

CHASE CORP  
Form DEF 14A  
December 28, 2006  
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  x

Filed by a Party other than the Registrant  o

Check the appropriate box:

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

**Chase Corporation**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- o 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:
- o Fee paid previously with preliminary materials.
- o 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:



**CHASE CORPORATION**  
**26 Summer Street**  
**Bridgewater, MA 02324**  
Telephone (508) 279 1789

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

Notice is hereby given that the annual meeting of shareholders of Chase Corporation will be held at 9:30 a.m. on Monday, February 5, 2007 at the Raynham Courtyard Marriott, 37 Paramount Drive, Raynham, Massachusetts 02767 for the following purposes:

- (1) To elect the members of the Board of Directors of the corporation;
- (2) To transact such other business as may properly come before the meeting.

Only shareholders of record on the books of Chase Corporation at the close of business on November 30, 2006 are entitled to notice of and to vote at the meeting.

The Board of Directors hopes that all shareholders who can conveniently do so will personally attend the meeting.

By order of the Board of Directors,  
GEORGE M. HUGHES  
*Corporate Secretary*

December 27, 2006

**SHAREHOLDERS ARE REQUESTED TO SIGN AND DATE THE ACCOMPANYING  
PROXY CARD AND PROMPTLY RETURN IT IN THE ENCLOSED ENVELOPE.**

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**CHASE CORPORATION**

**26 Summer Street  
Bridgewater, MA 02324  
Telephone (508) 279 1789**

**PROXY STATEMENT**

**December 27, 2006**

The enclosed proxy is solicited by and on behalf of the Board of Directors of Chase Corporation (the "Company") for the annual meeting of the Company's shareholders to be held on February 5, 2007 at 9:30 a.m., and at any adjournment thereof (the "Meeting"). The cost of solicitation will be borne by the Company. In addition to solicitation by mail, directors, officers and regular employees of the Company may solicit proxies personally or by telephone.

The authority granted by a duly executed proxy may be revoked at any time before it is exercised by filing with the Secretary of the Company a written revocation or a duly executed proxy bearing a later date or by voting in person at the Meeting. Shareholders who attend the Meeting in person will not be deemed thereby to have revoked their proxies unless they affirmatively indicate at the meeting their intention to vote their shares in person. Unless a proxy is revoked, the shares represented thereby will be voted as directed. If no specifications are made, then proxies will be voted for the election of the directors nominated by the Board of Directors.

On November 30, 2006, there were 3,984,865 outstanding shares of the Company's Common Stock, \$0.10 par value per share (the "Common Stock"), which is the only class of voting stock outstanding. Shareholders of record at the close of business on November 30, 2006 are entitled to vote at the Meeting. With respect to all matters that will come before the Meeting, each shareholder may cast one vote for each share of Common Stock registered in his or her name on the record date.

A majority in interest of the Company's Common Stock outstanding and entitled to vote represented at the Meeting in person or by proxy will constitute a quorum for the transaction of business at the Meeting. Directions to withhold authority, abstentions, and broker non-votes will be counted for purposes of determining the existence of a quorum at the Meeting. A broker non-vote occurs when a registered broker holding a customer's shares in the name of the broker has not received voting instructions on a matter from the customer and is barred by applicable rules from exercising discretionary authority to vote on the matter and so indicates on the proxy.

The approximate date on which this proxy statement and form of proxy will be first sent or given to shareholders is December 27, 2006. The Company's annual report for the fiscal year ended August 31, 2006 will be sent to shareholders on the same date.

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

The following table sets forth certain information regarding ownership of the Company's Common Stock as of November 30, 2006 by (i) all persons known to the Company to be beneficial owners of more than 5% of the Company's outstanding Common Stock and (ii) all executive officers and directors of the Company.

Name	Nature and Amount of Beneficial Ownership			Percentage of Outstanding Shares	Restricted Stock Units(d)
	Number of Shares Owned(a)	Shares Subject to Options(b)	Total Shares Beneficially Owned(c)		
Edward L. Chase Revocable Trust 39 Nichols Road Cohasset, MA 02025(e)	882,956		882,956	22.16 %	
FMR Corp 82 Devonshire Street Boston, MA 02109(f)	404,700		404,700	10.15 %	
Royce & Associates, LLC. 1414 Avenue of the Americas New York, NY 10019(g)	319,800		319,800	8.03 %	
Athena Capital Management, Inc. 50 Monument Road, Suite 201 Bala Cynwyd, PA 19004(h)	279,650		279,650	7.02 %	
Wilten Management Company, Inc. 2360 West Joppa Road, Suite 226 Lutherville, MD 21093(i)	217,518		217,518	5.46 %	
Peter R. Chase 26 Summer Street Bridgewater, MA 02324	474,936	172,385	647,321	15.57 %	44,404
Mary Claire Chase	1,938		1,938	*	1,242
William H. Dykstra	8,259	9,000	17,259	*	1,027
J. Brooks Fenno	2,100		2,100	*	387
Lewis P. Gack	1,590	10,000	11,590	*	1,821
George M. Hughes	2,062		2,062	*	1,490
Ronald Levy	12,228		12,228	*	1,573
All executive officers and directors as a group (7 persons)	503,113	191,385	694,498	16.63 %	51,944

\* Less than one percent

(a) Excludes shares that may be acquired through stock option exercises.

(b) Pursuant to Rule 13d-3(d) (1) of the Exchange Act, includes shares that may be acquired through stock option exercises within the 60-day period following November 30, 2006.

(c) The beneficial owners of these shares have sole voting power and sole investment power over such shares, except as otherwise indicated. These amounts exclude the restricted stock units because the holders are not entitled to voting rights or investment control until the restrictions lapse, which in each case is not within 60 days of November 30, 2006.

- (d) Restricted stock units represent the right to receive shares of common stock upon the lapse of restrictions, at which point the holders will have sole investment and voting power. Restricted stock units are not considered beneficially owned because holders are not entitled to voting rights or investment control until the restrictions lapse.
- (e) These shares are deemed to be beneficially owned by the Edward L. Chase Revocable Trust. The trustees have voting and investment power with respect to the shares.
- (f) These shares are deemed to be beneficially owned by FMR Corp., Edward C. Johnson, Abigail P. Johnson, Fidelity Management & Research Company, and Fidelity Low Priced Stock Fund, which each have sole investment power over the shares. Fidelity Low Priced Stock Fund has sole voting power over the shares. This information is based upon the Schedule 13G/A filed on February 17, 2004 by FMR Corp., Edward C. Johnson 3d, Abigail P. Johnson, Fidelity Management & Research Company, and Fidelity Low Price Stock Fund as a group.
- (g) These shares are deemed to be beneficially owned by Royce & Associates, LLC. which has sole voting and investment power over the shares. This information is based upon the Schedule 13G filed on January 12, 2006 by Royce & Associates, LLC.
- (h) These shares are deemed to be beneficially owned by Athena Capital Management, Inc., which shares voting and investment power over 183,400 shares, and Minerva Group, LP, which has sole voting and investment power over 96,250 shares, and David P. Cohen. This information is based upon the Schedule 13G filed on February 1, 2006 by Athena Capital Management, Inc., Minerva Group LP, and David P. Cohen as a group.
- (i) These shares are deemed to be beneficially owned by Wilen Management Company, Inc. which has sole voting and investment power over the shares. This information is based upon the Schedule 13G filed on January 26, 2006 by Wilen Management Company, Inc.

#### **Certain Transactions**

On December 10, 2003, the Company sold its Sunburst Electronics Manufacturing Solutions, Inc. subsidiary ( Sunburst ) to the Edward L. Chase Revocable Trust (the Trust ) in exchange for 230,406 shares of the Company s Common Stock valued at \$3.0 million.

In December 2006, the Company and Sunburst renewed a lease agreement whereby the Company leases to Sunburst, at a base rent of \$14,875 per month, which approximates fair value, the building and land which is being occupied by Sunburst. The lease expires on November 30, 2009.

The Trustees of the Trust have the power to vote the 882,956 shares of the Company s Common Stock held of record by the Trust on November 30, 2006 at the Meeting.

#### **Compensation Committee Interlocks and Insider Participation**

George M. Hughes (a director) is general outside counsel to the Company. For his services as general counsel to the Company during the fiscal year ended August 31, 2006, the Company paid Mr. Hughes approximately \$88,400. Mr. Hughes served as a member of the Company s Compensation and Management Development Committee until October 31, 2006, as permitted by the American Stock Exchange under an exemption from the compensation committee independence requirements. He was replaced on the committee by J. Brooks Fenno at such time. Mr. Carl J. Yankowski also served on the committee during the fiscal year, until his term expired at the Company s annual meeting of stockholders in February 2006. The current members of the committee are Messrs. Levy (Chairman), Fenno and Gack.

**PROPOSAL 1  
ELECTION OF DIRECTORS**

Seven directors are to be elected at the Meeting. The Board of Directors recommends that the seven nominees named below be elected as directors. The directors elected at the Meeting will hold office until the next annual meeting and until their successors are elected and qualified. When a proxy in the accompanying form is properly executed and returned, unless marked to the contrary, all shares represented by such proxy will be voted for the election of the persons named below. If any nominee should become unable or unwilling to serve as director, then the persons voting the accompanying proxy may in their discretion vote for a substitute. The Board of Directors is not presently aware of any reason that would prevent any nominee from serving as a director if elected.

**Vote Required**

As long as a quorum is present, the nominees for director shall be elected by a plurality of the votes cast at the Meeting by the holders of shares entitled to vote at the Meeting. Votes may be cast in favor of the election of the nominees for director or withheld; votes that are withheld and broker non-votes will have no effect on the outcome of the election of directors.

<b>Name</b>	<b>Age</b>	<b>Business Experience During Past Five Years and Other Directorships</b>	<b>Has Been a Director Since</b>
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