

PARK NATIONAL CORP /OH/

Form DEF 14A

March 08, 2007

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

(Name of Registrant as Specified In Its Charter)

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

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

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3) Filing Party:

4) Date Filed:

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 16, 2007**

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 16, 2007, at 2:00 p.m., Eastern Daylight Saving Time, for the following purposes:

1. To elect five directors, each for a term of three years to expire at the 2010 Annual Meeting of Shareholders.
2. 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 21, 2007, 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,

March 7, 2007

DAVID L. TRAUTMAN
President and Secretary

PARK NATIONAL CORPORATION

50 North Third Street

Post Office Box 3500

Newark, Ohio 43058-3500

(740) 349-8451

www.parknationalcorp.com

PROXY STATEMENT FOR ANNUAL MEETING OF SHAREHOLDERS

To Be Held April 16, 2007

GENERAL INFORMATION

We are sending you this proxy statement and the accompanying 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 16, 2007, at 2:00 p.m., Eastern Daylight Saving Time, or at any adjournment thereof. 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 will mail this proxy statement and the accompanying proxy card on or about March 14, 2007 to all shareholders entitled to vote their common shares at the Annual Meeting. We will also send Park s 2006 Annual Report with this proxy statement. Audited consolidated financial statements for Park and our subsidiaries for the fiscal year ended December 31, 2006 (the 2006 fiscal year) are included in Park s 2006 Annual Report.

Additional copies of Park s 2006 Annual Report and copies of Park s Annual Report on Form 10-K for the 2006 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. Park s Annual Report on Form 10-K for the 2006 fiscal year is posted on the Documents/SEC Filings section of the Investor Relations page of Park s website at www.parknationalcorp.com and is also on file with the Securities and Exchange Commission (the SEC) and available on the SEC s website at 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 2006 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 copy of Park s 2006 Annual Report and/or a separate proxy statement for the Annual Meeting, or who have questions

regarding the 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, a separate copy of Park's 2006 Annual Report and/or a separate copy of the 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 21, 2007 are entitled to receive notice of and to vote at the Annual Meeting. At the close of business on February 21, 2007, there were 13,923,994 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 14, 2007. 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.

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 accompanying 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 such record holder. The account statement or letter must show that you were the direct or indirect beneficial owner of the common shares on February 21, 2007, the record date for voting at the Annual Meeting.

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

instructions on the proxy card, your proxy will vote your common shares as recommended by the Board of Directors, as follows:

FOR the election as Park directors of the nominees listed below under the heading **ELECTION OF DIRECTORS** .

If any other matters are properly presented for voting at the Annual Meeting, the persons named as proxies on the accompanying proxy card will vote on those matters, to the extent permitted by applicable law, 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 21, 2007, 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 being 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 authority to vote such common shares on the proposal. 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, a financial institution or another 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 or telephone usage.

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 KSOP) and common shares have been allocated to your account in the Park KSOP, you will be entitled to instruct the trustee of the Park KSOP, confidentially, as to 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 KSOP, the trustee will vote the common shares allocated to your Park KSOP account pro rata in accordance with the instructions received from other participants in the Park KSOP 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 soliciting proxies by mailing these proxy materials, directors, officers and employees of Park and our 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 as well as brokers, voting trustees, financial institutions 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 proposal presented at the Annual Meeting?

Under Ohio law and Park's Regulations, the five nominees for election as Park directors in the class whose terms will expire at the 2010 Annual Meeting of Shareholders 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.

BENEFICIAL OWNERSHIP OF PARK COMMON SHARES

The following table furnishes information regarding the beneficial ownership of Park common shares, as of February 21, 2007, 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 on page 44, all current directors and executive officers as a group and each person known by Park to beneficially own more than 5% of our outstanding common shares:

Name of Beneficial Owner or Number of Persons in Group (1)	Amount and Nature of Beneficial Ownership (1)			
	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	Percent of Class (2)
Trust departments of bank subsidiaries of Park c/o The Park National Bank, Trust Department 50 North Third Street Newark, OH 43055 (3)	2,360,794(3)	0	2,360,794	17.0%
Nicholas L. Berning	0(4)	0	0	(5)
Maureen Buchwald	5,656(6)	0	5,656	(5)
James J. Cullers	8,793(7)	0	8,793	(5)
C. Daniel DeLawder (8)	107,269(9)	3,014	110,283	(5)
Harry O. Egger	43,956(10)	0	43,956	(5)
F. William Englefield IV	2,944(11)	0	2,944	(5)
William T. McConnell	197,120(12)	0	197,120	1.4%
John J. O Neill	174,360(13)	0	174,360	1.3%
William A. Phillips	11,416(14)	0	11,416	(5)
J. Gilbert Reese	456,704(15)	0	456,704	3.3%
Rick R. Taylor	3,379(16)	0	3,379	(5)
David L. Trautman (8)	47,653(17)	2,975	50,628	(5)
Leon Zazworsky	7,401	0	7,401	(5)
John W. Kozak (8)	27,650(18)	3,516	31,166	(5)
All current executive officers and directors as a group (14 persons)	1,094,301(19)	9,505	1,103,806	7.9%

(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) 13,923,994 common shares outstanding on February 21, 2007 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 21,
2007.

- (3) The trust departments of certain bank subsidiaries of Park, as the fiduciaries of various agency, trust and estate accounts, hold an aggregate of 2,360,794 common shares. The trust departments of The Park National Bank (Park National Bank), the Fairfield National Division of Park National Bank and The Park National Bank of Southwest Ohio & Northern Kentucky division of Park National Bank hold an aggregate of 1,920,395 common shares (13.8% of the outstanding common shares), including: 31,507 common shares with no voting or investment power; 644,975 common shares with investment but no voting power; 457,956 common shares with voting but no investment power; and 785,957 common shares with voting and investment power. The trust department of Century National Bank holds 33,724 common shares

(0.2% of the outstanding common shares), including: 885 common shares with no voting or investment power; 3,177 common shares with voting but no investment power; and 29,662 common shares with voting and investment power.

The trust department of First-Knox National Bank holds 111,990 common shares (0.9% of the outstanding common shares), including: 5,762 common shares with no voting or investment power; 98 common shares with voting but no investment power; and 106,130 common shares with voting and investment power.

The trust department of The Richland Trust Company (Richland Trust Company) holds 14,168 common shares (0.1% of the outstanding common shares), including: 1,083 common shares with voting but no investment power; and 13,085 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 271,097 common shares (1.9% of the outstanding common shares), including: 34,781 common shares with no voting or investment power; 15,372 common shares with investment but no voting power; 40,764 common shares with voting but no investment power; and 180,180 common shares with voting and investment power. The trust department of Second National Bank holds 9,420 common shares (0.1% of the outstanding common shares), with voting and investment power for all of the 9,420 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.

- (4) On February 20, 2007, Mr. Berning acquired 20 common shares; however, since this transaction had not settled by February 21, 2007, he was not the holder of record or beneficial owner of these common shares on February 21, 2007.
- (5) Represents beneficial ownership of less than 1% of the outstanding common shares.
- (6) 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.
- (7) The number shown includes: 773 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; 4,695 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; 212 common shares held by Mr. Cullers as custodian for his grandchildren; and 114 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.

- (8) Individual named in Summary Compensation Table. Messrs. DeLawder and Trautman also serve as directors of Park.
- (9) 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 10,541 common

shares held for the
account of
Mr. DeLawder in
the Park KSOP. As
of February 21,
2007, 32,975
common shares
held by
Mr. DeLawder and
33,300 common
shares held by the
wife of Mr.
DeLawder

had been pledged as security to a financial institution which is not affiliated with Park, in connection with a personal loan.

- (10) 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 KSOP; 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.

- (11) The number shown includes: 1,081 common shares held in a managing agency account 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.
- (12) 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
5,059 common
shares held for
the account of
Mr. McConnell
in the Park
KSOP. 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 and his
two adult
children serve as
trustees.
Mr. McConnell
shares voting
and investment
power as to
these 1,155
common shares
with the other
three trustees
but disclaims
beneficial

ownership with respect to these 1,155 common shares.

- (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: 2,116 common shares held for the account of Mr. Phillips in the Park KSOP; 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 3,379 common shares held in a managing agency account 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 5,736 common shares held for the account of Mr. Trautman in the Park KSOP. As of February 21, 2007, 27,865 common shares held by Mr. Trautman had been pledged as security to a financial institution which is not affiliated with Park, in connection with a personal loan.

(18) The number shown includes 3,374 common shares held for the account of Mr. Kozak in the Park KSOP. As of February 21, 2007, 24,145 common shares held by Mr. Kozak had been pledged as security to a financial institution which is not affiliated with Park, in connection with a personal line of credit.

(19) See Notes (4), (6), (7) and (9) 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, 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 2006 fiscal year, all Section 16(a) filing requirements applicable to Park's officers, directors and greater-than-10% beneficial owners were complied with.

Pending Merger with Vision Bancshares, Inc.

On September 14, 2006, Park and Vision Bancshares, Inc., an Alabama bank holding company (Vision), jointly announced the signing of an Agreement and Plan of Merger providing for the merger of Vision into Park (the Vision Merger). Vision has two community bank affiliates, both named Vision Bank. One bank is headquartered in Gulf Shores, Alabama (Vision Alabama) and the other in Panama City, Florida (Vision Florida). Pursuant to the Agreement and Plan of Merger, dated to be effective as of September 14, 2006, as amended by the First Amendment to Agreement and Plan of Merger, dated to be effective as of February 6, 2007 (collectively, the Vision Merger Agreement), J. Daniel Sizemore is to become a director of Park as of the effective time of the Vision Merger. In addition, as contemplated by the terms of the Vision Merger Agreement, on September 14, 2006, Park, together with Vision Alabama and Vision Florida, entered into an Employment Agreement with Mr. Sizemore which will become effective at the effective time of the Vision Merger.

At the special meeting of shareholders of Vision held on February 20, 2007, the Vision shareholders approved the Vision Merger Agreement.

Park and Vision have submitted applications to the Board of Governors of the Federal Reserve System (the Federal Reserve Board), the Alabama Banking Department and the Florida Office of Financial Regulation seeking approval of

the Vision Merger. The application submitted to the Federal Reserve Board was approved on February 21, 2007. The application submitted to the Alabama Banking Department was approved on February 23, 2007. The application submitted to Florida Office of Financial Regulation was approved on February 28, 2007. The approvals by the Federal Reserve Board, the Alabama Banking Department and the Florida Office of Financial Regulation are subject to compliance by Park, Vision, Vision Alabama and Vision Florida with certain representations, commitments and covenants. In addition, the Vision Merger may not be consummated for 15 days after the date of the approval by the Federal Reserve

Board, during which time the United States Department of Justice may bring an action challenging the merger on antitrust grounds.

The consummation of the Vision Merger is also subject to the satisfaction of customary closing conditions in the Vision Merger Agreement. Park anticipates the transaction will close on or about March 9, 2007, assuming that all required conditions to closing have been satisfied.

Under the terms of the Vision Merger Agreement, the shareholders of Vision are entitled to receive, in exchange for their shares of Vision common stock, either (a) cash, (b) Park common shares, or (c) a combination of cash and Park common shares, subject to the election and allocation procedures set forth in the Vision Merger Agreement. Park will cause the requests of the Vision shareholders to be allocated on a pro-rata basis so that 50% of the shares of Vision common stock outstanding at the effective time of the Vision Merger will be exchanged for cash at the rate of \$25.00 per share of Vision common stock and the other 50% of the outstanding shares of Vision common stock will be exchanged for Park common shares at the exchange rate of 0.2475 Park common shares for each share of Vision common stock. This allocation is subject to adjustment for cash paid in lieu of fractional Park common shares in accordance with the terms of the Vision Merger Agreement.

As of January 8, 2007 (the record date for the Vision special meeting of shareholders), 6,114,518 shares of Vision common stock were outstanding and 828,834 shares of Vision common stock were subject to outstanding stock options with a weighted average exercise price of \$8.21 per share. Each outstanding stock option (that is not exercised prior to the election deadline specified in the Vision Merger Agreement) granted under one of Vision's equity-based compensation plans will be cancelled and extinguished and converted into the right to receive an amount of cash equal to (1)(a) \$25.00 multiplied by (b) the number of shares of Vision common stock subject to the unexercised portion of the stock option minus (2) the aggregate exercise price for the shares of Vision common stock subject to the unexercised portion of the stock option.

As of February 21, 2007, J. Daniel Sizemore did not beneficially own any common shares of Park. As of February 21, 2007, Mr. Sizemore was the beneficial owner of 120,052 shares of Vision common stock and held outstanding stock options covering 136,000 shares of Vision common stock with a weighted average exercise price of \$6.86. The shares of Vision common stock beneficially owned by Mr. Sizemore included: 724 shares representing his proportionate ownership (1/15th) of 10,850 shares of Vision common stock owned by Gulf Shores Investment Group, LLC, of which he is a member; and 474 shares owned by Mr. Sizemore's wife as custodian for Mr. Sizemore's stepdaughter.

If all of the stock options held by Mr. Sizemore were exercised and all of the shares of Vision common stock beneficially owned by Mr. Sizemore as of February 21, 2007 were converted into Park common shares, he would become the beneficial owner of 63,372 Park common shares, of which: 179 Park common shares would represent his proportionate ownership of 2,685 Park common shares owned by Gulf Shores Investment Group, LLC; and 117 Park common shares would be owned by Mr. Sizemore's wife as custodian for Mr. Sizemore's stepdaughter.

ELECTION OF DIRECTORS

As of the date of this proxy statement, there were thirteen members of the Board of Directors—five directors in the class whose terms expire at the Annual Meeting, five directors in the class whose terms will expire in 2008 and three directors in the class whose terms will expire in 2009. As of the date of this proxy statement, one vacancy exists on the Board of Directors of Park which will be filled by J. Daniel Sizemore upon the consummation of the Vision Merger as described above under the heading **Pending Merger with**

Vision Bancshares, Inc. beginning on page 8. Proxies cannot be voted at the Annual Meeting for a greater number of persons than the five nominees named in this proxy statement.

At the meeting of the Board of Directors of Park held on April 17, 2006, upon the unanimous recommendation of the Nominating Committee and as permitted by Section 2.02 of Park's Regulations, the Board of Directors increased the number of directors from thirteen to fourteen and elected Robert E. Dixon to fill the newly-created directorship in the class of directors of Park whose terms of office will expire in 2008. Mr. Dixon resigned from the Board of Directors of Park on October 25, 2006 in response to the perception of a conflict of interest expressed by some of the clients of the public accounting firm (Dixon, Davis, Bagent & Company) for which Mr. Dixon serves as chairman. A number of the branch offices of Park's bank subsidiaries were located in communities that have local banks which are clients of the public accounting firm of Dixon, Davis, Bagent & Company. In order to avoid even the appearance of a potential conflict of interest, Park and Mr. Dixon agreed that it would be in the best interests of both parties for Mr. Dixon to resign from the Board of Directors of Park.

Michael J. Menzer, who had served as a director of Park since 2005 and served in the class of directors whose terms will expire in 2009, resigned from the Board of Directors of Park on September 14, 2006 due to his pursuit of significant investments in other banks and bank holding companies that could become competitors of Park and our bank subsidiaries.

At the meeting of the Board of Directors of Park held on November 20, 2006, upon the unanimous recommendation of the Nominating Committee, the Board of Directors elected Mr. Nicholas L. Berning as a director of Park to serve in the class whose terms will expire in 2008. C. Daniel DeLawder, Park's Chairman of the Board and Chief Executive Officer, and David L. Trautman, Park's President and Secretary, became acquainted with Mr. Berning through the work of John W. Kozak, Park's Chief Financial Officer, with Mr. Berning on the board of directors of the Federal Home Loan Bank of Cincinnati. Messrs. DeLawder and Trautman, along with K. Douglas Compton, President of The Park National Bank of Southwest Ohio & Northern Kentucky division of Park National Bank, met with Mr. Berning. Messrs. DeLawder and Trautman subsequently recommended Mr. Berning to the Nominating Committee. After interviewing Mr. Berning and reviewing his credentials, the Nominating Committee unanimously recommended him to the Board of Directors.

Pursuant to the Vision Merger Agreement and the Employment Agreement entered into September 14, 2006, as amended by the First Amendment to Employment Agreement entered into February 6, 2007 (collectively, the Sizemore Employment Agreement), among Park, Vision Alabama, Vision Florida and J. Daniel Sizemore, Park has agreed to take all actions necessary to cause Mr. Sizemore, Chairman of the Board, Chief Executive Officer and President of Vision, to become a director of Park upon the consummation of the Vision Merger. The Sizemore Employment Agreement is described under the heading ***J. Daniel Sizemore Employment Agreement*** beginning on page 54.

At the meeting of the Board of Directors of Park held on January 16, 2007, upon the unanimous recommendation of the Nominating Committee and as permitted by Section 2.02 of Park's Regulations, the Board of Directors fixed the number of directors at fourteen in order to reflect the number of individuals then and currently serving as directors of Park and the position to be filled by Mr. Sizemore upon the consummation of the Vision Merger.

As of the date of this proxy statement, the Vision Merger had not been consummated. Pursuant to Section 2.05 of Park's Regulations, the remaining directors, though less than a majority of the whole authorized number of directors, may, by the vote of a majority of their number, fill any vacancy in the Park Board of Directors for the unexpired term. Mr. Sizemore will be elected to serve in the class of directors of Park whose terms will expire in 2009. Mr. Sizemore is 59 years old and until the consummation of the

Vision Merger, will continue to serve as Chairman of the Board, Chief Executive Officer and President of Vision (positions he has held since 1999), Chairman of the Board and Chief Executive Officer of Vision Alabama (positions he has held since 2000), and Chairman of the Board and Chief Executive Officer of Vision Florida (positions he has held since 2003). Mr. Sizemore also acted as Chief Executive Officer and President of The Bank, Birmingham, Alabama from 1998 to 1999.

The Board of Directors proposes that each of the five nominees identified below be re-elected for a new term of three years. Each nominee was recommended by the Nominating Committee for re-election. 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 2010 and until his or her successor is duly elected and qualified, or until his or her earlier resignation, removal from office or death. While it is contemplated that all nominees will stand for re-election at the Annual Meeting, if a nominee who would otherwise receive the required number of votes becomes unable or unwilling 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 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 would be unable or unwilling to serve if elected to the Board.

The following information, as of the date of this proxy statement, concerning the age, principal occupation, other affiliations and business experience of each nominee for re-election as a director 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.

Nominee	Age	Position(s) Held	Director of	Nominee For Term Expiring
		with Park and Our Principal Subsidiaries	Park Continuously	
		and Principal Occupation(s)	Since	In
Maureen Buchwald	75	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; a Director of First-Knox National Bank since 1988	1997	2010
J. Gilbert Reese	81	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; a Director of Park National Bank since 1965	1987	2010

Nominee	Age	Position(s) Held	Director of	Nominee For Term Expiring In
		with Park and Our Principal Subsidiaries	Park Continuously	
		and Principal Occupation(s)	Since	
Rick R. Taylor	59	President of Jay Industries, Inc., Mansfield, Ohio (plastic and metal parts manufacturer); President of Longview Steel, Mansfield, Ohio (steel wholesaler); a Director of The Gorman-Rupp Company (manufacturer of pumps and related equipment); a Director of Richland Trust Company since 1995	1998	2010
David L. Trautman	45	President since January 2005 and Secretary since July 2002 of Park; President since January 2005, Executive Vice President from February 2002 to December 2004, Vice President from July 1993 to June 1997 and a Director since February 2002, of Park National Bank; Chairman of the Board from March 2001 to March 2006, a Director from May 1997 to March, 2006, and President and Chief Executive Officer from May 1997 to February 2002, of First-Knox National Bank; a Director of United Bank, N.A. from 2000 to March 2006	2005	2010
Leon Zazworsky	58	President of Mid State Systems, Inc., Hebron, Ohio, and of Mid State Warehouses, Inc., Newark, Ohio (transportation, warehousing and distribution); a Director of Park National Bank since 1991	2003	2010

The following information, as of the date of this proxy statement, 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 principal occupation for more than five years.

Name	Age	Position(s) Held	Director of	Term Expires
		with Park and Our Principal Subsidiaries	Park Continuously	
		and Principal Occupation(s)	Since	In
Nicholas L. Berning	61	Owner of Berning Financial Consulting (financial consulting) since April 2006; Senior Vice President from January 1999 until his retirement effective March 1, 2006 and Controller from 1985 until his retirement effective March 1, 2006, of the Federal Home Loan Bank of Cincinnati; a Member of Advisory Board of The Park National Bank of Southwest Ohio & Northern Kentucky, a division of Park National Bank, since November 2006; Certified Public Accountant since 1974	2006	2008
C. Daniel DeLawder	57	Chairman of the Board since January 2005, Chief Executive Officer since January 1999, and President from 1994 to December 2004, of Park; Chairman of the Board since January 2005, Chief Executive Officer since January 1999, President from 1993 to December 2004, Executive Vice President from 1992 to 1993, and a Director since 1992, of Park National Bank; a Member of Advisory Board from 1985 to March 2006, Chairman of Advisory Board from 1989 to 2003, and President from 1985 to 1992, of the Fairfield National Division of Park National Bank; a Director of Richland Trust Company from 1997 to January 2006; a Director of Second National Bank from 2000 to March 2006; a Director of the Federal Reserve Bank of Cleveland since January 2007 (1)	1994	2008

Name	Age	Position(s) Held	Director of	Term Expires
		with Park and Our Principal Subsidiaries	Park Continuously	
		and Principal Occupation(s)	Since	In
Harry O. Egger	67	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 a 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 (2)	2001	2008
F. William Englefield IV	52	President of Englefield, Inc. (retail and wholesale of petroleum products and convenience stores and restaurants); a Director of Park National Bank since 1993	2005	2008
John J. O Neill	86	Chairman/Director of Southgate Corporation, Newark, Ohio (real estate development and management); a Director of Park National Bank since 1964	1987	2008
James J. Cullers	76	Attorney-at-Law; Principal of James J. Cullers, Mediation and Arbitration Services (mediator and arbitrator) since January 2005; Of Counsel from 2001 to January 2005 and prior thereto Senior Partner, of Zelkowitz, Barry & Cullers, Attorneys at Law, Mount Vernon, Ohio; a Director of First-Knox National Bank since 1977	1997	2009

Name	Age	Position(s) Held with Park and Our Principal Subsidiaries and Principal Occupation(s)	Director of Park Continuously Since	Term Expires In
William T. McConnell	73	Chairman of the Executive Committee since 1996, Chairman of the Board from 1994 to December 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 2004, Chief Executive Officer from 1983 to 1999, President from 1979 to 1993, and a Director since 1977, of Park National Bank	1986	2009
William A. Phillips	74	Chairman of the Board since 1986, Chief Executive Officer from 1986 to 1998, and a Director since 1971, of Century National Bank	1990	2009

(1) Mr. DeLawder will become a director of each of Vision Alabama and Vision Florida following the consummation of the Vision Merger.

(2) 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.

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

Recommendation and Vote

Under Ohio law and Park's Regulations, the five nominees receiving the greatest number of votes **FOR** election will be elected as directors of Park. 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 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.

CORPORATE GOVERNANCE

Code of Business Conduct and Ethics

In accordance with the applicable sections of the Company Guide (the AMEX Rules) of the American Stock Exchange LLC (AMEX) and applicable SEC rules, the Board of Directors has adopted the Code of Business Conduct and Ethics which applies to the directors, officers and employees of Park and our subsidiaries. The Code of Business Conduct and Ethics is intended to set forth Park s expectations for the conduct of ethical business practices by the officers, directors and employees of Park and our subsidiaries, to promote advance disclosure and review of potential conflicts of interest and similar matters, to protect and encourage the reporting of questionable behavior, to foster an atmosphere of self-awareness and prudent conduct and to discipline appropriately those who engage in improper conduct. The Code of Business Conduct and Ethics is posted on the Governance Documents section of the Investor Relations page of Park s website at www.parknationalcorp.com.

PRK Improvement Line

Park has implemented a whistleblower hotline called the PRK Improvement Line. Calls that relate to accounting, internal controls or auditing matters or that relate to possible wrongdoing by employees of Park or one of our subsidiaries can be made anonymously through this hotline. The calls are received by an independent third party service and the information received is forwarded directly to the Chair of the Audit Committee and the Head of Park s Internal Audit Department. The PRK Improvement Line number is 1-800-418-6423, Ext. PRK (775).

Independence of Directors

Applicable AMEX Rules 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, which Park has used in determining whether the members of the Park Board of Directors are independent. In addition, a member of Park s Audit Committee will not be considered to be independent under the applicable AMEX Rules if he or she (i) does not satisfy the independence standards in Rule 10A-3 under the Exchange Act or (ii) has participated in the preparation of the financial statements of Park or any of our current subsidiaries at any time during the past three years.

As required by the AMEX Rules, the Board of Directors has affirmatively determined that each independent director has no relationship with Park or any of our subsidiaries that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making determinations as to the independence of Park s directors consistent with the definition of independent directors in the applicable AMEX Rules, the Board of Directors reviewed, considered and discussed:

the relationships (including employment, 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 our subsidiaries (either directly or as a partner, manager, director, trustee, controlling shareholder, officer, employee or member of any organization that has any such relationship) since January 1, 2004;

the compensation and other payments (including payments made in the ordinary course of providing business services) each director (and the immediate family members of each director):

has received from or made to Park and/or any of our subsidiaries (either directly or as a partner, manager, director, trustee, controlling shareholder, officer, employee or member of

an organization which has received compensation or payments from or made payments to Park and/or any of our subsidiaries) since January 1, 2004; and

presently expects to receive from or make to Park and/or any of our subsidiaries (either directly or as a partner, manager, director, trustee, controlling shareholder, officer, employee or member of an organization which has received compensation or payments from or made payments to Park and/or any of our subsidiaries);

the relationship, if any, between each director (and the immediate family members of each director) and each independent registered public accounting firm which has served as the outside auditor for Park and/or any of our subsidiaries at any time since January 1, 2004;

whether any director (or any immediate family member of any director) is employed as an executive officer of another entity where at any time since January 1, 2004, any of Park's executive officers served or presently serve on the compensation committee of such other entity; and

whether any director has participated in the preparation of the financial statements of Park or any of our current subsidiaries at any time since January 1, 2004.

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 qualify as independent directors. The Board of Directors has determined that each of Nicholas L. Berning, Maureen Buchwald, James J. Cullers, F. William Englefield IV, John J. O'Neill, J. Gilbert Reese, Rick R. Taylor and Leon Zazworsky qualifies as an independent director because the director has no financial or personal ties, either directly or indirectly, with Park or our subsidiaries other than: (i) compensation received in the individual's capacity as a director of Park and one of our subsidiaries; (ii) non-preferential payments made in the ordinary course of providing business services (in the nature of payments of interest or proceeds relating to banking services or loans by one or more of our bank subsidiaries); (iii) ownership of common shares of Park; (iv) in the case of Messrs. Cullers and Reese, compensation paid by one or more of our subsidiaries to the law firms with which they have been associated in an amount which has represented less than \$80,000 of such law firm's consolidated gross revenues in any calendar year since January 1, 2004; and (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. In addition, during their tenure on the Board of Directors for portions of the 2006 fiscal year, upon the unanimous recommendation of the Nominating Committee, the Board of Directors had determined that each of Robert E. Dixon and Michael J. Menzer qualified as independent because the director had no financial or personal ties, either directly or indirectly, with Park or our subsidiaries other than: (a) compensation received in his capacity as a director of Park and one of our subsidiaries; (b) non-preferential payments made in the ordinary course of providing business services (in the nature of payments of interest or proceeds relating to banking services or loans by one or more of our bank subsidiaries); (c) ownership of Park common shares; and (d) 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 has invested approximately \$150,000 and each of the individuals invested \$100,000 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.

Nominating Procedures

The Nominating Committee recommended the nominees identified in **ELECTION OF DIRECTORS** for re-election as directors of Park at the Annual Meeting. As detailed in the Nominating Committee's charter, the Nominating Committee has the responsibility to identify and recommend to the full Board individuals qualified to become directors of Park. Directors must be shareholders of Park.

The Nominating Committee takes into account many factors when considering candidates for the Board of Directors to ensure that the Board is comprised of directors with a variety of experiences and backgrounds, each of whom has high-level managerial experience and represents the interests of Park's shareholders as a whole rather than those of special interest groups. The Nominating Committee may consider those factors it deems appropriate when evaluating candidates, including judgment, skill, diversity, strength of character, experience with businesses and organizations comparable in size and scope to Park, experience as an executive of or adviser to a publicly traded or private company, experience and skill relative to other Board members, and any additional specialized knowledge or experience. Depending on the current needs of the Board, certain factors may be weighed more or less heavily by the Nominating Committee.

In considering candidates for the Board, the Nominating Committee evaluates the entirety of each candidate's credentials. Other than the requirement that a candidate be a Park shareholder, there are no specific minimum qualifications that must be met by a Nominating Committee-recommended nominee. However, the Nominating Committee does believe that all members of the Board should have the highest character and integrity, a reputation for working constructively with others, sufficient time to devote to Board matters, and no conflict of interest that would interfere with performance as a director.

The Nominating Committee will consider candidates for the Board from any reasonable source, including shareholder recommendations. The Nominating Committee does not evaluate candidates differently based on who has made the recommendation. The Nominating Committee has the authority under its charter to hire and pay a fee to consultants or search firms to assist in the process of identifying and evaluating candidates. No such consultants or search firms have been used by the Nominating Committee or the full Board to date.

Shareholders may recommend director candidates for consideration by the Nominating Committee by writing to David L. Trautman, Park's President and Secretary, at our executive offices located at 50 North Third Street, Post Office Box 3500, Newark, Ohio 43058-3500. The recommendation must give the candidate's name, age, business address, residence address, principal occupation and number of Park common shares beneficially owned. The recommendation must also describe the qualifications, attributes, skills or other qualities of the recommended director candidate. A written statement from the candidate consenting to be named as a director candidate and, if nominated and elected, to serve as a director must accompany any such recommendation.

Any shareholder who wishes to nominate an individual for election as a director at an annual meeting of the shareholders of Park must comply with Park's Regulations regarding shareholder nominations. Shareholder nominations must be made in writing and delivered or mailed to Park's President not less than 14 days nor more than 50 days prior to any meeting of shareholders called for the election of directors. However, if less than 21 days' notice of the meeting is given to the shareholders, the nomination must be mailed or delivered to Park's President not later than the close of business on the seventh day following the day on which the notice of the meeting was mailed to the shareholders. Nominations for the 2007 Annual

Meeting must be received by April 2, 2007. Each shareholder nomination must contain the following information to the extent known by the nominating shareholder:

the name and address of each proposed nominee;

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