

PARK NATIONAL CORP /OH/

Form DEF 14A

March 10, 2006

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

**SCHEDULE 14A**

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

**Park National Corporation**

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(Name of Registrant as Specified In Its Charter)

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(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:

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2) Aggregate number of securities to which transaction applies:

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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):

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1) Amount Previously Paid:

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2) Form, Schedule or Registration Statement No.:

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SEC 1913 (11-01)

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**PARK NATIONAL CORPORATION**

50 North Third Street  
Post Office Box 3500  
Newark, Ohio 43058-3500  
(740) 349-8451

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD APRIL 17, 2006**

Dear Fellow Shareholders:

The Annual Meeting of Shareholders (the Annual Meeting ) of Park National Corporation ( Park ) will be held at the offices of The Park National Bank, 50 North Third Street, Newark, Ohio, on Monday, April 17, 2006, at 2:00 p.m., Eastern Daylight Saving Time, for the following purposes:

1. To elect four directors, each for a term of three years to expire at the 2009 Annual Meeting of Shareholders.
2. To consider and vote upon a proposal to adopt amendments to Section 1.04 of Park s Regulations to (a) require that shareholders be given written notice at least ten days in advance of all shareholder meetings and (b) permit electronic notices of shareholder meetings.
3. To consider and vote upon a proposal to adopt an amendment to Section 1.11 of Park s Regulations to permit electronic voting of shareholder proxies.
4. To transact any other business which properly comes before the Annual Meeting or any adjournment.

If you were a shareholder of record at the close of business on February 22, 2006, you will be entitled to vote in person or by proxy at the Annual Meeting.

You are cordially invited to attend the Annual Meeting. Your vote is important, regardless of the number of common shares you own. Whether or not you plan to attend the Annual Meeting in person, please sign, date and return your proxy card. A return envelope, which requires no postage if mailed in the United States, has been provided for your use. Voting your common shares using the enclosed proxy card does not affect your right to vote in person if you attend the Annual Meeting.

By Order of the Board of Directors,

/s/ David L. Trautman  
DAVID L. TRAUTMAN  
*President and Secretary*

March 14, 2006

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**PARK NATIONAL CORPORATION**

**50 North Third Street**

**Post Office Box 3500**

**Newark, Ohio 43058-3500**

**(740) 349-8451**

**[www.parknationalcorp.com](http://www.parknationalcorp.com)**

**PROXY STATEMENT FOR ANNUAL MEETING OF SHAREHOLDERS**

**To Be Held April 17, 2006**

**GENERAL INFORMATION**

We are sending you this proxy statement and the enclosed proxy card because the Board of Directors of Park National Corporation ( Park ) is soliciting your proxy to vote at the Annual Meeting of Shareholders (the Annual Meeting ) to be held on Monday, April 17, 2006, at 2:00 p.m., Eastern Daylight Saving Time, or at any adjournment. The Annual Meeting will be held at the offices of The Park National Bank, 50 North Third Street, Newark, Ohio. This proxy statement summarizes information that you will need in order to vote.

**Mailing**

We mailed this proxy statement and the accompanying proxy card on or about March 14, 2006 to all shareholders entitled to vote their common shares at the Annual Meeting. We also sent with the proxy statement Park s 2005 Annual Report. Audited consolidated financial statements for Park and its subsidiaries for the fiscal year ended December 31, 2005 (the 2005 fiscal year ) are included in the 2005 Annual Report.

**Additional copies of the 2005 Annual Report and of Park s Annual Report on Form 10-K for the 2005 fiscal year may be obtained, without charge, by sending a written request to: David L. Trautman, President and Secretary, Park National Corporation, 50 North Third Street, Post Office Box 3500, Newark, Ohio 43058-3500. The Form 10-K for the 2005 fiscal year is also on file with the Securities and Exchange Commission (the SEC ) and is available on the SEC s website at [www.sec.gov](http://www.sec.gov).**

**Delivery of Proxy Materials to Multiple Shareholders Sharing the Same Address**

Periodically, Park provides each registered shareholder at a shared address, not previously notified, with a separate notice of Park s intention to household proxy materials. The record holder notifies beneficial shareholders (those who hold common shares through a broker, financial institution or other record holder) of the householding process. Only one copy of this proxy statement and Park s 2005 Annual Report is being delivered to previously notified multiple registered shareholders who share an address unless Park has received contrary instructions from one or more of the shareholders. A separate proxy card and a separate notice of the Annual Meeting is being included for each account at the shared address.

Registered shareholders who share an address and would like to receive a separate 2005 Annual Report and/or a separate proxy statement for the Annual Meeting, or who have questions regarding the

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householding process, may contact Park's transfer agent and registrar, The First-Knox National Bank of Mount Vernon ( First-Knox National Bank ) by calling 1-800-837-5266, ext. 5208, or forwarding a written request addressed to First-Knox National Bank, Attention Debbie Daniels, P.O. Box 1270, One South Main Street, Mount Vernon, Ohio 43050-1270. Promptly upon request, additional copies of the 2005 Annual Report and/or a separate proxy statement for the Annual Meeting will be sent. By contacting First-Knox National Bank, registered shareholders sharing an address can also (i) notify Park that the registered shareholders wish to receive separate annual reports and/or proxy statements in the future or (ii) request delivery of a single copy of annual reports and/or proxy statements in the future if they are receiving multiple copies. Beneficial shareholders should contact their brokers, financial institutions or other record holders for specific information on the householding process as it applies to their accounts.

**VOTING INFORMATION**

**Who can vote at the Annual Meeting?**

Only shareholders of record at the close of business on February 22, 2006, are entitled to receive notice of and to vote at the Annual Meeting. At the close of business on February 22, 2006, there were 14,017,535 common shares outstanding and entitled to vote.

Each shareholder is entitled to one vote for each common share held. A shareholder wishing to exercise cumulative voting with respect to the election of directors must notify the President, a Vice President or the Secretary of Park in writing before 2:00 p.m., Eastern Daylight Saving Time, on April 15, 2006. If cumulative voting is requested and if an announcement of such request is made upon the convening of the Annual Meeting by the chairman or the secretary of the meeting or by or on behalf of the shareholder requesting cumulative voting, you will have votes equal to the number of directors to be elected, multiplied by the number of common shares owned by you, and will be entitled to distribute your votes among the candidates as you see fit. If cumulative voting is requested, the enclosed proxy card would grant discretionary authority to your proxy (one of the individuals named on your proxy card) to cumulate votes and to distribute the votes among the candidates.

**How do I vote?**

Whether or not you plan to attend the Annual Meeting, we urge you to vote in advance by proxy. To do so, you may complete, sign and date the enclosed proxy card and return it in the envelope provided.

If you plan to attend the Annual Meeting and vote in person, we will give you a ballot when you arrive. If your common shares are held in the name of your broker, your financial institution or another record holder, you must bring an account statement or letter from that broker, financial institution or other holder of record authorizing you to vote on behalf of the record holder. The account statement or letter must show that you were the direct or indirect beneficial owner of the common shares on February 22, 2006, the record date for voting.

**How will my common shares be voted?**

Those common shares represented by a properly executed proxy card that is received prior to the Annual Meeting and not subsequently revoked will be voted in accordance with your instructions by your proxy. If you submit a valid proxy card prior to the Annual Meeting but do not complete the voting

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instructions on the proxy card, your proxy will vote your common shares as recommended by the Board of Directors, except in the case of broker non-votes where applicable, as follows:

**FOR** the election as Park directors of the nominees listed under **PROPOSAL NUMBER 1: ELECTION OF DIRECTORS** ;

**FOR** the adoption of the proposed amendments to Section 1.04 of Park's Regulations described in **PROPOSAL NUMBER 2: ADOPTION OF AMENDMENTS TO SECTION 1.04 OF PARK'S REGULATIONS TO (A) REQUIRE THAT SHAREHOLDERS BE GIVEN WRITTEN NOTICE AT LEAST TEN DAYS IN ADVANCE OF ALL SHAREHOLDER MEETINGS AND (B) PERMIT ELECTRONIC NOTICES OF SHAREHOLDER MEETINGS** ; and

**FOR** the adoption of the proposed amendment to Section 1.11 of Park's Regulations described in **PROPOSAL NUMBER 3: ADOPTION OF AMENDMENT TO SECTION 1.11 OF PARK'S REGULATIONS TO PERMIT ELECTRONIC VOTING OF SHAREHOLDER PROXIES.**

If any other matters are properly presented for voting at the Annual Meeting, the persons named as proxies on the enclosed proxy card will vote on those matters in accordance with their best judgment.

**May I revoke my proxy?**

Yes. You may change your mind after you send in your proxy card by following any one of the following three procedures. To revoke your proxy:

Send in another signed proxy card with a later date, which must be received by Park prior to the Annual Meeting;

Send written notice revoking your proxy to David L. Trautman, Park's President and Secretary, at 50 North Third Street, Post Office Box 3500, Newark, Ohio 43058-3500, which must be received prior to the Annual Meeting; or

Attend the Annual Meeting and revoke your proxy in person if your common shares are held in your name. If your common shares are held in the name of your broker, your financial institution or another holder of record and you wish to revoke your proxy in person, you must bring an account statement or letter from the broker, financial institution or other holder of record indicating that you were the beneficial owner of the common shares on February 22, 2006, the record date for voting.

***Attendance at the Annual Meeting will not, by itself, revoke your proxy.***

**What is the quorum requirement for the Annual Meeting?**

Under Park's Regulations, a quorum is a majority of the common shares outstanding. Common shares may be present in person or represented by proxy at the Annual Meeting. Both abstentions and broker non-votes are counted as present for purposes of determining the presence of a quorum. Generally, broker non-votes occur when common shares held by a broker for a beneficial owner are not voted with respect to a particular proposal because the broker has not received voting instructions from the beneficial owner and the broker lacks discretionary voting power to vote such common shares.



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Brokers have discretionary authority to vote their clients' common shares on routine proposals, such as the uncontested election of directors, even if they do not receive voting instructions from their clients. They cannot, however, vote their clients' common shares on other non-routine matters without instructions from their clients.

**What if my common shares are held in street name ?**

If you hold your common shares in street name with a broker, financial institution or other holder of record, you should review the information provided to you by such holder of record. This information will describe the procedures you need to follow in instructing the holder of record how to vote your street name common shares and how to revoke previously given instructions. If you hold your common shares in street name, you may be eligible to appoint your proxy electronically via the Internet or telephonically and may incur costs associated with the electronic access.

**What if my common shares are held through the Park National Corporation Employees Stock Ownership Plan?**

If you participate in the Park National Corporation Employees Stock Ownership Plan (the Park ESOP ) and common shares have been allocated to your account in the Park ESOP, you will be entitled to instruct the trustee of the Park ESOP how to vote those common shares. If you are such a participant, you may receive your voting instructions card separately. If you give no voting instructions to the trustee of the Park ESOP, the trustee will vote the common shares allocated to your Park ESOP account pro rata in accordance with the instructions received from other participants in the Park ESOP who have voted.

**Who pays the cost of proxy solicitation?**

Park will pay the costs of soliciting proxies on behalf of the Board of Directors other than the Internet access and telephone usage charges if a proxy is appointed electronically through a holder of record. Although we are mailing these proxy materials, directors, officers and employees of Park and its subsidiaries also may solicit proxies by further mailing, personal contact, telephone, facsimile or electronic mail without receiving any additional compensation for such solicitations. Park will also reimburse our transfer agent, brokers, voting trustees, financial instructions and other custodians, nominees and fiduciaries for their reasonable costs in forwarding the proxy materials to the beneficial shareholders.

**What vote is required with respect to the proposals presented at the Annual Meeting?**

**Proposal Number 1: Election of Directors**

Under Ohio law and Park's Regulations, the four nominees for election as directors in the class whose terms will expire in 2009 receiving the greatest number of votes **FOR** election will be elected as directors. Common shares as to which the authority to vote is withheld will be counted for quorum purposes but will not affect whether a nominee has received sufficient votes to be elected.

**Proposal Number 2: Adoption of Amendments to Section 1.04 of Park's Regulations**

The affirmative vote of the holders of common shares entitling them to exercise not less than two-thirds of the voting power of Park is required to adopt the proposed amendments to Section 1.04 of Park's Regulations. The effect of an abstention or a broker non-vote is the same as a vote **AGAINST** the proposal.

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The affirmative vote of the holders of common shares entitling them to exercise not less than two-thirds of the voting power of Park is required to adopt the proposed amendment to Section 1.11 of Park's Regulations. The effect of an abstention or a broker non-vote is the same as a vote **AGAINST** the proposal.

**PRINCIPAL SHAREHOLDERS OF PARK**

The following table furnishes information regarding the beneficial ownership of common shares, as of February 22, 2006, for each of the current directors, each of the nominees for re-election as a director, each of the individuals named in the Summary Compensation Table beginning on page 29, all current directors and executive officers as a group and each person known by Park to beneficially own more than 5% of the outstanding common shares:

| Name of Beneficial Owner or Number of Persons in Group (1)  | Amount and Nature of Beneficial Ownership (1) |   |           | Percent of Class (2) |
|---|---|---|-----------|----------------------|
|   | Common Shares Presently Held                  | Common Shares Which Can Be Acquired Upon Exercise of Currently Exercisable Options or Options First Becoming Exercisable Within 60 Days | Total     |                      |
| Trust departments of bank subsidiaries of Park<br>c/o The Park National Bank, Trust Department<br>50 North Third Street<br>Newark, OH 43055 (3) | 2,105,910(3)                                  | 0   | 2,105,910 | 15.0%                |
| Maureen Buchwald  | 5,362(4)                                      | 0   | 5,362     | (5)                  |
| James J. Cullers  | 8,439(6)                                      | 0   | 8,439     | (5)                  |
| C. Daniel DeLawder (7)  | 105,231(8)                                    | 4,148   | 109,379   | (5)                  |
| Harry O. Egger  | 43,776(9)                                     | 0   | 43,776    | (5)                  |
| F. William Englefield IV  | 2,764(10)                                     | 0   | 2,764     | (5)                  |
| William T. McConnell  | 196,872(11)                                   | 0   | 196,872   | 1.4%                 |
| Michael J. Menzer   | 41,818(12)                                    | 0   | 41,818    | (5)                  |
| John J. O'Neill   | 174,180(13)                                   | 0   | 174,180   | 1.2%                 |
| William A. Phillips   | 11,264(14)                                    | 0   | 11,264    | (5)                  |
| J. Gilbert Reese  | 456,524(15)                                   | 0   | 456,524   | 3.3%                 |
| Rick R. Taylor  | 3,199(16)                                     | 0   | 3,199     | (5)                  |
| David L. Trautman (7)   | 45,407(17)                                    | 4,802   | 50,209    | (5)                  |
| Leon Zazworsky  | 7,221   | 0   | 7,221     | (5)                  |
| John W. Kozak (7)   | 25,930(18)                                    | 4,671   | 30,601    | (5)                  |



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| Name of Beneficial Owner or Number of Persons in Group (1)           | Amount and Nature of Beneficial Ownership (1) |   |           | Percent of Class (2) |
|--|---|---|-----------|----------------------|
|  | Common Shares Presently Held                  | Common Shares Which Can Be Acquired Upon Exercise of Currently Exercisable Options or First Becoming Exercisable Within 60 Days | Total     |                      |
| All current executive officers and directors as a group (14 persons) | 1,127,987(19)                                 | 13,621  | 1,141,608 | 8.1%                 |

- (1) Unless otherwise indicated in the footnotes to this table, each beneficial owner has sole voting and investment power with respect to all of the common shares reflected in the table for such beneficial owner. All fractional common shares have been rounded to the nearest whole common share. The mailing address of each of the current executive officers and directors of Park is 50 North Third Street, Post Office Box 3500, Newark, Ohio 43058-3500.
- (2) The Percent of Class computation is based upon the sum of (i) 14,017,535 common shares outstanding on February 22, 2006 and (ii) the number of common shares, if any, as to which the named person or group has the right to acquire beneficial ownership upon the exercise of options which are currently exercisable or will first become exercisable within 60 days after February 22, 2006.
- (3) The trust departments of certain bank subsidiaries of Park, as the fiduciaries of various agency, trust and estate accounts, hold an aggregate of 2,105,910 common shares. The trust departments of The Park National Bank ( Park National Bank ) and the Fairfield National Division of Park National Bank hold an aggregate of 1,677,281 common shares (12.0% of the outstanding common shares), including 31,507 common shares with no voting or investment power; 619,269 common shares with investment but no voting power; 263,500 common shares with voting but no investment power; and 763,005 common shares with voting and investment power. The trust department of Century National Bank holds 32,181 common shares (0.2% of the outstanding common shares), including 885 common shares with no voting or investment power; 3,282 common shares with voting but no investment power; and 28,014 common shares with voting and investment power. The trust department of First-Knox National Bank holds 82,402 common shares (0.6% of the outstanding common shares), including 6,653 common shares with no voting or investment power; 334 common shares with voting but no investment power; and 75,415 common shares with voting and investment power. The trust department of The Richland Trust Company ( Richland Trust Company ) holds 7,481 common shares (0.1% of the outstanding common shares), including 930 common shares with voting but no investment power; and 6,551 common shares with voting and investment power. The trust departments of The Security National Bank and Trust Co. ( Security National Bank ) and the Unity National Division of Security National Bank hold an aggregate of 296,995 common shares (2.1% of the outstanding common shares), including 38,126 common shares with no voting or investment power; 13,437 common shares with investment but no voting power; 42,339 common shares with voting but no investment power; and 203,093 common shares with voting and investment power. The trust department of Second National Bank holds 9,570 common shares (0.1% of the outstanding common shares), with voting and

investment power for all of the 9,570 common shares. The officers and directors of each bank subsidiary and of Park disclaim beneficial ownership of the common shares beneficially owned by the trust department of each bank subsidiary.

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- (4) The number shown includes 2,300 common shares held jointly by Mrs. Buchwald and her husband, as to which she shares voting and investment power.
- (5) Represents beneficial ownership of less than 1% of the outstanding common shares.
- (6) The number shown includes 752 common shares held by Mr. Cullers' wife in an individual retirement account as to which she has sole voting and investment power and Mr. Cullers disclaims beneficial ownership; 4,528 common shares held in an individual retirement account for which the trust department of First-Knox National Bank serves as trustee and has voting power and investment power; 203 common shares held by Mr. Cullers as custodian for his grandchildren; and 110 common shares held by Mr. Cullers' wife as custodian for their grandchildren as to which she has sole voting and investment power and Mr. Cullers disclaims beneficial ownership.
- (7) Individual named in Summary Compensation Table. Messrs. DeLawder and Trautman also serve as directors of Park.
- (8) The number shown includes 41,648 common shares held by the wife of Mr. DeLawder as to which she has sole voting and investment power and Mr. DeLawder disclaims beneficial ownership; and 9,637 common shares held for the account of Mr. DeLawder in the Park ESOP.
- (9) The number shown includes 17,502 common shares held by the wife of Mr. Egger as to which she has sole voting and investment power and Mr. Egger disclaims beneficial ownership; 5,714 common shares held for the account of Mr. Egger in the Park ESOP; 605 common shares held in an individual retirement account by Advest as custodian for Mr. Egger; and 599 common shares held in an individual retirement account by Advest as custodian for the wife of Mr. Egger as to which Mr. Egger disclaims beneficial ownership.
- (10) The number shown includes 901 common shares held in a managing agency with the trust department of Park National Bank as to which the trust department of Park National Bank has voting power and investment power and Mr. Englefield disclaims beneficial ownership; 273 common shares held in an individual retirement account by Merrill Lynch as custodian for Mr. Englefield; and 1,590 common shares held in a cash management account by Merrill Lynch as custodian for Mr. Englefield.
- (11) The number shown includes 73,966 common shares held by the wife of Mr. McConnell as to which she has sole voting and investment power and Mr. McConnell disclaims beneficial ownership; 16,978 common shares held in an inter vivos irrevocable trust established by Mr. McConnell as to which Park National Bank's trust department serves as trustee and has voting and investment power and Mr. McConnell disclaims beneficial ownership; and 5,011 common shares held for the account of Mr. McConnell in the Park ESOP. The number shown also includes 1,155 common shares held by The McConnell Foundation, an Ohio not for profit corporation as to which Mr. McConnell, his wife, his two adult children and one other individual serve as trustees. Mr. McConnell shares voting and investment power as to these 1,155 common shares with the other four trustees but disclaims beneficial ownership with respect to them.
- (12) The number shown includes 14,501 common shares held in an account by Edward Jones as custodian for the wife of Mr. Menzer as to which she has sole voting and investment power and Mr. Menzer disclaims beneficial ownership; 973 common shares held in an account by Edward Jones as custodian for Mr. Menzer and his wife as to which Mr. Menzer and his wife share voting and investment power; and an aggregate of 50 common shares held by Mr. Menzer as custodian for his sons as to which Mr. Menzer exercises sole voting and investment power.



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- (13) The number shown includes 152,042 common shares held by O Neill Investments LLC, an Ohio limited liability company as to which Mr. O Neill is one of two managing members as well as a non-managing member. Mr. O Neill shares voting and investment power with respect to these common shares with his adult son, the other managing member.
- (14) The number shown includes 1,964 common shares held for the account of Mr. Phillips in the Park ESOP; 1,491 common shares held in an individual retirement account for which the trust department of Century National Bank serves as trustee and has voting and investment power and as to which Mr. Phillips disclaims beneficial ownership; and 3,858 common shares held by the wife of Mr. Phillips as to which she has sole voting and investment power and Mr. Phillips disclaims beneficial ownership.
- (15) The number shown includes 56,359 common shares held by the wife of Mr. Reese as to which she has sole voting and investment power and Mr. Reese disclaims beneficial ownership; and 1,575 common shares held in a grantor trust created by Mr. Reese for which the trust department of Park National Bank serves as trustee and as to which Mr. Reese has voting and investment power. The number shown does not include 22,050 common shares held by the trust department of Park National Bank for The Gilbert Reese Family Foundation, an Ohio not for profit corporation managed by Mr. Reese's wife and two adult children. Mr. Reese has no voting or investment power with respect to the common shares held for The Gilbert Reese Family Foundation and disclaims beneficial ownership of these 22,050 common shares. The trust department of Park National Bank has voting power but no investment power as to these 22,050 common shares.
- (16) The number shown includes 3,199 common shares held in a managing agency with the trust department of Richland Trust Company as to which the trust department has voting and investment power and Mr. Taylor disclaims beneficial ownership.
- (17) The number shown includes 13,230 common shares held by the wife of Mr. Trautman as to which she has sole voting and investment power and Mr. Trautman disclaims beneficial ownership; 822 common shares held in a rollover plan as to which the wife of Mr. Trautman has sole voting and investment power and Mr. Trautman disclaims beneficial ownership; and 5,317 common shares held for the account of Mr. Trautman in the Park ESOP.
- (18) The number shown includes 2,827 common shares held for the account of Mr. Kozak in the Park ESOP.
- (19) See Notes (4), (6) and (8) through (18) above.

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

Section 16(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act), requires that Park's directors, executive officers and greater-than-10% beneficial owners file reports with the SEC reporting their initial beneficial ownership of common shares and any subsequent changes in their beneficial ownership. Specific due dates have been established by the SEC, and Park is required to disclose in this proxy statement any late reports. To Park's knowledge, based solely on a review of reports furnished to Park and written representations that no other reports were required, during the 2005 fiscal year, all Section 16(a) filing requirements applicable to Park's officers, directors and greater-than-10% beneficial owners were complied with; except that Michael J. Menzer, a director of Park, filed late one report covering two transactions.



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**PROPOSAL NUMBER 1:  
ELECTION OF DIRECTORS**

As of the date of this proxy statement, there were 13 members of the Board of Directors four directors in the class whose terms expire at the Annual Meeting, five directors in the class whose terms expire in 2007 and four directors in the class whose terms expire in 2008. R. William Geyer, who had served as a director of Park since 1992, passed away on June 17, 2005. Mr. Geyer's death created a vacancy in the class whose terms expire at the Annual Meeting. However, upon the unanimous recommendation of the Nominating Committee and as permitted by Section 2.02 of Park's Regulations, the Board of Directors has fixed the number of directors at 13, reflecting the number of individuals currently serving as directors.

The Board of Directors proposes that each of the four nominees identified below be re-elected for a new term of three years. Each nominee was recommended by the Nominating Committee. Each individual elected as a director at the Annual Meeting will hold office for a term to expire at the Annual Meeting of Shareholders to be held in 2009 and until his successor is duly elected and qualified, or until his earlier resignation, removal from office or death. While it is contemplated that all nominees will stand for re-election, if a nominee who would otherwise receive the required number of votes becomes unavailable or unable to serve as a candidate for re-election as a director, the individuals designated as proxies on the proxy card will have full discretion to vote the common shares represented by the proxies they hold for the election of the remaining nominees and for the election of any substitute nominee or nominees designated by the Board of Directors following recommendation by the Nominating Committee. The Board of Directors knows of no reason why any of the nominees named below will be unavailable or unable to serve if elected to the Board.

The following information, as of February 22, 2006, concerning the age, principal occupation, other affiliations and business experience of each nominee for re-election as a director has been furnished to Park by each director. Unless otherwise indicated, each individual has had his principal occupation for more than five years.

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| Nominee              | Age | Position(s) Held  | Director of                   | Nominee For |
|----------------------|-----|---|-------------------------------|-------------|
|                      |     | with Park and its<br>Principal Subsidiaries<br>and Principal Occupation(s)  | Park<br>Continuously<br>Since |             |
| James J. Cullers     | 75  | Attorney-at-Law; Principal of James J. Cullers, Mediation and Arbitration Services (mediator and arbitrator) since January 1, 2005; Of Counsel from 2001 to January 1, 2005 and prior thereto Senior Partner, of Zelkowitz, Barry & Cullers, Attorneys at Law, Mount Vernon, Ohio; Director of First-Knox National Bank since 1977  | 1997                          | 2009        |
| William T. McConnell | 72  | Chairman of the Executive Committee since 1996, Chairman of the Board from 1994 to December 31, 2004, Chief Executive Officer from 1986 to 1999, and President from 1986 to 1994, of Park; Chairman of the Executive Committee since 1996, Chairman of the Board from 1993 to December 31, 2004, Chief Executive Officer from 1983 to 1999, President from 1979 to 1993, and Director since 1977, of Park National Bank | 1986                          | 2009        |
| Michael J. Menzer    | 42  | President of White Oak Partners, Inc. (private equity investment company) since 2004; President of Northstreet Partners, LLC (real estate investment company) since 2003; President of Paramount Financial Group from 1987 to 2003; Director of Park National Bank since 1999   | 2005                          | 2009        |
| William A. Phillips  | 73  | Chairman of the Board since 1986, Chief Executive Officer from 1986 to 1998, and Director since 1971, of Century National Bank  | 1990                          | 2009        |

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The following information, as of February 22, 2006, concerning the age, principal occupation, other affiliations and business experience of the continuing directors of Park has been furnished to Park by each director. Unless otherwise indicated, each individual has had his or her principal occupation for more than five years.

| Name             | Age | Position(s) Held<br>with Park and its<br>Principal Subsidiaries<br>and Principal Occupation(s)   | Director of<br>Park<br>Continuously<br>Since | Term Expires<br>In |
|------------------|-----|--|--|--------------------|
| Maureen Buchwald | 74  | Owner and Operator of Glen Hill Orchards, Ltd., Mount Vernon, Ohio (apple orchards); Vice President of Administration and Secretary of Ariel Corporation (manufacturer of reciprocating compressors) for more than 20 years prior to her retirement in 1997; Director of First-Knox National Bank since 1988 | 1997   | 2007               |
| J. Gilbert Reese | 80  | Senior Partner in Reese, Pyle, Drake & Meyer, P.L.L., Attorneys-at-Law, Newark, Ohio; Chairman Emeritus of the Board of First Federal Savings and Loan Association of Newark, Newark, Ohio; Director of Park National Bank since 1965  | 1987   | 2007               |
| Rick R. Taylor   | 58  | President of Jay Industries, Inc., Mansfield, Ohio (plastic and metal parts manufacturer); President of Longview Steel, Mansfield, Ohio (steel wholesaler); Director of The Gorman-Rupp Company; Director of Richland Trust Company since 1995   | 1998   | 2007               |

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| Name               | Age | Position(s) Held<br>with Park and its<br>Principal Subsidiaries<br>and Principal Occupation(s)  | Director of<br>Park<br>Continuously<br>Since | Term<br>Expires In |
|--------------------|-----|---|--|--------------------|
| David L. Trautman  | 44  | President since January 1, 2005 and Secretary since July 2002 of Park; President since January 1, 2005, Executive Vice President from February 2002 until December 31, 2004, Vice President from July 1993 to June 1997 and Director since February 2002, of Park National Bank; Chairman of the Board since March 2001, Director since May 1997, and President and Chief Executive Officer from May 1997 to February 2002, of First-Knox National Bank; Director of United Bank, N.A. since 2000   | 2005   | 2007               |
| Leon Zazworsky     | 57  | President of Mid State Systems, Inc., Hebron, Ohio, and of Mid State Warehouses, Inc., Newark, Ohio (transportation, warehousing and distribution); Director of Park National Bank since 1991   | 2003   | 2007               |
| C. Daniel DeLawder | 56  | Chairman of the Board since January 1, 2005, Chief Executive Officer since January 1, 1999, and President from 1994 to December 31, 2004, of Park; Chairman of the Board since January 1, 2005, Chief Executive Officer since January 1, 1999, President from 1993 to December 31, 2004, Executive Vice President from 1992 to 1993, and Director since 1992, of Park National Bank; Member of Advisory Board since 1985, Chairman of Advisory Board from 1989 to 2003, and President from 1985 to 1992, of the Fairfield National Division of Park National Bank; Director of Richland Trust Company since 1997; Director of Second National Bank since 2000 | 1994   | 2008               |



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| Name                     | Age | Position(s) Held<br>with Park and its<br>Principal Subsidiaries<br>and Principal Occupation(s)   | Director of<br>Park<br>Continuously<br>Since | Term Expires<br>In |
|--------------------------|-----|--|--|--------------------|
| Harry O. Egger           | 66  | Vice Chairman of the Board of Park since March 2001; Chairman of the Board since 1997, Chief Executive Officer from 1997 to March 2003, President from 1981 to 1997, and Director since 1977, of Security National Bank; Chairman of the Board, President and Chief Executive Officer of Security Banc Corporation from 1997 to March 2001 (1) | 2001   | 2008               |
| F. William Englefield IV | 51  | President of Englefield, Inc. (retail and wholesale of petroleum products and convenience stores and restaurants); Director of Park National Bank since 1993   | 2005   | 2008               |
| John J. O Neill          | 85  | Chairman/Part Owner of Southgate Corporation, Newark, Ohio (real estate development and management); Director of Park National Bank since 1964   | 1987   | 2008               |

(1) In connection with the merger of Security Banc Corporation, an Ohio bank holding company ( Security ), into Park effective March 23, 2001, Mr. Egger became Vice Chairman of the Board and a director of Park as contemplated under the Agreement and Plan of Merger, dated as of November 20, 2000, between Security and Park (the Security Merger Agreement ).

There are no family relationships among any of Park s directors, nominees for re-election as directors and executive officers.

Please see Park s Annual Report on Form 10-K for the 2005 fiscal year for information on Park s executive officers.

**Recommendation and Vote**

Under Ohio law and Park s Regulations, the four nominees receiving the greatest number of votes **FOR** election will be elected as directors. Common shares represented by properly executed and returned proxy cards will be voted **FOR** the election of the Board of Directors nominees named above unless authority to vote for one or more nominees is withheld. Shareholders may withhold authority to vote for the entire slate as nominated or, by writing the name of one or more nominees on the line provided on the proxy card, withhold the authority to vote for one or more nominees. Common shares as to which the authority to

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vote is withheld will be counted for quorum purposes but will not be counted toward the election of directors, or toward the election of the individual nominees specified on the proxy card.

**Your Board of Directors recommends a vote *FOR* the re-election of the nominees named above.**

**THE BOARD OF DIRECTORS AND COMMITTEES OF THE BOARD**

**Independence of Directors**

Applicable sections of the Company Guide (the AMEX Rules ) of the American Stock Exchange LLC ( AMEX ) require that a majority of the members of Park s Board of Directors be independent directors. The definition of independence for purposes of the AMEX Rules includes a series of objective tests, such as the director is not an employee of Park or any of Park s subsidiaries and has not directly or indirectly engaged in various types of business dealings with Park or any of Park s subsidiaries and the director does not have an immediate family member who is employed by Park or any of Park s subsidiaries as an executive officer. In addition, as further required by the AMEX Rules, the Board of Directors has affirmatively determined that each independent director has no material relationship with Park or any of Park s subsidiaries that would interfere with the exercise of independent judgment.

In making determinations as to the independence of Park s directors, the Board of Directors has reviewed, considered and discussed:

the relationships (including commercial, industrial, banking, consulting, legal, accounting, charitable and family relationships) of each director (and the immediate family members of each director) with Park and/or any of Park s subsidiaries (either directly or as a partner, controlling shareholder, executive officer or member of any organization that has any such relationship); and

the compensation and other payments each director (and the immediate family members of each director):

has received from or made to Park and/or any of Park s subsidiaries (either directly or as a partner, controlling shareholder, executive officer or member of an organization which has received compensation or payments from or made payments to Park and/or any of Park s subsidiaries); and

presently expects to receive from or make to Park and/or any of the subsidiaries of Park (either directly or as a partner, controlling shareholder, executive officer or member of an organization which has received compensation or payments from or made payments to Park and/or any of the subsidiaries of Park).

Based upon that review, consideration and discussion and the unanimous recommendation of the Nominating Committee, the Board of Directors has determined that at least a majority of its members are independent. The Board of Directors has determined that each of Maureen Buchwald, James J. Cullers, F. William Englefield IV, Michael J. Menzer, John J. O Neill, J. Gilbert Reese, Rick R. Taylor and Leon Zazworsky qualifies as independent because the director has no financial or personal ties, either directly or indirectly, with Park or Park s subsidiaries other than: (i) compensation received in the individual s capacity as a director of Park and one of Park s subsidiaries; (ii) banking relationships entered into in the ordinary course of business with one or more of Park s bank subsidiaries; (iii) ownership of common shares of Park; (iv) in

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the case of Messrs. Cullers and Reese, compensation paid by one or more of Park's subsidiaries to the law firms with which they have been associated in an amount which has represented, in each of the last three fiscal years, less than \$80,000 of each law firm's consolidated gross revenues; (v) in the case of Mr. O'Neill, compensation received by Mr. O'Neill's son in his capacity as a director of Park National Bank; and (vi) in the case of Mr. Menzer, the purchase in January of 2005 by Park and three of the directors of Park who are current or former executive officers of Park (or members of their immediate family) of shares of Patriot Bank, a state-chartered bank located in Houston, Texas associated with Mr. Menzer. Mr. Menzer is a director and the controlling shareholder of Patriot Bank. Park invested \$100,000 and each of the individuals invested \$50,000 or less in their respective purchases of shares of Patriot Bank.

C. Daniel DeLawder and David L. Trautman do not qualify as independent directors because they currently serve as executive officers of Park and Park National Bank. William T. McConnell does not qualify as an independent director because he is employed in a non-executive officer capacity by Park National Bank and was formerly an executive officer of Park and Park National Bank. William A. Philips does not qualify as an independent director because he is employed in a non-executive officer capacity by Century National Bank and was formerly an executive officer of Century National Bank. Harry O. Egger does not qualify as an independent director because he formerly served as an executive officer of Park and of Security National Bank.

**Meetings of the Board of Directors and Attendance at Annual Meetings of Shareholders**

The Board of Directors held four meetings during the 2005 fiscal year. Each incumbent director attended at least 75% of the aggregate of the total number of meetings held by the Board of Directors and the total number of meetings held by the Board committees on which he or she served, in each case during the period of his or her service. In accordance with applicable AMEX Rules, the independent directors meet in executive session (without the presence of management and non-independent directors) immediately following each regular meeting of the Board of Directors and at such other times as the independent directors deem necessary.

Park encourages all incumbent directors and director nominees to attend each annual meeting of shareholders. All of the then incumbent directors attended Park's last annual meeting of shareholders held on April 18, 2005.

**Communications with the Board of Directors**

Although Park has not to date developed formal processes by which shareholders may communicate directly with directors, Park believes that the informal process, in which any communication sent to the Board of Directors, either generally or in care of the Chief Executive Officer, the President and Secretary or another officer of Park, is forwarded to all members of the Board, has served the needs of the Board and Park's shareholders. There is no screening process in respect of shareholder communications. All shareholder communications received by an officer of Park for the attention of the Board of Directors are forwarded to the members of the Board.

Park's Board of Directors, or one of the Board committees, may consider the development of more specific procedures related to shareholder communications with the Board. Until other procedures are developed and posted on the Governance Documents (Corporate Governance) section of the Investor Relations page of Park's website at [www.parknationalcorp.com](http://www.parknationalcorp.com), any communication to the Board of Directors or individual directors may be sent to the Board or an individual director, in care of David L. Trautman, Park's President and Secretary, at the executive offices of Park, 50 North Third Street, Post Office Box 3500, Newark, Ohio 43058-3500. The mailing envelope must contain a clear notation indicating that the



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enclosed letter is a Shareholder-Board Communication or Shareholder-Director Communication. All shareholder communications must identify the author as a shareholder and clearly state whether the intended recipients are all members of the Board of Directors or just certain specified directors. All shareholder communications will be copied and circulated to the appropriate director or directors without any screening.

**Committees of the Board**

During the 2005 fiscal year, the Board of Directors had five standing committees which held regularly scheduled meetings the Audit Committee, the Compensation Committee, the Executive Committee, the Investment Committee and the Nominating Committee.

***Audit Committee***

The Board of Directors has an Audit Committee which is currently comprised of Maureen Buchwald (Chair), F. William Englefield IV, Michael J. Menzer and Leon Zazworsky. Each member of the Audit Committee also served during the entire 2005 fiscal year. Upon the recommendation of the Nominating Committee, the Board of Directors has determined that each member of the Audit Committee qualifies as independent under the applicable AMEX Rules and under SEC Rule 10A-3.

Upon the recommendation of the Nominating Committee, the Board of Directors has also determined that Maureen Buchwald qualifies as an audit committee financial expert for purposes of Item 401(h) of SEC Regulation S-K and satisfies the financial sophistication requirement of the AMEX Rules, by virtue of her service as Vice President of Administration and Secretary of Ariel Corporation for more than 20 years prior to her retirement in 1997. In her capacity as Vice President of Administration, Ms. Buchwald oversaw the accounting functions of Ariel Corporation. In addition to Ms. Buchwald's qualification as an audit committee financial expert, Park's Board of Directors strongly believes that each of the members of the Audit Committee is highly qualified to discharge the member's duties on behalf of Park and Park's subsidiaries and satisfies the financial literacy requirement of the AMEX Rules.

The Audit Committee is organized and conducts its business pursuant to a written charter adopted by the Board of Directors (the Audit Committee Charter). A copy of the Audit Committee Charter is attached to this proxy statement as Annex A. In addition, a copy of the Audit Committee Charter is posted on the Governance Documents (Corporate Governance) section of the Investor Relations page of Park's website at [www.parknationalcorp.com](http://www.parknationalcorp.com). At least annually, the Audit Committee reviews and reassesses the adequacy of the Audit Committee Charter and recommends changes to the full Board as necessary.

The Audit Committee is responsible for:

overseeing the accounting and financial reporting processes of Park and Park's subsidiaries;

overseeing the audits of the consolidated financial statements of Park;

appointing, compensating and overseeing the work of the independent registered public accounting firm employed by Park for the purpose of preparing or issuing an audit report or performing related work;

instituting procedures for the receipt, retention and treatment of complaints received by Park regarding accounting, internal accounting controls or auditing matters, which procedures are outlined in Park's Code of Business Conduct and Ethics; and

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assisting the Board of Directors in the oversight of:

the integrity of Park's consolidated financial statements and the effectiveness of Park's internal control over financial reporting;

the performance of Park's independent registered public accounting firm and Park's internal auditors;

the independent registered public accounting firm's qualifications and independence; and

the legal compliance and ethics programs established by management and the full Board.

In addition, the Audit Committee reviews and pre-approves all audit services and permitted non-audit services provided by the independent registered public accounting firm to Park or any of Park's subsidiaries and ensures that the independent registered public accounting firm is not engaged to perform the specific non-audit services prohibited by law, rule or regulation. The Audit Committee will also carry out any other responsibilities delegated to the Audit Committee by the full Board.

The Audit Committee met nine times during the 2005 fiscal year. The Audit Committee's report relating to the 2005 fiscal year begins at page 40.

***Compensation Committee***

The Board of Directors has a Compensation Committee which is currently comprised of J. Gilbert Reese (Chair), John J. O'Neill and Leon Zazworsky. Each member of the Compensation Committee also served during the entire 2005 fiscal year. Upon the recommendation of the Nominating Committee, the Board of Directors has determined that each member of the Compensation Committee qualifies as independent under the applicable AMEX Rules. In addition, each Compensation Committee member qualifies as an outside director for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (the Internal Revenue Code), and as a non-employee director for purposes of SEC Rule 16b-3.

The Compensation Committee is organized and conducts its business pursuant to a written charter adopted by the Board of Directors (the Compensation Committee Charter). A copy of the Compensation Committee Charter is posted on the Governance Documents (Corporate Governance) section of the Investor Relations page of Park's website at [www.parknationalcorp.com](http://www.parknationalcorp.com). The Compensation Committee will periodically review and reassess the adequacy of the Compensation Committee Charter and recommend changes to the full Board as necessary.

The Compensation Committee's primary responsibilities include:

reviewing with management and approving the general compensation policy for the executive officers of Park and those other employees of Park and Park's subsidiaries which the full Board directs;

evaluating the performance of Park's executive officers in light of goals and objectives approved by the Compensation Committee and determining those executive officers' compensation based on that evaluation;

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administering Park's equity-based plans and any other plans requiring Compensation Committee administration and approving awards as required to comply with applicable securities and tax laws, rules and regulations;