Bartlett	\$85,113	27%
Bruce P. Boynton	\$65,959	27%
David A. DiFillippo	\$63,558	27%
Dennis G. Assad		

Mr. Assad did not receive an annual cash incentive bonus because bonuses were determined after his separation from employment from the Company.

The annual cash incentive bonuses paid to our named executive officers reflect the general performance of our named executive officers during fiscal 2007, their roles and responsibilities, and their experience, skills and contributions.

### *Long-Term Equity Incentive Compensation*

We grant long-term equity incentive awards in the form of non-qualified stock options to our named executive officers as part of our total compensation package. We use long-term equity incentive awards as part of our emphasis on performance-based incentive compensation. Our long-term equity incentive awards align the interests of our named executive officers and our stockholders by providing our executives with incentives to increase stockholder value and a reward for doing so.

We generally grant stock options once per year to our named executive officers. Stock options provide our executive officers with the right to purchase shares of our Common Stock at a fixed exercise price based on the fair market value of shares of our Common Stock on the date of grant. Stock options granted to our named executive officers beginning in fiscal 2003 and thereafter are subject to a five-year cliff-vesting schedule under which options become vested and exercisable after five years from the date of grant and expire ten years after the grant date. All stock options are awarded pursuant to our UniFirst Corporation 1996 Stock Incentive Plan.

Upon a holder's exercise of a non-qualified stock option, we are generally entitled to a tax deduction in the year in which the stock option is exercised equal to the spread between the exercise price and the fair market value of the stock for which the stock option is exercised. A holder of a non-qualified stock option is generally taxed on this same amount in the year of exercise.



## Edgar Filing: UNIFIRST CORP - Form DEF 14A

When determining the stock options to be granted to our named executive officers in fiscal 2007, we considered the expected future value of potential stock option grants. In fiscal 2007, we granted the following non-qualified stock options to our named executive officers:

<b>Name</b>	<b>Number of Securities Underlying Options</b>	<b>Exercise or Base Price of Option Awards (\$/Sh)</b>
Ronald D. Croatti	2,100	\$36.05
Cynthia Croatti	1,600	\$36.05
John B. Bartlett	1,600	\$36.05
Bruce P. Boynton	1,400	\$36.05
David A. DiFillippo	1,400	\$36.05
Dennis G. Assad	1,400	\$36.05

The number of stock options granted by our Compensation Committee to Mr. Croatti was based on his substantial contributions to our success in prior years, his strong leadership skills and strategic vision. The number of stock options granted to our other named executive officers was determined by our Compensation Committee after reviewing Mr. Croatti's recommendations with respect to stock option grants to each named executive officer. The stock options granted to Mr. Assad were granted in November 2006 prior to Mr. Assad's separation from employment from the Company, and as a result of his separation from employment, all of these options were forfeited by Mr. Assad.

The stock options granted to our named executive officers reflect the general performance of our named executive officers during prior years, their roles and responsibilities, and their experience, skills and contributions.

### *Broad-Based Benefits Programs and Perquisites*

All full-time employees, including our named executive officers, may participate in our health and welfare benefit programs, including medical, dental and vision care coverage, disability insurance, life insurance and UniFirst Corporation Profit Sharing Plan. In addition, certain of our full-time employees, including our named executive officers, may participate in the UniFirst Corporation Unfunded Supplemental Executive Retirement Plan. In fiscal 2007, our named executive officers also received certain perquisites and personal benefits set forth in the Summary Compensation Table below. We provide these benefits to retain and attract talented executives with the skills and experience to further our long term strategic plan.

### *Our Executive Compensation Process*

The Compensation Committee of our Board of Directors is primarily responsible for establishing the compensation paid to our named executive officers. The Board of Directors has determined that each member of the compensation committee is independent as that term is defined under the applicable rules of the New York Stock Exchange. In determining executive compensation, our Compensation Committee annually reviews the performance of our named executive officers with our Chief Executive Officer, and our Chief Executive Officer makes recommendations to our Compensation Committee with respect to the appropriate base salary, annual cash incentive bonus payments and grants of long-term equity incentive awards for each of our named executive officers. Our Compensation Committee annually reviews the performance of our Chief Executive Officer and establishes the appropriate base salary, annual cash incentive bonus payments and grants of long-term equity incentive awards to be paid to him.

**COMPENSATION COMMITTEE REPORT**

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis contained in this Proxy Statement with management. Based on such review and discussions, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement and the Company's Annual Report on Form 10-K for the fiscal year ended August 25, 2007 for filing with the SEC.

**Compensation Committee**

Robert F. Collings (Chairman)

Donald J. Evans

Michael Iandoli

**Summary Compensation Table**

The following table sets forth summary information concerning the annual compensation for the year ended August 25, 2007 awarded to, earned by or paid to our Chief Executive Officer, Chief Financial Officer, our other three most highly-compensated executive officers and one additional executive officer who would have been considered one of our other three most highly-compensated executive officers but for the fact that such executive officer was not serving as an executive officer on August 25, 2007 (collectively, for purposes of the tables set forth in this Proxy Statement, our named executive officers):

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Option Awards \$(1)	Change in Pension Value and Nonqualified Deferred Compensation	All Other Compensation \$(3)	Total (\$)
					Earnings \$(2)		
<i>Ronald D. Croatti</i>	2007	\$459,326	\$123,743	\$48,631	\$180,444	\$23,077	\$835,221
Chairman of the Board, President and Chief Executive Officer <i>Cynthia Croatti</i>	2007	\$305,627	\$82,351	\$18,247	\$41,669	\$23,336	\$471,230
Executive Vice President and Treasurer <i>John B. Bartlett</i>	2007	\$315,934	\$85,113	\$31,982	\$107,262	\$23,388	\$563,679
Senior Vice President and Chief Financial Officer <i>Bruce P. Boynton</i>	2007	\$244,748	\$65,959	\$15,170	\$60,134	\$23,222	\$409,233
Senior Vice President, Operations <i>David A. DiFillippo</i>	2007	\$235,926	\$63,558	\$15,170	\$36,668	\$23,268	\$374,590
Senior Vice President, Operations <i>Dennis G. Assad</i>	2007	\$101,345			\$129,303	\$168,838	\$399,486

Edgar Filing: UNIFIRST CORP - Form DEF 14A

Former Senior Vice  
President, Sales and  
Marketing (4)

- (1) Shown is the expense that we recognized as stock-based compensation expense in fiscal 2007 for financial accounting purposes (excluding the effect of any estimate of future forfeitures) determined in accordance with FAS No. 123(r) related to stock options that were granted to our named executive officers. Additional information concerning our financial reporting of stock options is presented in Notes 1 and 11 to our Consolidated Financial Statements set forth in our Annual Report on Form 10-K for the year ended August 25, 2007. See the Outstanding Equity Awards at Fiscal Year-End 2007 table below for additional details of the stock options that have been granted to our named executive officers in fiscal 2007.
- (2) Amounts reported in this column represent the present value of the accumulated benefit obligation as of August 25, 2007 minus the present value of the accumulated benefit obligation as of August 26, 2006 under the UniFirst Corporation Unfunded Supplemental Executive Retirement Plan (our SERP). Our obligation has been estimated assuming benefits commence at normal social security retirement age and using FAS No. 87 assumptions for mortality, assumed payment form and discount rates in effect at the measurement dates. Since the Company does not credit interest at above-market rates, no interest amounts are included in these totals. See the Pension Benefits Table Fiscal 2007 below for additional details about the accumulated benefits of each named executive officer under our SERP.
- (3) The amounts reported in the All Other Compensation column are shown in the table below.
- (4) Mr. Assad, formerly our Senior Vice President of Sales and Marketing, separated from employment with us effective January 1, 2007. On January 5, 2007, we entered into an agreement with Mr. Assad concerning the terms of his separation from employment. The agreement provides for the waiver of the provision in our SERP regarding forfeiture of payments due to separation from service prior to normal retirement age. As a result, Mr. Assad is entitled to receive payments in accordance with the terms of our SERP and our agreement with Mr. Assad concerning the terms of his separation from employment.

Name	Year	Severance	Car Allowance(\$)	401(k) Contribution(\$)	Profit Sharing Plan(\$)	Total All Other Compensation(\$)
Ronald D. Croatti	2007		\$7,060	\$9,000	\$7,017	\$23,077
Cynthia Croatti	2007		\$7,060	\$9,259	\$7,017	\$23,336
John B. Bartlett	2007		\$7,060	\$9,311	\$7,017	\$23,388
Bruce P. Boynton	2007		\$7,060	\$9,145	\$7,017	\$23,222
David DiFillippo	2007		\$7,060	\$9,191	\$7,017	\$23,268
Dennis G. Assad	2007	\$155,419(5)	\$2,660	\$3,742	\$7,017	\$168,838

- (5) Mr. Assad's agreement with us concerning his separation from employment requires us to pay Mr. Assad severance in the aggregate amount of \$699,387.00 pursuant to a payment schedule commencing in July 2007 and ending in December 2009. The amount set forth in the table reflects the actual severance payments to Mr. Assad in fiscal 2007.

**Grants of Plan-Based Awards Fiscal 2007**

The following table contains information related to non-qualified options to purchase shares of our Common Stock granted to our named executive officers under our stock option plan during fiscal 2007:

Name	Grant Date	All other Option Awards: Number of Securities Underlying Options (#)(1)	Exercise or Base Price of Grant Date Fair Value of Stock Awards and Option Awards(\$/Sh)(2)	(3)
------	------------	---	---	-----

Edgar Filing: UNIFIRST CORP - Form DEF 14A

<i>Ronald D. Croatti</i>	10/31/2006	2,100	\$36.05	\$34,293
Chairman of the Board, President and Chief Executive Officer				
<i>Cynthia Croatti</i>	10/31/2006	1,600	\$36.05	\$26,128
Executive Vice President and Treasurer				
<i>John B. Bartlett</i>	10/31/2006	1,600	\$36.05	\$26,128
Senior Vice President and Chief Financial Officer				
<i>Bruce P. Boynton</i>	10/31/2006	1,400	\$36.05	\$22,862
Senior Vice President, Operations				
<i>David A. DiFillippo</i>	10/31/2006	1,400	\$36.05	\$22,862
Senior Vice President, Operations				
<i>Dennis G. Assad</i>	10/31/2006	1,400(4)	\$36.05	\$22,862
Former Senior Vice President, Sales and Marketing				

- (1) Amounts represent the number of non-qualified options granted to our named executive officers during fiscal 2007. These options are subject to a five-year cliff vesting schedule under which the options become vested and exercisable five years from the date of grant. Each of these grants expires ten years from the date of grant.
- (2) Amounts represent the fair market value of our Common Stock on the date of the grant. Fair market value is determined using the closing price of our Common Stock on the New York Stock Exchange on the day of the grant.
- (3) Amounts represent the grant date fair value of each stock option award during fiscal 2007. These amounts were calculated in accordance with FAS No. 123(r). By contrast, the amounts shown for stock option awards in the Summary Compensation Table are the amounts we recognized for financial reporting purposes in fiscal 2007 for awards granted in fiscal 2007 and prior fiscal years. None of the options were repriced or otherwise modified.
- (4) The stock options granted to Mr. Assad in fiscal 2007 were forfeited by Mr. Assad in accordance with the terms of our agreement with him concerning his separation from employment.

**Outstanding Equity Awards at Fiscal Year-End 2007**

The following table sets forth information concerning the number of unexercised options to purchase shares of our Common Stock held as of August 25, 2007 by our named executive officers:

Name	Number of Securities Underlying Unexercised Options (#)	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date
	Exercisable	Unexercisable		
<i>Ronald D. Croatti</i>	2,100		\$10.0625	11/3/2008
	2,100		\$17.55	10/31/2009

Edgar Filing: UNIFIRST CORP - Form DEF 14A

Chairman of the Board, President and Chief Executive Officer		2,100(1)	\$19.93	1/14/2013
		2,100(2)	\$24.35	11/4/2013
		2,100(3)	\$27.98	10/25/2014
		2,100(4)	\$34.83	10/27/2015
		2,100(5)	\$36.05	10/31/2016
Cynthia Croatti	1,000		\$10.0625	11/3/2008
Executive Vice President and Treasurer	1,400		\$17.55	10/31/2009
		1,400(1)	\$19.93	1/14/2013
		1,400(2)	\$24.35	11/4/2013
		1,400(3)	\$27.98	10/25/2014
		1,600(4)	\$34.83	10/27/2015
John B. Bartlett		1,600(5)	\$36.05	10/31/2016
		1,400(1)	\$19.93	1/14/2013
Senior Vice President and Chief Financial Officer		1,400(2)	\$24.35	11/4/2013
		1,400(3)	\$27.98	10/25/2014
		1,600(4)	\$34.83	10/27/2015
		1,600(5)	\$36.05	10/31/2016
		1,400(1)	\$17.55	10/31/2009
Bruce P. Boynton	275			
Senior Vice President, Operations		1,100(1)	\$19.93	1/14/2013
		1,100(2)	\$24.35	11/4/2013
		1,100(3)	\$27.98	10/25/2014
		1,400(4)	\$34.83	10/27/2015
		1,400(5)	\$36.05	10/31/2016
David A. DiFillippo	800		\$10.0625	11/3/2008
Senior Vice President, Operations	1,100		\$17.55	10/31/2009
		1,100(1)	\$19.93	1/14/2013
		1,100(2)	\$24.35	11/4/2013
		1,100(3)	\$27.98	10/25/2014
		1,400(4)	\$34.83	10/27/2015
Dennis G. Assad		1,400(5)	\$36.05	10/31/2016

## Edgar Filing: UNIFIRST CORP - Form DEF 14A

Former Senior Vice President, Sales and  
Marketing

- (1) These options are subject to a five-year cliff vesting schedule and become vested and exercisable on January 14, 2008.
- (2) These options are subject to a five-year cliff vesting schedule and become vested and exercisable on November 4, 2008.
- (3) These options are subject to a five-year cliff vesting schedule and become vested and exercisable on October 25, 2009.
- (4) These options are subject to a five-year cliff vesting schedule and become vested and exercisable on October 27, 2010.
- (5) These options are subject to a five-year cliff vesting schedule and become vested and exercisable on October 31, 2011.

### Option Exercises and Stock Vested Table Fiscal 2007

The following table sets forth the number of shares of Common Stock acquired and the aggregate dollar value realized as a result of stock option exercises during fiscal 2007 by our named executive officers:

Name	Option Awards Number of Shares Acquired on Exercise (#)	Value Realized (\$)(1)
<i>Ronald D. Croatti</i>	2,100	\$48,815(2)
Chairman of the Board, President and Chief Executive Officer <i>Cynthia Croatti</i>	1,000	\$23,245(3)
Executive Vice President and Treasurer <i>John B. Bartlett</i>		
Senior Vice President and Chief Financial Officer <i>Bruce P. Boynton</i>		
Senior Vice President, Operations <i>David A. DiFillippo</i>	800	\$23,340(4)
Senior Vice President, Operations <i>Dennis G. Assad</i>	3,300	\$87,332(5)
Former Senior Vice President, Sales and Marketing		

- (1) The value realized on exercise is the market value of our Common Stock at the time of exercise of the stock option less the exercise price paid, multiplied by the number of shares underlying the stock option exercised.
- (2) Value realized on exercise is as follows: \$23,245 (the market value at the time of exercise of \$38.37 less the exercise price of \$15.125), multiplied by 2,100 shares acquired upon exercise.

Edgar Filing: UNIFIRST CORP - Form DEF 14A

- (3) Value realized on exercise is as follows: \$23,245 (the market value at the time of exercise of \$38.37 less the exercise price of \$15.125), multiplied by 1,000 shares acquired upon exercise.
- (4) Value realized on exercise is as follows: \$29,175 (the market value at the time of exercise of \$44.30 less the exercise price of \$15.125), multiplied by 800 shares acquired upon exercise.
- (5) Value realized on exercise is as follows: (a) \$25,585 (the market value at the time of exercise of \$40.71 less the exercise price of \$15.125), multiplied by 1,100 shares acquired upon exercise, plus (b) \$30,6475 (market value at the time of exercise of \$40.71 less the exercise price of \$10.0625), multiplied by 1,100 shares acquired upon exercise, plus (c) \$23.16 (the market value at the time of exercise of \$40.71 less the exercise price of \$17.55), multiplied by 1,100 shares acquired upon exercise.

**Pension Benefits Table Fiscal 2007**

The following table sets forth the actuarial present value of accumulated benefits under our Unfunded Supplemental Executive Retirement Plan, the number of years of credited service and the dollar amount of payments and benefits paid during fiscal 2007 to our named executive officers as of August 25, 2007:

<b>Name</b>	<b>Plan Name</b>	<b>Number of Years of Credited Service (#)(1)</b>	<b>Present Value of Accumulated Benefits (\$)(2)</b>	<b>Payments During Last Fiscal Year (\$)</b>
<i>Ronald D. Croatti</i>	UniFirst Corporation Unfunded Supplemental Executive Retirement Plan	30	\$1,487,413	
Chairman of the Board, President and Chief Executive Officer <i>Cynthia Croatti</i>	UniFirst Corporation Unfunded Supplemental Executive Retirement Plan	28	\$336,079	
Executive Vice President and Treasurer <i>John B. Bartlett</i>	UniFirst Corporation Unfunded Supplemental Executive Retirement Plan	30	\$1,045,078	
Senior Vice President and Chief Financial Officer <i>Bruce P. Boynton</i>	UniFirst Corporation Unfunded Supplemental Executive Retirement Plan	30	\$430,017	
Senior Vice President, Operations <i>David A. DiFillippo</i>	UniFirst Corporation Unfunded Supplemental Executive Retirement Plan	28	\$199,619	
Senior Vice President, Operations <i>Dennis G. Assad</i>	UniFirst Corporation Unfunded Supplemental Executive Retirement Plan	30(3)	\$578,593(3)	
Former Senior Vice President, Sales and Marketing	UniFirst Corporation Unfunded Supplemental Executive Retirement Plan			

(1)

## Edgar Filing: UNIFIRST CORP - Form DEF 14A

As discussed in more detail below under the heading **UniFirst Corporation Unfunded Supplemental Executive Retirement Plan**, our SERP limits the number of years of credited service to thirty for purposes of determining a participant's benefits under the plan.

- (2) Amounts reported in this column represent the present value of the accumulated benefit obligation as of August 25, 2007. Our obligation has been estimated assuming benefits commence on the individual's social security retirement date and using FAS No. 87 assumptions for mortality, assumed payment form and discount rates in effect at the measurement dates.
- (3) Our agreement with Mr. Assad concerning his separation from employment provides for the waiver of the provision in our SERP regarding forfeiture of payments due to separation from service prior to normal retirement age. As a result, Mr. Assad is entitled to receive payments in accordance with the terms of our SERP and our agreement with Mr. Assad concerning the terms of his separation from employment.

### **UniFirst Corporation Unfunded Supplemental Executive Retirement Plan**

Certain of our and our affiliates' employees are eligible to participate in our SERP. Retirement benefits available under our SERP are based on a participant's average annual base earnings, exclusive of bonuses, commissions, fringe benefits and reimbursed expenses, for the last three years of full-time employment prior to his retirement date ( **Final Average Earnings** ). Upon the retirement of a participant on his social security retirement date, the participant will be paid an aggregate amount equal to 1.33% percent of his Final Average Earnings multiplied by his years of service, limited to 30 years, less his primary Social Security benefit. Pension payments under our SERP are made at the intervals then in use for the payment of base salaries to our executive officers. Upon the death of a participant, the participant's designated beneficiary will be paid retirement benefits for up to 12 years from the participant's date of retirement. Our SERP provides that, upon any change in control, participants in our SERP will receive a lump sum payment equal to the actuarial equivalent of their plan benefit as of the date of the change in control.

### **Potential Payments Upon Termination or Change in Control**

As discussed under the heading **UniFirst Corporation Unfunded Supplemental Executive Retirement Plan** above, upon a change in control, our named executive officers will receive a lump sum payment under our SERP equal to the actuarial equivalent of their plan benefit as of the date of the change in control. For more information concerning our SERP, see the **Pension Benefits Table Fiscal 2007** and the discussion under the heading **UniFirst Corporation Unfunded Supplemental Executive Retirement Plan** above.

As discussed in footnote 5 to the **Summary Compensation Table** above, we entered into an agreement with Mr. Assad concerning his separation from employment. Our agreement with Mr. Assad provides for severance payments to Mr. Assad in the amount of \$699,387.00 to be paid in accordance with the payment schedule set forth in our agreement with him. The severance payments commenced in July 2007 and will end in December 2009. Our agreement with Mr. Assad also provides for the waiver of the provision in our SERP regarding forfeiture of payments due to separation from service prior to normal retirement age. As a result, Mr. Assad is entitled to receive payments in accordance with the terms of our SERP and our agreement with him. See the **Pension Benefits Table Fiscal 2007** for more information concerning Mr. Assad and his participation in our SERP. Finally, our agreement with Mr. Assad provides that all unvested stock options held by Mr. Assad as of January 1, 2007 lapsed and will not be exercisable.

### **Director Compensation Table Fiscal 2007**

The compensation earned by our Directors during fiscal 2007 is set forth in the table below. We determine the amounts earned by our Directors on a calendar year basis. During calendar 2007, each Director who was not an employee of our Company earned: an annual fee of \$28,000; an annual fee for chairing the Audit Committee of \$7,500; an annual fee for chairing a Committee other than the Audit Committee of \$5,000; a



## Edgar Filing: UNIFIRST CORP - Form DEF 14A

\$2,500 fee for each Board meeting attended; a \$500 fee for each Committee meeting attended if held on the same day as a Board meeting; a \$2,000 fee for one or more Committee meetings attended on a single day if not held on the same day as a Board meeting; a \$1,250 fee for participating in a telephonic Board meeting; a \$1,000 fee for participating in a telephonic Committee meeting; and an option to purchase 1,500 shares of Common Stock.

Each Director who was also an employee of our Company received no Director's fees during fiscal year 2007 and will receive no Director's fees during calendar year 2008.

Name	Fees Earned or Option		Total
	Paid in Cash	Awards	
	(\$)	(\$)(1)	(\$)
Albert Cohen (2)	\$8,000	N/A	\$8,000
Phillip C. Cohen	\$56,000	\$29,235	\$85,235
Robert F. Collings	\$52,000	\$29,235	\$81,235
Anthony F. DiFillippo	\$39,000	\$29,235	\$68,235
Donald J. Evans	\$55,500	\$29,235	\$84,735
Michael Iandoli	\$37,000	\$29,235	\$66,235
Lawrence Pugh(3)	\$7,000	N/A	\$7,000

- (1) Shown is the expense that we recognized as stock-based compensation expense in fiscal 2007 for financial accounting purposes (excluding the effect of any estimate of future forfeitures) determined in accordance with FAS No. 123(r) with respect to the grant of 1,500 stock options awarded to each of our non-employee Directors on January 12, 2007. These stock options became fully vested upon grant and expire ten years after the grant date. Additional information concerning our financial reporting of stock options is presented in Notes 1 and 11 to our Consolidated Financial Statements set forth in our Annual Report on Form 10-K for the year ended August 25, 2007.
- (2) Mr. Cohen died on November 25, 2006. The compensation reflected in the table represents fees earned by Mr. Cohen during fiscal 2007 prior to his death.
- (3) Mr. Pugh retired from our Board of Directors as of January 9, 2007. The compensation reflected in the table represents fees earned by Mr. Pugh during fiscal 2007 prior to his retirement.

### Compensation Committee Interlocks and Insider Participation

During the 2007 fiscal year, the Compensation Committee consisted of Messrs. Collings, Evans and Iandoli. None of these individuals has served as an officer or employee of the Company or any of its subsidiaries. During the 2007 fiscal year, to the knowledge of the Company, none of its executive officers:

served as a member of the compensation committee of another entity, one of whose executive officers served on the Compensation Committee;

served as directors of another entity, one of whose executive officers served on the Compensation Committee; or

served as members of the compensation committee of another entity, one of whose executive officers served as one of the Company's directors.

**REPORT OF AUDIT COMMITTEE**

The Audit Committee is composed entirely of independent directors meeting the requirements of applicable Securities and Exchange Commission and New York Stock Exchange rules. The key responsibilities of our committee are set forth in our Charter.

We serve in an oversight capacity and are not intended to be part of UniFirst's operational or managerial decision-making process. UniFirst's management is responsible for preparing the consolidated financial statements and its independent registered public accounting firm is responsible for auditing those statements. Our principal purpose is to monitor these processes.

The Audit Committee has, among other things:

Reviewed and discussed with management and the independent registered public accounting firm the audited financial statements for the year ended August 25, 2007.

Reviewed and discussed with management and the independent registered public accounting firm the quarterly and annual earnings press releases prior to release and the quarterly and annual reports on Forms 10-Q and 10-K prior to filing.

Discussed with management and the independent registered public accounting firm the results of the testing of internal controls over financial reporting.

Discussed with the independent registered public accounting firm the overall scope and plans for the annual audit, the results of their examination and the overall quality of UniFirst's financial reporting.

Discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards ( SAS ) No. 61, as amended by SAS No. 90.

Reviewed all audit and non-audit service performed by the independent registered public accounting firm and considered whether the provision of non-audit services is compatible with maintaining the auditors' independence.

Received the written disclosures and the letter from the independent registered public accounting firm required by Independence Standards Board Standard No. 1, and discussed with the independent registered public accounting firm the auditors' independence.

Based on the review and discussions above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company's Annual Report on Form 10-K for the last fiscal year for filing with the Securities and Exchange Commission.

Submitted by the Audit Committee for fiscal 2007

Phillip L. Cohen (Chairman)

## Edgar Filing: UNIFIRST CORP - Form DEF 14A

Robert F. Collings

Donald J. Evans

### **Independent Registered Public Accounting Firm**

*Audit Fees.* During fiscal 2007, the aggregate fees and expenses for professional services rendered by Ernst & Young LLP ( Ernst & Young ) for the audit of the Company s annual financial statements, audit of management s assessment and the operating effectiveness of the Company s internal controls over financial reporting, and review of the Company s quarterly financial statements totaled \$987,793. During fiscal 2006, the aggregate fees and expenses for professional services rendered by Ernst & Young LLP for the audit of the Company s annual financial statements, audit of management s assessment and the operating effectiveness of the Company s internal controls over financial reporting, and review of the Company s quarterly financial statements totaled \$1,205,326. Of this amount, \$81,600 was paid for service provided in connection with a follow-on offering completed in July 2006. This amount was fully reimbursed by the shareholders that sold shares in the offering.

*Audit-Related Fees.* During fiscal 2007 and 2006, there were no fees and expenses billed for assurance and related services rendered by Ernst & Young that were reasonably related to the performance of the audit or review of the Company s annual financial statements and review of the Company s quarterly financial statements.

*Tax Fees.* During fiscal 2007, the aggregate fees and expenses billed for professional services rendered by Ernst & Young for tax compliance, tax advice and tax planning totaled \$205,994. During fiscal 2006, the aggregate fees and expenses billed for professional services rendered by Ernst & Young for tax compliance, tax advice and tax planning totaled \$50,000.

*All Other Fees.* During fiscal 2007, the aggregate fees and expenses billed for professional services rendered by Ernst & Young to the Company not covered in the three preceding paragraphs totaled \$6,000, which were primarily for advisory services. During fiscal 2006, the aggregate fees and expenses billed for professional services rendered by Ernst & Young to the Company not covered in the three preceding paragraphs totaled \$10,318, which were primarily for advisory services.

Under its Charter, the Audit Committee must pre-approve all audit and permitted non-audit services to be provided by our principal independent registered public accounting firm unless an exception to such pre-approval exists under the Exchange Act or the rules of the SEC. Each year, the audit committee approves the retention of the independent registered public accounting firm to audit our financial statements, including the associated fee. All of the services described in the four preceding paragraphs were approved by the Audit Committee. The Audit Committee has considered whether the provisions of such services, including non-audit services, by Ernst & Young is compatible with maintaining Ernst & Young s independence and has concluded that it is.

### **Certain Relationships and Related Transactions**

The Company s Board of Directors has adopted a written Related Person Transaction Approval Policy to monitor transactions, arrangements or relationships in which the Company is a participant and any of the following have a direct or indirect material interest: (a) an executive officer, director or director nominee; (b) an immediate family member of an executive officer, director or director nominee; (c) a shareholder that beneficially owns more than 5% of the Company s Common Stock or Class B Common Stock; or (d) any immediate family member of such 5% shareholder. The policy generally covers related person transactions that meet the minimum threshold for disclosure under relevant SEC rules.

## Edgar Filing: UNIFIRST CORP - Form DEF 14A

Such related person transactions generally involve amounts exceeding \$120,000.

The Company's Chief Financial Officer, together with outside legal counsel, identifies any potential related person transactions and, if he determines that a transaction constitutes a related person transaction under the policy, the Chief Financial Officer provides relevant details to the Audit Committee. If the Chief Financial Officer has an interest in a potential related person transaction, the Chief Executive Officer assumes the role of the Company's Chief Financial Officer under the policy. The Audit Committee reviews relevant information concerning any proposed transaction contemplated by the Company with an individual or entity that is the subject of a disclosed relationship, and approves or disapproves the transaction, with or without conditions. Certain related person transactions are deemed pre-approved by the Audit Committee, including transactions, arrangements or relationships where the rates or charges involved in the transactions are determined by competitive bids.

During the 2007 fiscal year, the Company was not a participant in any related party transactions that required disclosure under this heading.

### **Section 16(a) Beneficial Ownership Reporting Compliance**

Executive officers, Directors and greater than 10% shareholders of the Company are required to file with the Securities and Exchange Commission pursuant to Section 16(a) of the Exchange Act, reports of ownership and changes in ownership. Such reports are filed on Form 3, Form 4 and Form 5 under the Exchange Act, as appropriate. Executive officers, Directors and greater than 10% shareholders are required by Exchange Act regulations to furnish the Company with copies of all Section 16(a) forms they file.

To the Company's knowledge, based solely on review of the copies of such reports furnished to the Company or written representations that no such reports were required during the 2007 fiscal year, the Company believes that, during the 2007 fiscal year, all executive officers, Directors and greater than 10% shareholders complied with the applicable Section 16(a) filing requirements.

### **PROPOSAL 2**

#### **RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee of the Board of Directors has appointed Ernst & Young LLP as the Company's independent registered public accounting firm for its fiscal year ending August 30, 2008. Ernst & Young LLP has served as the Company's independent registered public accounting firm since 2002. The Audit Committee is directly responsible for the appointment, retention, compensation and oversight of the work of the Company's independent registered public accounting firm for the purpose of preparing or issuing an audit report or related work. In making its determinations regarding whether to appoint or retain a particular independent registered public accounting firm, the Audit Committee takes into account the views of management and will take into account the vote of the Company's stockholders with respect to the ratification of the appointment of the Company's independent registered public accounting firm.

A representative of Ernst & Young LLP is expected to be present at the Annual Meeting. He or she will have an opportunity to make a statement, if he or she desires to do so, and will be available to respond to appropriate questions.

**THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING AUGUST 30, 2008.**

**PROPOSAL 3**

**OTHER MATTERS**

Management is not aware of any other matters which may come before the Annual Meeting; however, if any matters other than those set forth in the attached Notice of Annual Meeting should be properly presented at the Annual Meeting, the persons named in the enclosed proxy intend to take such action as will be, in their discretion, consistent with the best interest of the Company.

**Shareholder Proposals**

Any shareholder desiring to present a proposal for inclusion in the Company's Proxy Statement in connection with the Company's 2009 Annual Meeting of shareholders must submit the proposal so as to be received by the Secretary of the Company at the principal executive offices of the Company, 68 Jonspin Road, Wilmington, Massachusetts 01887, not later than August 6, 2008. In addition, in order to be included in the proxy statement, such a proposal must comply with the requirements as to form and substance established by applicable laws and regulations.

Shareholders wishing to present business for action, other than proposals to be included in the Company's Proxy Statement, or to nominate candidates for election as Directors at a meeting of the Company's shareholders, must do so in accordance with the Company's By-laws. The By-laws provide, among other requirements, that in order to be presented at the 2009 Annual Meeting of Shareholders, such shareholder proposals or nominations may be made only by a shareholder of record who shall have given notice of the proposal or nomination and the related required information to the Company no earlier than September 10, 2008 and no later than October 25, 2008.

**Annual Report on Form 10-K**

The Company will provide each shareholder with a copy of its Annual Report on Form 10-K, including the financial statements and schedules to such report but excluding exhibits, required to be filed with the SEC for the Company's most recent fiscal year, without charge, upon receipt of a phone call or written request from such person. Such request must be made to the Company's Investor Services group by calling (978) 658-8888 or by writing to Investor Services, UniFirst Corporation, 68 Jonspin Road, Wilmington, MA 01887.

**YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU EXPECT TO BE PRESENT AT THE ANNUAL MEETING, PLEASE COMPLETE AND SIGN THE ENCLOSED PROXY AND RETURN IT PROMPTLY IN THE ENCLOSED ENVELOPE. NO POSTAGE IS REQUIRED IF MAILED WITHIN THE UNITED STATES. YOUR PROXY MAY BE REVOKED BY YOU AT ANY TIME PRIOR TO ITS USE. IF YOU ATTEND THE MEETING, YOU MAY CONTINUE TO HAVE YOUR SHARES VOTED AS INSTRUCTED IN THE PROXY OR YOU MAY WITHDRAW YOUR PROXY AT THE MEETING AND VOTE YOUR SHARES IN PERSON.**

December 4, 2007

























