

PARK NATIONAL CORP /OH/  
Form DEF 14A  
March 02, 2015

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

SCHEDULE 14A INFORMATION

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 under §240.14a-12
- Park National Corporation

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(Name of Registrant as Specified In Its Charter)

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(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No:

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(3) Filing Party:

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(4) Date Filed:

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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

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held Monday, April 27, 2015

Dear Fellow Shareholders:

NOTICE IS HEREBY GIVEN that 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 43055, on Monday, April 27, 2015, at 2:00 p.m., Eastern Daylight Saving Time, for the following purposes:

1. To elect three directors, each to serve for a term of three years to expire at the Annual Meeting of Shareholders to be held in 2018.
2. To consider and vote upon a non-binding advisory resolution to approve the compensation of Park's named executive officers.
3. To consider and vote upon a proposal to ratify the appointment of Crowe Horwath LLP as the independent registered public accounting firm of Park for the fiscal year ending December 31, 2015.
4. To transact any other business which properly comes before the Annual Meeting. Park's Board of Directors is not aware of any other business to come before the Annual Meeting.

If you were a holder of record of common shares of Park at the close of business on February 27, 2015, 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, it is important that your common shares be represented. Please complete, sign, date and return your proxy card in the postage-paid envelope provided as promptly as possible. Alternatively, refer to the instructions on the proxy card, or in the e-mail sent to you if you registered for electronic delivery of the proxy materials for the Annual Meeting, for details about transmitting your voting instructions electronically via the Internet or by telephone. Returning the proxy card or transmitting your voting instructions electronically does not deprive you of your right to attend the Annual Meeting and to vote your common shares in person in the manner described in the accompanying proxy statement.

By Order of the Board of Directors,

BRADY T. BURT  
Chief Financial Officer, Secretary  
and Treasurer

March 9, 2015

To obtain directions to attend the 2015 Annual Meeting and vote in person, please call Leda Rutledge at (740) 322-6828 or Lacie Priest at (740) 349-0428.

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| TABLE OF CONTENTS   |    |
| GENERAL INFORMATION   | 1  |
| Availability of Proxy Materials   | 1  |
| Delivery of Proxy Materials to Multiple Shareholders Sharing the Same Address   | 1  |
| VOTING INFORMATION  | 2  |
| Who can vote at the Annual Meeting  | 2  |
| How do I vote?  | 2  |
| How will my common shares be voted?   | 3  |
| What if my common shares are held through the Park National Corporation Employees Stock Ownership Plan?                       | 4  |
| Can the proxy materials be accessed electronically?   | 4  |
| How do I change or revoke my proxy?   | 5  |
| If I vote in advance, can I still attend the Annual Meeting?  | 5  |
| What constitutes a quorum and what is the vote required with respect to the proposals to be considered at the Annual Meeting? | 5  |
| Routine and Non-Routine Proposals   | 5  |
| Vote Required with Respect to the Proposals   | 6  |
| Who pays the cost of proxy solicitation?  | 7  |
| NOTICE REGARDING INTERNET AVAILABILITY OF PROXY MATERIALS   | 7  |
| DIVISIONS OF THE PARK NATIONAL BANK   | 7  |
| ELECTION OF DIRECTORS (Proposal 1)  | 8  |
| Nominees for Re-Election as Directors (Terms Expiring at 2018 Annual Meeting)   | 9  |
| Recommendation and Vote Required  | 10 |
| Continuing Directors  | 10 |
| BENEFICIAL OWNERSHIP OF PARK COMMON SHARES  | 14 |
| Section 16(a) Beneficial Ownership Reporting Compliance   | 16 |
| CORPORATE GOVERNANCE  | 17 |
| Code of Business Conduct and Ethics   | 17 |
| Park Improvement Line/Online Reporting  | 17 |
| Corporate Governance Guidelines   | 17 |
| Independence of Directors   | 17 |
| Risk Management Oversight   | 20 |
| Nominating Procedures   | 20 |
| Director Qualifications   | 20 |
| Criteria Considered by Nominating Committee   | 21 |
| Nominating Guidelines for Shareholders  | 22 |
| Communications with the Board of Directors  | 23 |
| Transactions with Related Persons   | 23 |
| Policies and Procedures with Respect to Related Person Transactions   | 23 |
| Transactions Involving Subordinated Notes   | 24 |
| Banking Transactions  | 27 |
| STRUCTURE AND MEETINGS OF BOARD OF DIRECTORS  | 28 |
| Meetings of the Board of Directors and Attendance at Annual Meetings of Shareholders  | 28 |
| Board Leadership  | 28 |
| Committees of the Board   | 29 |
| Audit Committee   | 29 |
| Compensation Committee  | 31 |



|   |    |
|---|----|
| Executive Committee   | 33 |
| Investment Committee  | 33 |
| Nominating Committee  | 34 |
| Risk Committee  | 35 |
| COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION                                       | 36 |
| EXECUTIVE OFFICERS  | 36 |
| ADVISORY VOTE ON NAMED EXECUTIVE OFFICER COMPENSATION (Proposal 2)                                | 37 |
| Recommendation and Vote Required  | 38 |
| EXECUTIVE COMPENSATION  | 39 |
| Summary Compensation Table  | 56 |
| Grants of Plan-Based Awards   | 61 |
| Outstanding Equity Awards at Fiscal Year-End  | 62 |
| Awards Granted Under the 2013 LTIP Effective January 1, 2015                                      | 63 |
| Post-Employment Payments and Benefits   | 64 |
| Pension and Supplemental Benefits   | 64 |
| Park Pension Plan   | 64 |
| Supplemental Executive Retirement Benefits  | 66 |
| Pension Benefits for 2014   | 67 |
| Supplemental Executive Retirement Benefits  | 68 |
| Other Potential Payouts   | 68 |
| EQUITY COMPENSATION PLAN INFORMATION  | 69 |
| DIRECTOR COMPENSATION   | 70 |
| Annual Retainers and Meeting Fees   | 70 |
| Annual Retainers Payable in Common Shares   | 70 |
| Cash Compensation   | 71 |
| Split-Dollar Life Insurance Policies  | 72 |
| Change in Control Payments  | 73 |
| Other Compensation  | 73 |
| Director Compensation for 2014  | 74 |
| RATIFICATION OF THE APPOINTMENT OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (Proposal 3) | 75 |
| Recommendation and Vote Required  | 76 |
| AUDIT COMMITTEE MATTERS   | 76 |
| Report of the Audit Committee for the Fiscal Year Ended December 31, 2014                         | 76 |
| Role of the Audit Committee, Independent Registered Public Accounting Firm and Management         | 76 |
| Management's Representations and Audit Committee Recommendation                                   | 77 |
| Pre-Approval of Services Performed by Independent Registered Public Accounting Firm               | 78 |
| Fees  |    |
| Audit Fees  | 78 |
| Audit-Related Fees  | 78 |
| Tax Fees  | 79 |
| All Other Fees  | 79 |
| SHAREHOLDER PROPOSALS FOR 2016 ANNUAL MEETING   | 79 |
| FUTURE ELECTRONIC ACCESS TO PROXY MATERIALS AND ANNUAL REPORT                                     | 80 |
| OTHER MATTERS   | 80 |

PARK NATIONAL CORPORATION

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PROXY STATEMENT

Dated March 9, 2015

ANNUAL MEETING OF SHAREHOLDERS

To Be Held April 27, 2015

GENERAL INFORMATION

We are furnishing this proxy statement and the accompanying proxy card to you as a shareholder of Park National Corporation (“Park”) in connection with the solicitation of proxies by Park’s Board of Directors for use at the Annual Meeting of Shareholders (the “Annual Meeting”) to be held on Monday, April 27, 2015, at 2:00 p.m., Eastern Daylight Saving Time. The Annual Meeting will be held at the offices of The Park National Bank, 50 North Third Street, Newark, Ohio 43055. This proxy statement summarizes information that you will need in order to vote.

Availability of Proxy Materials

On or about March 9, 2015, this proxy statement and the accompanying proxy card were first mailed or delivered electronically to the shareholders entitled to vote their common shares at the Annual Meeting. Park’s 2014 Annual Report was also mailed or delivered to shareholders with this proxy statement. Audited consolidated financial statements for Park and our subsidiaries as of and for the fiscal year ended December 31, 2014 (the “2014 fiscal year”) are included in Park’s 2014 Annual Report.

Additional copies of Park’s 2014 Annual Report and copies of Park’s Annual Report on Form 10-K for the 2014 fiscal year may be obtained at [www.proxyvote.com](http://www.proxyvote.com) or [www.parknationalcorp.com](http://www.parknationalcorp.com). Or you can obtain paper copies, without charge, by sending a written request to: Brady T. Burt, Chief Financial Officer, Secretary and Treasurer, Park National Corporation, 50 North Third Street, Post Office Box 3500, Newark, Ohio 43058-3500.

Delivery of Proxy Materials to Multiple Shareholders Sharing the Same Address

Periodically, Park provides each registered holder of common shares 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, a financial institution or another nominee) of the householding process. Only one copy of this proxy statement, the notice of the Annual Meeting and Park’s 2014 Annual Report is being delivered to previously notified multiple registered holders of common shares who share an address unless Park has received contrary instructions from one or more of the registered holders of common shares. A separate proxy card is being included for each account at the shared address.

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Registered holders of common shares who share an address and would like to receive a separate copy of Park's 2014 Annual Report, a separate notice of the Annual Meeting 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 Park National Bank, c/o First-Knox National Bank Division, by calling (800) 837-5266, ext. 5208, or forwarding a written request addressed to the First-Knox National Bank Division, 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 2014 Annual Report, a separate notice of the Annual Meeting and/or a separate copy of this proxy statement for the Annual Meeting will be sent. By contacting the First-Knox National Bank Division, registered holders of common shares sharing an address can also: (i) notify Park that the registered shareholders wish to receive separate annual reports to shareholders, proxy statements and/or Notices of Internet Availability of Proxy Materials, as applicable, in the future; or (ii) request delivery of a single copy of annual reports to shareholders, proxy statements and/or Notices of Internet Availability of Proxy Materials, as applicable, in the future if they are receiving multiple copies.

Beneficial holders of common shares should contact their brokers, financial institutions or other nominees for specific information about the householding process as this process applies to their accounts.

#### VOTING INFORMATION

Who can vote at the Annual Meeting?

Only holders of common shares of record at the close of business on February 27, 2015 are entitled to receive notice of and to vote at the Annual Meeting. At the close of business on February 27, 2015, there were 15,370,891 common shares outstanding and entitled to vote. Other than the common shares, there are no voting securities of Park outstanding.

Each holder of common shares is entitled to one vote for each common share held on February 27, 2015. A shareholder wishing to exercise cumulative voting with respect to the election of directors must notify Brady T. Burt, Chief Financial Officer, Secretary and Treasurer of Park, in writing before 2:00 p.m., Eastern Daylight Saving Time, on April 25, 2015. 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 you own, and will be entitled to distribute your votes among the candidates for election as directors as you see fit.

How do I vote?

Your common shares may be voted by one of the following methods:

- by traditional paper proxy card;
- by submitting voting instructions via the Web site identified on your proxy card;
- by submitting voting instructions via the Web site identified in the e-mail sent to you if you registered for electronic delivery of proxy materials for the Annual Meeting;

by submitting voting instructions by telephone via the telephone number identified on your proxy card; or  
in person at the Annual Meeting.

**Submitting Voting Instructions via the Internet or by Telephone.** If you are a shareholder of record (that is, if your common shares are registered with Park in your own name), you may submit voting instructions via the Internet or by telephone, by following the instructions stated on your proxy card. If you have registered for electronic delivery of proxy materials for the Annual Meeting, you may submit voting instructions via the Internet by following the instructions stated in the e-mail delivering the proxy materials to you. If your common shares are registered in the name of a broker, a financial institution or another nominee (i.e., you hold your common shares in “street name”), your nominee may be participating in a program that allows you to submit voting instructions via the Internet or by telephone. If so, the voting form your nominee sent you will provide instructions for submitting your voting instructions via the Internet or by telephone. The last-dated proxy or voting instructions you submit (by any means) will supersede all previously submitted proxies and/or voting instructions. Also, if you submit voting instructions via the Internet or by telephone and later decide to attend the Annual Meeting, you may revoke your previously submitted voting instructions and vote in person at the Annual Meeting.

The deadline for submitting voting instructions via the Internet or by telephone as a shareholder of record is 11:59 p.m., Eastern Daylight Saving Time, on April 26, 2015. For shareholders whose common shares are registered in the name of a broker, a financial institution or another nominee, please consult the instructions provided by your nominee for information about the deadline for submitting voting instructions via the Internet or by telephone.

**Voting in Person.** If you attend the Annual Meeting, you may deliver your completed proxy card in person or you may vote by completing a ballot, which will be available at the Annual Meeting.

If you hold your common shares in “street name” through a broker, a financial institution or another nominee, then that nominee is considered the shareholder of record for voting purposes and will give you instructions for voting your common shares. As a beneficial owner, you have the right to direct that nominee how to vote the common shares held in your account. Your nominee may only vote the common shares of Park that your nominee holds for you in accordance with your instructions. If you have instructed a broker, a financial institution or another nominee to vote your common shares, the options described below for revoking your proxy do not apply and instead you must follow the instructions provided by your nominee to change your vote.

If you hold your common shares in “street name” and wish to attend the Annual Meeting and vote in person, you must bring an account statement or letter from your broker, financial institution or other nominee authorizing you to vote on behalf of such nominee. The account statement or letter must show that you were the direct or indirect beneficial owner of the common shares on February 27, 2015, 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 or by properly authenticated Internet or telephone voting instructions that are submitted prior to the deadline for doing so, 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, or timely submit your voting instructions via the Internet or by telephone, but do not complete the voting

instructions, 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 identified below under the heading “ELECTION OF DIRECTORS (Proposal 1)”;

• “FOR” the non-binding advisory resolution to approve the compensation of Park’s named executive officers as disclosed in this proxy statement; and

• “FOR” the ratification of the appointment of Crowe Horwath LLP as Park’s independent registered public accounting firm for the fiscal year ending December 31, 2015.

No appraisal or dissenters’ rights exist for any action proposed to be taken at the Annual Meeting. If any other matters are properly presented for voting at the Annual Meeting, the individuals appointed as proxies will vote on those matters, to the extent permitted by applicable law, in accordance with their best judgment.

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, how to vote those common shares. If you were automatically enrolled by Park, or elected to enroll, in the electronic delivery service available to certain participants in the Park KSOP, instead of receiving paper copies of our 2014 Annual Report, this proxy statement and the proxy card applicable to the Annual Meeting in the mail, these documents will be made available via your Park e-mail account at the same time as paper copies are sent to the other Park shareholders. If you are enrolled in this electronic delivery service and wish to receive paper copies of our 2014 Annual Report, this proxy statement and the proxy card applicable to the Annual Meeting, please contact Park’s transfer agent and registrar, The Park National Bank, c/o First-Knox National Bank Division, by calling (800) 837-5266, ext. 5208, or forwarding a written request addressed to the First-Knox National Bank Division, Attention: Debbie Daniels, P.O. Box 1270, One South Main Street, Mount Vernon, Ohio 43050-1270.

If you are a participant in the Park KSOP and give no voting instructions to the trustee of the Park KSOP with respect to the matters to be considered at the Annual Meeting, the trustee of the Park KSOP 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.

Can the proxy materials be accessed electronically?

On or about March 9, 2015, we sent the proxy materials for the Annual Meeting by U.S. mail to shareholders who had not registered for electronic delivery of the proxy materials and by e-mail to the shareholders who had registered for electronic delivery of the proxy materials. The Notice of Annual Meeting of Shareholders, this proxy statement and our 2014 Annual Report are also available on the Internet as described in the section captioned “NOTICE REGARDING INTERNET AVAILABILITY OF PROXY MATERIALS.”

How do I change or revoke my proxy?

Shareholders who submit proxies retain the right to revoke them at any time before they are exercised. Unless revoked, the common shares represented by such proxies will be voted at the Annual Meeting. You may revoke your proxy at any time before it is actually exercised at the Annual Meeting by giving notice of revocation to Park in writing, by accessing the designated Internet Web site prior to the deadline for transmitting voting instructions electronically, by using the designated toll-free telephone number prior to the deadline for transmitting voting instructions electronically, or by attending the Annual Meeting and giving notice of revocation in person. The last-dated proxy or voting instructions you submit (by any means) will supersede all previously submitted proxies and/or voting instructions. If you hold your common shares in “street name” and instructed your broker, financial institution or other nominee to vote your common shares and you would like to revoke or change your vote, then you must follow the instructions provided by your nominee.

If I vote in advance, can I still attend the Annual Meeting?

Yes. You are encouraged to vote promptly, by returning your signed proxy card by mail or by submitting your voting instructions via the Internet or by telephone, so that your common shares will be represented at the Annual Meeting. However, appointing a proxy or submitting voting instructions does not affect your right to attend the Annual Meeting and vote your common shares in person.

What constitutes a quorum and what is the vote required with respect to the proposals to be considered at the Annual Meeting?

Under Park’s Regulations, a quorum is a majority of the voting shares of Park then outstanding and entitled to vote at the Annual Meeting. Other than the common shares, there are no voting shares of Park 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. There were 15,370,891 common shares outstanding and entitled to vote on February 27, 2015, the record date for the Annual Meeting. A majority of the outstanding common shares, or 7,685,446 common shares, present in person or represented by proxy, will constitute a quorum. A quorum must exist to conduct business at the Annual Meeting.

Routine and Non-Routine Proposals

The rules of NYSE MKT LLC (“NYSE MKT”), the stock exchange on which Park’s common shares are listed, determine whether proposals presented at shareholder meetings are routine or non-routine. If a proposal is routine, a broker holding common shares for a beneficial owner in street name may vote on the proposal without receiving instructions from the beneficial owner. If a proposal is non-routine, the broker may vote on the proposal only if the beneficial owner has provided voting instructions. A broker non-vote occurs when the broker holder of record is unable to vote on a proposal because the proposal is non-routine and the beneficial owner does not provide any voting instructions.

The proposal to ratify the appointment of Park’s independent registered public accounting firm is the only routine proposal. Each of the other proposals is a non-routine proposal on which a broker may vote only if the beneficial owner has provided voting instructions.

Vote Required with Respect to the Proposals

Election of Directors (Proposal 1)

Under Ohio law and Park's Regulations, the three nominees for election as Park directors under Proposal 1 receiving the greatest number of votes "FOR" election will be elected as directors of Park for a term of three years expiring at the 2018 Annual Meeting of Shareholders (the "2018 Annual Meeting").

Common shares as to which the vote is expressed as an "AGAINST" or "ABSTAIN" vote on the proxy card or in voting instructions with respect to a particular nominee and broker non-votes will be counted for purposes of establishing a quorum for the Annual Meeting but will not affect whether a nominee has received sufficient votes to be elected.

The Board of Directors unanimously recommends a vote "FOR" the re-election of all of the individuals nominated by the Board of Directors.

Approval of the Non-Binding Advisory Resolution to Approve the Compensation of Park's Named Executive Officers (Proposal 2)

The affirmative vote of a majority of the common shares represented at the Annual Meeting, in person or by proxy, and entitled to vote on the proposal is required to approve the non-binding advisory resolution to approve the compensation paid to Park's named executive officers as disclosed in this proxy statement. The effect of an abstention is the same as a vote "AGAINST" the proposal. Broker non-votes will not be counted in determining whether the proposal has been approved.

The Board of Directors unanimously recommends that the shareholders of Park vote "FOR" the approval of the non-binding advisory resolution to approve the compensation of Park's named executive officers.

Ratification of Appointment of Independent Registered Public Accounting Firm (Proposal 3)

The affirmative vote of a majority of the common shares represented at the Annual Meeting, in person or by proxy, and entitled to vote on the proposal is required to ratify the appointment of Crowe Horwath LLP as Park's independent registered public accounting firm for the fiscal year ending December 31, 2015 (the "2015 fiscal year"). The effect of an abstention is the same as a vote "AGAINST" the proposal.

The Audit Committee and the Board of Directors unanimously recommend that the shareholders of Park vote "FOR" the ratification of the appointment of Crowe Horwath LLP.

Park's policy is to keep confidential proxy cards, ballots, voting instructions submitted electronically and voting tabulations that identify individual shareholders. However, exceptions to this policy may be necessary in some instances to comply with applicable legal requirements and, in the case of any contested proxy solicitation, to verify the validity of proxies presented by any person and the results of the voting. Inspectors of election and any employees associated with processing proxy cards or ballots, reviewing voting instructions submitted electronically and tabulating the vote must acknowledge their responsibility to comply with this policy of confidentiality.

Who pays the cost of proxy solicitation?

Park will pay the costs of preparing, assembling, printing and mailing/delivering this proxy statement, the accompanying proxy card, the 2014 Annual Report and other related materials and all other costs incurred in connection with the solicitation of proxies on behalf of the Park Board of Directors, other than the Internet access and telephone usage charges incurred by a shareholder when voting electronically. Although we are soliciting proxies primarily by mailing these proxy materials to holders of our common shares, or delivering these proxy materials by electronic mail to those shareholders registered for electronic delivery, the 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. Arrangements will also be made with brokerage firms, financial institutions and other nominees who are record holders of common shares of Park for the forwarding of solicitation materials to the beneficial owners of such common shares. Park will reimburse these brokers, financial institutions and nominees for their reasonable out-of-pocket costs in connection therewith.

#### NOTICE REGARDING INTERNET AVAILABILITY OF PROXY MATERIALS

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders of Park National Corporation to Be Held on April 27, 2015: Park's Notice of Annual Meeting of Shareholders, this proxy statement and Park's 2014 Annual Report are available at [www.proxyvote.com](http://www.proxyvote.com). Alternatively, Park's Notice of Annual Meeting of Shareholders, this proxy statement and Park's 2014 Annual Report are available on Park's Internet Web site at [www.parknationalcorp.com](http://www.parknationalcorp.com) by selecting the "Latest Proxy" in the "Document Highlights" section of the "Home" page for the Notice of Annual Meeting of Shareholders and this proxy statement and selecting the "Latest Annual Report" in the "Document Highlights" section of the "Home" page for Park's 2014 Annual Report.

To obtain directions to attend the Annual Meeting and vote in person, please call Leda Rutledge at (740) 322-6828 or Lacie Priest at (740) 349-0428.

#### DIVISIONS OF THE PARK NATIONAL BANK

In 2008, Park consolidated the banking operations of its then eight subsidiary banks located in Ohio under one charter - that of The Park National Bank ("Park National Bank"). Park National Bank now has 11 divisions: (i) the Park National Bank Division headquartered in Newark, Ohio; (ii) the Fairfield National Bank Division headquartered in Lancaster, Ohio; (iii) The Park National Bank of Southwest Ohio & Northern Kentucky Division headquartered in Cincinnati, Ohio; (iv) the Century National Bank Division headquartered in Zanesville, Ohio; (v) the Second National Bank Division headquartered in Greenville, Ohio; (vi) the Richland Bank Division headquartered in Mansfield, Ohio; (vii) the United Bank, N.A. Division headquartered in Bucyrus, Ohio; (viii) the First-Knox National Bank Division headquartered in Mount Vernon, Ohio; (ix) the Farmers Bank Division headquartered in Loudonville, Ohio; (x) the Security National Bank Division headquartered in Springfield, Ohio; and (xi) the Unity National Bank Division headquartered in Piqua, Ohio.

References in this proxy statement to the "Century National Bank Division," the "Second National Bank Division," the "Richland Bank Division," the "United Bank, N.A. Division," the "First-Knox National Bank Division" and the "Security National Bank Division" encompass both the subsidiary bank of Park prior to the bank's merger with and into Park National Bank in 2008 and the division of Park National Bank following the bank's merger with and into Park National Bank. In addition, references in this proxy statement to the "board of directors" in respect of a division of Park National

Bank encompass both the board of directors of the subsidiary bank of Park prior to the bank's merger with and into Park National Bank and the affiliate/advisory board of the division of Park National Bank following the bank's merger with and into Park National Bank.

#### ELECTION OF DIRECTORS

(Proposal 1)

As of the date of this proxy statement, there were 12 members of the Board of Directors - four directors in the class whose terms will expire at the Annual Meeting, four directors in the class whose terms will expire at the 2016 Annual Meeting of Shareholders (the "2016 Annual Meeting") and four directors in the class whose terms will expire at the 2017 Annual Meeting of Shareholders (the "2017 Annual Meeting"). Three additional individuals served as members of the Board of Directors during a portion of the 2014 fiscal year - John J. O'Neill and Dr. Charles W. Noble, Sr., who retired from the Board of Directors immediately prior to the 2014 Annual Meeting of Shareholders (the "2014 Annual Meeting"), and Harry O. Egger, who passed away on December 1, 2014. Dr. Noble and Messrs. Egger and O'Neill are sometimes referred to in this proxy statement as the "Former Directors." The Nominating and Corporate Governance Committee of the Board of Directors (the "Nominating Committee") recommended, and the full Board of Directors approved such recommendation, that rather than fill the vacancies which were created by the retirement of Dr. Noble and John J. O'Neill, the number of directors of Park was reduced to 12 upon their retirement immediately prior to the 2014 Annual Meeting.

The Nominating Committee recommended, and the full Board of Directors elected, James A. DeRoberts to fill the vacancy in the class of directors whose terms will expire at the 2017 Annual Meeting created by the death of Mr. Egger, which election was effective February 16, 2015. Mr. DeRoberts had been recommended to the Nominating Committee by C. Daniel DeLawder, Park's Chairman of the Board, and David L. Trautman, Park's Chief Executive Officer and President.

On January 22, 2015, William T. McConnell, who currently serves in the class of directors whose terms expire at the Annual Meeting, notified Park that he intended to retire from the Board of Directors and not stand for re-election to the Board at the Annual Meeting. Mr. McConnell's term as a director will expire immediately prior to the Annual Meeting. In addition, Mr. McConnell will retire as a director of Park National Bank, effective April 27, 2015. In recognition of his many years of dedicated service and commitment to Park and its subsidiaries -- in particular, Park National Bank -- as well as the judgment, wisdom and perspective he has provided, the respective Boards of Directors of Park and Park National Bank intend to name Mr. McConnell as Director Emeritus on April 27, 2015 following the expiration of his term as a director of each of Park and Park National Bank.

As a result of the retirement of Mr. McConnell, a vacancy will be created in the class of directors standing for election at the Annual Meeting. As of the date of this proxy statement, no individual has been selected by the Board of Directors to fill such vacancy or stand for election at the Annual Meeting. The Board of Directors does not contemplate selection of an individual to fill the vacancy until such time as the Nominating Committee makes a recommendation to the full Board of Directors with respect to a director candidate, after the conclusion of a pending search and evaluation of qualified candidates. Upon the conclusion of such search and evaluation, the Board of Directors, pursuant to Ohio law and the relevant provisions of Park's Regulations, will fill the vacancy for the unexpired term to end at the 2018 Annual Meeting.

Under Proposal 1, three directors will be elected at the Annual Meeting to hold office for a three year term to expire at the 2018 Annual Meeting and until their successors are duly elected and qualified, or until their earlier resignation, removal from office or death. The nominees of the Board of Directors for election as a director at the Annual Meeting are identified below. Each individual was

unanimously recommended by the Nominating Committee. While it is contemplated that all nominees will stand for election at the Annual Meeting, if a nominee who would otherwise receive the required number of votes is unable to serve or for good cause will not serve as a candidate for election as a director, the individuals designated as proxies on the proxy card or in the voting instructions 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.

Nominees for Re-Election as Directors (Terms Expiring at 2018 Annual Meeting)

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 nominee. In addition, the following information provides the evaluation of the Nominating Committee and the full Board of Directors regarding the key attributes, skills and qualifications possessed by each nominee.

F. William Englefield IV, Age 60

Mr. Englefield has served as a director of Park since 2005 and as a member of the Board of Directors of Park National Bank since 1993. Mr. Englefield serves as Chair of the Compensation Committee and as a member of each of the Executive Committee and the Nominating Committee of Park's Board of Directors. Mr. Englefield has served as President of Englefield, Inc., a company engaged in the sale of petroleum products (at retail and wholesale) and convenience stores and restaurants, since 1989.

The Nominating Committee and the full Board of Directors believe that the attributes, skills and qualifications Mr. Englefield has developed through more than 25 years of leading a growing privately-held business, with responsibility for all segments of company operations including management and financial areas, allow him to provide an important retail perspective and structured operational experience to the Board of Directors and have recommended his re-election as a Park director.

David L. Trautman, Age 53

Mr. Trautman has served as a director of Park since 2005 and as a member of the Board of Directors of Park National Bank since 2002. Mr. Trautman serves as Vice Chair of the Executive Committee and as Chair of the Investment Committee of Park's Board of Directors. Mr. Trautman has served as Chief Executive Officer of Park since January 2014 and as President of Park since January 2005. He also served as Secretary of Park from July 2002 to December 2013. Mr. Trautman has served as Chief Executive Officer of Park National Bank since January 2014 and as President of Park National Bank since January 2005. Prior to his current positions, Mr. Trautman served in executive positions with Park National Bank and the First-Knox National Bank Division for nearly ten years.

The Nominating Committee and the full Board of Directors believe that the attributes, skills and qualifications Mr. Trautman has developed through more than 31 years of experience in banking, including most recently ten years as President of Park and PNB as well as one year as Chief Executive Officer of Park and PNB, allow him to provide technical banking knowledge, community perspective and financial leadership to the Board of Directors and have recommended his re-election as a Park director.



Leon Zazworsky, Age 66

Mr. Zazworsky has served as a director of Park since 2003 and as a member of the Board of Directors of Park National Bank since 1991. Mr. Zazworsky was appointed as the Lead Director of Park on January 23, 2012. He serves as the Chair of the Risk Committee and as a member of each of the Compensation Committee, the Executive Committee and the Nominating Committee of Park's Board of Directors. Mr. Zazworsky has served as President/Owner of Mid State Systems, Inc., Hebron, Ohio, a transportation and distribution company, since 1979. Mr. Zazworsky has served as President/Owner of Mid State Warehouses, Inc., Hebron, Ohio, a warehousing and distribution company, since 1987. Mr. Zazworsky has served as President/Owner of Dalmatian Transportation, Ltd., a transportation company, since 2006.

The Nominating Committee and the full Board of Directors believe that the attributes, skills and qualifications Mr. Zazworsky has developed through more than 35 years of successful private business ownership - managing people, budgets, sales and finances through varying economic conditions in a highly competitive and regulated industry - allow him to provide leadership experience and business expertise to the Board of Directors and have recommended his re-election as a Park director.

Recommendation and Vote Required

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE  
"FOR" THE RE-ELECTION OF ALL OF THE NOMINEES NAMED ABOVE.**

Under Ohio law and Park's Regulations, the three nominees for election as Park directors receiving the greatest number of votes "FOR" election will be elected as directors of Park for a term of three years expiring at the 2018 Annual Meeting. Proxies cannot be voted at the Annual Meeting for more than three nominees under Proposal 1. Except in the case of broker non-votes, common shares represented by properly executed and returned proxy cards, or properly authenticated Internet and telephone voting instructions that are submitted prior to the deadline for doing so, will be voted "FOR" the election of the Board of Directors' nominees named above unless the vote is expressed as an "AGAINST" or "ABSTAIN" vote on the proxy card or in the voting instructions. Common shares as to which the vote is expressed as an "AGAINST" or "ABSTAIN" vote and broker non-votes will be counted for purposes of establishing a quorum for the Annual Meeting but will not be counted toward the election of directors, or toward the election of the individual nominees specified on the proxy card and in the voting instructions.

Continuing Directors

The following information, as of the date of this proxy statement, concerning the age, principal occupation, other affiliations and business experience of each of the continuing directors of Park has been furnished to Park by each director. In addition, the following information provides the evaluation of the Nominating Committee and the full Board of Directors regarding the key attributes, skills and qualifications possessed by each continuing director.

**DIRECTORS CONTINUING IN OFFICE**

(Terms to Expire at the 2016 Annual Meeting)

Donna M. Alvarado, Age 66

Ms. Alvarado has served as a director of Park since 2013 and as a member of the Board of Directors of Park National Bank since 1991. Ms. Alvarado currently serves as Chair of the Nominating

Committee and as a member of each of the Audit Committee and the Risk Committee of Park's Board of Directors. Ms. Alvarado has served as President of AGUILA International, Granville, Ohio, an international business consulting firm that specializes in human resources and leadership development, since 1994. She has served on the Board of Directors of CSX Corporation, a publicly-traded provider of rail and other transportation services, since 2006 and of Corrections Corporation of America, a publicly-traded owner and operator of privatized correctional and detention facilities, since 2003. During her career, Ms. Alvarado has also served as Chair of the Ohio Board of Regents, Chair of the Governor's Workforce Policy Board and a commissioner on the Ohio Commission on Hispanic/Latino Affairs. Ms. Alvarado has also held senior management positions in government, including Deputy Assistant Secretary of Defense with the United States Department of Defense and Director of ACTION, the federal domestic volunteer agency.

The Nominating Committee and the full Board of Directors believe that the attributes, skills and qualifications Ms. Alvarado has developed through her more than 23 years of service as a Park National Bank director (including her service as an Audit Committee member of that Board of Directors), combined with her understanding of government through her public sector experience, her experience as a public company director, her human resources and leadership development expertise and her civic and community involvement allow her to provide a valued perspective on business, federal and state government regulatory oversight and corporate governance issues to the Board of Directors and she should continue as a Park director.

Maureen H. Buchwald, Age 83

Ms. Buchwald has served as a director of Park since 1997 and as a member of the Board of Directors of the First-Knox National Bank Division since 1988. Ms. Buchwald serves as a member of each of the Audit Committee and the Investment Committee of Park's Board of Directors. Ms. Buchwald has been the owner and operator of Glen Hill Orchards, Ltd., Mount Vernon, Ohio, commercial fruit growers, since 1976. Ms. Buchwald served as Vice President of Administration and Secretary of the Board of Directors of Ariel Corporation, a company manufacturing reciprocating compressors, for more than 20 years prior to her retirement in 1997. In her capacity as Vice President of Administration, she oversaw the accounting, human resources and office services functions.

The Nominating Committee and the full Board of Directors believe that the attributes, skills and qualifications Ms. Buchwald has developed through establishing and running multiple businesses allow her to provide accounting, financial and management expertise to the Board of Directors and she should continue as a Park director.

Timothy S. McLain, Age 53

Mr. McLain has served as a director of Park since 2010 and as a member of the Board of Directors of the Century National Bank Division since 2007. Mr. McLain serves as a member of each of the Audit Committee and the Compensation Committee of Park's Board of Directors. Mr. McLain has served as Vice President of McLain, Hill, Rugg & Associates, Inc., a firm which provides tax and accounting services, since 1991 and has been associated with that firm since 1979. Mr. McLain has been a Certified Public Accountant since 1985.

The Nominating Committee and the full Board of Directors believe that the attributes, skills and qualifications Mr. McLain has developed through more than 30 years as a Certified Public Accountant in public practice allow him to provide tax, accounting and financial expertise to the Board of Directors and he should continue as a Park director.

Rick R. Taylor, Age 67

Mr. Taylor has served as a director of Park since 1998 and as a member of the Board of Directors of the Richland Bank Division since 1995. Mr. Taylor serves as a member of each of the Investment Committee and the Risk Committee of Park's Board of Directors. Mr. Taylor has served as Chief Executive Officer of Jay Industries, Inc., Mansfield, Ohio, a plastic and metal parts manufacturer, since 1989. Mr. Taylor has also served as a director of The Gorman-Rupp Company, a manufacturer of pumps and related equipment, since 2003.

The Nominating Committee and the full Board of Directors believe that the attributes, skills and qualifications Mr. Taylor has developed through more than 40 years in the manufacturing business, as well as his experience as a public company director, allow him to provide a valuable customer perspective and highly developed business acumen, management and leadership skills to the Board of Directors and he should continue as a Park director.

**DIRECTORS CONTINUING IN OFFICE**

(Terms to Expire at the 2017 Annual Meeting)

C. Daniel DeLawder, Age 65

Mr. DeLawder has served as a director of Park since 1994 and as a member of the Board of Directors of Park National Bank since 1992. Mr. DeLawder serves as Chair of the Executive Committee and as a member of the Investment Committee of Park's Board of Directors. Mr. DeLawder has served as Chairman of the Board of Park since January 2005, and served as Chief Executive Officer of Park from January 1999 to December 2013 and as President of Park from 1994 to December 2004. Mr. DeLawder has served as Chairman of the Board of Park National Bank since January 2005 and served as Chief Executive Officer of Park National Bank from January 1999 to December 2013, as President of Park National Bank from 1993 to December 2004 and as Executive Vice President of Park National Bank from 1992 to 1993. Prior to the foregoing, Mr. DeLawder also served in executive positions with the Fairfield National Bank Division for seven years. Mr. DeLawder served as a director of the Federal Reserve Bank of Cleveland from 2007 to 2012. Mr. DeLawder also served as a member of the Board of Trustees of Ohio University, Athens, Ohio, from 2000 to 2009, and for the last two of those years, as Chairman of the Board of Trustees. Mr. DeLawder currently serves on the Ohio University Capital Campaign Steering Committee, a position he has held since 2010. The Nominating Committee and the full Board of Directors believe that the attributes, skills and qualifications Mr. DeLawder has developed through more than 15 years as the Chief Executive Officer of Park and more than 43 years of service with Park in some capacity as well as his service as a director of the Federal Reserve Bank of Cleveland, and as a member of each the Board of Trustees and the Capital Campaign Steering Committee of Ohio University allow him to provide banking and general financial expertise and comprehensive knowledge regarding Park and the markets within which Park National Bank (and its divisions) operate to the Board of Directors and he should continue as a Park director.

James R. DeRoberts, Age 58

Mr. DeRoberts has served as a director of Park since February 16, 2015 and as a member of the Board of Directors of Park National Bank since February 16, 2015. Mr. DeRoberts serves as a member of each of the Investment Commitment and the Risk Committee of Park's Board of Directors. Mr. DeRoberts has served as a partner at Gardiner Allen DeRoberts Insurance, an independent insurance agency located in Columbus, Ohio, since 2008. He has also served as the Chairman of the Board and Chief Executive Officer of The Arlington Bank, an Ohio state-chartered bank with locations in

Grandview Heights and Upper Arlington, Ohio, since 1999. In addition, Mr. DeRoberts has served as a director of the Federal Home Loan Bank of Cincinnati since 2008. He also served as a member of the Board of The Miami University Foundation, Oxford, Ohio, from January 2012 through December 2014.

The Nominating Committee and the full Board of Directors believe that the attributes, skills and qualifications Mr. DeRoberts has developed through more than 30 years of consulting with financial institutions on insurance and risk management practices as well as his service with The Arlington Bank and as a director of the Federal Home Loan Bank of Cincinnati allow him to provide insurance and risk management expertise as well as general banking and finance knowledge to the Board of Directors and he should continue as a Park director.

Stephen J. Kambeitz, Age 56

Mr. Kambeitz has served as a director of Park since 2010 and as a member of the Board of Directors of Park National Bank since 2010. Mr. Kambeitz serves as Chair of the Audit Committee and as a member of each of the Compensation Committee and the Risk Committee of Park's Board of Directors. Mr. Kambeitz has served as President since 2008, and served as Chief Financial Officer from 2001 to 2008, of R.C. Olmstead, Inc., Dublin, Ohio, a software development company. Mr. Kambeitz served as Chief Financial Officer from 1999 to 2001 of Lighthouse Financial Services, Inc., a diversified financial services holding company. Previously, Mr. Kambeitz served as Senior Vice President of Consumer Lending of Fifth Third Bank, Columbus, Ohio, from 1998 to 1999 and as Chief Financial Officer of State Savings Company, Columbus, Ohio, a savings and loan holding company, from 1985 to 1998 and Executive Vice President, Office of the President, of State Savings Bank, the primary savings association subsidiary of State Savings Company, from 1997 to 1998. Mr. Kambeitz also served as Controller of Calibre Corporation, Columbus, Ohio, a fast food franchisee, from 1983 to 1985, and as an accountant with Worthington Industries, Inc., Columbus, Ohio, a diversified metal processing company, from 1981 to 1983. Mr. Kambeitz began his career in the Columbus, Ohio office of Peat, Marwick, Mitchell & Company, a predecessor to KPMG.

The Nominating Committee and the full Board of Directors believe that the attributes, skills and qualifications Mr. Kambeitz has developed through more than 35 years of executive sales and financial management, team building and restructuring and SEC reporting and accounting experience, including working in the financial services industry through the savings and loan challenges in the 1980s, allow him to provide a valuable perspective on operating a financial services institution to the Board of Directors and he should continue as a Park director.

Robert E. O'Neill, Age 52

Mr. O'Neill has served as a director of Park since 2013 and as a member of the Board of Directors of Park National Bank since 2004. Mr. O'Neill serves as a member of each of the Audit Committee, the Executive Committee and the Nominating Committee of Park's Board of Directors. Mr. O'Neill has served as President and a director of Southgate Corporation, Newark, Ohio, a real estate development and management company, since 2002 and served as Vice President of Southgate Corporation from 1989 to 2002.

The Nominating Committee and the full Board of Directors believe that the attributes, skills and qualifications Mr. O'Neill has developed through his years of service as a Park National Bank director (including his service as an Audit Committee member of that Board of Directors), together with more than 25 years of experience in developing and managing industrial, commercial and multi-family real estate in Central Ohio, allow him to provide development and management expertise to the Board of

Directors in connection with the loan activities of Park National Bank (and its divisions) and he should continue as a Park director.

#### BENEFICIAL OWNERSHIP OF PARK COMMON SHARES

The following table furnishes information regarding the beneficial ownership of Park common shares, as of February 27, 2015, for each of the directors of Park (including those nominated for re-election), each of the individuals named in the Summary Compensation Table for 2014 beginning on page 56, all current directors and executive officers of Park as a group and each person known by Park to beneficially own more than 5% of Park's outstanding common shares:

| Name of Beneficial Owner<br>or Number of Persons in Group (1)                           | Amount and Nature of<br>Beneficial Ownership (1) | Percent of Class (2) |
|---|--|----------------------|
| Trust department of Park National Bank<br>50 North Third Street<br>Newark, OH 43055 (3) | 2,074,269 (3)                                    | 13.5%                |
| Donna M. Alvarado   | 2,996 (4)  | (4)                  |
| Maureen Buchwald  | 10,566 (5)                                       | (4)                  |
| C. Daniel DeLawder (6)  | 125,029 (7)                                      | (4)                  |
| James R. DeRoberts  | 800 (8)  | (4)                  |
| F. William Englefield IV  | 4,724 (9)  | (4)                  |
| Stephen J. Kambeitz   | 1,608 (10)                                       | (4)                  |
| William T. McConnell  | 180,104 (11)                                     | 1.2%                 |
| Timothy S. McLain   | 2,780 (12)                                       | (4)                  |
| Robert E. O'Neill   | 184,414 (13)                                     | 1.2%                 |
| Rick R. Taylor  | 5,059 (14)                                       | (4)                  |
| David L. Trautman (6)   | 53,030 (15)                                      | (4)                  |
| Leon Zazworsky  | 40,414 (16)                                      | (4)                  |
| Brady T. Burt (6)   | 3,716 (17)                                       | (4)                  |
| All current directors and executive officers as a group (13<br>persons)                 | 615,240 (18)                                     | 4.0%                 |

(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 directors and executive officers of Park is 50 North Third Street, Post Office Box 3500, Newark, Ohio 43058-3500.

(2) The "Percent of Class" computation is based upon 15,370,891 common shares outstanding on February 27, 2015.

(3) The trust department of Park National Bank (and its divisions) beneficially owns 2,074,269 common shares (13.5% of the outstanding common shares), with voting power but no investment power as to 1,335,312 of these common shares, investment power but no voting power as to 29,263 of these common shares and voting and investment power as to 709,694 of these common shares. The officers and directors of Park National Bank (and its divisions) and of Park disclaim beneficial ownership of the common shares beneficially owned by the trust department of Park National Bank (and

its divisions). The number shown does not include 1,433,430 common shares held of record by the trust department of Park National Bank (and its divisions) as to which the trust department has no voting or investment power.

(4) Represents beneficial ownership of less than 1% of the outstanding common shares.

(5) The number shown includes 3,300 common shares held jointly by Ms. Buchwald and her husband as to which she shares voting and investment power.

(6) Individual named in Summary Compensation Table for 2014. Messrs. DeLawder and Trautman are also directors of Park.

(7) The number shown includes: (i) 19,517 common shares held for the account of Mr. DeLawder in the Park KSOP; and (ii) 50,232 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. As of February 27, 2015, 55,280 common shares held by Mr. DeLawder and 50,148 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.

(8) The number shown includes 400 common shares held by Chartwell Family Group, Inc. ("Chartwell"), an Ohio corporation as to which the wife of Mr. DeRoberts is the sole owner. In his capacity as president of Chartwell, Mr. DeRoberts shares voting and investment power with his wife with respect to the 400 common shares held by Chartwell.

(9) The number shown includes: (i) 2,861 common shares held in a managing agency account with the trust department of Park National Bank as to which common shares the trust department of Park National Bank has voting power and Mr. Englefield has investment power; (ii) 273 common shares held by Mr. Englefield in an individual retirement account with a brokerage firm; and (iii) 1,590 common shares held in a cash management account by a brokerage firm as custodian for Mr. Englefield.

(10) On January 22, 2015, Mr. McConnell notified Park that he intended to retire from the Board of Directors and not stand for re-election at the Annual Meeting.

(11) The number shown includes: (i) 16,978 common shares held in an inter vivos irrevocable trust established by Mr. McConnell and Mr. McConnell's spouse prior to her death for which Park National Bank's trust department serves as trustee and as to which common shares the trust department has voting power and investment power but would request input from Mr. McConnell prior to making investment decisions with respect to these common shares; (ii) an aggregate of 53,988 common shares held in two irrevocable trusts established by Mr. McConnell's spouse prior to her death for which Park National Bank's trust department serves as trustee and as to which common shares the trust department has voting power and investment power but would request input from Mr. McConnell prior to making investment decisions with respect to these common shares; and (iii) 6,736 common shares held for the account of Mr. McConnell in the Park KSOP.

(12) The number shown includes 2,780 common shares held jointly by Mr. McLain and his wife as to which he shares voting and investment power.

(13) The number shown includes: (i) 1,000 common shares held by O'Neill Investments LLC, a limited liability company as to which Mr. Robert E. O'Neill serves as co-managing member with his brother. Park National Bank's trust department has voting power with respect to these 1,000 common shares and Mr. Robert E. O'Neill shares investment power with respect to these 1,000 common shares;

(ii) an aggregate of 902 common shares held in two educational trust accounts established by Mr. Robert E. O'Neill's father (Mr. John J. O'Neill) for the benefit of his grandchildren for which Park National Bank's trust department serves as trustee and as to which common shares the trust department has voting power and investment power but would request input from Mr. Robert E. O'Neill prior to making investment decisions with respect to these common shares; and (iii) an aggregate of 176,790 common shares held by two trusts established by Mr. Robert O'Neill's father prior to his death as to which, upon Mr. John J. O'Neill's death on November 16, 2014, Mr. Robert E. O'Neill became a co-trustee with his brother and Park National Bank. The co-trustees of these two trusts have shared voting power and investment power as to these 176,790 common shares held by the trusts since any action with respect to them requires the decision of a majority of the co-trustees. The number shown does not include 200 common shares held by an investment club of which Mr. Robert E. O'Neill is a member. Mr. Robert E. O'Neill disclaims beneficial ownership of these 200 common shares because the voting and investment power with respect to these common shares is subject to collective action by the 15 members of the investment club.

(14) The number shown includes 5,059 common shares held in a managing agency account with the trust department of Park National Bank (Richland Bank Division) as to which common shares the trust department has voting power and Mr. Taylor has investment power.

(15) The number shown includes (i) 11,113 common shares held for the account of Mr. Trautman in the Park KSOP; (ii) 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; and (iii) 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. As of February 27, 2015, 27,865 common shares held by Mr. Trautman and 13,230 common shares held by the wife of Mr. Trautman had been pledged as security to a financial institution which is not affiliated with Park, in connection with a personal loan.

(16) The number shown includes 100 common shares held by the wife of Mr. Zazworsky in a brokerage account as to which she has sole voting and investment power and Mr. Zazworsky disclaims beneficial ownership. The number shown does not include 200 common shares held by an investment club of which Mr. Zazworsky is a member. Mr. Zazworsky disclaims beneficial ownership of these 200 common shares because the voting and investment power with respect to these common shares is subject to collective action by the 15 members of the investment club.

(17) The number shown includes 3,716 common shares held for the account of Mr. Burt in the Park KSOP.

(18) See Notes (5), (7) through (9), and (11) through (17) 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 and officers, and any persons beneficially holding more than 10 percent of Park's outstanding common shares, file statements with the Securities and Exchange Commission (the "SEC") reporting their initial beneficial ownership of common shares and any subsequent changes in their beneficial ownership. Park is required to disclose in this proxy statement any late statements, if any statements are not filed within the time periods mandated by the SEC. Based solely upon Park's review of (i) Section 16(a) statements filed on behalf of these persons for their transactions during Park's 2014 fiscal year and (ii) written representations received from these persons that no other Section 16(a) statements were required to be filed by them for transactions during Park's 2014 fiscal year, Park believes

that all Section 16(a) filing requirements applicable to Park's officers and directors, and persons holding more than 10 percent of Park's outstanding common shares, were complied with.

#### CORPORATE GOVERNANCE

##### Code of Business Conduct and Ethics

In accordance with the applicable sections of the NYSE MKT Company Guide (the "NYSE MKT Rules") and applicable SEC rules, the Park 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, employees and agents 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 Internet Web site at [www.parknationalcorp.com](http://www.parknationalcorp.com).

##### Park Improvement Line/Online Reporting

Park has implemented a "whistleblower" hotline called the "Park Improvement Line." The Park Improvement Line number is (800) 418-6423, Ext. PRK (775). Calls that relate to accounting, internal accounting 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. An additional method of reporting anonymously is online via [www.securityvoice.com/reports](http://www.securityvoice.com/reports). The calls and e-mails 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.

##### Corporate Governance Guidelines

Upon the recommendation of the Nominating Committee, the Board of Directors has adopted Corporate Governance Guidelines to promote the effective functioning of the Board of Directors and its committees and to reflect Park's commitment to high standards of corporate governance. The Corporate Governance Guidelines are included as Exhibit A to the charter of the Nominating Committee, which is posted on the "Governance Documents" section of the "Investor Relations" page of Park's Internet Web site at [www.parknationalcorp.com](http://www.parknationalcorp.com).

##### Independence of Directors

Applicable NYSE MKT 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 NYSE MKT 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 NYSE MKT 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 NYSE MKT Rules, the Board of Directors has affirmatively determined that each individual who qualifies as "independent" has no relationship with Park or any of our subsidiaries (either directly or indirectly) 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 (i) the current directors of Park and (ii) the Former Directors, consistent with the definition of an “independent director” in the applicable NYSE MKT Rules, the Board of Directors reviewed, considered and discussed:

the relevant facts and circumstances of the relationships, whether direct or indirect and whether employment, commercial, industrial, banking, consulting, legal, accounting, charitable, familial or otherwise, between Park and/or any of our subsidiaries and (i) each current director of Park (and the immediate family members of each current director) and (ii) each Former Director (and the immediate family members of each Former Director), in each case since January 1, 2012;

the compensation and other payments (including payments made in the ordinary course of providing business services) (i) each current director of Park (and the immediate family members of each current director) and (ii) each Former Director (and the immediate family members of each Former Director):

has, directly or indirectly, received from or made to Park and/or any of our subsidiaries since January 1, 2012; and

presently expects to receive, directly or indirectly, from or make to Park and/or any of our subsidiaries.

the relationship, if any, between (i) each current director of Park (and the immediate family members of each current director) and (ii) each Former Director (and the immediate family members of each Former Director ) and each independent registered public accounting firm which has served as the outside auditor for Park and/or any of our subsidiaries since January 1, 2012;

whether (i) any current director of Park (or any of the immediate family members of any current director) or (ii) any Former Director (or any of the immediate family members of any Former Director) is or was employed as an executive officer of another entity where, at any time since January 1, 2012, any of Park’s executive officers served or presently serves on the compensation committee of such other entity; and

whether (i) any current director of Park or (ii) any Former Director has participated or participated in the preparation of the financial statements of Park or any of our current subsidiaries at any time since January 1, 2012.

Based upon that review, consideration and discussion and the unanimous recommendation of the Nominating Committee, the full Board of Directors has determined that at least a majority of the current directors of Park qualify as independent directors. The Board of Directors has determined that each of Donna M. Alvarado, Maureen H. Buchwald, James R. DeRoberts, F. William Englefield IV, Stephen J. Kambeitz, Timothy S. McLain, Robert E. O’Neill, Rick R. Taylor and Leon Zazworsky qualifies, and during their respective periods of service as a Park director in the 2014 fiscal year, each of Dr. Charles W. Noble, Sr. and John J. O’Neill qualified, as an independent director because each such individual has or had no financial or personal ties, either directly or indirectly, with Park or our subsidiaries other than:

compensation received in the individual’s capacity as a director of Park and a director of Park National Bank (or a member of the advisory board of one of the divisions of Park National Bank);

non-preferential payments made or received 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 Park National Bank and/or its divisions);

ownership of common shares of Park;

in the case of Maureen H. Buchwald, James R. DeRoberts, John J. O'Neill, Robert E. O'Neill and Leon Zazworsky, ownership of 10% Subordinated Notes due December 23, 2019 issued by Park to them or to their immediate family members or to trusts related to them or to their immediate family members and held by them, their immediate family members or trusts related to them or to their immediate family members until such Notes were repaid in full on December 24, 2014;

in the case of Maureen H. Buchwald, James R. DeRoberts, Stephen J. Kambeitz, John J. O'Neill, Robert E. O'Neill, Rick R. Taylor and Leon Zazworsky, ownership of 7% Subordinated Notes due April 20, 2022 issued by Park to them, to their immediate family members or to entities related to them or to their immediate family members and held by them or their immediate family members or entities related to them or to their immediate family members;

in the case of John J. O'Neill, compensation received by Mr. O'Neill's son (Robert E. O'Neill) in his capacity as a director of Park and Park National Bank;

in the case of Robert E. O'Neill, compensation received by Mr. O'Neill's father (John J. O'Neill) in his capacity as a director of Park and Park National Bank prior to his retirement on April 28, 2014;

in the case of Timothy S. McLain, compensation received by Mr. McLain's brother (James McLain II) in his capacity as a member of the advisory board of Fairfield National Bank;

in the case of James R. DeRoberts, compensation received by the insurance agency (as to which he is a partner) for insurance and risk management consulting services provided to Park and our subsidiaries in an amount not exceeding \$200,000 in each of the fiscal year ended December 31, 2012 (the "2012 fiscal year"), the fiscal year ended December 31, 2013 (the "2013 fiscal year") and the 2014 fiscal year, and the fact that such insurance agency continues to provide such insurance and risk management consulting services; and

in the case of Mr. Englefield, the fact that a son of his is married to a daughter of John W. Kozak, who served as Park's Chief Financial Officer during the 2012 fiscal year until Mr. Kozak retired effective December 19, 2012.

In making the determination that Mr. McLain qualifies as an independent director, the Board of Directors also reviewed, considered and discussed the fact that the firm as to which he and his brother are partners has provided miscellaneous tax services to fiduciary customers of Park National Bank and its divisions in an amount not exceeding \$50,000 in each of the 2012 fiscal year, the 2013 fiscal year and the 2014 fiscal year and continues to do so and that such services are not provided directly or indirectly to or for the benefit of Park, Park National Bank or any division of Park National Bank.

David L. Trautman and C. Daniel DeLawder 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 was employed until January 31, 2014 in a non-executive

officer capacity by Park National Bank and had previously been an executive officer of Park and Park National Bank. Prior to his death, Harry O. Egger did not qualify as an independent director because he was employed in a non-executive officer capacity by the Security National Bank Division and was formerly an executive officer of the Security National Bank Division.

#### Risk Management Oversight

The role of the Board of Directors is to provide oversight to ensure an effective enterprise risk management program is in place, including an appropriate enterprise risk management framework and related governance structure. Certain committees of Park's Board of Directors administer various aspects of the Board's risk oversight function. The Risk Committee assists the Board of Directors in overseeing Park's enterprise-wide risks, including credit risk, market risk, liquidity risk (together with the Investment Committee), operational risk, IT/IS risk, legal risk (together with the Audit Committee), compliance risk (together with the Audit Committee) and reputational risk. The Risk Committee's role and its interaction with the full Board of Directors and other Board committees regarding the Risk Committee's risk oversight responsibilities are more fully described under the heading "STRUCTURE AND MEETINGS OF BOARD OF DIRECTORS - Committees of the Board - Risk Committee." The Investment Committee assists the Board of Directors in monitoring management's implementation and enforcement of Park's Investment Policy, Borrowing Policy and Asset/Liability Management Policy, focusing on interest rate risk, credit risk, portfolio risk, liquidity risk (together with the Risk Committee) and counterparty credit risk. The Investment Committee's role and its interaction with the full Board of Directors regarding the Investment Committee's oversight responsibilities are more fully described under the heading "STRUCTURE AND MEETINGS OF BOARD OF DIRECTORS - Committees of the Board - Investment Committee." The Compensation Committee evaluates with Park's Chief Risk Officer all risks posed by Park's compensation programs and makes all reasonable efforts required to limit any unnecessary risks these programs pose to Park and ensures that the programs do not encourage senior executive officers to take unnecessary and excessive risks that threaten the value of Park. The Compensation Committee's role and its interaction with the full Board of Directors and other Board committees regarding compensation risk are more fully described under the heading "EXECUTIVE COMPENSATION - Compensation Committee Report." The Audit Committee discusses Park's systems to monitor and manage business risk with management and Park's Internal Audit Department. The Audit Committee assists the Board of Directors in overseeing audit risk, financial reporting risk, compliance risk (together with the Risk Committee) and legal risk (together with the Risk Committee). The Audit Committee's role and its interaction with the full Board of Directors regarding the Audit Committee's risk oversight responsibilities are more fully described under the heading "STRUCTURE AND MEETINGS OF BOARD OF DIRECTORS - Committees of the Board - Audit Committee."

#### Nominating Procedures

The Nominating Committee recommended the nominees identified in "ELECTION OF DIRECTORS (Proposal 1)" for 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 of Directors individuals qualified to become directors of Park.

#### Director Qualifications

Each director must be a shareholder of Park.

It is the sense of the full Board of Directors that each member should be an active leader in the member's business or profession and in the member's community. As a result, Park directors who experience a material change in their principal occupation, position, location or responsibility held when

they were elected to the Board of Directors are to promptly, and then on an annual basis by January 1<sup>st</sup> of each year, if Board service continues, tender a letter of resignation to the Chairman of the Board together with a brief explanation of the change in primary employment. The Chairman of the Board will bring the matter before the next regularly scheduled meeting of the full Board of Directors which may, in its sole discretion, accept or reject the director's offer to resign. Generally, a director is to no longer continue in service after age 82; however, individuals serving on the Board of Directors as of December 31, 2011 are grandfathered and not subject to this limitation.

A director is expected to submit his or her resignation if a loan from Park National Bank or one of its divisions to the director or an entity controlled by the director is classified "doubtful" or "loss" under applicable regulatory standards. Criteria Considered by Nominating Committee

Park believes that Board membership should reflect the diversity of the markets served by the Park organization. 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 utilizes its pool of existing directors of Park National Bank (and its divisions) as well as the significant network of business contacts of Park's existing directors and executive officers as the primary source from which director candidates are identified. When evaluating individual director candidates, the Nominating Committee may consider those factors it deems appropriate, including:

- whether the candidate has exhibited behavior indicating a commitment to the highest ethical standards;

- whether the candidate has special skills, expertise and background that would complement the attributes of the existing Park directors, taking into consideration the diverse communities and geographics in which Park and our subsidiaries operate;

- whether the candidate has achieved prominence in his or her business, governmental or professional activities, and has built a reputation that demonstrates the ability to make the kind of important and sensitive judgments that members of the Park Board of Directors are called upon to make;

- whether the candidate possesses a willingness to challenge management while working constructively as a part of a team in an environment of collegiality and trust; and

- whether the candidate will be able to devote sufficient time and energy to the performance of his or her duties as a director. Directors are to advise the Chairman of the Board and the Chair of the Nominating Committee in advance of accepting an invitation to serve on another public company board.

The Nominating Committee from time to time will identify other selection criteria for Board membership taking into account the current Board composition and striving to ensure that appropriate knowledge, skills and experience are represented.

Depending on the current needs of Park's Board of Directors, certain factors may be weighed more or less heavily by the Nominating Committee. Diversity is considered by the Nominating Committee when evaluating potential nominees because the Board of Directors believes that Board

membership should reflect not only the diversity of the markets served by Park and our subsidiaries, but also diversity in the Board's overall experience in business, government, education, technology and other areas relevant to the operations of Park and our subsidiaries and diversity in the Board's composition in terms of age, skills and other factors relevant to the business of Park and our subsidiaries.

In considering candidates for the Board of Directors, 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 of Directors 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 of Directors 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. During the 2014 fiscal year as well as the 2015 fiscal year, the Nominating Committee has used BeecherHill, an executive search firm located in Columbus, Ohio, to help identify and evaluate director candidates.

#### Nominating Guidelines for Shareholders

Shareholders may recommend director candidates for consideration by the Nominating Committee by writing to Brady T. Burt, Park's Chief Financial Officer, Secretary and Treasurer, 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 or residence address, principal occupation or employment for the past five years, other public company boards on which the candidate serves, whether the candidate would qualify as an "independent director" under the applicable NYSE MKT Rules and the number of Park common shares beneficially owned by the candidate. The Nominating Committee may require additional information to determine the qualifications of the candidate recommended. The person making the recommendation must also include such person's name and address as well as the number of Park common shares owned by such person.

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 the provisions of Park's Regulations related to 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 2015 Annual Meeting must be received by David L. Trautman, Park's President and Chief Executive Officer, by April 13, 2015. Each shareholder nomination must contain the following information to the extent known by the nominating shareholder:

• the name and address of each proposed nominee;

• the principal occupation of each proposed nominee;

• the total number of Park common shares that will be voted for each proposed nominee;

the name and residence address of the nominating shareholder; and

the number of Park common shares beneficially owned by the nominating shareholder.

Nominations which do not comply with the above requirements and Park's Regulations will be disregarded.

#### 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, in care of the Audit Committee of the Board of Directors (the "Audit Committee") is forwarded to all members of the Board of Directors or specified individual directors, if applicable, has served the needs of the Board of Directors and Park's shareholders. There is no screening process in respect of shareholder communications. All shareholder communications received by the Audit Committee for the attention of the Board of Directors or specified individual directors are forwarded to the appropriate 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" 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 to individual directors may be sent to the Board or one or more individual directors, in care of the Audit Committee, at our executive offices located at 50 North Third Street, Post Office Box 3500, Newark, Ohio 43058-3500. The mailing envelope must contain a clear notation indicating that the enclosed letter is a "Shareholder-Board Communication" or "Shareholder-Director Communication," as appropriate. All shareholder communications must identify the author as a shareholder of Park and clearly state whether the correspondence is directed to all members of the Board of Directors or to certain specified individual directors. All shareholder communications will be copied and circulated to the appropriate director or directors without any screening. Correspondence marked "personal and confidential" will be delivered to the intended recipient(s) without opening.

#### Transactions with Related Persons

##### Policies and Procedures with Respect to Related Person Transactions

On an annual basis, each director and each executive officer of Park must complete a Directors' and Officers' Questionnaire which requires disclosure of any transaction, arrangement or relationship with Park and/or any of our subsidiaries since the beginning of the last fiscal year in which the director or executive officer, or any member of his or her immediate family, has or had a direct or indirect interest. In addition, officers of Park and our subsidiaries must provide personal financial information annually as well as periodic information regarding the incurrence of indebtedness over \$10,000. Park's Retail Loan Department also reviews information quarterly for any outstanding loans with Park National Bank and/or one of its divisions in which the director or executive officer, or any member of his or her immediate family, has a direct or indirect material interest. As a part of its review process, Park's Retail Loan Department compares information on a quarterly basis to track originations of any new loans for a director or an executive officer, or any member of his or her immediate family, and reconciles all then current account information to ensure the data has been gathered and recorded accurately.

The Audit Committee of Park's Board of Directors is responsible, under the terms of that Committee's charter, for reviewing and overseeing procedures designed to identify related person

transactions that are material to Park's consolidated financial statements or otherwise require disclosure under applicable NYSE MKT Rules or applicable rules adopted by the SEC, including those transactions required to be disclosed under Item 404 of SEC Regulation S-K, or the rules of any other appropriate regulatory agency or body. All such transactions must be approved by the Audit Committee. Further, under the terms of Park's Code of Business Conduct and Ethics, the Audit Committee is responsible for reviewing and overseeing all actions and transactions which involve the personal interest of a director or executive officer of Park and determining in advance whether any such action or transaction represents a potential conflict of interest. In addition, under the terms of Park's Commercial Loan Policy, all loans made to directors of Park or one of our subsidiaries in excess of \$500,000 must be approved by the full Board of Directors of Park or of Park National Bank. To the extent any transaction represents an ongoing business relationship with Park or any of our subsidiaries, such transaction must be reviewed annually and be on terms no more favorable than those which would be usual and customary in similar transactions between unrelated persons dealing at arms' length.

#### Transactions Involving Subordinated Notes

##### 2009 Subordinated Notes

On December 23, 2009, Park entered into a Subordinated Note Purchase Agreement with 38 "accredited investor" purchasers who purchased an aggregate principal amount of \$35,250,000 of Park's 10% Subordinated Notes due December 23, 2019 (each, a "2009 Note"). Each 2009 Note was purchased at a purchase price of 100% of the principal amount thereof and interest on the 2009 Notes was payable quarterly, at a fixed rate of 10% per annum. The 2009 Notes were prepaid by Park in full on December 24, 2014.

The initial sale as well as the subsequent repayment of the 2009 Notes were reviewed in accordance with the policies described above under the heading "Policies and Procedures with Respect to Related Person Transactions."

2009 Notes were purchased by Maureen H. Buchwald individually and by a trust for the benefit of her daughter, C. Daniel DeLawder and his spouse, the father of James R. DeRoberts, Harry O. Egger, John J. O'Neill (through a trust for his benefit), William T. McConnell, David L. Trautman and Leon Zazworsky. The following table sets forth certain information regarding the 2009 Notes issued to the current Park directors as well as Harry O. Egger and John J. O'Neill (through a trust for his benefit), and their respective family members and trusts related to these individuals and their respective family members, which 2009 Notes were repaid in full by Park on December 24, 2014.

| Name  | Aggregate<br>Principal<br>Amount of<br>2009 Notes<br>Purchased | Aggregate<br>Principal<br>Amount<br>Repaid on<br>December 24, 2014 | Interest<br>Received during 2014<br>Fiscal Year |     |
|---|--|--|---|-----|
| Maureen H. Buchwald<br>Trust for the benefit of Karen Buchwald Wright, the<br>daughter of Maureen H. Buchwald | \$1,000,000  | \$1,000,000  | \$97,778  |     |
| C. Daniel DeLawder and his spouse<br>Richard A. DeRoberts, the father of James R.<br>DeRoberts                | \$750,000  | \$750,000  | \$73,333  |     |
| Harry O. Egger (1)  | \$100,000  | \$100,000  | (1 )\$9,778                                     | (1) |
| John J. O’Neill (through a trust) (2)   | \$2,000,000  | \$2,000,000  | (2 )\$195,556                                   | (2) |
| William T. McConnell (3)  | \$1,000,000  | \$1,000,000  | (3 )\$97,778                                    | (3) |
| David L. Trautman   | \$200,000  | \$200,000  | \$19,556  |     |
| Leon Zazworsky  | \$1,000,000  | \$1,000,000  | \$97,778  |     |

(1) Effective October 29, 2014, Mr. Egger transferred his entire interest in the 2009 Note which had been issued to him to the Harry O. Egger III Revocable Trust (which became the Harry O. Egger III Irrevocable Trust on the date of Mr. Egger’s death (December 1, 2014)). \$7,500 of the interest paid during the 2014 fiscal year with respect to this 2009 Note was received by Mr. Egger personally and the remaining \$2,278 of such interest was received by the Harry O. Egger III Irrevocable Trust. The Trust also received the \$100,000 principal amount repaid on December 24, 2014. Amounts received by the Trust will be distributed in accordance with its terms.

(2) This 2009 Note had been issued to the John J. O’Neill Revocable Living Trust (which became the John J. O’Neill Irrevocable Living Trust on the date of Mr. O’Neill’s death (November 16, 2014)). The final interest payment and the repayment of the \$2,000,000 principal amount of this 2009 Note were made to the John J. O’Neill Irrevocable Living Trust and will be held among the Trust’s assets until distributed in accordance with the terms of the Trust.

(3) Effective November 22, 2012, Mr. McConnell transferred to his daughter Jennifer W. McConnell as a gift the 2009 Note which had been issued to Mr. McConnell. All of the \$97,778 interest paid during the 2014 fiscal year with respect to this 2009 Note was received by Ms. McConnell, as was the \$1,000,000 principal amount repaid on December 24, 2014.

#### 2012 Subordinated Notes

On April 20, 2012, Park entered into a Subordinated Note Purchase Agreement with 56 “accredited investor” purchasers who purchased an aggregate principal amount of \$30,000,000 of Park’s 7% Subordinated Notes due April 20, 2022 (each, a “2012 Note”). The 2012 Notes are intended to qualify as Tier 2 Capital under applicable Federal Reserve Board regulations. Each 2012 Note was purchased at a purchase price of 100% of the principal amount thereof.



The 2012 Notes mature on April 20, 2022 and are not secured by any assets of Park or any other collateral. Interest on the 2012 Notes is payable quarterly, at a fixed rate of 7% per annum. The 2012 Notes may not be prepaid by Park prior to April 20, 2017. Thereafter, Park may prepay all, or from time to time, any part of the 2012 Subordinated Notes at 100% of the principal amount (plus accrued interest) without penalty, subject to any requirement under the applicable Federal Reserve Board regulations to obtain prior approval before making any prepayments.

The sale of 2012 Notes was reviewed in accordance with the policies described above under the heading "Policies and Procedures with Respect to Related Person Transactions."

2012 Notes were purchased by Maureen H. Buchwald individually and by a trust for the benefit of her daughter, C. Daniel DeLawder and his spouse, the father of James R. DeRoberts, Harry O. Egger, Stephen J. Kambeitz, William T. McConnell, Mr. McConnell's daughter Jennifer W. McConnell, Robert E. O'Neill (through a related limited liability company), Rick R. Taylor, Mr. Taylor's brother Jon S. Taylor (through a limited liability company of which Jon S. Taylor was the sole member) and Leon Zazworsky. The following table sets forth certain information regarding the 2012 Notes issued to current Park directors as well as Harry O. Egger, and their respective family members and trusts and other entities related to these individuals and their respective family members.

| Name  | Aggregate Principal Amount of 2012 Notes Purchased | Aggregate Principal Amount Outstanding at February 27, 2015 | Interest Received during 2014 Fiscal Year |
|---|--|---|---|
| Maureen H. Buchwald   | \$1,000,000  | \$1,000,000   | \$70,000                                  |
| Trust for the benefit of Karen Buchwald Wright, the daughter of Maureen H. Buchwald | \$1,750,000  | \$1,750,000   | \$122,500                                 |
| C. Daniel DeLawder and his spouse   | \$500,000  | \$500,000   | \$35,000                                  |
| Richard A. DeRoberts, the father of James R. DeRoberts                              | \$250,000  | \$250,000   | \$17,500                                  |
| Harry O. Egger (1)  | \$100,000  | \$100,000   | \$7,000                                   |
| Stephen J. Kambeitz   | \$250,000  | \$250,000   | \$17,500                                  |
| William T. McConnell (2)  | \$300,000  | \$300,000   | \$21,000                                  |
| Jennifer W. McConnell, the daughter of William T. McConnell                         | \$100,000  | \$100,000   | \$7,000                                   |
| Robert E. O'Neill (through a related limited liability company) (3)                 | \$400,000  | \$400,000   | \$28,000                                  |
| Rick R. Taylor  | \$200,000  | \$200,000   | \$14,000                                  |
| The Taylor Family Foundation (4)  | \$300,000  | \$300,000   | \$21,000                                  |
| Leon Zazworsky  | \$1,000,000  | \$1,000,000   | \$70,000                                  |

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(1) Effective October 29, 2014, Mr. Egger transferred his entire interest in the 2012 Note which had been issued to him to the Harry O. Egger III Revocable Trust (which became the Harry O. Egger III Irrevocable Trust on the date of Mr. Egger's death (December 1, 2014)). \$5,250 of the interest paid during the 2014 fiscal year with respect to this 2012 Note was received by Mr. Egger personally and the remaining \$1,750 of such interest was received by the Harry O. Egger III Irrevocable Trust.

(2) Effective November 25, 2014, Mr. McConnell transferred to a trust for his benefit his entire interest in the 2012 Note which had been issued to him. Of the \$21,000 aggregate amount of interest paid during the 2014 fiscal year with respect to this 2012 Note, \$5,250 was received by the trust and \$15,750 by Mr. McConnell individually.

(3) O'Neill Investments, LLC, a limited liability company as to which Robert E. O'Neill and his brother Henry E. O'Neill are co-managing members, purchased a 2012 Note in the principal amount of \$400,000.

(4) Hejon Properties Ltd. (also known as HEJON, LLC), a limited liability company as to which Jon S. Taylor, the brother of Rick R. Taylor, was the sole member, purchased a 2012 Note in the principal amount of \$300,000.

Following the dissolution of Hejon Properties Ltd. on July 22, 2013 and the subsequent death of Jon S. Taylor on July 23, 2013, the 2012 Note was transferred to The Taylor Family Foundation, an organization described in Section 501(c)(3) of the Internal Revenue Code and operated for the benefit and support of The Ashland County Community Foundation. Rick R. Taylor is the President of The Taylor Family Foundation and serves as one of the five members of the Board of Directors of the Foundation.

#### Banking Transactions

During Park's 2014 fiscal year, certain of the current directors and executive officers of Park, the Former Directors as well as members of their respective immediate families and firms, corporations or other entities with which they are affiliated, were customers of and had banking transactions (including loans and loan commitments) with Park National Bank and/or one or more of the divisions of Park National Bank in the ordinary course of their respective businesses and in compliance with applicable federal and state laws and regulations. It is expected that similar banking transactions will be entered into in the future. Loans to these persons have been made on substantially the same terms, including the interest rate charged and collateral required, as those prevailing at the time for comparable transactions with persons not affiliated with Park or one of our subsidiaries. These loans have been, and are presently, subject to no more than a normal risk of uncollectibility and present no other unfavorable features. At the close of business on December 31, 2014, the aggregate principal balance of loans to the 12 individuals currently serving as directors of Park and the current executive officers of Park, together with their respective associates, as a group was approximately \$36.3 million. As of the date of this proxy statement, each of the loans described in this paragraph was performing in accordance with its original terms. Each of the loans described in this paragraph was subject to our written policies, procedures and standard underwriting criteria applicable to loans generally as well as made in accordance with the requirements of Regulation O promulgated by Federal Reserve Board governing prior approval of the loan by the Board of Directors of Park National Bank (or the division of Park National Bank) making the loan.

#### Other Transactions

James R. DeRoberts, a director of Park, is a partner at Gardiner Allen DeRoberts Insurance, an independent insurance agency. During Park's 2014 fiscal year, Gardiner Allen Roberts Insurance

provided insurance and risk management consulting services to Park and our subsidiaries and received approximately \$164,000 for such services. Other Transactions The continuing relationship between Gardiner Allen Roberts Insurance and Park and our subsidiaries has been reviewed in accordance with the policies described above under the heading “Policies and Procedures with Respect to Related Person Transactions.”

#### STRUCTURE AND MEETINGS OF BOARD OF DIRECTORS

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

The Board of Directors held six meetings during the 2014 fiscal year. Each incumbent director of Park attended at least 75% of the aggregate of the total number of meetings held by the full 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 NYSE MKT Rules and Park’s Corporate Governance Guidelines, the independent directors meet in executive session (without the presence of management and non-independent directors) on a regular basis but not less than twice each year. Such meetings have historically been held immediately following each regular meeting of the full Board of Directors.

Park encourages all incumbent directors and director nominees to attend each annual meeting of shareholders. Eleven of the twelve then incumbent directors attended Park’s last annual meeting of shareholders held on April 28, 2014.

##### Board Leadership

During the 2014 fiscal year, C. Daniel DeLawder served as Park’s Chairman of the Board (as well as a full-time executive employee of Park National Bank) and David L. Trautman served as Park’s Chief Executive Officer and President (sometimes referred to as the “Chief Executive Officer”). On January 23, 2012, the Nominating Committee recommended, and the Board of Directors appointed, Leon Zazworsky as the Lead Director for Park, a position which Mr. Zazworsky continues to hold. Park’s management and Board of Directors believe that the Lead Director position augments Park’s strong history of shareholder-focused leadership. The Board of Directors retains the authority to modify this structure to best address Park’s unique circumstances as and when the Board deems appropriate.

The Board of Directors believes that its current leadership structure is efficient and effective for Park for the following reasons:

The Chief Executive Officer’s day-to-day management and operation of Park and execution of Park’s strategy provides the Chief Executive Officer with a comprehensive understanding of Park’s performance and strategic priorities, which is crucial for participating in discussions by the Board of Directors and executing strategy.

The Chief Executive Officer, working closely with the Chairman of the Board, supplemented by the Lead Director position, promotes strategy development and execution and facilitates the flow of information between management and the Board of Directors, which are essential to effective corporate governance.

Taken together, the Lead Director position, and the Chief Executive Officer and the Chairman of the Board positions foster clear accountability, effective decision-making and alignment on corporate strategy. The Chairman of the Board and the Lead Director confer on the calendar and agendas for the meetings of the Board of Directors and the Lead Director chairs the executive session of each Board meeting, reporting the results of those executive sessions to the Chairman

of the Board. The Lead Director also has the authority to call meetings of the independent directors.

Leon Zazworsky, in his capacity as the Lead Director, serves as liaison between the Chief Executive Officer, the Chairman of the Board and the independent directors. As discussed in his biographical information beginning on page 10 of this proxy statement, Mr. Zazworsky has decades of experience not only with the Park organization, but also as the owner/operator of several successful private businesses. Park's management and Board of Directors believe he has executed and will continue to execute his Lead Director duties with the same care and concern he has brought to the Board of Directors of Park National Bank (Park's lead subsidiary) since 1991 and to the Park Board of Directors since 2003.

The role of the Board of Directors and its committees in the oversight of risk affirms the current Board leadership structure. That is, the current leadership structure supports measured risks, yet monitors and controls them to the benefit of all shareholders.

#### Committees of the Board

During the 2014 fiscal year, the Board of Directors had six standing committees which held regularly scheduled meetings - the Audit Committee, the Compensation Committee, the Executive Committee, the Investment Committee, the Nominating Committee and the Risk Committee.

#### Audit Committee

The Board of Directors has an Audit Committee which was established in accordance with Section 3(a)(58)(A) of the Exchange Act and is currently comprised of Stephen J. Kambeitz (Chair), Donna M. Alvarado, Maureen H.

Buchwald, Timothy S. McLain and Robert E. O'Neill. Ms. Alvarado, Ms. Buchwald and Messrs. Kambeitz, McLain and O'Neill also served as members of the Audit Committee during the entire 2014 fiscal year. Dr. Charles W. Noble also served as a member of the Audit Committee from January 1, 2014 until April 28, 2014. Upon the recommendation of the Nominating Committee, the Board of Directors has determined that each current member of the Audit Committee qualifies, and that during his period of service in the 2014 fiscal year Dr. Noble qualified, as an independent director under the applicable NYSE MKT Rules and under SEC Rule 10A-3.

Upon the recommendation of the Nominating Committee, the Board of Directors has also determined that each of Ms. Buchwald, Mr. Kambeitz and Mr. McLain qualifies as an "audit committee financial expert" for purposes of Item 407(d)(5) of SEC Regulation S-K. Ms. Buchwald served as Vice President of Administration and Secretary of the Board of Directors 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. Mr. Kambeitz has served as President since 2008, and served as Chief Financial Officer from 2001 to 2008, of R.C. Olmstead, Inc. and prior thereto, served as Chief Financial Officer from 1999 to 2001 of Lighthouse Financial Services, Inc.

Mr. Kambeitz's past professional experience includes service in financial or accounting roles with Fifth Third Bank; State Savings Company, where he served as Chief Financial Officer; Calibre Corporation; Worthington Industries, Inc.; and Peat, Marwick, Mitchell and Company. Mr. McLain is a Certified Public Accountant who has been associated with the firm McLain, Hill, Rugg & Associates, Inc. since 1979, serving as Vice President since 1991. In addition to the qualification of each of Ms. Buchwald, Mr. Kambeitz and Mr. McLain 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 our subsidiaries and satisfies the financial literacy requirement of the NYSE MKT Rules. Park's

Board of Directors also believes that each of Ms. Alvarado, Ms. Buchwald, Mr. Kambeitz, Mr. McLain and Mr. O'Neill satisfies the financial sophistication requirement of the NYSE MKT 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 posted on the "Governance Documents" section of the "Investor Relations" page of Park's Internet Web site 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 of Directors as necessary.

The Audit Committee is responsible, among other things, for:

•overseeing the accounting and financial reporting processes of Park and our subsidiaries;

•overseeing the audits of the consolidated financial statements of Park and reviewing the annual and interim consolidated financial statements of Park with Park's independent registered public accounting firm and Park's management;

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

•determining hiring policies for employees or former employees of Park's independent registered public accounting firm;

•appointing and determining the compensation for the Chief Auditor (the Head of the Internal Audit Department), reviewing and approving the Internal Audit Department budget, determining the compensation for all of the staff auditors, reviewing and approving the Internal Audit Procedures Manual and overseeing the work of the Internal Audit Department;

•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;

•reviewing and, when appropriate, approving transactions with Park and/or any of our subsidiaries in which a director or executive officer of Park, or any member of his or her immediate family, has a direct or indirect interest;

•reviewing all significant regulatory examination findings requiring corrective action; and

•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 Audit Department;

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

- the legal compliance and ethics programs established by Park’s management and the full Board of Directors, including the Code of Business Conduct and Ethics.

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 our 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 of Directors.

The Audit Committee met eight times during the 2014 fiscal year. The Audit Committee’s report relating to the 2014 fiscal year begins at page 76.

#### Compensation Committee

The Board of Directors has a Compensation Committee which is currently comprised of F. William Englefield IV (Chair), Stephen J. Kambeitz, Timothy S. McLain and Leon Zazworsky. Messrs. Englefield, Kambeitz, McLain and Zazworsky also served as members of the Compensation Committee during the entire 2014 fiscal year. Upon the recommendation of the Nominating Committee, the Board of Directors has determined that each member of the Compensation Committee satisfies the independence standards for members of a compensation committee included in Section 805(c)(1) of the NYSE MKT Company Guide. 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 each of Messrs. Englefield and McLain qualifies as a “non-employee director” for purposes of SEC Exchange Act Rule 16b-3. Any member of the Compensation Committee who does not qualify as a “non-employee director” or as an “outside director” is required to abstain from voting on all matters as to which such classification would be relevant.

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” section of the “Investor Relations” page of Park’s Internet Web site at [www.parknationalcorp.com](http://www.parknationalcorp.com). The Compensation Committee periodically reviews and reassesses the adequacy of the Compensation Committee Charter and recommends changes to the full Board of Directors as necessary.

The Compensation Committee’s primary responsibilities include:

- reviewing with Park’s management and approving the general compensation policy for the executive officers of Park and those other employees of Park and our subsidiaries whom the full Board of Directors 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;

administering Park’s incentive compensation plans, equity-based plans (in particular, the Park National Corporation 2013 Long-Term Incentive Plan or the “2013 LTIP”) and any other plans requiring Compensation Committee administration and approving awards as required to comply with applicable laws, rules and regulations;

- overseeing the preparation of the compensation discussion and analysis (and related disclosures) and recommending to the full Board of Directors the inclusion of such

compensation discussion and analysis in the annual proxy statement of Park in accordance with applicable NYSE MKT Rules and applicable SEC rules;

approving the Compensation Committee Report to be included in the annual proxy statement of Park in accordance with applicable SEC rules;

- recommending to the Board of Directors the compensation for directors;

- reviewing and making recommendations to the full Board of Directors with respect to incentive compensation plans and equity-based plans in accordance with applicable laws, rules and regulations;

- reviewing and approving any compensation-related matters to be considered by the shareholders at the annual meeting of shareholders and recommending any actions to be taken by the full Board of Directors with respect to those proposals;

- reviewing and making recommendations to the full Board of Directors regarding the frequency with which Park should submit to the shareholders an advisory vote on the compensation of Park's named executive officers;

- reviewing the results of any shareholder advisory vote on the compensation of Park's named executive officers and evaluating the executive compensation policies and practices of Park and our subsidiaries in light of such advisory vote;

- annually reviewing the risks that arise from the compensation policies and practices of Park and our subsidiaries and determining whether such risks are reasonably likely to have a material adverse effect on Park;

- reviewing and assessing the independence of the Compensation Committee's compensation consultants, legal counsel and other advisers, in accordance with applicable NYSE MKT Rules and applicable SEC rules; and

- reviewing and evaluating any conflict of interest raised by the work performed by any compensation consultant for the Compensation Committee or Park and/or our subsidiaries and recommending any actions to be taken by Park and/or our subsidiaries.

The Compensation Committee reviews Park's organizational structure and succession plans for Park's executive officers with the full Board of Directors as needed. The Compensation Committee will also carry out any other responsibilities delegated to the Compensation Committee by the full Board of Directors.

The Compensation Committee has the authority to retain one or more compensation consultants to assist in the evaluation of director and executive officer compensation. The Compensation Committee has sole authority to retain and terminate any such compensation consultant, including sole authority to approve each consultant's fees and other retention terms.

During the 2014 fiscal year, the Compensation Committee retained Pay Governance LLC to assist the Compensation Committee in structuring the compensation program for Park's executive officers. Please see the discussion under the heading "EXECUTIVE COMPENSATION - Compensation Discussion and Analysis - Process Used to Set Compensation for 2014 - Role of Outside Advisers" for a detailed explanation of the services rendered by Pay Governance.

At its December 16, 2014 meeting, the Compensation Committee conducted an assessment to evaluate whether the work performed and to be performed by Pay Governance raises a conflict of interest or compromises the independence of Pay Governance. This assessment included the consideration of the six factors listed in SEC Rule 10C-1(b)(4)(i) through (vi) and restated as Section 805(c)(4) in the NYSE MKT Company Guide. Based upon its assessment, the Compensation Committee unanimously determined that: (a) the work performed and to be performed by Pay Governance had not raised and did not raise any conflict of interest or compromise the independence of Pay Governance; and (b) Pay Governance qualified as independent for purposes of SEC Rule 10C-1(b)(4) and Section 805(c) of the NYSE MKT Company Guide. The Compensation Committee has also determined that since December 16, 2014, there have been no changes in circumstances through the date of this proxy statement which would require the Compensation Committee to change its determinations.

The Compensation Committee met four times during the 2014 fiscal year. The compensation discussion and analysis regarding executive compensation for the 2014 fiscal year begins at page 39 and the Compensation Committee Report for the 2014 fiscal year begins on page 54.

#### Executive Committee

The Board of Directors has an Executive Committee which is currently comprised of C. Daniel DeLawder (Chair), David L. Trautman (Vice Chair), F. William Englefield IV, Robert E. O'Neill and Leon Zazworsky. Messrs. DeLawder, Englefield and Zazworsky also served as members of the Executive Committee during the entire 2014 fiscal year. Mr. Trautman became a member and Vice Chair of the Executive Committee on January 28, 2014. Robert E. O'Neill became a member of the Executive Committee on April 28, 2014. In addition, William T. McConnell served as a member of the Executive Committee from January 1, 2014 until January 27, 2014, John J. O'Neill served as a member from January 1, 2014 until April 28, 2014 and Harry O. Egger served as a member from January 1, 2014 until December 1, 2014.

The Executive Committee is organized and conducts its business pursuant to a written charter adopted by the Board of Directors (the "Executive Committee Charter"). A copy of the Executive Committee Charter is posted on the "Governance Documents" section of the "Investor Relations" page of Park's Internet Web site at [www.parknationalcorp.com](http://www.parknationalcorp.com). The Executive Committee periodically reviews and reassesses the adequacy of the Executive Committee Charter and recommends changes to the full Board of Directors as necessary.

The Executive Committee acts in place of, and on behalf of, the full Board of Directors in the intervals between meetings of the Board of Directors. The Executive Committee has all of the authority of the full Board of Directors, other than the authority (a) to fill vacancies on the Board of Directors or in any Board committee, (b) to amend Park's Regulations, (c) that has been delegated by the full Board of Directors exclusively to other Board committees and (d) that applicable law or Park's governing documents do not permit to be delegated to a Board committee.

The Executive Committee met five times during the 2014 fiscal year.

#### Investment Committee

The Board of Directors has an Investment Committee which is currently comprised of David L. Trautman (Chair), Maureen H. Buchwald, C. Daniel DeLawder, James R. DeRoberts and Rick R. Taylor. Messrs. Trautman, DeLawder and Taylor also served as members of the Investment Committee during the entire 2014 fiscal year. In addition, William T. McConnell served as a member of the Investment Committee from January 1, 2014 until January 27, 2014, John J. O'Neill served as a member from



January 1, 2014 until April 28, 2014 and Harry O. Egger served as a member from January 1, 2014 until December 1, 2014. Ms. Buchwald was appointed to the Investment Committee on April 28, 2014. Mr. DeRoberts was appointed to the Investment Committee effective February 16, 2015, upon his initial election as a member of Park's Board of Directors.

The Investment Committee is organized and conducts its business pursuant to a written charter adopted by the Board of Directors (the "Investment Committee Charter"). A copy of the Investment Committee Charter is posted on the "Governance Documents" section of the "Investor Relations" page of Park's Internet Web site at [www.parknationalcorp.com](http://www.parknationalcorp.com). The Investment Committee periodically reviews and reassesses the adequacy of the Investment Committee Charter and recommends changes to the full Board of Directors as necessary.

The Investment Committee assists the Board of Directors in monitoring management's implementation and enforcement of Park's Investment Policy, Borrowing Policy and Asset/Liability Management Policy. The Investment Committee's primary responsibilities include:

- monitoring the management and status of the investment securities portfolio of Park and Park National Bank;

- reviewing significant risk exposures facing Park and Park National Bank, including various risks within the investment securities portfolio, and the steps management is taking to monitor, report and control such exposures;

- monitoring and reporting on the liquidity position of Park and the management of the overall interest rate risk position of Park and Park National Bank; and

- overseeing and approving the management of counterparty credit risk.

The Investment Committee met three times during the 2014 fiscal year.

#### Nominating Committee

The Board of Directors has a Nominating Committee which is currently comprised of Donna M. Alvarado (Chair), F. William Englefield IV, Robert E. O'Neill and Leon Zazworsky. Ms. Alvarado and Messrs. Englefield, O'Neill and Zazworsky also served as members of the Nominating Committee during the entire 2014 fiscal year. The Board of Directors has determined that each current member of the Nominating Committee qualifies as an independent director under the applicable NYSE MKT Rules.

The Nominating Committee is organized and conducts its business pursuant to a written charter adopted by the Board of Directors (the "Nominating Committee Charter"). A copy of the Nominating Committee Charter is posted on the "Governance Documents" section of the "Investor Relations" page of Park's Internet Web site at [www.parknationalcorp.com](http://www.parknationalcorp.com). The Nominating Committee periodically reviews and reassesses the adequacy of the Nominating Committee Charter and recommends changes to the full Board of Directors as necessary.

The primary purpose of the Nominating Committee is to identify qualified candidates for election, nomination or appointment to the Board of Directors and to recommend to the full Board a slate of director nominees for each annual meeting of the shareholders of Park or as vacancies occur between annual meetings of the shareholders. The Nominating Committee implements the procedure for shareholders to submit recommendations for Board candidates to the Nominating Committee for consideration, with the current procedures being outlined in an exhibit to the Nominating Committee

Charter. In addition, the Nominating Committee provides oversight on matters surrounding the composition and operation of the Board of Directors, including the evaluation of Board performance and processes, and makes recommendations to the full Board of Directors in the areas of Board committee selection, including Board committee chairpersons and committee rotation practices. At least once a year, the Nominating Committee is to review the composition and the operations and effectiveness of the full Board of Directors including the size of the Board and the collective Board performance as well as the performance of each Board committee. At least once every two years, the Nominating Committee is to review Park's Code of Business Conduct and Ethics and recommends changes to the full Board of Directors as necessary. The Nominating Committee will also carry out any other responsibilities delegated to the Nominating Committee by the full Board of Directors.

The Nominating Committee met nine times during the 2014 fiscal year.

#### Risk Committee

The Board of Directors has a Risk Committee which is currently comprised of Leon Zazworsky (Chair), Donna M. Alvarado, James R. DeRoberts, Stephen J. Kambeitz and Rick R. Taylor. Messrs. Zazworsky and Taylor and Ms. Alvarado also served as members of the Risk Committee during the entire 2014 fiscal year. Mr. Kambeitz was appointed to the Risk Committee on April 28, 2014. Mr. DeRoberts was appointed to the Risk Committee effective February 16, 2015, upon his initial election as a member of Park's Board of Directors.

The Risk Committee is organized and conducts its business pursuant to a written charter adopted by the Board of Directors (the "Risk Committee Charter"). A copy of the Risk Committee Charter is posted on the "Governance Documents" section of the "Investor Relations" page of Park's Internet Web site at [www.parknationalcorp.com](http://www.parknationalcorp.com). At least annually, the Risk Committee reviews and reassesses the adequacy of the Risk Committee Charter and recommends changes to the full Board of Directors as necessary.

The Risk Committee assists the Board of Directors in monitoring management's implementation and enforcement of Park's risk management framework. The Risk Committee's primary duty and responsibility is to ensure that Park has in place an appropriate enterprise-wide process to identify, assess, monitor and control Park's credit, market, liquidity, operational, IT/IS, legal, compliance and reputational risks. The Risk Committee also:

- reviews and approves Park's risk management framework;

- beginning January 1, 2015, reviews and approves items related to Park's Loan Review function, in particular with respect to the commercial loan portfolio;

- provides oversight with respect to Park's model risk management and third-party risk management activities; and

- performs an annual independent performance evaluation of Park's Chief Risk Officer.

The Risk Committee will also carry out any other responsibilities delegated to the Risk Committee by the full Board of Directors.

The Risk Committee met six times during the 2014 fiscal year.

## COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The Compensation Committee of Park's Board of Directors is currently comprised of F. William Englefield IV (Chair), Stephen J. Kambeitz, Timothy S. McLain and Leon Zazworsky. Messrs. Englefield, Kambeitz, McLain and Zazworsky also served as members of the Compensation Committee during the entire 2014 fiscal year. All of the current members of the Compensation Committee are independent directors for purposes of the applicable NYSE MKT Rules and none of them is a present or past employee or officer of Park or any of our subsidiaries. During the 2014 fiscal year, none of Park's executive officers served on the board of directors or compensation committee (or other committee serving an equivalent function) of any other entity, one of whose executive officers served on Park's Board of Directors or Compensation Committee.

Each of Messrs. Englefield, Kambeitz, McLain and Zazworsky as well as firms, corporations or other entities with which they are affiliated were customers of and had banking transactions (including loans and loan commitments) with Park National Bank, in the ordinary course of their respective businesses and in compliance with applicable federal and state laws and regulations. The loans to these persons were made on substantially the same terms, including the interest rate charged and collateral required, as those prevailing at the time for comparable transactions with persons not affiliated with Park or one of our subsidiaries. In addition, the loans to these persons have been, and are presently, subject to no more than a normal risk of uncollectibility and present no other unfavorable features.

On December 23, 2009, Leon Zazworsky purchased a 2009 Note in the principal amount of \$1,000,000, at a purchase price of 100% of the principal amount thereof with interest on the 2009 Note payable quarterly, at a fixed rate of 10% per annum, until the 2009 Note was repaid by Park in full on December 24, 2014. During the period from January 1, 2014 through December 24, 2014, Mr. Zazworsky was paid interest in the aggregate amount of \$97,778.

On April 20, 2012, Stephen J. Kambeitz purchased a 2012 Note in the principal amount of \$250,000 and Leon Zazworsky purchased a 2012 Note in the principal amount of \$1,000,000. Each 2012 Note was purchased at a purchase price of 100% of the principal amount thereof. The 2012 Notes mature on April 20, 2022. Interest on the 2012 Notes is payable quarterly, at a fixed rate of 7% per annum. During the period from January 1, 2014 through February 27, 2015, Mr. Kambeitz was paid interest in the aggregate amount of \$17,500 (\$17,500 during the 2014 fiscal year) and Mr. Zazworsky was paid interest in the aggregate amount of \$70,000 (\$70,000 during the 2014 fiscal year).

### EXECUTIVE OFFICERS

The following are the executive officers of Park, all of whom are elected annually and serve at the pleasure of the Board of Directors of Park. This table lists each executive officer's age as of the date of this proxy statement as well as the positions presently held by each executive officer with Park and our principal subsidiaries and his individual business experience.

| Name               | Age | Positions Held with Park and Our Principal Subsidiaries and Principal Occupation   |
|--------------------|-----|--|
| David L. Trautman  | 53  | Chief Executive Officer since January 2014, President since January 2005, a member of the Board of Directors since January 2005 and Secretary from July 2002 to December 2013, of Park; Chief Executive Officer since January 2014, President since January 2005 and a member of the Board of Directors since 2002 of Park National Bank. Mr. Trautman also serves as Vice Chair of the Executive Committee and as Chair of the Investment Committee of Park's Board of Directors. Prior to his current positions, Mr. Trautman served in executive positions with Park National Bank and then the First-Knox National Bank Division for nearly ten years.   |
| C. Daniel DeLawder | 65  | Chairman of the Board since January 2005, a member of the Board of Directors since April 1994, Chief Executive Officer from January 1999 to December 2013, and President from 1994 to December 2004, of Park; Chairman of the Board since January 2005, a member of the Board of Directors since 1992, Chief Executive Officer from January 1999 to December 2013, President from 1993 to December 2004 and Executive Vice President from 1992 to 1993, of Park National Bank. Mr. DeLawder also serves as the Chair of the Executive Committee and as a member of the Investment Committee of Park's Board of Directors. Prior to the foregoing, Mr. DeLawder also served in executive positions with the Fairfield National Bank Division for seven years. Mr. DeLawder served as a director of the Federal Reserve Bank of Cleveland from 2007 to 2012. He also served as a member of the Board of Trustees of Ohio University, Athens, Ohio, from 2000 to 2009 (for the last two years, also serving as Chairman of the Board of Trustees). Mr. DeLawder currently serves on the Ohio University Capital Campaign Steering Committee, a position he has held since 2010. |
| Brady T. Burt      | 42  | Secretary since January 2014, Treasurer since April 2013, Chief Financial Officer since December 19, 2012 and Chief Accounting Officer from April 2007 to December 19, 2012, of Park; Senior Vice President and Chief Financial Officer since December 19, 2012 and Vice President and Chief Accounting Officer from April 2007 to December 19, 2012, of Park National Bank.   |

**ADVISORY VOTE ON NAMED EXECUTIVE OFFICER COMPENSATION**  
(Proposal 2)

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act") and corresponding SEC rules enable Park's shareholders to vote to approve, on an advisory and non-binding basis, the compensation of Park's named executive officers as disclosed in this proxy statement in accordance with SEC rules. Accordingly, the following resolution will be submitted for shareholder approval at the Annual Meeting:

“RESOLVED, that the shareholders of Park National Corporation (“Park”) approve, on an advisory basis, the compensation of Park’s named executive officers as disclosed in Park’s proxy statement for its 2015 Annual Meeting of Shareholders pursuant to Item 402 of SEC Regulation S-K, including in the “Compensation Discussion and Analysis”, the “Summary Compensation Table for 2014”, and the related executive compensation tables, notes and narratives.” The Board of Directors believes that Park’s compensation policies and procedures, which are reviewed and approved by the Compensation Committee, are effective in aligning the compensation of Park’s named executive officers with Park’s short-term goals and long-term success and that such compensation and incentives are designed to attract, retain and motivate Park’s key executives who are directly responsible for Park’s continued success. The Board of Directors believes that Park’s compensation policies and practices do not threaten the value of Park or the investments of Park’s shareholders or create incentives to engage in behaviors or business activities that are reasonably likely to have a material adverse impact on Park. The Board of Directors further believes that Park’s culture focuses executives on sound risk management and appropriately rewards executives for performance. The Board of Directors further believe that Park’s compensation policies and procedures are reasonable in comparison both to Park’s peer financial services holding companies and to Park’s performance during the 2014 fiscal year.

Similar “Say on Pay” proposals have been approved by a significant majority of the common shares voted at each of Park’s last six annual meetings of the shareholders, including those held in 2009, 2010, 2011 and 2012, when the “Say on Pay” proposal was required to be submitted to Park’s shareholders in connection with Park’s participation in the U.S. Treasury’s TARP Capital Purchase Program. Park exited the TARP Capital Purchase Program on April 25, 2012. Shareholders are encouraged to carefully review the information provided in this proxy statement regarding the compensation of Park’s named executive officers in the section of this proxy statement captioned “EXECUTIVE COMPENSATION - Compensation Discussion and Analysis”.

Because your vote is advisory, the outcome of the vote will not: (i) be binding upon Park’s Board of Directors or the Compensation Committee with respect to future executive compensation decisions, including those relating to Park’s named executive officers, or otherwise; (ii) overrule any decision made by Park’s Board of Directors or the Compensation Committee; or (iii) create or imply any additional fiduciary duty by Park’s Board of Directors or the Compensation Committee. However, the Compensation Committee expects to take into account the outcome of the advisory vote when considering future executive compensation arrangements.

Recommendation and Vote Required

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS OF PARK VOTE “FOR” THE APPROVAL OF THE NON-BINDING ADVISORY RESOLUTION TO APPROVE THE COMPENSATION OF PARK’S NAMED EXECUTIVE OFFICERS.**

The affirmative vote of a majority of the common shares represented at the Annual Meeting, in person or by proxy, and entitled to vote on the proposal is required to approve the non-binding advisory resolution to approve the compensation paid to Park’s named executive officers as disclosed in this proxy statement. The effect of an abstention is the same as a vote “AGAINST” the proposal. Broker non-votes will not be counted in determining whether the proposal has been approved.

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

#### Executive Summary

Park's executive compensation program is managed by the Compensation Committee with input from management and outside advisors as appropriate. The Compensation Committee oversees Park's executive compensation plans and policies, administers Park's equity-based compensation plans and annually reviews the compensation of Park's executive officers. In particular, the Compensation Committee determines the compensation of Park's named executive officers ("NEOs"), consisting of the following individuals for 2014:

• David L. Trautman, Chief Executive Officer (the "CEO")/President

• Daniel DeLawder, Chairman of the Board (the "Chairman")

• Brady T. Burt, Chief Financial Officer, Secretary and Treasurer (the "CFO")

Overall, the Compensation Committee believes that the NEOs have been paid conservatively. Their total cash compensation (base salary and annual incentive compensation) has been between the 25<sup>th</sup> and 50<sup>th</sup> percentiles of total cash compensation paid to executive officers with similar duties by Park's peer financial services holding companies in the Midwest Regional Peer Group, which is described on page 43 (the "Midwest Regional Peer Group"). Furthermore, total direct compensation (which includes the value of long-term, equity-based awards as well as base salary and annual incentive compensation) for Park's NEOs was positioned between the Midwest Regional Peer Group's 20<sup>th</sup> and 40<sup>th</sup> percentiles or well below medians. In comparison, Park's annual financial performance has historically been superior to that of the median of Park's peer financial services holding companies, including the Midwest Regional Peer Group and the \$3 billion to \$10 billion Peer Group described below, which was the case again in 2014. In addition, when considering the effectiveness of Park's compensation program for NEOs in 2014, shareholders should consider that:

By most measures, Park's performance in 2014 continued to exceed the median results of all other financial services holding companies in the United States with assets of \$3 billion to \$10 billion. As of December 31, 2014, there were 140 financial services holding companies and bank holding companies in this peer group (the "\$3 billion to \$10 billion Peer Group"), a list of which is included as Appendix A to this proxy statement.

Changes to the base salaries for the CEO/President and the Chairman reflect the changes in their respective roles as part of Park's planned and implemented CEO succession. Overall, the aggregate amount of the base salaries for these two NEOs has not changed since 2010. The increase in the base salary for Mr. Burt recognized his performance in the role of CFO, a position he filled late in 2012, and the fact his base salary had been well below that of other CFOs at financial services holding companies in the Midwest Regional Peer Group.

Annual incentive compensation awards earned for performance for the twelve-month period ended September 30, 2014 approximated 45% of the 2014 base salary for the CEO/President, the Chairman and the CFO, an increase from roughly 35% of 2013 base salary for the NEOs and reflected a nearly 9% increase in net income for 2014 and an improvement in return on average common equity ("ROACE") from 11.96% in 2013 to 12.32% in 2014. Despite this

increase in annual incentive compensation payout levels, the Compensation Committee believes resulting cash compensation (base salary and annual incentive compensation) remained below the median of that paid to similarly-situated executive officers of financial services holding companies in the Midwest Regional Peer Group.

In 2014, the Compensation Committee approved the first performance-based restricted stock unit (“PBRSU”) grants under the 2013 LTIP. The grant date target value of these awards ranged from approximately 20% to 30% of the NEOs’ respective 2014 base salaries. These opportunities are in the bottom quartile of the long-term incentive opportunities offered to named executive officers of the bank holding companies in the Midwest Regional Peer Group.

Further, target PBRsUs awarded in 2014 are only earned if Park achieves demanding performance requirements over the three-year performance period from January 1, 2014 through December 31, 2016. First, Park’s consolidated net income for each fiscal year of the performance period must equal or exceed 110% of all cash dividends paid during the applicable fiscal year. Second, Park’s cumulative return on average assets (“ROAA”) for the three-year performance period must exceed the 50th percentile of the ROAA results of the bank holding companies in the peer group used for comparison purposes for the awards granted (bank holding companies with consolidated total assets of between \$3 billion and \$10 billion).

In addition, PBRsUs earned based upon 2014-2016 financial results are subject to additional vesting and holding requirements. One half of the PBRsUs earned will vest on the date the Compensation Committee’s certifies the results for the performance period with the remaining 50% of the earned PBRsUs vesting on the first anniversary of the certification date. Common shares received upon settlement of earned and vested PBRsUs cannot be sold, transferred, assigned or otherwise similarly disposed of for five years after the date they are delivered.

NEOs receive the same fringe benefits as other employees, except that Park maintains a supplemental executive retirement plan (“SERP”) and entered into an individual SERP agreement with each of Messrs. Trautman and DeLawder. The individual SERP agreements make up for regulatory limits that apply to Park’s Defined Benefit Pension Plan (the “Park Pension Plan”) and the Park KSOP, and are intended to provide total retirement benefits (in terms of income replacement) for those NEOs that are similar to those available to other employees in the Park organization with similar years of service. As a result, Park’s NEOs do not receive benefits that are greater than those they would have otherwise received under Park’s retirement plans if the regulatory limits had not been in place.

- Park provided a modest annual car allowance of \$8,940 to the CEO/President as well as the Chairman in 2014. However, this benefit was discontinued effective January 1, 2015.

• Park does not offer employment contracts, change-in-control agreements or termination benefits to NEOs, in contrast to practices which are fairly common among other financial services holding companies of Park’s size.

The discussion that follows summarizes the foregoing factors and examines (a) Park’s compensation philosophy and objectives, (b) the process used to set executive compensation for 2014, (c) the factors influencing compensation in 2014, (d) the elements of compensation awarded and (e) other policies affecting Park’s executive compensation program.

### Compensation Philosophy and Objectives

Park's success depends largely on the contributions of motivated, focused and energized executives at each of Park's subsidiaries (and their divisions), all working to achieve Park's strategic objectives. The Compensation Committee and Park's senior leadership develop compensation programs for executives within Park intended to provide a total compensation package that:

• Attracts, rewards and retains NEOs and other highly-qualified associates.

• Motivates NEOs as well as other associates to achieve Park's annual and long-term goals.

• Rewards individual effort and performance with the primary objectives of improving ROACE as well as ROAA.

• Identifies the pay levels of the NEOs relative to executives serving in comparable positions at financial services holding companies in the Midwest Regional Peer Group, considering Park's results as compared to those for financial services holding companies in both the Midwest Regional Peer Group and the \$3 billion to \$10 billion Peer Group.

• Encourages ownership of Park common shares by the NEOs and other executives to foster a culture of ownership.

### Process Used to Set Compensation for 2014

The following three groups worked together to establish Park's compensation program for 2014:

• Compensation Committee

• Senior Leadership

• Outside Advisors

### Role of Compensation Committee

The Compensation Committee is responsible for overseeing Park's current executive compensation programs and approving any modifications to these programs, subject to any required approval by Park's shareholders. The Compensation Committee may request information from senior leadership within the Park organization regarding Park's performance, compensation practices and programs to assist the Compensation Committee in its deliberations. The Compensation Committee retains the right to hire outside advisors as needed to assist the Compensation Committee in reviewing and revising Park's compensation programs. In addition, these outside advisors may provide information regarding competitive compensation levels, practices and policies in light of current trends.

The Compensation Committee annually assesses the performance of Park and the level of achievement of the CEO/President relative to annual performance goals, many of which are subjective in nature. Based on this evaluation, the Compensation Committee determines the compensation of the CEO/President for the year. The Compensation Committee also reviews the CEO/President's compensation recommendations for the Chairman and the CFO, seeks appropriate input from Park's outside advisors and other members of senior leadership within the Park organization and approves final compensation levels. Finally, the Compensation Committee provides guidance to the CEO/President regarding the compensation of other executives of Park's subsidiaries.



#### Role of Senior Leadership

Members of senior leadership within the Park organization serve in an advisory or support capacity to the Compensation Committee. Typically, the CEO/President and the Chairman as well as the Senior Vice President of Human Resources and Marketing of Park National Bank participate in meetings of the Compensation Committee. The CFO may participate as necessary or at the Compensation Committee's request. These individuals provide the Compensation Committee with information regarding Park's performance and the performance of key executives of Park's subsidiaries who participate in Park's various compensation programs, such as historical compensation and benefit levels, plan costs, context for how compensation programs have changed over time and input regarding particular management issues that need to be addressed. Senior leadership normally furnishes similar information to the Compensation Committee's outside advisors.

Senior leadership provides input regarding the compensation recommendations made by outside advisors or the Compensation Committee. Senior leadership may also present alternatives to these compensation recommendations for the Compensation Committee's consideration; however, the Compensation Committee is the ultimate decision-making body. Senior leadership implements, communicates and administers the programs approved by the Compensation Committee and reports any questions, concerns or issues.

The CEO/President evaluates the annual performance of the Chairman and the CFO, including their respective levels of achievement relative to annual performance goals, many of which are subjective in nature. Based on this evaluation, the CEO/President recommends the compensation for each of the Chairman and the CFO for consideration, input and approval by the Compensation Committee. The Compensation Committee authorizes the CEO/President and the Chairman to establish the compensation for the Senior Vice Presidents (other than the CFO) of Park National Bank and the Division Presidents of Park National Bank's divisions. Members of senior leadership present at Compensation Committee meetings excuse themselves from discussions regarding their individual compensation.

#### Role of Outside Advisors

The Compensation Committee periodically has engaged and relied on input from outside advisors as the Compensation Committee manages Park's compensation programs. In 2014, the Compensation Committee retained Pay Governance to serve in this role. Pay Governance's lead consultant reports directly to the Chair of the Compensation Committee, who approves Pay Governance's work. Pay Governance's lead consultant also interacts with senior leadership within Park as needed to complete the work requested by the Compensation Committee. Pay Governance provides no services to Park or any of Park's subsidiaries other than those provided to the Compensation Committee, supplementing the Compensation Committee's governance of the executive compensation program. At its meeting in December 2014, the Compensation Committee conducted an assessment to evaluate whether the work performed and to be performed by Pay Governance raises a conflict of interest or compromises the independence of Pay Governance. Based upon this assessment, the Compensation Committee determined that no conflicts of interest exist and Pay Governance qualifies as independent for purposes of the applicable NYSE MKT Rules and SEC rules. The Compensation Committee has also determined that since December 2014, there have been no changes in circumstances through the date of this proxy statement which would require the Compensation Committee to change its determinations.

In 2014, Pay Governance's work focused on assisting Park in the development of selected disclosure in the proxy statement for the 2014 Annual Meeting regarding executive compensation and providing advice as requested by the Compensation Committee and senior leadership. Toward the end of 2014, at the request of the Compensation Committee, Pay Governance conducted a review of the

competitiveness of Park's executive compensation pay levels relative to other financial services holding companies in the Midwest Regional Peer Group. As part of this work, Pay Governance participated in one of the Compensation Committee's meetings in 2014.

Periodically, the Compensation Committee asks Pay Governance to review Park's Midwest Regional Peer Group and analyze Park's compensation and ROACE results relative to the members of that peer group to establish reasonable and rational compensation levels. The Midwest Regional Peer Group currently consists of regional financial services holding companies, all with assets between \$4.7 billion and \$15.9 billion. The median assets of the members of the Midwest Regional Peer Group generally reflect Park's size, with Park's assets ranking at the 44<sup>th</sup> percentile of the Midwest Regional Peer Group.

Midwest Regional Peer Group

1st Source Corporation  
 Chemical Financial Corporation  
 Community Bank System, Inc.  
 First Commonwealth Financial Corporation  
 First Financial Bancorp.  
 First Merchants Corporation  
 First Midwest Bancorp, Inc.  
 Flagstar Bancorp, Inc.  
 F.N.B. Corporation  
 MB Financial, Inc.

National Penn Bancshares, Inc.  
 NBT Bancorp Inc.  
 Old National Bancorp  
 S&T Bancorp, Inc.  
 Talmer Bancorp, Inc.  
 TFS Financial Corporation  
 Tompkins Financial Corporation  
 UMB Financial Corp  
 United Bankshares, Inc.  
 WesBanco, Inc.

In addition to Pay Governance, the Compensation Committee relies on legal advice from Park's outside counsel, Vorys, Sater, Seymour and Pease LLP, whose attorneys participate in meetings of the Compensation Committee as requested. In connection with obtaining such legal advice, the Compensation Committee has taken into consideration those factors outlined in both SEC Rule 10C-1(b)(4) and Section 805(c)(4) of the NYSE MKT Company Guide. Park believes its approach to determining the compensation of its NEOs and the key employees of Park's subsidiaries is both conservative and consistent with the practices for other financial services holding companies of Park's size, reflects best practices regarding the governance of executive compensation programs and supports the compensation program's objectives of delivering compensation aligned with shareholders' interests.

Factors Influencing Compensation in 2014

The following factors influenced Park's compensation program for 2014:

- The shareholders' advisory vote at the 2014 Annual Meeting regarding management's proposal for approval of the compensation of Park's NEOs.

• Park's continued strong financial performance in 2014.

• Park's performance in comparison to both the \$3 billion to \$10 billion Peer Group and the Midwest Regional Peer Group.

• Pay practices at the Midwest Regional Peer Group.

#### 2014 Shareholders' Advisory Vote on Executive Compensation

At the 2014 Annual Meeting, Park's shareholders approved Park's executive compensation, with the holders of 9,349,890 common shares, or approximately 74.6% of the common shares represented at the 2014 Annual Meeting (including common shares representing broker non-votes) and approximately 60.7% of the then outstanding common shares, voting for such approval. Excluding the 2,836,592 common shares represented by broker non-votes, 98.0% of the 9,537,162 total votes cast in respect of the non-binding advisory vote on executive compensation, voted "FOR" approval. The result was similar to the results from Park's nonbinding advisory vote on executive compensation held in 2013. As such, Park and the Compensation Committee viewed the results of this advisory vote as a continued indication that shareholders generally support Park's executive compensation program. While important, the vote was only one of several factors influencing Park's executive compensation decisions and policies for 2014.

#### Park's Performance in 2014

From an historical perspective, Park's results for 2014 reflected that it continued to perform well in a challenging operating environment for its Ohio-based operations and for the financial services industry in general.

Park's reported net income for 2014 was \$84.1 million, a 9% increase from \$77.2 million for 2013.

ROAA improved to 1.22% for 2014 from 1.15% for 2013.

ROACE increased to 12.32% for 2014 versus 11.96% for 2013.

Nonperforming assets in 2014 decreased by 25.4% from 2013.

Park sustained the level of dividends paid on outstanding common shares during the previous five years while many financial services holding companies had curtailed or eliminated dividends.

Moreover, Park's results continued to exceed the median profitability measures of ROAA and ROACE for the Midwest Regional Peer Group and the \$3 billion to \$10 billion Peer Group as illustrated in the following table:

|  | For the Year Ended<br>December 31, 2014 |                                       |                                 | For the Year Ended<br>December 31, 2013 |                                       |                                 |   |
|--|---|---------------------------------------|---------------------------------|---|---------------------------------------|---------------------------------|---|
|  | Park                                    | Midwest<br>Regional<br>Peer<br>Median | \$3B to \$10B<br>Peer<br>Median | Park                                    | Midwest<br>Regional<br>Peer<br>Median | \$3B to \$10B<br>Peer<br>Median |   |
| ROAA                                     | 1.22                                    | %0.97                                 | %0.94                           | % 1.15                                  | %0.98                                 | % 1.00                          | % |
| ROACE                                    | 12.32                                   | %8.54                                 | %9.06                           | % 11.96                                 | %8.48                                 | %8.97                           | % |
| Net Interest Margin                      | 3.55                                    | %3.59                                 | %3.54                           | %3.61                                   | %3.62                                 | %3.51                           | % |
| Other Fee Income/Average<br>Total Assets | 1.11                                    | %1.22                                 | %0.98                           | %1.10                                   | %1.15                                 | %1.10                           | % |
| Other Expenses/Average<br>Total Assets*  | 2.83                                    | %2.99                                 | %2.87                           | %2.84                                   | %2.87                                 | %2.94                           | % |
| Efficiency Ratio*                        | 64.77                                   | %62.95                                | %64.96                          | %63.78                                  | %62.09                                | %66.83                          | % |

\*Lower is better

Overall, Park's performance in 2014 easily supported pay levels for the NEOs which have been below or on par with the median levels paid to similarly-situated executive officers at other financial services holding companies in each of the Midwest Regional Peer Group and the \$3 billion to \$10 billion Peer Group and arguably supports pay levels that are above those median levels.

#### Elements of Compensation for 2014

Park's compensation program for 2014 relied on the following elements:

- Base salary, which rewards an executive's skills, competencies, experience and individual performance. Base salary can vary based on the achievement of individual goals, the executive's duties and Park's overall performance. Park's performance is particularly relevant because it influences Park's ability to pay or increase base salaries.

Annual incentive compensation for Messrs. Trautman, DeLawder and Burt as well as other employees, which is discretionary in nature but takes into consideration not only Park's ROACE relative to other financial services holding companies in the \$3 billion to \$10 billion Peer Group and the Midwest Regional Peer Group but also the Compensation Committee's and the Park senior leadership's subjective evaluation of each individual's performance.

Long-term incentives in the form of PBRsUs which are tied primarily to Park's cumulative ROAA for a three-year performance period from January 1, 2014 through December 31, 2016 relative to that of the \$3 billion to \$10 billion Peer Group. PBRsUs reward select executives and other associates for long-term financial results that are comparable to or better than other similarly-sized financial services holding companies, build stock ownership, strengthen alignment with shareholders' interest and help retain key associates who are critical to Park's long-term success.

Other benefits which address basic life and income security needs as well as recognize an individual's contributions to Park and its subsidiaries over such individual's career. For NEOs, these benefits are comparable with those received by other employees, except for

participation in the SERP and the receipt of an annual car allowance by each of the CEO/President and the Chairman (which car allowance was discontinued effective January 1, 2015).

Approximately 60% of the NEOs' total direct compensation (the total of base salary, annual incentive compensation received and the estimated grant date fair value of target PBRUS awards) in 2014 was delivered in the form of base salary, as compared to 80% in 2013 and 100% in 2012 (except for the CFO, which was approximately 80% in each year).

#### Base Salary

Base salary is the annual part of an executive officer's compensation. Park pays base salary to its executive officers to recognize the skills, competencies, experience and individual performance each such executive officer brings to his role. As a result, annual changes in base salary result primarily from changes in the executive officer's responsibilities, an assessment of his annual performance and Park's financial ability to pay base salaries and provide increases to the executive officer.

In determining base salaries for the NEOs for 2014, the Compensation Committee and the Park senior leadership considered the following factors:

Base salary levels of similarly-situated executive officers at financial services holding companies of similar size and the base salary increases of executive officers of those other financial services holding companies in general and the financial services holding companies in the Midwest Regional Peer Group in particular.

The merit increase budget for Park's other executives and associates.

The change in the roles and responsibilities of Messrs. Trautman and DeLawder as part of Park's planned for and implemented CEO succession.

The Compensation Committee's evaluation of the performance of the Chairman and his evaluation of the performance of the CEO/President and the CFO.

Park's ROACE in 2013, which continued to represent one of the highest levels among the financial services holding companies in the Midwest Regional Peer Group.

Based on these factors, the Compensation Committee took the following actions regarding the NEOs' base salaries for 2014:

Increased Mr. Trautman's base salary from \$563,350 in 2013 to \$775,000 in 2014 to reflect his promotion to the CEO role in addition to his retaining the position of President.

Reduced Mr. DeLawder's base salary from \$773,525 in 2013 to \$563,250 in 2014 to reflect his retirement as CEO but his continued employment in the role of Chairman and as an executive employee of Park National Bank.

Increased Mr. Burt's base salary from \$275,000 in 2013 to \$325,000, which reflects, in part, his normal merit increase for his performance as CFO, as well as a market adjustment to reduce the difference between his base salary and that of the median CFO in the Midwest Regional Peer Group.

As of December 31, 2014, the base salaries for the CEO/President and the Chairman approximated the 75<sup>th</sup> percentiles of similarly-situated executive officers of financial services holding companies in the Midwest Regional Peer Group, continuing to reflect Park's adjustments made to the base salaries of the CEO/President and the Chairman when Park was a participant in TARP and Park could offer no other forms of compensation. The base salary for Park's CFO was positioned between the 25<sup>th</sup> and 50<sup>th</sup> percentiles of CFOs serving with financial services holding companies in the Midwest Regional Peer Group.

#### Annual Incentive Compensation

Annual incentive compensation is an element of pay that is "at risk" and subject to achieving relative performance results with respect to ROACE. Historically, Park has paid annual incentive compensation awards to motivate and reward achievement of annual financial objectives and individual goals. As a result, annual incentive compensation awards increase executives' focus on specific short-term corporate financial goals. The Compensation Committee made discretionary incentive compensation awards taking into account Park's comparative performance in 2014 (which were paid in 2015) of \$325,000 to Mr. Trautman, \$250,000 to Mr. DeLawder and \$150,000 to Mr. Burt based on the following factors:

Park's ROACE for the twelve months ended September 30, 2014 relative to the levels of ROACE for the financial services holding companies in the Midwest Regional Peer Group and the \$3 billion to \$10 billion Peer Group for the same period. Park's ROACE of 11.6% for the twelve months ended September 30, 2014 was at the 7<sup>th</sup> and the 100<sup>th</sup> percentile for the \$3 billion to \$10 billion Peer Group and the Midwest Regional Peer Group, respectively.

Park's anticipated overall performance for the 2014 fiscal year as measured by Park's ROACE and net income for the twelve months ended December 31, 2014. Park's actual performance of \$84.1 million in net income and 12.32% ROACE was better than the anticipated levels of net income and ROACE used to help make the annual incentive payment compensation decisions.

Compensation levels of the NEOs relative to those of similarly-situated executive officers at the financial services holding companies in the Midwest Regional Peer Group.

The Board of Directors' evaluation of the performance of the CEO/President and the evaluation by the CEO/President of the performance of the Chairman and the CFO.

Annual incentive compensation based on performance over the twelve months ended September 30, 2014 for Park's NEOs approximated 45% of each executive officer's 2014 base salary, an increase from 35% of 2013 base salary for the annual incentive compensation based on performance over the twelve months ended September 30, 2013. This increase was supported by the 9% increase in Park's net income, its improvement in ROACE and annual results that continued to exceed the median results of the Midwest Regional Peer Group and \$3 billion to \$10 billion Peer Group in many of the key indicators of performance.

#### Long-Term Incentives

In 2013, shareholders approved 2013 LTIP which permits the Compensation Committee to award a variety of equity based as well as cash-based incentive compensation elements. These elements are expected to be earned over a multi-year period, distinguishing them from Park's annual incentive compensation, providing balance in Park's compensation program for key executives, helping retain

executives and aligning executives' interests with those of investors when awards are to be paid out in the form of Park common shares. The Compensation Committee and management of Park believe similar incentives are common among the financial services holding companies in the Midwest Regional Peer Group as well as those in the \$3 billion to \$10 billion Peer Group.

At the end of 2013, the Compensation Committee and Park's management agreed that equity-based compensation in the form of PBRsUs should be awarded. The grants were made by the Compensation Committee on January 24, 2014. The Compensation Committee and Park's management believe PBRsUs do not encourage excessive risk taking, a common criticism of stock options and stock appreciation rights. Moreover, PBRsUs are less dilutive than stock options and stock appreciation rights and manage the common shares reserved for the 2013 LTIP more effectively than options and stock appreciation rights. In addition, PBRsUs are only earned if Park meets specific long-term financial objectives which better supports Park's historical practice of rewarding for performance rather than granting awards that vest based solely on continued service or time.

The PBRsUs approved by the Committee had the following terms and conditions:

- Each PBRsU represents the right to receive one Park common share if earned and settled. Each award of PBRsUs also provides the holder with dividend equivalent rights which will vest and be settled in cash if, when and to the extent the related PBRsUs vest and are settled.

PBRsUs will be earned based on Park's cumulative ROAA for the three-year performance period from January 1, 2014 to December 31, 2016 as compared to the cumulative ROAA results for the \$3 billion to \$10 billion Peer Group.

No PBRsUs will be earned, regardless of Park's relative ROAA results, if Park's net income for each fiscal year of the performance period does not equal or exceed 110% of all cash dividends declared and paid during the applicable fiscal year.

In addition, no PBRsUs will be earned if Park's cumulative ROAA for the performance period is below the 50th percentile (or median) of the \$3 billion to \$10 billion Peer Group.

If Park's cumulative ROAA for the performance period equals the 50th percentile of the \$3 billion to \$10 billion Peer Group, holders of PBRsUs will earn the target number of PBRsUs (or 66.67% of the number granted).

If Park's cumulative ROAA equals or exceeds the 80th percentile of the \$3 billion to \$10 billion Peer Group, holders of PBRsUs will earn PBRsUs equal to 150% of the target number (or 100% of the number granted), with the number of PBRsUs earned for results in between the 50th and 80th percentiles determined using interpolation on a straight-line basis.

Earned PBRsUs will also be subject to additional service-based vesting -- 50% of the PBRsUs earned will vest at the end of the three-year performance period once results are certified by the Compensation Committee, with the other 50% of the earned PBRsUs vesting on the first anniversary of the certification date.

- Common shares received upon settlement of earned and vested PBRsUs cannot be sold, transferred, assigned or otherwise similarly disposed of for five years after the date they are delivered.

If an NEO dies or terminates employment with Park and its subsidiaries due to disability at any time during the three-year performance period, a prorated portion of the PBRsUs will vest on the last day of the performance period based on the number of PBRsUs that would have been earned based on the level of performance achieved during the performance period and the quotient of the number of full calendar months elapsed between the grant date and the date of death or termination of employment due to disability, as appropriate, divided by the number of months in the performance period.

If an NEO dies or terminates employment with Park and its subsidiaries due to disability after the performance period has ended but before the service-based vesting requirements have been satisfied, the outstanding unvested PBRsUs will immediately vest.

If an NEO retires (i.e., has a “normal retirement” or an “early retirement” for purposes of the Park Pension Plan), all outstanding unvested PBRsUs will be forfeited unless the Compensation Committee, in its sole discretion, determines that all or a portion of the PBRsUs should vest. Should an NEO’s employment with Park and its subsidiaries terminate for any other reason, including for “cause” (as defined in the 2013 LTIP), all unvested PBRsUs will be immediately forfeited.

In the event of a “change in control” (as defined in the 2013 LTIP), each NEO will immediately vest in all unvested PBRsUs as though the cumulative ROAA of Park as compared to the cumulative ROAA results of the \$3 billion to \$10 billion Peer Group had been achieved at the 50th percentile of the Peer Group and the other performance-based criteria for vesting as well as the service-based vesting requirement had been satisfied as of the date of the change in control.

The Compensation Committee and management believe Park’s program is considerably more demanding than such programs at other financial services holding companies of similar size e.g., the requirement that annual net income for each fiscal year within the performance period exceed at least 110% of dividends paid in the applicable fiscal year, the fact that no PBRsUs will be earned for results below the 50th percentile of the \$3 billion to \$10 billion Peer Group, the fact that the maximum number of PBRsUs will be earned for results at the 80th percentile and the five-year post-vesting holding requirement which serves to align the interests of holders of PBRsUs with those of Park’s shareholders and emphasizes sustained long-term financial performance.

In determining the number of common shares to be covered by the initial PBRsU awards, the Compensation Committee considered the common shares available under the 2013 LTIP, the Chairman’s recommendations for the other NEOs, individual performance of the NEOs, the cash compensation (base salary and annual incentive compensation) earned by the NEOs in 2013 and the long-term incentive opportunities received by similarly-situated executives at financial services holding companies in the Midwest Regional Peer Group. The value of the target level of PBRsUs equaled roughly 20% to 30% of the NEOs’ base salaries based on Park’s closing price on the date the awards were granted (\$82.21). These target opportunities were in the bottom quartile (<25th percentile) of long-term incentive opportunities received by the top executives of the Midwest Regional Peer Group.

The following table illustrates the relationship between (i) Park’s cumulative ROAA performance relative to that of the \$3 billion to \$10 billion Peer Group (ii) and the number of PBRsUs which would be earned:



|                    |   | (Target)   |  | (Maximum)  |
|--------------------|---|--|--|--|
|                    | ROAA<br><50th Percentile<br>\$3B to \$10B<br>Peer Group | ROAA<br>= 50th Percentile<br>\$3B to \$10B<br>Peer Group | ROAA<br>= 65th Percentile<br>\$3B to \$10B<br>Peer Group | ROAA<br>≥ 80th Percentile<br>\$3B to \$10B<br>Peer Group |
| David L. Trautman  | 0 PBRsUs  | 2,000 PBRsUs   | 2,500 PBRsUs   | 3,000 PBRsUs   |
| C. Daniel DeLawder | 0 PBRsUs  | 2,000 PBRsUs   | 2,500 PBRsUs   | 3,000 PBRsUs   |
| Brady T. Burt      | 0 PBRsUs  | 750 PBRsUs   | 937 PBRsUs   | 1,125 PBRsUs   |

#### Total Direct Compensation

Total direct compensation levels (base salary, annual incentive compensation actually received and long-term equity-based awards granted) for 2014 for the CEO/President, the Chairman, and the CFO continued to rank well below the medians for similarly-situated executive officers at financial services holding companies in the Midwest Regional Peer Group. In comparison, Park's ROACE for 2014 remained significantly better than the median of both the Midwest Regional Peer Group and the \$3 billion to \$10 billion Peer Group. For these reasons, the Compensation Committee believes the NEOs were conservatively paid. The table below provides total direct compensation actually received by each NEO during each of 2014, 2013 and 2012. Because the amounts in the table reflect what was received during each year rather than what was earned with respect to each year, the numbers reported in the table below in respect of "Annual Incentive Compensation" for each year differ from those reported for each year in the "Bonus" column of the "Summary Compensation Table for 2014." The amounts shown in the table for "Long-Term Equity-Based Awards" reflects the grant date fair value of the PBRsUs at the expected award level as of grant date. See the "Stock Awards" column of the "Summary Compensation Table for 2014."

|                    | Base<br>Salary | Annual<br>Incentive<br>Compensation | Total<br>Cash | Long-Term<br>Equity-Based<br>Awards | Total<br>Direct<br>Compensation |
|--------------------|----------------|-------------------------------------|---------------|-------------------------------------|---------------------------------|
| David L. Trautman  | 2014 \$775,000 | \$200,000                           | \$975,000     | \$219,227                           | \$1,194,227                     |
|                    | 2013 \$563,250 | \$136,750                           | \$700,000     | \$0                                 | \$700,000                       |
|                    | 2012 \$563,250 | \$0                                 | \$563,250     | \$0                                 | \$563,250                       |
| C. Daniel DeLawder | 2014 \$563,250 | \$275,000                           | \$838,250     | \$219,227                           | \$1,057,477                     |
|                    | 2013 \$773,525 | \$151,475                           | \$925,000     | \$0                                 | \$925,000                       |
|                    | 2012 \$773,525 | \$0                                 | \$773,525     | \$0                                 | \$773,525                       |
| Brady T. Burt      | 2014 \$325,000 | \$100,000                           | \$425,000     | \$82,210                            | \$507,210                       |
|                    | 2013 \$275,000 | \$50,000                            | \$325,000     | \$0                                 | \$325,000                       |
|                    | 2012 \$205,000 | \$37,500                            | \$242,500     | \$0                                 | \$242,500                       |

#### Other Benefits

Park provides the NEOs with medical, dental, long-term disability and life insurance benefits under the same programs used to provide these benefits to all other employees of Park's subsidiaries. NEO benefits are not tied to individual or corporate performance, which is the same approach used for other employees. Moreover, changes to the benefits provided to the NEOs reflect changes to the benefits provided to other employees.

The NEOs are also eligible to participate in several retirement programs. These programs recognize contributions made by individuals over their respective careers and benefits normally are paid at retirement. As a result, they can serve as a tool in retaining NEOs and other employees.

The NEOs participate in the Park Pension Plan on the same terms and conditions as other employees. The Park Pension Plan provides all participants, including the NEOs, a benefit based on the same formula of years of service and compensation. The Park Pension Plan is discussed under the caption "Post-Employment Payments and Benefits - Pension and Supplemental Benefits - Park Pension Plan."

The NEOs and other employees are eligible to participate in the Park KSOP. Under the Park KSOP, eligible employees can defer a portion of their cash compensation (base salary and bonus/annual incentive compensation) and receive matching contributions by Park. Park's matching contributions in 2014 were 25% on the first 12% of cash compensation contributed by an employee, up to the annual limits imposed under the Internal Revenue Code and U.S. Treasury regulations, in order to balance the cost of the Park KSOP with a desire to encourage employees to save for retirement. While Park's contributions are made in the form of Park common shares to help build stock ownership, participants have the ability to diversify their accounts into other investments, including mutual funds and a "bank savings account" held at Park National Bank.

The NEOs, with the exception of Mr. Burt, have the opportunity to receive benefits under the SERP, which is a nonqualified deferred compensation plan that permits the NEOs to accumulate retirement income in excess of the limitations imposed through the Park Pension Plan and the Park KSOP. The SERP allows the participating NEOs to accrue retirement benefits as a percent of compensation comparable to those of other employees which is not possible under the Park Pension Plan and the Park KSOP solely because the participating NEOs receive relatively higher compensation.

SERP benefits are forfeited if a participant terminates employment with Park prior to age 62. As a result of the forfeiture provision, the SERP helps enhance the retention and recruitment of highly-qualified executives. In addition, the SERP provides several important protections to Park. A participant must repay any SERP benefits received and forfeit any right to future SERP benefits if, following the participant's termination, Park determines that "cause" existed to terminate the participant prior to receipt of such benefits. A participant also forfeits any SERP benefits if, within twelve months of the participant's separation from service, the participant violates the non-competition and non-solicitation provisions of the SERP.

- Park maintains split-dollar life insurance policies on behalf of each of the NEOs under which Park will receive proceeds in an amount equal to the premiums paid up to the date of death of the NEO plus earnings accrued in respect of the policy since the inception of the policy.

Each NEO has the right to designate a beneficiary to whom the NEO's share of the proceeds under the policy (approximately two times the NEO's highest annual total compensation during the NEO's employment with Park) is to be paid. The split-dollar life insurance policies for the CEO/President and the Chairman remain in effect following each individual's retirement as long as he is fully vested in the Park Pension Plan, has reached age 62, has not been employed by another financial services firm and was not terminated for cause. Mr. Burt's split-dollar life insurance policy is subject to the same vesting conditions as apply to the policies for the CEO/President and the Chairman and remains in effect until he reaches the age of 70, at which time it expires. If their share of the proceeds under their respective split-dollar life insurance policies were computed as of December 31, 2014, the share (or death benefit) for Messrs. Trautman, DeLawder and Burt would have been \$1,400,000, \$1,911,980, and \$726,923, respectively.

Historically, Park has provided the NEOs with few perquisites in comparison to other financial services holding companies of similar size. Currently, Park only provides the CEO/President and the Chairman with a modest car allowance of \$745 per month or \$8,940 annually, which has not changed since 2008. Executives are not provided a tax gross-up for any imputed personal income associated with this benefit. The car allowance for both the CEO/President and the Chairman was discontinued effective January 1, 2015.

Park has not historically entered into employment or change-in-control agreements with executive officers as part of its compensation program.

#### Other Compensation Policies

**Accounting:** Park is subject to the general prohibition under Section 162(m) of the Internal Revenue Code on taking a federal income tax deduction for consideration paid in excess of \$1,000,000 in any taxable year to Park's executive officers (other than the CFO). Section 162(m) exempts qualified performance-based compensation, among other things, from this deductibility limitation. The Compensation Committee intends to tailor long-term equity-based awards granted under the 2013 LTIP (including the PBRsUs granted in 2014) so such awards will qualify as qualified performance-based compensation under Section 162(m). Park does not have a policy that requires all compensation paid to its NEOs in a fiscal year, including 2014, to be tax deductible. While the Compensation Committee carefully considers the net cost and value to Park of maintaining the deductibility of all compensation, it also desires the flexibility to reward NEOs and other executives in a manner that enhances Park's ability to attract and retain individuals as well as to create longer term value for shareholders. Thus, income tax deductibility is only one of several factors the Compensation Committee considers in making decisions regarding Park's compensation program. Moreover, the Compensation Committee believes the incremental cost of any lost deduction will be relatively modest.

**Clawbacks:** As discussed above, Park can recover SERP payments received by an NEO if Park determines that the NEO could have been terminated for cause prior to the receipt of benefits.

**Hedging:** Park's Insider Trading Policy prohibits NEOs and other employees from hedging the economic risk associated with their ownership of Park common shares.

**Stock Ownership Guidelines:** While Park's compensation program aims to encourage and build stock ownership, Park has not adopted stock ownership guidelines that are common at other companies. Nonetheless, the CEO/President and the Chairman have personal stock holdings and the non-NEO directors as a group have average personal stock holdings that are significantly greater than the typical stock ownership practice for individual(s) holding the same position.

| Individual Or Group               | Value of Common Share Holdings (12/31/2014) | 2014 Base Salary or Total Director Compensation | Value of Common Share Holdings / 2014 Base Salary or Total Director Compensation | Typical Practice for Individual Holding Same Position |
|-----------------------------------|---|---|--|---|
| David L. Trautman                 | \$ 4,681,300                                | \$ 775,000                                      | 6.0X   | 5 x Salary  |
| C. Daniel DeLawder                | \$ 11,048,852                               | \$ 563,250                                      | 19.6X  | 3-4 x Salary  |
| Brady T. Burt                     | \$ 319,590                                  | \$ 325,000                                      | 1X   | 3 x Salary  |
| Average for Non-NEO Directors (1) | \$ 3,835,298                                | \$ 60,684                                       | 63.2X  | 3 x Retainer  |

(1) Does not include David L. Trautman or C. Daniel DeLawder.

### 2015 Compensation Decisions

The Compensation Committee met on December 16, 2014 to determine annual incentive compensation for 2014 results as described on page 47. At that meeting, the Compensation Committee also considered changes in base salaries reflecting the performance of the NEOs against individual objectives, Park's overall financial performance, the salary increase budget for other associates and the salaries of similarly-situated executives at financial services holding companies in the Midwest Regional Peer Group. Based on that input, the Compensation Committee increased Mr. Trautman's base salary for 2015 by 1.3% to \$785,000, increased Mr. DeLawder's base salary for 2015 by 2.1% to \$575,000, and increased Mr. Burt's salary for 2015 by 7.7% to \$350,000. These increases should maintain the salaries of Messrs. Trautman and DeLawder at the 75<sup>th</sup> percentile of similarly-situated executives at financial services holding companies in the Midwest Regional Peer Group. Mr. Burt's increase improves the competitive position of his base salary to slightly below the median of CFOs at financial services holding companies in the Midwest Regional Peer Group. Incentive compensation earned during 2014 and paid in 2015 caused total cash compensation for the NEOs to be at or below the median total cash compensation levels, for comparable positions at financial services holding companies in the Midwest Regional Peer Group and the \$3 \$10 billion Peer Group.

Also, at its meeting on December 16, 2014, the Compensation Committee made PBRUS awards under the 2013 LTIP, with such awards to be effective January 1, 2015. These awards have terms similar to those approved in December 2013, and will be earned with respect to the three-year performance period from January 1, 2015 through December 31, 2017. The target number of PBRUSs awarded to Messrs. Trautman, DeLawder and Burt were 2,000, 2,000 and 1,000, respectively. The number of PBRUSs awarded to Messrs. Trautman and DeLawder were the same as those they received for the performance period covering January 1, 2014 through December 31, 2016. Mr. Burt's target PBRUS award was increased from 750 to 1,000 PBRUSs to reflect the difference in his total direct compensation and that of the median CFO in the Midwest Regional Peer Group. The target value of the PBRUSs on the date of grant continued to equal approximately 20% to 30% of each NEO's new base salary. While providing NEOs a meaningful capital accumulation opportunity, the Compensation Committee and management of Park believe the awards are conservative relative to the long-term incentive opportunities received by similarly-situated executive officers at other financial services holding companies of Park's

size. Individual PBRSU amounts for the NEOs were based, in significant part, on the Compensation Committee's review of the compensation information provided by Pay Governance, comparing the total direct compensation (including long-term equity based awards) for executive officers at financial services holding companies in the Midwest Regional Peer Group to that of each of the NEOs of Park.

#### Conclusion

The compensation program in 2014 for Park's NEOs reflects Park's compensation philosophy and remains conservative relative to the practices of other financial services holding companies of Park's size. Park's compensation program resulted in compensation levels for 2014 which were greater than those for 2013 but below the median total direct compensation levels of similarly-situated executive officers with financial services holding companies in the Midwest Regional Peer Group. These compensation levels occurred despite 2014 financial results for Park that were better than the median performance of financial services holding companies in both the Midwest Regional Peer Group and the \$3 billion to \$10 billion Peer Group. In addition, Park's executive compensation program intentionally excludes a number of less attractive compensation practices (e.g., excessive perks, retention awards, employment contracts and change-in-control agreements).

As a result, the Compensation Committee believes Park's executive compensation program continues to represent shareholders' interests in a responsible, reasonable and conservative fashion.

#### Compensation Committee Report

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of SEC Regulation S-K with Park's management and, based on such review and discussion, the Compensation Committee recommended to the full Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement.

Although not required to conduct the risk review and evaluation required of participants in the TARP Capital Purchase Program since Park terminated its participation in such Program on April 25, 2012, as a matter of good governance and best practices, the Compensation Committee reviewed a memorandum prepared by Park's Chief Risk Officer under date of February 19, 2015 in order to review and evaluate Park's compensation plans. The conclusions reached by the Compensation Committee following the review of that memorandum are summarized below:

#### Risk Analysis

Park's Chief Risk Officer performed a risk review and evaluation of Park's compensation plans. The February 19, 2015 memorandum of Park's Chief Risk Officer concluded that the compensation plans do not include features which incent unnecessary risk taking.

The specific compensation plans reviewed were: (i) the annual incentive compensation program, which provides for annual incentive compensation based on Park's ROACE as compared to that of the \$3 billion to \$10 billion Peer Group; (ii) the 2013 LTIP pursuant to which Park may grant equity based awards; (iii) miscellaneous incentive plans, which are informal arrangements that allow Park employees to earn small amounts of incentive compensation; (iv) the SERP agreements, pursuant to which Messrs. Trautman and DeLawder and other executives of our subsidiaries may receive supplemental pension benefits; and (v) the split-dollar life insurance policies, which provide the NEOs and other executives of our subsidiaries with death benefits.

Based on the information provided by Park's Chief Risk Officer, the Compensation Committee concluded that: the annual incentive compensation program does not create incentives for Park's NEOs or other employees of Park and our subsidiaries to take unnecessary and excessive risks because the amount of the payment to any individual is discretionary and based in significant part on Park's performance in comparison to other financial services holding companies in the \$3 billion to \$10 billion Peer Group and the Midwest Regional Peer Group -- the latter being a factor over which employees have little control;

the types of awards granted under 2013 LTIP - i.e., PBRsUs with performance-based earning and service-based vesting requirements, together with a five-year post-vesting holding requirement, do not create incentives for recipients of the awards to take unnecessary and excessive risks because the number of PBRsUs earned is based on Park's comparative performance and the service-based vesting and post-vesting holding requirements align the long-term interests of the recipients of PBRsU awards with those of Park's shareholders generally;

the miscellaneous incentive plans do not create incentives for the NEOs or other employees of Park and its subsidiaries to take unnecessary and excessive risks because the amounts payable under these informal arrangements are not a material element of compensation; and

none of the other plans or arrangements create incentives for the NEOs or other employees of Park and our subsidiaries to take unnecessary and excessive risks because the amounts payable under these plans and arrangements are not contingent on Park's financial or other performance.

#### Earnings Analysis

The February 19, 2015 memorandum of Park's Chief Risk Officer also concluded that Park's incentive compensation plans do not include features that would encourage the manipulation of Park's reported earnings to enhance the compensation of any individual employee(s).

Based on the information provided by Park's Chief Risk Officer, the Compensation Committee concluded that: the annual incentive compensation program does not contain features that would encourage the manipulation of Park's reported earnings to enhance the compensation of any individual employee(s) because the amount of the payment to any individual is discretionary and based in significant part on Park's performance in comparison to other financial services holding companies in the \$3 billion to \$10 billion Peer Group and the Midwest Regional Peer Group -- the latter being a factor over which employees have little control;

the types of awards granted under the 2013 LTIP do not contain features that would encourage the manipulation of Park's reported earnings to enhance the compensation of any individual employee(s) because the number of awards earned is based on Park's comparative performance and the service-based vesting and post-vesting holding requirements align the long-term interests of the recipients of PBRsU awards with those of Park's shareholders generally; and

the miscellaneous incentive plans do not contain features that would encourage the manipulation of Park's reported earnings to enhance the compensation of any individual

employee(s) because the amounts payable under these informal arrangements are not a material element of compensation.

Submitted by the members of the Compensation

Committee:

F. William Englefield (Chair)

Stephen J. Kambeitz

Timothy S. McLain

Leon Zazworsky

#### Summary Compensation Table

The following table summarizes the total compensation for each of the NEOs for each of the 2014 fiscal year, the 2013 fiscal year and the 2012 fiscal year in accordance with applicable SEC rules. Dollar amounts have been rounded up to the nearest whole dollar. Park has not entered into any employment agreements with any of its NEOs.

No option awards were made to the NEOs for any of the fiscal years reported and no stock awards were made to the NEOs for the 2013 fiscal year or the 2012 fiscal year. As a participant in the TARP Capital Purchase Program until April 25, 2012, Park was prohibited from paying or accruing any bonus, retention award or incentive compensation to or for Messrs. Trautman and DeLawder in respect of the 2012 fiscal year prior to April 25, 2012.

#### Summary Compensation Table for 2014

| Name and Principal Position During 2014 Fiscal Year  | Year | Salary (\$) | Bonus (\$)     | Stock Awards (\$)(1) | Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)(1) | All Other Compensation (\$) | Total (\$)   |
|--|------|-------------|----------------|----------------------|---|-----------------------------|--------------|
| David L. Trautman<br>Chief Executive Officer and President of Park and Park National Bank (3)  | 2014 | \$ 775,000  | \$ 250,000 (4) | \$219,227            | \$165,350   | \$ 15,884(5)                | \$ 1,425,461 |
|  | 2013 | \$ 563,250  | \$ 200,000 (4) | --                   | (6)   | \$ 14,972(7)                | \$ 778,222   |
|  | 2012 | \$ 563,250  | \$ 136,750 (8) | --                   | \$198,644   | \$ 15,114(9)                | \$ 913,758   |
| Brady T. Burt<br>Chief Financial Officer, Treasurer and Secretary of Park and Senior Vice President and Chief Financial Officer of Park National Bank (10) | 2014 | \$ 325,000  | \$ 150,000 (4) | \$82,210             | \$ 43,797   | \$ 4,695 (11)               | \$ 605,702   |
|  | 2013 | \$ 275,000  | \$ 100,000 (4) | --                   | \$ 2,157  | \$ 4,044 (12)               | \$ 381,201   |
|  | 2012 | \$ 205,000  | \$ 50,000 (8)  | --                   | \$ 21,073   | \$ 18,783 (13)              | \$ 294,856   |
| C. Daniel DeLawder<br>Chairman of the Board of Park and Park National Bank (14)  | 2014 | \$ 563,250  | \$ 250,000 (4) | \$219,227            | \$ 195,832  | \$ 24,249 (15)              | \$ 1,252,558 |
|  | 2013 | \$ 773,525  | \$ 275,000 (4) | --                   | \$ 179,663  | \$ 22,917 (16)              | \$ 1,251,105 |
|  | 2012 | \$ 773,525  | \$ 151,475 (8) | --                   | \$ 178,738  | \$ 21,593 (17)              | \$ 1,125,331 |

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(1) The amounts reported for the 2014 fiscal year represent the aggregate grant date fair value of PBRsUs at the expected award level as of the grant date. The grant date fair value of the PBRsUs at the target level would be \$164,420, \$61,658 and \$164,420 for Messrs. Trautman, Burt and DeLawder, respectively. The grant date fair value of the PBRsUs at the maximum level would be \$246,630, \$92,456 and \$246,630 for Messrs. Trautman, Burt and DeLawder, respectively. In each case, the amounts reported exclude the impact of estimated forfeitures, as required by the applicable SEC Rules.

No PBRsUs will be earned, regardless of Park's relative ROAA results, if Park's net income for each fiscal year of the performance period does not equal or exceed 110% of all cash dividends declared and paid during the applicable fiscal year.

Earned PBRsUs will also be subject to additional service-based vesting -- 50% of the PBRsUs earned will vest at the end of the three-year performance period once results are certified by the Compensation Committee, with the other 50% of the earned PBRsUs vesting on the first anniversary of the certification date. Common shares received upon settlement of earned and vested PBRsUs cannot be sold, transferred, assigned or otherwise similarly disposed of for five years after the date they are delivered.

See the table included in the section captioned "Grants of Plan-Based Awards" for more information concerning the PBRsUs granted during the 2014 fiscal year. Also see "Note 1. Summary of Significant Accounting Policies -- Share-Based Compensation" and "Note 15. Share-Based Compensation" of the Notes to Consolidated Financial Statements included in Park's 2014 Annual Report for the assumptions used and additional information regarding the PBRsU awards made in the 2014 fiscal year.

(2) The amounts shown reflect the aggregate change, where such change reflects an increase, in the actuarial present value of the NEO's accumulated benefits under the Park Pension Plan and, where applicable, the SERP (and each individual's SERP Agreement as in effect during the applicable fiscal year), determined using interest rate and mortality rate assumptions consistent with those used in Park's consolidated financial statements. The benefits to be provided under the Park Pension Plan and the SERP (and the related SERP Agreements) are more fully described under the heading "Post-Employment Payments and Benefits."

(3) Since January 1, 2014, David L. Trautman has served as President and Chief Executive Officer of each of Park and Park National Bank. During each of the 2013 fiscal year and the 2012 fiscal year, Mr. Trautman served as President and Secretary of Park and President of Park National Bank.

(4) The amounts shown reflect the discretionary annual incentive compensation award earned by each of the NEOs as part of the annual incentive compensation program for the 2014 fiscal year and the 2013 fiscal year. The discretionary annual incentive compensation awards for the 2014 fiscal year are discussed in more detail under the heading "Compensation Discussion and Analysis - Elements of Compensation for 2014 - Annual Incentive Compensation."

(5) The amount shown reflects:

\$1,428, representing the amount of the premium deemed to have been paid on behalf of Mr. Trautman under the split-dollar life insurance policy maintained on his behalf by Park National Bank;



\$4,375, representing the matching contribution to the Park KSOP on Mr. Trautman's behalf to match his 2014 pre-tax elective deferral contributions;

\$1,141, representing the amount of the premium deemed to have been paid on behalf of Mr. Trautman under the split-dollar life insurance policy which funds his account under the SERP (and his SERP Agreement as in effect during the 2014 fiscal year); and

- \$8,940, representing the aggregate amount of the \$745 monthly automobile allowance received by Mr. Trautman during the 2014 fiscal year.

(6) The aggregate change in the actuarial present value of Mr. Trautman's accumulated benefits under the Park Pension Plan and the SERP (and his SERP Agreement), determined using interest rate and mortality assumptions consistent with those in Park's consolidated financial statements, decreased by \$25,507 during the 2013 fiscal year and, as a result, such amount is not reported in the "Change in Pension Value and Nonqualified Deferred Compensation Earnings" column for 2013 in accordance with the applicable SEC rules.

(7) The amount shown reflects:

\$1,144, representing the amount of the premium deemed to have been paid on behalf of Mr. Trautman under the split dollar life insurance policy maintained on his behalf by Park National Bank;

\$3,801, representing the final matching contribution to the Park KSOP on Mr. Trautman's behalf to match his 2013 pre-tax elective deferral contributions (of the \$4,375 matching contribution which had been reported in the "Summary Compensation Table for 2013" included in Park's Proxy Statement for the 2014 Annual Meeting, \$574 was forfeited in 2014 in conjunction with the partial refund of Mr. Trautman's 2013 pre-tax elective deferral contributions);

\$1,087, representing the amount of the premium deemed to have been paid on behalf of Mr. Trautman under the split dollar life insurance policy which funds his account under the SERP (and his SERP Agreement as in effect during the 2013 fiscal year); and

\$8,940, representing the aggregate amount of the \$745 monthly automobile allowance received by Mr. Trautman during the 2013 fiscal year.

(8) The amounts shown reflect (a) for Messrs. Trautman and DeLawder, the discretionary annual incentive compensation award earned by each individual with respect to the period from April 25, 2012 through December 31, 2012; and (b) for Mr. Burt, the discretionary annual incentive compensation award earned as a participant in the annual incentive compensation program for 2012. The amounts for Messrs. Trautman and DeLawder reflect the fact that Park was prohibited from paying or accruing any bonus or incentive compensation to the five most highly compensated employees of Park and our subsidiaries during the period that Park was a participant in the TARP Capital Purchase Program, which participation ended on April 25, 2012. Mr. Burt was not subject to this prohibition and participated in the annual incentive compensation program for all of 2012.

(9) The amount shown reflects:

\$1,042, representing the amount of the premium deemed to have been paid on behalf of Mr. Trautman under the split dollar life insurance policy maintained on his behalf by Park National Bank;

\$4,125, representing the matching contribution to the Park KSOP on Mr. Trautman's behalf to match his 2012 pre-tax elective deferral contributions;

\$1,007, representing the amount of the premium deemed to have been paid on behalf of Mr. Trautman under the split dollar life insurance policy which funds his account under the SERP (and his SERP Agreement as in effect during the 2012 fiscal year); and

\$8,940, representing the aggregate amount of the \$745 monthly automobile allowance received by Mr. Trautman during the 2012 fiscal year.

(10) Mr. Burt has served as the Chief Financial Officer of Park and as the Chief Financial Officer and a Senior Vice President of Park National Bank since December 19, 2012. He was appointed Treasurer of Park on April 22, 2013. Since January 1, 2014, he has also served as Secretary of Park.

(11) The amount shown reflects:

\$320, representing the amount of the premium deemed to have been paid on behalf of Mr. Burt under the split dollar life insurance policy maintained on his behalf by Park National Bank; and

\$4,375, representing the matching contribution to the Park KSOP on Mr. Burt's behalf to match his 2014 pre tax elective deferral contributions.

(12) The amount shown reflects:

\$243, representing the amount of the premium deemed to have been paid on behalf of Mr. Burt under the split dollar life insurance policy maintained on his behalf by Park National Bank; and

\$3,801, representing the final matching contribution to the Park KSOP on Mr. Burt's behalf to match his 2013 pre tax elective deferral contributions (of the \$4,375 matching contribution which had been reported in the "Summary Compensation Table for 2013" included in Park's Proxy Statement for the 2014 Annual Meeting, \$574 was forfeited in 2014 in conjunction with the partial refund of Mr. Burt's 2013 pre-tax elective deferral contributions);

(13) The amount shown reflects:

\$169, representing the amount of the premium deemed to have been paid on behalf of Mr. Burt under the split dollar life insurance policy maintained on his behalf by Park National Bank;

\$3,614, representing the final matching contribution to the Park KSOP on Mr. Burt's behalf to match his 2012 pre-tax elective deferral contributions (of the \$4,250

matching contribution which had been reported in the “Summary Compensation Table for 2012” included in Park’s Proxy Statement for the 2013 Annual Meeting, \$636 was forfeited in 2013 in conjunction with the partial refund of Mr. Burt’s 2012 pre tax elective deferral contributions); and

\$15,000, representing a one-time bonus payment to Mr. Burt in recognition of his contributions in the course of consummating the sale of the Vision Bank business.

(14) Since January 1, 2014, C. Daniel DeLawder has served as Chairman of the Board of each of Park and Park National Bank and a full-time executive employee of Park National Bank. During each of the 2013 fiscal year and the 2012 fiscal year, Mr. DeLawder also served as Chief Executive Officer of Park and Park National Bank.

(15) The amount shown reflects:

- \$5,487, representing the amount of the premium deemed to have been paid on behalf of Mr. DeLawder under the split-dollar life insurance policy maintained on his behalf by Park National Bank;

\$4,375, representing the matching contribution to the Park KSOP on Mr. DeLawder’s behalf to match his 2014 pre-tax elective deferral contributions;

\$5,447, representing the amount of the premium deemed to have been paid on behalf of Mr. DeLawder under the split-dollar life insurance policy which funds his account under the SERP (and his SERP Agreement as in effect during the 2014 fiscal year); and

\$8,940, representing the aggregate amount of the \$745 monthly automobile allowance received by Mr. DeLawder during the 2014 fiscal year.

(16) The amount shown reflects:

- \$5,086, representing the amount of the premium deemed to have been paid on behalf of Mr. DeLawder under the split dollar life insurance policy maintained on his behalf by Park National Bank;

\$3,801, representing the final matching contribution to the Park KSOP on Mr. DeLawder’s behalf to match his 2013 pre tax elective deferral contributions (of the \$4,375 matching contribution which had been reported in the “Summary Compensation Table for 2013” included in Park’s Proxy Statement for the 2014 Annual Meeting, \$574 was forfeited in 2014 in conjunction with the partial refund of Mr. DeLawder’s 2013 pre-tax elective deferral contributions);

\$5,090, representing the amount of the premium deemed to have been paid on behalf of Mr. DeLawder under the split dollar life insurance policy which funds his account under the SERP (and his SERP Agreement as in effect during the 2013 fiscal year); and

\$8,940, representing the aggregate amount of the \$745 monthly automobile allowance received by Mr. DeLawder during the 2013 fiscal year.

(17) The amount shown reflects:

\$4,684, representing the amount of the premium deemed to have been paid on behalf of Mr. DeLawder under the split-dollar life insurance policy maintained on his behalf by Park National Bank;

\$3,614, representing the final matching contribution to the Park KSOP on Mr. DeLawder's behalf to match his 2012 pre-tax elective deferral contributions (of the \$4,250 matching contribution which had been reported in the "Summary Compensation Table for 2012" included in Park's Proxy Statement for the 2013 Annual Meeting, \$636 was forfeited in 2013 in conjunction with the partial refund of Mr. DeLawder's 2012 pre-tax elective deferral contributions);

\$4,355, representing the amount of the premium deemed to have been paid on behalf of Mr. DeLawder under the split dollar life insurance policy which funds his account under the SERP (and his SERP Agreement as in effect during the 2012 fiscal year); and

\$8,940, representing the aggregate amount of the \$745 monthly automobile allowance received by Mr. DeLawder during the 2012 fiscal year.

#### Grants of Plan-Based Awards

The following table sets forth information regarding PBR SU awards granted to the NEOs during the 2014 fiscal year. No other plan-based awards were granted to the NEOs during the 2014 fiscal year.

#### Fiscal 2014 Grants of Plan Based Awards

##### Estimated Future Payouts under Equity Incentive Plan Awards (1)

| Name               | Grant Date | Threshold (#) | Target (#)   | Maximum (#)  |
|--------------------|------------|---------------|--------------|--------------|
| David L. Trautman  | 1/24/2014  | 2,000 (2)(3)  | 2,000 (2)(3) | 3,000 (2)(3) |
| Brady T. Burt      | 1/24/2014  | 750 (2)(3)    | 750 (2)(3)   | 1,125 (2)(3) |
| C. Daniel DeLawder | 1/24/2014  | 2,000 (2)(3)  | 2,000 (2)(3) | 3,000 (2)(3) |

(1) The awards shown in this table are in the form of PBR SUs, with each PBR SU representing the right to receive one Park common share if earned and settled. Each award of PBR SUs also provides the holder with dividend equivalent rights which will vest and be settled in cash if, when and to the extent the related PBR SUs vest and are settled.

(2) PBR SUs will be earned based on Park's cumulative ROAA for the three-year performance period from January 1, 2014 to December 31, 2016 as compared to the cumulative ROAA results for the \$3 billion to \$10 billion Peer Group. No PBR SUs will be earned, regardless of Park's relative ROAA results, if Park's consolidated net income for each fiscal year of the performance period does not equal or exceed 110% of all cash dividends declared and paid during the applicable fiscal year. In addition, no PBR SUs will be earned if Park's cumulative ROAA for the performance period is below the 50<sup>th</sup> percentile (or median) of the \$3 billion to \$10 billion Peer Group. If Park's cumulative ROAA

for the performance period equals the 50<sup>th</sup> percentile of the \$3 billion to \$10 billion Peer Group, holders of PBRsUs will earn the target number (which is also the threshold number) of PBRsUs. If Park's cumulative ROAA for the performance period equals or exceeds the 80<sup>th</sup> percentile of the \$3 billion to \$10 billion Peer Group, holders of PBRsUs will earn PBRsUs equal to 150% of the target number, with the number of PBRsUs earned for results in between the 50<sup>th</sup> and 80<sup>th</sup> percentiles determined using interpolation on a straight-line basis.

(3) Earned PBRsUs will also be subject to additional service-based vesting -- 50% of the PBRsUs earned will vest at the end of the three-year performance period once results are certified by the Compensation Committee, with the other 50% of the earned PBRsUs vesting on the first anniversary of the certification date. Common shares received upon settlement of earned and vested PBRsUs cannot be sold, transferred, assigned or otherwise similarly disposed of for five years after the date they are delivered. If an NEO dies or terminates employment with Park and our subsidiaries due to disability at any time during the three-year performance period, a prorated portion of the PBRsUs will vest on the last day of the performance period based on the number of PBRsUs that would have been earned based on the level of performance achieved during the performance period and the quotient of the number of full calendar months elapsed between the grant date and the date of death or termination of employment due to disability, as appropriate, divided by the number of months in the performance period. If an NEO dies or terminates employment with Park and our subsidiaries due to disability after the performance period has ended but before the service-based vesting requirements have been satisfied, the outstanding unvested PBRsUs will immediately vest. If an NEO retires (i.e., has a "normal retirement" or an "early retirement" for purposes of the Park Pension Plan), all outstanding unvested PBRsUs will be forfeited unless the Compensation Committee, in its sole discretion, determines that all or a portion of the PBRsUs should vest. If an NEO's employment with Park and our subsidiaries terminates for any other reason, including for "cause" (as defined in the 2013 LTIP), all unvested PBRsUs will be immediately forfeited. In the event of a "change in control" (as defined in the 2013 LTIP), each NEO will immediately vest in all unvested PBRsUs as though the cumulative ROAA of Park as compared to the cumulative ROAA results of the \$3 billion to \$10 billion Peer Group had been achieved at the 50<sup>th</sup> percentile of the Peer Group and the other performance-based criteria for vesting as well as the service-based vesting requirement had been satisfied as of the date of the change in control.

#### Outstanding Equity Awards at Fiscal Year-End

As of December 31, 2014, the only type of equity award held by the NEOs was the PBRsU awards granted to NEOs during the 2014 fiscal year. The following table sets forth information regarding the outstanding PBRsU awards held by the NEOs at December 31, 2014.

Outstanding Equity Awards at 2014 Fiscal Year-End  
Stock Awards

| Name               | Stock Award Grant Date | Number of Shares or Units of Stock That Have Not Vested | Market Value of Shares or Units of Stock That Have Not Vested | Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(1) | Equity Incentive Plan Awards: Market Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)(2) |
|--------------------|------------------------|---|---|--|---|
| David L. Trautman  | 1/24/2014              | --  | --  | 2,000  | \$176,960   |
| Brady T. Burt      | 1/24/2014              | --  | --  | 750  | \$66,360  |
| C. Daniel DeLawder | 1/24/2014              | --  | --  | 2,000  | \$176,960   |

(1) The number shown represents the target number of PBRsUs which would be earned based on: (a) Park's cumulative ROAA for the three-year performance period from January 1, 2014 to December 31, 2016 equaling the 50<sup>th</sup> percentile of the \$3 billion to \$10 billion Peer Group; and (b) Park's net income for each fiscal year of the performance period equaling or exceeding 110% of all cash dividends declared and paid during the applicable fiscal year. See footnote (1) to the "Summary Compensation Table for 2014" and the table under the heading "Grants of Plan-Based Awards" for more information about the target number (which is also the threshold number) and the maximum number of PBRsUs that can be earned.

(2) Market value represents the product of the closing price of the Park common shares as of December 31, 2014, which was \$88.48, multiplied by the number of PBRsUs shown in the table.

Equity Awards Exercised and Vested

The only type of equity award which has been granted under the 2013 LTIP to the NEOs has been PBRsU awards. No PBRsU awards vested during the 2014 fiscal year.

Awards Granted Under the 2013 LTIP Effective January 1, 2015

On December 16, 2014, the Compensation Committee authorized the grant of PBRsU awards (the "2015 PBRsU Awards") to each of the NEOs, with the grants to be effective January 1, 2015. The following schedule shows the minimum/target number of PBRsUs which may be earned (the "2015 Target Award") and the maximum number of PBRsUs which may be earned (the "2015 Maximum Award") in respect of the 2015 PBRsU Award granted to each of the NEOs effective January 1, 2015:

| Name and Position   | 2015<br>Target Award | 2015<br>Maximum Award |
|---|----------------------|-----------------------|
| David L. Trautman<br>President and Chief Executive Officer<br>of each of Park and Park National Bank  | 2,000 PBRsUs         | 3,000 PBRsUs          |
| Brady T. Burt<br>Chief Financial Officer, Secretary and<br>Treasurer of Park; Senior Vice<br>President and Chief Financial Officer of<br>Park National Bank | 1,000 PBRsUs         | 2,000 PBRsUs          |
| C. Daniel DeLawder<br>Chairman of the Board of Park;<br>Chairman of the Board and executive<br>employee of Park National Bank                               | 2,000 PBRsUs         | 3,000 PBRsUs          |

Post-Employment Payments and Benefits

Pension and Supplemental Benefits

Park Pension Plan

The Park Pension Plan covers employees of our subsidiaries who have attained age 21 and completed one year of service. Under the Park Pension Plan, annual benefits are paid in monthly installments for life with 120 months of payments guaranteed. For purposes of the Park Pension Plan, an employee’s “normal retirement date” is the earlier of the first day of the month coincident with or next following the employee reaching age 70 1/2 or the employee reaching age 65 and completing five years of service.

The amount of annual “normal retirement benefit” to be paid in monthly installments to an eligible employee is the greater of:

- 29% of the average monthly compensation of the employee reduced for expected years of service at normal retirement less than 25; or

- 29% of the average monthly compensation plus 16% of the average monthly compensation in excess of one-twelfth of covered compensation reduced for expected years of service at normal retirement less than 35.

The average monthly compensation of an employee is calculated by averaging the highest five consecutive calendar years of compensation as reported on the employee’s Forms W-2 during the ten calendar years preceding the date of determination. Base salary and incentive compensation, including elective deferral contributions, are included in calculating an employee’s monthly compensation for purposes of the Park Pension Plan.

In addition, the employees of certain of our subsidiary banks (and their respective divisions) participated in pension plans maintained for their benefit prior to the bank’s being acquired by Park and the merger of the bank’s pension plan into the Park Pension Plan. Benefits under the Park Pension Plan

cannot be less than the sum of the benefit provided under the merged pension plan and the Park Pension Plan based on years of service since the date of merger of the two plans.

Applicable provisions of the Internal Revenue Code currently limit the amount of annual compensation used to determine plan benefits under a defined benefit pension plan, such as the Park Pension Plan, and the amount of plan benefits payable annually under such a plan. Total compensation in excess of the limit will not be taken into account for benefit calculation purposes. The average of the maximum annual total compensation which may be used in determining plan benefits under qualified defined benefit plans for the past five years is \$251,000. The 2014 monthly rate of total compensation used to determine benefits was limited to \$21,667 per month, which is the equivalent of an annual total compensation of \$260,000.

If an employee elects to retire after completing ten years of service and reaching 55 years of age, the employee may receive a monthly benefit for life with 120 months of payments guaranteed beginning at his or her normal retirement date equal to the "accrued benefit" at the early retirement date. Payments to the employee may begin immediately, with the benefit being reduced one fifteenth (1/15<sup>th</sup>) for the first five years and one thirtieth (1/30<sup>th</sup>) for the next five years. For purposes of the Park Pension Plan, the "accrued benefit" at any time prior to an employee's normal retirement date is the normal retirement benefit as described above multiplied by a fraction, the numerator of which is the employee's total years of service as of the date of determination and the denominator of which is the employee's expected years of service at normal retirement.

An employee may continue employment with Park and/or one of our subsidiaries after his or her normal retirement date. In such an event, the employee will receive the benefit he or she would have received on his or her normal retirement date actuarially increased to reflect delayed payment. Notwithstanding the foregoing, the benefit received by such an employee will not be less than the benefit accrued at delayed retirement reflecting service and compensation to such date.

Upon the termination of employment after five or more years, an employee has a vested interest in his or her accrued benefit which will be payable on the normal retirement date. An employee will generally have no vested interest if he or she terminates employment after less than five years of service with Park and/or one of our subsidiaries; however, the Park Pension Plan was amended in conjunction with the sale of substantially all of the performing loans, operating assets and liabilities associated with Vision Bank to Centennial Bank on February 16, 2012, in order to fully vest all of the Vision Bank employees upon termination of employment, regardless of their years of service with Vision Bank.

An employee who terminates employment with ten or more years of service with Park and/or one of our subsidiaries may elect to receive his or her vested interest as early as age 55.

If an employee becomes totally and permanently disabled prior to his or her normal retirement date and retires after being determined to be disabled under the provisions of the Social Security Act and the related regulations for at least six months, he or she will receive a disability retirement benefit equal to his or her "accrued benefit" at disability reduced actuarially for payment preceding normal retirement.

In the event of a married employee's death after the completion of five years of service, but prior to meeting the eligibility requirements for early retirement, the participant will be assumed to have terminated employment the day before his or her death, survived to his or her early retirement date, elected a joint and one-half survivor benefit, and passed away the following day. If an unmarried employee dies prior to the early retirement age, the survivor annuity will be 50% of the 10-year certain and life annuity payable to such employee if such employee had terminated employment one day prior to his or her death.



In the event of a married employee's death after meeting the requirements for early retirement, his or her surviving spouse will receive one-half of the joint and one-half survivor benefit calculated on the day before his or her death. If an unmarried employee or unmarried "inactive" employee dies on or after the early retirement age, the survivor annuity will be computed as if he or she started receiving a 10 year certain and life annuity on the day before his or her death. For a vested terminated employee, death benefits are calculated the same as for active employees, but based on the employee's accrued benefit at his or her termination date.

An eligible employee of Park and/or one of our subsidiaries may opt to receive his or her benefits pursuant to the following methods of settlement that are actuarially equivalent to the normal form of annuity:

- a benefit to be paid during the employee's lifetime with one-half of the benefit to be continued to be paid to the employee's spouse for his or her lifetime after the employee's death;
- a benefit to be paid during the employee's lifetime with three-fourths of the benefit to be continued to be paid to the employee's spouse for his or her lifetime after the employee's death;
- a benefit to be paid during the employee's lifetime with a percentage of the benefit or the same benefit to be continued to be paid to the employee's spouse for his or her lifetime after the employee's death;
- a benefit payable in equal installments during the employee's lifetime;
- a benefit to be paid for 120 months certain and thereafter for life; or
- an unlimited lump-sum settlement for retirees and a lump-sum settlement under \$5,000 for vested employees who have not yet retained retirement age.

It is not possible for an employee's years of service under the Park Pension Plan to exceed the employee's actual years of service with Park and/or our subsidiaries.

#### Supplemental Executive Retirement Benefits

Each of Messrs. Trautman and DeLawder is entitled to receive additional benefits under the SERP arrangements generally to the degree his projected benefits from the Park Pension Plan and Park's contributions under the Park KSOP and Social Security benefits are less than 40% of his projected annual compensation (salary and bonus) at age 62. Mr. Burt does not participate in any SERP arrangements.

Park or one of our subsidiaries purchased split dollar life insurance policies in order to fund the obligations under the SERP arrangements. Generally, these policies provide a benefit equal to the benefit a SERP participant would have been paid if the SERP participant had not died before age 84. Thus, the policies provide no additional benefit to Messrs. Trautman and DeLawder but help Park and our subsidiaries meet their commitments to them.

Executives with SERP arrangements forfeit their benefits if they terminate their employment with Park prior to age 62, strengthening the retention aspects of this program. However, an individual can

receive a partial benefit if his or her termination is related to a substantial disability or a full benefit if there is a change in control of Park.

The SERP arrangements have demanding repayment and forfeiture provisions associated with them. Park can recoup SERP benefits that have already been paid if Park determines there was cause to terminate a SERP participant prior to the SERP participant receiving benefits. Moreover, a SERP participant would forfeit the right to future benefits in such a situation. In addition, SERP participants forfeit their rights to future benefits if they violate certain non-competition, non-solicitation of customers and non-solicitation of employees covenants during a period of 12 months following their separation from service with Park and our subsidiaries. As a result, while the SERP arrangements provide Messrs. Trautman and DeLawder with additional retirement benefits, they also offer important protections to Park, which the Compensation Committee sees as reasonable.

#### Pension Benefits for 2014

The following table shows the actuarial present value of each NEO's accumulated benefit, including the number of years of service credited to each NEO, under each of the Park Pension Plan and, where applicable, the SERP (and each NEO's SERP Agreement as in effect during the 2014 fiscal year), determined using interest rate and mortality rate assumptions consistent with those used in Park's consolidated financial statements and summarized in "Note 16. Benefit Plans" of the Notes to Consolidated Financial Statements beginning on page 70 of Park's 2014 Annual Report.

#### Pension Benefits for 2014

| Name               | Plan Name             | Number of Years Credited Service (#) | Present Value of Accumulated Benefit (\$) | Payments During Last Fiscal Year (\$) |
|--------------------|-----------------------|--------------------------------------|---|---------------------------------------|
| David L. Trautman  | Park Pension Plan     | 31                                   | \$ 572,030                                | \$0                                   |
|                    | SERP                  | 7                                    | \$ 514,472                                | \$0                                   |
| Brady T. Burt      | Park Pension Plan     | 7                                    | \$ 92,731                                 | \$0                                   |
| C. Daniel DeLawder | Park Pension Plan (1) | 44                                   | (1)                                       | \$1,386,082 (1)                       |
|                    | SERP                  | 18                                   | \$1,368,561                               | \$0                                   |

(1) Since October of 2004, Mr. DeLawder has been eligible for early retirement under the Park Pension Plan. The present value of his early retirement benefit was \$1,386,082 at November 3, 2014, at which time it was paid out in full to Mr. DeLawder. The present value of his early retirement benefit had increased by \$255,228 during the 2014 fiscal year prior to the payout to Mr. DeLawder.

#### Potential Payouts upon Termination of Employment or Change in Control

##### PBRsUs

The impact of the termination of an NEO's employment and the impact of a change in control upon the PBRsUs held by the NEO are described in the footnotes to the table under the heading "Grants of Plan-Based Awards."

#### Supplemental Executive Retirement Benefits

The provisions of the SERP arrangements addressing the impact of a change of control and the subsequent termination of an individual covered thereby are described under the heading "Post-Employment Payments and Benefits - Pension and Supplemental Benefits - Supplemental Executive Retirement Benefits."

#### Other Potential Payouts

Regardless of the manner in which an NEO's employment terminates, he is entitled to receive amounts earned during his term of employment. Such amounts would include:

• the balance of the NEO's account under the Park KSOP;

• unused vacation pay; and

• amounts accrued and vested under the Park Pension Plan paid in accordance with the terms of the Park Pension Plan, as discussed in more detail under the heading "Post-Employment Payments and Benefits - Pension and Supplemental Benefits - Park Pension Plan."

If an NEO retires after reaching age 55, in addition to the items identified in the preceding paragraph, the NEO will be entitled to receive a lump-sum payment of the present value of the benefit to which he would have been entitled under the Park Pension Plan, as discussed in more detail under the heading "Post-Employment Payments and Benefits - Pension and Supplemental Benefits - Park Pension Plan."

If an NEO retires after reaching age 62, in addition to the items identified in the preceding paragraphs, the NEO will receive:

• if applicable, the supplemental executive retirement benefits discussed under the heading "Post-Employment Payments and Benefits - Pension and Supplemental Benefits - Supplemental Executive Retirement Benefits"; and

• continued coverage under the split-dollar life insurance policy maintained on his behalf by Park National Bank, as discussed in more detail under the heading "Compensation Discussion and Analysis - Elements of Compensation for 2014 - Other Benefits."

In the event of the death or disability of an NEO, in addition to the benefits identified in the preceding paragraph(s), the NEO or his beneficiary, as appropriate, will receive:

• benefits under Park's disability insurance plan; and

• his share of the proceeds under the split-dollar life insurance policy maintained on his behalf by Park National Bank, as discussed in more detail under the heading "Compensation Discussion and Analysis - Elements of Compensation for 2014 - Other Benefits."

The following table summarizes payments which would have been made to Messrs. Trautman, Burt and DeLawder if a retirement or termination event had occurred on December 31, 2014. Actual amounts to be paid out can only be determined at the time of an NEO's actual separation from service with Park.

|                             | Voluntary<br>Termination<br>on<br>12/31/14 | Early<br>Retirement<br>on<br>12/31/14 | Normal<br>Retirement<br>on<br>12/31/14 | Involuntary<br>Not for Cause<br>Termination<br>on<br>12/31/14 | For Cause<br>Termination<br>on<br>12/31/14 | Disability<br>on<br>12/31/14 | Death<br>on<br>12/31/14 |
|-----------------------------|--|---------------------------------------|--|---|--|------------------------------|-------------------------|
| <b>David L. Trautman</b>    |  |                                       |  |   |  |                              |                         |
| Value of PBRsUs             | \$ --                                      | \$ --                                 | \$ --                                  | \$ --   | \$ --                                      | \$ 76,729                    | \$ 76,729               |
| Park KSOP                   | \$ 972,620                                 | (3)                                   | \$ 972,620                             | \$ 972,620  | \$ 972,620                                 | \$ 972,620                   | \$ 972,620              |
| Park Pension Plan (1)       | \$ 572,030                                 | (3)                                   | \$ 572,030                             | \$ 572,030  | \$ 572,030                                 | \$ 572,030                   | \$ 572,030              |
| SERP - Life Insurance       | \$ 0                                       | (3)                                   | \$ 0                                   | \$ 0  | \$ 0                                       | \$ 0                         | \$ 1,342,000            |
| Split-Dollar Life Insurance | \$ 0                                       | (3)                                   | \$ 0                                   | \$ 0  | \$ 0                                       | \$ 0                         | \$ 1,400,000            |
| <b>Total</b>                | <b>\$ 1,544,650</b>                        | <b>(3)</b>                            | <b>\$ 1,544,650</b>                    | <b>\$ 1,544,650</b>   | <b>\$ 1,544,650</b>                        | <b>\$ 1,621,379</b>          | <b>\$ 4,363,379</b>     |
| <b>Brady T. Burt</b>        |  |                                       |  |   |  |                              |                         |
| Value of PBRsUs             | \$ --                                      | \$ --                                 | \$ --                                  | \$ --   | \$ --                                      | \$ 28,774                    | \$ 28,774               |
| Park KSOP                   | \$ 409,397                                 | (4)                                   | \$ 409,397                             | \$ 409,397  | \$ 409,397                                 | \$ 409,397                   | \$ 409,397              |
| Park Pension Plan (1)       | \$ 92,731                                  | (4)                                   | \$ 92,731                              | \$ 92,731   | \$ 92,731                                  | \$ 92,731                    | \$ 92,731               |
| Split-Dollar Life Insurance | \$ 0                                       | (4)                                   | \$ 0                                   | \$ 0  | \$ 0                                       | \$ 0                         | \$ 726,923              |
| <b>Total</b>                | <b>\$ 502,128</b>                          | <b>(4)</b>                            | <b>\$ 502,128</b>                      | <b>\$ 502,128</b>   | <b>\$ 502,128</b>                          | <b>\$ 530,902</b>            | <b>\$ 1,257,825</b>     |
| <b>C. Daniel DeLawder</b>   |  |                                       |  |   |  |                              |                         |
| Value of PBRsUs             | \$ --                                      | \$ --                                 | \$ --                                  | \$ --   | \$ --                                      | \$ 76,729                    | \$ 76,729               |
| Park KSOP                   | \$ 1,713,146                               | \$ 1,713,146                          | \$ 1,713,146                           | \$ 1,713,146  | \$ 1,713,146                               | \$ 1,713,146                 | \$ 1,713,146            |
| Park Pension Plan (2)       | (2)  | (2)                                   | (2)                                    | (2)   | (2)  | (2)                          | (2)                     |
| SERP - Life Insurance       | \$ 0                                       | \$ 0                                  | \$ 0                                   | \$ 0  | \$ 0                                       | \$ 0                         | \$ 2,836,939            |
| Split-Dollar Life Insurance | \$ 0                                       | \$ 0                                  | \$ 0                                   | \$ 0  | \$ 0                                       | \$ 0                         | \$ 1,911,980            |
| <b>Total</b>                | <b>\$ 1,713,146</b>                        | <b>\$ 1,713,146</b>                   | <b>\$ 1,713,146</b>                    | <b>\$ 1,713,146</b>   | <b>\$ 1,713,146</b>                        | <b>\$ 1,789,875</b>          | <b>\$ 6,538,794</b>     |

(1) Reflects the estimated lump-sum present value of the benefits to which the NEO would be entitled under the Park Pension Plan.

(2) Since October of 2004, Mr. DeLawder has been eligible for early retirement under the Park Pension Plan. The present value of his early retirement benefit was \$1,386,082 at November 3, 2014, at which time it was paid out in full to Mr. DeLawder. As a result, this amount is not shown in the table.

(3) Since, as of December 31, 2014, Mr. Trautman had not reached age 55, he was not eligible for early retirement. However, if Mr. Trautman had retired on December 31, 2014, he would have been eligible to receive the same payments as those identified in the column captioned "Voluntary Termination on 12/31/14."

(4) Since, as of December 31, 2014, Mr. Burt had not reached age 55, he was not eligible for early retirement. However, if Mr. Burt had retired on December 31, 2014, he would have been eligible to receive the same payments as those identified in the column captioned "Voluntary Termination on 12/31/14."

#### EQUITY COMPENSATION PLAN INFORMATION

As of December 31, 2014, Park had one compensation plan under which common shares of Park are authorized for issuance to directors, officers or employees of Park and our subsidiaries in exchange for consideration in the form of goods or services - the 2013 LTIP. In addition, Park maintains the Park



KSOP, which is intended to meet the qualification requirements of Section 401(a) of the Internal Revenue Code. The 2013 LTIP was approved by Park's shareholders.

The following table shows the number of common shares issuable upon the vesting of outstanding PBRsUs and the number of common shares remaining available for awards under the 2013 LTIP, in each case at December 31, 2014.

| Plan category  | (a)<br>Number of common shares to be issued upon exercise of outstanding options, warrants and rights (1) | (b)<br>Weighted-average exercise price of outstanding options, warrants and rights (2) | (c)<br>Number of common shares remaining available for future issuance under equity compensation plans (excluding common shares reflected in column (a)) |
|--|---|--|--|
| Equity compensation plans approved by shareholders     | 21,975  | —  | 557,275  |
| Equity compensation plans not approved by shareholders | —   | —  | —  |
| Total  | 21,975  | —  | 557,275  |

(1) Includes 21,975 common shares underlying PBRsUs granted under the 2013 LTIP, assuming that the maximum number of PBRsUs is earned with respect to outstanding awards. The target number (which is also the threshold number) of PBRsUs that could be earned with respect to outstanding awards is 14,650.

(2) Weighted-average exercise price does not apply to the outstanding PBRsUs since they require no cash contribution upon the vesting of the PBRsUs and the subsequent issuance of Park common shares.

#### DIRECTOR COMPENSATION

Park uses a combination of cash and stock-based compensation to attract and retain qualified candidates to serve on the Board of Directors. To align the interests of Park's directors and shareholders, Park's Regulations require that all directors of Park be shareholders. Park does not have a requirement which addresses the number of common shares that need to be retained by directors.

##### Annual Retainers and Meeting Fees

##### Annual Retainers Payable in Common Shares

Each director of Park who is not an employee of Park or one of our subsidiaries (a "non-employee director") receives, on the date of the regular meeting of the Park Board of Directors held during the fourth fiscal quarter, an annual retainer in the form of common shares awarded under the 2013

LTIP. The number of common shares awarded as the annual retainer for the 2014 fiscal year was 200 common shares. These common shares were delivered on the date of the regular meeting of the Park Board of Directors held during the fourth quarter of the 2014 fiscal year.

Each non-employee director of Park also serves on the board of directors of either Park National Bank or one of the divisions of Park National Bank, and receives, on the date of the regular meeting of the Park Board of Directors held during the fourth fiscal quarter, an annual retainer in the form of: (a) 150 common shares for members of the board of directors of Park National Bank; and (b) 100 common shares for members of the board of directors of a division of Park National Bank. These common shares were delivered on the date of the regular meeting of the Park Board of Directors held during the fourth quarter of the 2014 fiscal year.

#### Cash Compensation

The following table sets forth the cash compensation paid by Park to Park's non-employee directors for the 2014 fiscal year and to be paid by Park to Park's non-employee directors for the 2015 fiscal year:

#### Meeting Fees:

|   |         |
|---|---------|
| Each meeting of Board of Directors attended (1)     | \$1,200 |
| Each meeting of Executive Committee attended        | \$900   |
| Each meeting of Audit Committee attended            | \$900   |
| Each meeting of each other Board Committee attended | \$600   |

#### Annual Retainers (2):

##### Annual Retainer for Committee Chairs:

|                        |         |
|------------------------|---------|
| Audit Committee        | \$7,500 |
| Nominating Committee   | \$5,000 |
| Compensation Committee | \$5,000 |
| Risk Committee         | \$5,000 |

##### Annual Retainer for Other Committee Members:

|                        |         |
|------------------------|---------|
| Executive Committee    | \$5,000 |
| Audit Committee        | \$5,000 |
| Risk Committee         | \$2,500 |
| Compensation Committee | \$2,500 |
| Investment Committee   | \$2,500 |
| Nominating Committee   | \$2,500 |

|  |          |
|--|----------|
| Lead Director Additional Annual Retainer | \$15,000 |
|--|----------|

(1) If the date of a meeting of the full Board of Directors is changed from that provided for by resolution of the Board and a Park non-employee director is not able to attend the rescheduled meeting, he or she receives the meeting fee as though he or she attended the meeting.

(2) Annual retainers are pro rated based upon a director's period of service on a Board Committee and/or as a Board Committee Chair during the year.

Each non-employee director of Park also serves on the board of directors of either Park National Bank or one of the divisions of Park National Bank and, in some cases, receives a specified amount of cash for such service as well as fees for attendance at meetings of the board of directors of Park National Bank or the applicable division of Park National Bank (and committees of the respective boards).

In addition to the annual retainers and meeting fees discussed above, non-employee directors also receive reimbursement of all reasonable travel and other expenses of attending board and committee meetings.

David L. Trautman and C. Daniel DeLawder receive no compensation for: (i) serving as a member of the Board of Directors of Park; (ii) serving as a member of the board of directors of Park National Bank; or (iii) serving as a member of any committee of the respective boards. During the period of his service in the 2014 fiscal year (from January 1, 2014 until his death on December 1, 2014), Harry O. Egger received no compensation for: (i) serving as a member of the Board of Directors of Park; (ii) serving as a member of the board of directors of the Security National Bank Division of Park National Bank; or (iii) serving as a member of any committee of the respective boards. Since February 1, 2014, Mr. McConnell has been treated as a non-employee director of Park and received the same compensation as other non-employee directors as described above.

#### Split-Dollar Life Insurance Policies

Effective as of December 28, 2007, Donna M. Alvarado, Maureen H. Buchwald, F. William Englefield IV, Dr. Charles W. Noble, Sr., John J. O'Neill, Robert E. O'Neill, Rick R. Taylor and Leon Zazworsky entered into split-dollar agreements (the "Split Dollar Agreements") which amended and restated the split-dollar agreements to which they had been parties. The Split Dollar Agreements are intended to comply with the requirements of Section 409A of the Internal Revenue Code.

Under the terms of each Split-Dollar Agreement, Park National Bank owns the life insurance policy to which the Split-Dollar Agreement relates. Each individual party to a Split-Dollar Agreement has the right to designate the beneficiary(ies) to whom a portion of the death proceeds of the policy are to be paid in accordance with the terms of the Split-Dollar Agreement. Upon the death of the individual, his or her beneficiary(ies) will be entitled to an amount equal to the lesser of (i) \$100,000 or (ii) 100% of the difference between the total death proceeds under the policy and the cash surrender value of the policy (such difference being referred to as the "Net at Risk Amount"). In no event will the amount payable to an individual's beneficiary(ies) exceed the Net at Risk Amount in the policy as of the date of the individual's death. Park National Bank will be entitled to any death proceeds payable under the policy remaining after payment to the individual's beneficiary(ies). The Split-Dollar Agreement for each of Dr. Noble and Mr. John J. O'Neill remained in effect following his retirement from the Park Board of Directors.

Park National Bank maintains split-dollar life insurance policies on behalf of David L. Trautman, C. Daniel DeLawder and William T. McConnell, in their respective capacities as executive officers (and, in the case of Mr. McConnell, a former executive officer) of Park National Bank. Park National Bank will receive proceeds under each policy in an amount equal to the premiums paid up to the date of death plus earnings accrued in respect of the policy since the inception of the policy. Each of Messrs. Trautman, DeLawder and McConnell has the right to designate the beneficiary to whom his share of the proceeds under the policy (approximately two times his highest annual total compensation during his employment with Park National Bank) is to be paid. Each policy remains in effect following the covered



individual's retirement as long as the covered individual is fully vested in the Park Pension Plan, has reached age 62, has not been employed by another financial services firm and was not terminated for cause. If Mr. Trautman's share of the proceeds under his policy were computed as of December 31, 2014, his share would have been \$1,400,000. If Mr. DeLawder's share of the proceeds under his policy were computed as of December 31, 2014, his share would have been \$1,911,980. If Mr. McConnell's share of the proceeds under his policy were computed as of December 31, 2014, his share would have been \$1,455,000.

Park National Bank maintained a split-dollar life insurance policy on behalf of Mr. Egger, in his capacity as a former executive officer of the Security National Bank Division. Following Mr. Egger's death on December 1, 2014, Park National Bank received proceeds under the policy in an amount equal to the premiums paid up to the date of death plus earnings accrued in respect of the policy since the inception of the policy. Mr. Egger had the right to designate the beneficiary to whom his share of the proceeds under the policy (approximately three and one-half times his highest annual total compensation during his employment with the Security National Bank Division or \$1,597,341) was to be paid.

#### Change in Control Payments

None of the directors is entitled to payment of any benefits upon a change in control of Park.

#### Other Compensation

##### David L. Trautman and C. Daniel DeLawder

David L. Trautman and C. Daniel DeLawder currently serve as executive officers of Park and of Park National Bank. Please see the discussion of their compensation as executive officers under the heading "EXECUTIVE COMPENSATION."

##### William T. McConnell

William T. McConnell was employed by Park National Bank in a non-executive officer capacity from January 1, 2014 until January 31, 2014, and, in such capacity, he received the amount of \$3,808 for his services during the 2014 fiscal year. While an employee of Park National Bank, Mr. McConnell was eligible to participate in the employee benefit programs maintained by Park and Park National Bank (and its divisions), including medical, dental and disability insurance plans and the Park KSOP, on the same terms as all other employees of Park and Park National Bank (and its divisions). Since February 1, 2014, Mr. McConnell has received the same compensation as other non-employee directors of Park.

##### Harry O. Egger

Harry O. Egger was employed by the Security National Bank Division in a non-executive officer capacity until his death on December 1, 2014. In such capacity, he received the amount of \$31,731 during the 2014 fiscal year.

Mr. Egger was eligible to participate in the employee benefit programs maintained by Park and Park National Bank (and its divisions), including medical, dental and disability insurance plans, on the same terms as all other employees of Park and Park National Bank (and its divisions). Although Mr. Egger was also eligible to participate in the Park KSOP, he made no elective deferral contributions during the 2014 fiscal year.

From March 31, 2003 until December 1, 2014, Mr. Egger received a monthly pension benefit under the Park Pension Plan of \$6,318.83. In addition, under the provisions of his employment

agreement with Security National Bank Division (the term of which ended March 31, 2003), Mr. Egger received a supplemental retirement benefit during the 2014 fiscal year in the amount of \$153,320.

#### Director Compensation for 2014

The following table summarizes the compensation paid by Park to each individual who served as a non-executive officer director of Park at any time during the 2014 fiscal year for service on the Board of Directors of Park and the board of directors of Park National Bank or a division of Park National Bank. James R. DeRoberts is not included in the table since he did not become a director of Park and Park National Bank until February 16, 2015. Dollar amounts have been rounded up to the nearest whole dollar.

#### Director Compensation for 2014

| Name (1)                      | Fees Earned or Paid in Cash (\$) | Stock Awards (\$ (2)) | Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$) | All Other Compensation (\$) | Total (\$) |
|-------------------------------|----------------------------------|-----------------------|--|-----------------------------|------------|
| Donna M. Alvarado             | \$ 54,900                        | \$ 27,479             | \$ 0   | \$ 440 (3)                  | \$ 82,819  |
| Maureen H. Buchwald           | \$ 25,117                        | \$ 23,553             | \$ 0   | \$ 7,307 (3)                | \$ 55,997  |
| Harry O. Egger                | \$ 0                             | \$ 0                  | \$ 2,488 (4)   | \$ 42,002 (5)               | \$ 44,490  |
| F. William Englefield IV      | \$ 54,300                        | \$ 27,479             | \$ 0   | \$ 236 (3)                  | \$ 82,015  |
| Stephen J. Kambeitz           | \$ 35,767                        | \$ 27,479             | \$ 0   | 0                           | \$ 63,246  |
| William T. McConnell          | \$ 13,900                        | \$ 27,479             | \$ 0   | \$ 29,745 (6)               | \$ 71,124  |
| Timothy S. McLain             | \$ 31,000                        | \$ 23,553             | \$ 0   | \$ 0                        | \$ 54,553  |
| Dr. Charles W. Noble, Sr. (7) | \$ 8,517                         | \$ 0                  | \$ 0   | \$ 1,849 (3)                | \$ 10,366  |
| John J. O'Neill (7)           | \$ 11,450                        | \$ 0                  | \$ 0   | \$ 20,670 (3)               | \$ 32,120  |
| Robert E. O'Neill             | \$ 50,050                        | \$ 27,479             | \$ 0   | \$ 176 (3)                  | \$ 77,705  |
| Rick R. Taylor                | \$ 20,700                        | \$ 23,553             | \$ 0   | \$ 496 (3)                  | \$ 44,749  |
| Leon Zazworsky                | \$ 81,100                        | \$ 27,479             | \$ 0   | \$ 440 (3)                  | \$ 109,019 |

(1) David L. Trautman, who served as Park's Chief Executive Officer and President throughout the 2014 fiscal year, and C. Daniel DeLawder, who served as Park's Chairman of the Board and an executive employee of Park National Bank throughout the 2014 fiscal year, are not included in this table as they are executive officers of Park and Park National Bank and thus receive no compensation for their services as directors. The compensation received by Messrs. Trautman and DeLawder as executive officers of Park and Park National Bank is shown in the "Summary Compensation Table for 2014."

(2) Represents the closing price of Park's common shares on NYSE MKT on October 27, 2014 (\$78.51) times the number of common shares granted on that date in the form of an annual retainer under the 2013 LTIP. This amount also represents the grant date fair value of the common shares awarded computed in accordance with FASB ASC Topic 718. The following individuals received an aggregate of 350 common shares of Park as an annual retainer: Donna M. Alvarado; F. William Englefield IV; Stephen J. Kambeitz; Timothy S. McLain; Robert E. O'Neill; and Leon Zazworsky. Maureen H. Buchwald; Timothy S. McLain; and Rick R. Taylor received an aggregate of 300 common shares as an annual retainer.

(3) Reflects the amount of premium deemed to have been paid on behalf of the named individual under the split-dollar life insurance policy maintained on his or her behalf.

(4) During the 2014 fiscal year, earnings in the amount of \$2,488 were accrued in respect of the cumulative amount which had been deferred for Mr. Egger's account under the Security National Bank and Trust Co. Second Amended and Restated 1988 Deferred Compensation Plan (the "Security Deferred Compensation Plan"). As of December 31, 2014, Park had established a liability of \$831,700 for future payments that are expected to be made to Mr. Egger's spouse under the Security Deferred Compensation Plan. During the 2014 fiscal year, Mr. Egger received pension benefits under the Park Pension Plan in the aggregate amount of \$75,826 and a supplemental retirement benefit under the terms of his employment agreement in the amount of \$153,320, which amounts are not included in the amounts shown in this table since these benefits were earned in his capacity as an employee of the Security National Bank Division. Following Mr. Egger's death, his spouse has continued and will continue to receive 50% of Mr. Egger's monthly benefit under the Park supplemental retirement plan for the remainder of her life.

(5) Represents the sum of: (i) \$10,271, reflecting the amount of premium deemed to have been paid on behalf of Mr. Egger under the split-dollar life insurance policy maintained on his behalf by the Security National Bank Division; and (ii) \$31,731, reflecting the amount he received in his capacity as a non-executive officer employee of the Security National Bank Division during the 2014 fiscal year.

(6) Represents the sum of: (i) \$21,696, reflecting the amount of premium deemed to have been paid on behalf of Mr. McConnell under the split-dollar life insurance policy maintained on his behalf by Park National Bank; (ii) \$4,003, reflecting the amount of premium deemed to have been paid on behalf of Mr. McConnell under the split-dollar life insurance policy which funds his account under the SERP (and his SERP Agreement); (iii) \$3,808, reflecting the amount he received in his capacity as a non-executive officer employee of Park National Bank during the 2014 fiscal year; and (iv) \$238, representing the contribution to the Park KSOP on Mr. McConnell's behalf to match his 2014 pre-tax elective deferral contributions. During the 2014 fiscal year, Mr. McConnell received an annual targeted benefit under his SERP Agreement of \$53,200, which amount is not included in the amounts shown in this table since this benefit was earned in his capacity as executive officer and employee of Park and Park National Bank prior to reaching age 62.

(7) Dr. Charles W. Noble, Sr. and John J. O'Neill retired on April 28, 2014.

**RATIFICATION OF THE APPOINTMENT OF  
THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM  
(Proposal 3)**

Crowe Horwath LLP, together with its predecessor Crowe Chizek and Company LLC, has served as Park's independent registered public accounting firm since March 15, 2006. Crowe Horwath LLP audited Park's consolidated financial statements as of and for the fiscal year ended December 31, 2014 and the effectiveness of Park's internal control over financial reporting as of December 31, 2014. Representatives of Crowe Horwath LLP are expected to be present at the Annual Meeting, will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

The appointment of Park's independent registered public accounting firm is made annually by the Audit Committee. Park has determined to submit the appointment of the independent registered public accounting firm to the shareholders for ratification because of such firm's role in reviewing the quality and integrity of Park's consolidated financial statements and internal control over financial reporting.

Before appointing Crowe Horwath LLP, the Audit Committee carefully considered that firm's qualifications as the independent registered public accounting firm for Park and the audit scope.

Recommendation and Vote Required

THE AUDIT COMMITTEE AND THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMEND THAT THE SHAREHOLDERS OF PARK VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT OF CROWE HORWATH LLP.

The affirmative vote of a majority of the common shares represented at the Annual Meeting, in person or by proxy, and entitled to vote on the proposal, is required to ratify the appointment of Crowe Horwath LLP as Park's independent registered public accounting firm for the 2015 fiscal year. The effect of an abstention is the same as a vote "AGAINST."

Even if the appointment of Crowe Horwath LLP is ratified by the shareholders, the Audit Committee, in its discretion, could decide to terminate the engagement of Crowe Horwath LLP and to engage another firm if the Audit Committee determines such action is necessary or desirable. If the appointment of Crowe Horwath LLP is not ratified, the Audit Committee will reconsider (but may decide to maintain) the appointment.

AUDIT COMMITTEE MATTERS

Report of the Audit Committee for the Fiscal Year Ended December 31, 2014

Role of the Audit Committee, Independent Registered Public Accounting Firm and Management

The Audit Committee consists of five directors, each of whom qualifies as an independent director under the applicable NYSE MKT Rules and SEC Rule 10A-3. The Audit Committee operates under the Audit Committee Charter adopted by Park's Board of Directors. The Audit Committee is responsible for assisting the Board of Directors in the oversight of the accounting and financial reporting processes of Park and Park's subsidiaries. In particular, the Audit Committee assists the Board of Directors in overseeing: (i) the integrity of Park's consolidated financial statements and the effectiveness of Park's internal control over financial reporting; (ii) the legal compliance and ethics programs established by Park's management and the Board of Directors; (iii) the qualifications and independence of Park's independent registered public accounting firm; (iv) the performance of Park's independent registered public accounting firm and Park's Internal Audit Department; and (v) the annual independent audit of Park's consolidated financial statements. The Audit Committee is responsible for the appointment, compensation and oversight of the work of Park's independent registered public accounting firm. Crowe Horwath LLP was appointed to serve as Park's independent registered public accounting firm for the 2014 fiscal year.

During the 2014 fiscal year, the Audit Committee met eight times, and the Audit Committee discussed the interim financial and other information contained in each quarterly earnings announcement and periodic filings with the SEC with Park's management and Crowe Horwath LLP prior to public release.

Park's management has the primary responsibility for the preparation, presentation and integrity of Park's consolidated financial statements, for the appropriateness of the accounting principles and reporting policies that are used by Park and Park's subsidiaries and for the accounting and financial reporting processes, including the establishment and maintenance of adequate systems of disclosure controls and procedures and internal control over financial reporting. Management also has the responsibility for the preparation of an annual report on management's assessment of the effectiveness of

Park's internal control over financial reporting. Park's independent registered public accounting firm is responsible for performing an audit of Park's annual consolidated financial statements and Park's internal control over financial reporting in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB") and issuing its report thereon based on such audit and for reviewing Park's unaudited interim consolidated financial statements. The Audit Committee's responsibility is to provide independent, objective oversight of these processes.

In discharging its oversight responsibilities, the Audit Committee regularly met with Park's management, Crowe Horwath LLP and Park's internal auditors throughout the year. The Audit Committee often met with each of these groups in executive session. Throughout the relevant period, the Audit Committee had full access to management as well as to Crowe Horwath LLP and Park's internal auditors. To fulfill its responsibilities, the Audit Committee did, among other things, the following:

- reviewed the work performed by Park's Internal Audit Department;

- monitored the progress and results of the testing of internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 and other applicable regulatory requirements, reviewed a report from management and Park's Internal Audit Department regarding the design, operation and effectiveness of internal control over financial reporting, and reviewed an audit report from Crowe Horwath LLP regarding Park's internal control over financial reporting;

- reviewed the audit plan and scope of the audit with Crowe Horwath LLP and discussed with Crowe Horwath LLP the matters required to be discussed by auditing standards generally accepted in the United States, including those described in PCAOB Auditing Standard No. 16;

- reviewed and discussed with management and Crowe Horwath LLP the consolidated financial statements of Park for the 2014 fiscal year;

- reviewed management's representations that those consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States and fairly present the consolidated results of operations and financial position of Park and Park's subsidiaries;

- received the written disclosures and the letter from Crowe Horwath LLP required by applicable requirements of the Public Company Accounting Oversight Board regarding Crowe Horwath LLP's communications with the Audit Committee concerning independence, and discussed with Crowe Horwath LLP that firm's independence;

- reviewed all audit and non-audit services performed for Park and Park's subsidiaries by Crowe Horwath LLP and considered whether the provision of non-audit services was compatible with maintaining that firm's independence from Park and Park's subsidiaries; and

- discussed with management and Park's Internal Audit Department Park's systems to monitor and manage business risk, and Park's legal and ethical compliance programs.

#### Management's Representations and Audit Committee Recommendation

Park's management has represented to the Audit Committee that Park's audited consolidated financial statements as of and for the fiscal year ended December 31, 2014, were prepared in accordance

with accounting principles generally accepted in the United States, and the Audit Committee has reviewed and discussed those audited consolidated financial statements with management and Crowe Horwath LLP. Based on the Audit Committee's discussions with Park's management and Crowe Horwath LLP and the Audit Committee's review of the report of Crowe Horwath LLP to the Audit Committee, the Audit Committee recommended to the full Board of Directors that Park's audited consolidated financial statements be included in Park's 2014 Annual Report and incorporated therefrom into Park's Annual Report on Form 10-K for the 2014 fiscal year for filing with the SEC.

Submitted by the members of the Audit Committee:

Stephen J. Kambeitz (Chair) Timothy S. McLain  
Donna M. Alvarado Robert E. O'Neill  
Maureen H. Buchwald

#### Pre-Approval of Services Performed by Independent Registered Public Accounting Firm

Under applicable SEC rules, the Audit Committee is required to pre-approve the audit and non-audit services performed by the independent registered public accounting firm employed by Park in order to ensure that those services do not impair that firm's independence from Park. The SEC rules specify the types of non-audit services that an independent registered public accounting firm may not provide to its client and establish the Audit Committee's responsibility for administration of the engagement of the independent registered public accounting firm.

Consistent with the SEC rules, the Audit Committee Charter requires that the Audit Committee review and pre-approve all audit services and permitted non-audit services provided by Park's independent registered public accounting firm to Park or any of Park's subsidiaries. The Audit Committee may delegate pre approval authority to a member of the Audit Committee and, if it does, the decisions of that member must be presented to the full Audit Committee at its next scheduled meeting.

All requests or applications for services to be provided by the independent registered public accounting firm must be submitted to the Audit Committee by both the independent registered public accounting firm and Park's Chief Financial Officer, and must include a joint statement as to whether, in their view, the request or application is consistent with the SEC rules governing the independence of the independent registered public accounting firm.

#### Fees of Independent Registered Public Accounting Firm

##### Audit Fees

The aggregate audit fees billed by Crowe Horwath LLP for the 2014 fiscal year and the 2013 fiscal year were approximately \$559,000 and \$548,500, respectively. These amounts include fees for professional services rendered by Crowe Horwath LLP in connection with the audit of Park's consolidated financial statements and internal control over financial reporting and reviews of the consolidated financial statements included in Park's Quarterly Reports on Form 10 Q.

##### Audit-Related Fees

The aggregate fees for audit-related services rendered by Crowe Horwath LLP for the 2014 fiscal year were approximately \$106,702. This amount includes fees for audits of the Park Pension Plan and the

Park KSOP for the 2014 fiscal year, fees for audits of escrow accounts maintained by the title agency subsidiary of Park and fees for services provided in assisting Park with responding to inquiries from regulatory agencies in the course of their respective examinations of Park and its subsidiaries.

The aggregate fees for audit-related services rendered by Crowe Horwath LLP for the 2013 fiscal year were approximately \$54,950. This amount includes fees associated with the issuance of a consent in connection with one Registration Statement on Form S-8 filed by Park, fees for audits of the Park Pension Plan and the Park KSOP for the 2013 fiscal year and fees for audits of escrow accounts maintained by the title agency subsidiary of Park.

#### Tax Fees

The aggregate fees for tax services rendered by Crowe Horwath LLP for the 2014 fiscal year and the 2013 fiscal year were approximately \$70,413 and \$66,650, respectively, and primarily pertain to the preparation of federal and state tax returns for Park and Park's subsidiary bank in each year.

#### All Other Fees

For each of the 2014 fiscal year and the 2013 fiscal year, no fees other than those discussed above under "Audit Fees," "Audit-Related Fees" and "Tax Fees" were paid to Crowe Horwath LLP.

All of the services rendered to Park and Park's subsidiaries by Crowe Horwath LLP for the 2014 fiscal year and the 2013 fiscal year had been pre-approved by the Audit Committee.

#### SHAREHOLDER PROPOSALS FOR 2016 ANNUAL MEETING

Proposals by shareholders intended to be presented at the 2016 Annual Meeting of Shareholders must be received by the Secretary of Park no later than November 10, 2015, to be eligible for inclusion in Park's proxy, notice of meeting, proxy statement and Notice of Internet Availability of Proxy Materials relating to the 2016 Annual Meeting. Park will not be required to include in its proxy, notice of meeting, proxy statement or Notice of Internet Availability of Proxy Materials, a shareholder proposal that is received after that date or that otherwise fails to meet the requirements for shareholder proposals established by the applicable SEC rules.

The SEC has promulgated rules relating to the exercise of discretionary voting authority under proxies solicited by the Board of Directors. If a shareholder intends to present a proposal at the 2016 Annual Meeting without inclusion of that proposal in Park's proxy materials and written notice of the proposal is not received by the Secretary of Park by January 24, 2016, or if Park meets other requirements of the applicable SEC rules, the proxies solicited by the Board of Directors for use at the 2016 Annual Meeting will confer discretionary authority to vote on the proposal should it then be raised at the 2016 Annual Meeting.

In each case, written notice must be given to Park's Secretary, whose name and address are:

Brady T. Burt

Chief Financial Officer, Secretary and Treasurer

Park National Corporation

50 North Third Street

Post Office Box 3500

Newark, Ohio 43058-3500

Shareholders desiring to nominate candidates for election as directors at the 2016 Annual Meeting must follow the procedures described under the heading “Nominating Procedures.”

**FUTURE ELECTRONIC ACCESS TO PROXY MATERIALS AND ANNUAL REPORT**

Registered shareholders can reduce the costs incurred by Park in mailing proxy materials by consenting to receive all future proxy statements, proxy cards, annual reports to shareholders and Notices of Internet Availability of Proxy Materials electronically via electronic mail or the Internet. To register for electronic delivery of future proxy materials, log onto [www.parknationalcorp.com](http://www.parknationalcorp.com) and follow the instructions for “Electronic Delivery of Proxy Materials.” You will be responsible for any fees or charges you would typically pay for access to the Internet.

**OTHER MATTERS**

As of the date of this proxy statement, the Board of Directors knows of no matter that will be presented for action by the shareholders at the Annual Meeting other than those matters discussed in this proxy statement. However, if any other matter requiring a vote of the shareholders properly comes before the Annual Meeting, the individuals acting under the proxies solicited by the Board of Directors will vote and act according to their best judgments in light of the conditions then prevailing, to the extent permitted under applicable law.

It is important that your proxy card be completed, signed, dated and returned promptly. If you do not expect to attend the Annual Meeting in person, please complete, sign, date and return your proxy card in the postage-prepaid envelope provided as promptly as possible. Alternatively, refer to the instructions on the proxy card, or in the e-mail sent to you if you registered for electronic delivery of the proxy materials for the Annual Meeting, for details about transmitting your voting instructions via the Internet or by telephone.

By Order of the Board of Directors,

**BRADY T. BURT**  
Chief Financial Officer, Secretary  
and Treasurer

March 9, 2015



FINANCIAL SERVICES HOLDING COMPANIES INCLUDED IN  
\$3 BILLION TO \$10 BILLION PEER GROUP

| Financial Services Holding Company Name | Home Office Location |
|---|----------------------|
| 1st Source Corporation                  | South Bend, IN       |
| Amarillo National Bancorp, Inc.         | Amarillo, TX         |
| Ameris Bancorp                          | Moultrie, GA         |
| Banc of California, Inc.                | Irvine, CA           |
| BancFirst Corporation                   | Oklahoma City, OK    |
| The Bancorp, Inc                        | Wilmington, DE       |
| Bangor Bancorp, MHC                     | Bangor, ME           |
| Bank Leumi Le-Israel Corporation        | New York, NY         |
| Bank of the Ozarks, Inc.                | Little Rock, AR      |
| Banner Corporation                      | Walla Walla, WA      |
| BBCN Bancorp, Inc.                      | Los Angeles, CA      |
| Beal Financial Corporation              | Plano, TX            |
| Berkshire Hills Bancorp, Inc.           | Pittsfield, MA       |
| Bessemer Group Inc.                     | Woodbridge, NJ       |
| BNC Bancorp                             | High Point, NC       |
| BofI Holding, Inc.                      | San Diego, CA        |
| Boston Private Financial Holdings, Inc. | Boston, MA           |
| Bremer Financial Corporation            | St. Paul, MN         |
| Broadway Bancshares, Inc.               | San Antonio, TX      |
| Brookline Bancorp, Inc.                 | Boston, MA           |
| BTC Financial Corp.                     | Des Moines, IA       |
| Cadence Bancorp, LLC                    | Houston, TX          |
| Capital Bank Financial Corp.            | Coral Gables, FL     |
| Capitol Federal Financial, Inc          | Topeka, KS           |
| Cardinal Financial Corporation          | McLean, VA           |
| CenterState Banks, Inc.                 | Davenport, FL        |
| Central Bancompany, Inc.                | Jefferson City, MO   |
| Central Pacific Financial Corp.         | Honolulu, HI         |
| Century Bancorp, Inc.                   | Medford, MA          |
| Chemical Financial Corporation          | Midland, MI          |
| City Holding Company                    | Charleston, WV       |
| CM Florida Holdings, Inc.               | Coral Gables, FL     |
| CoBiz Financial Inc.                    | Denver, CO           |
| Columbia Bank MHC                       | Fair Lawn, NJ        |
| Columbia Banking System, Inc.           | Tacoma, WA           |
| Community & Southern Holdings, Inc.     | Atlanta, GA          |
| Community Bank System, Inc.             | De Witt, NY          |
| Community Trust Bancorp, Inc.           | Pikeville, KY        |
| Community Trust Financial Corporation   | Ruston, LA           |
| ConnectOne Bancorp Inc.                 | Englewood Cliffs, NJ |
| Customers Bancorp, Inc.                 | Wyomissing, PA       |
| CVB Financial Corp.                     | Ontario, CA          |
| Dime Community Bancshares, Inc.         | Brooklyn, NY         |
| Discount Bancorp, Inc.                  | New York, NY         |



| Financial Services Holding Company Name    | Home Office Location  |
|--|-----------------------|
| Doral Financial Corporation                | San Juan, PR          |
| Eagle Bancorp, Inc.                        | Bethesda, MD          |
| Eastern Bank Corporation                   | Boston, MA            |
| Educational Services of America Inc.       | Farragut, TN          |
| Enterprise Financial Services Corp         | Clayton, MO           |
| Farmers & Merchants Investments Inc.       | Lincoln, NE           |
| FCB Financial Holdings, Inc.               | Weston, FL            |
| Fidelity Southern Corporation              | Atlanta, GA           |
| Financial Institutions, Inc.               | Warsaw, NY            |
| First American Bank Corporation            | Elk Grove Village, IL |
| First American Financial Corporation       | Santa Ana, CA         |
| First Bancorp                              | Southern Pines, NC    |
| First Banks, Inc.                          | Clayton, MO           |
| First Busey Corporation                    | Champaign, IL         |
| First Commonwealth Financial Corporation   | Indiana, PA           |
| First Financial Bancorp.                   | Cincinnati, OH        |
| First Financial Bankshares, Inc.           | Abilene, TX           |
| First Interstate BancSystem, Inc.          | Billings, MT          |
| First Merchants Corporation                | Muncie, IN            |
| First Midwest Bancorp, Inc.                | Itasca, IL            |
| First NBC Bank Holding Company             | New Orleans, LA       |
| First Security Bancorp                     | Searcy, AR            |
| Flagstar Bancorp, Inc.                     | Troy, MI              |
| Flushing Financial Corporation             | Lake Success, NY      |
| Glacier Bancorp, Inc.                      | Kalispell, MT         |
| Great Southern Bancorp, Inc.               | Springfield, MO       |
| Hanmi Financial Corporation                | Los Angeles, CA       |
| Heartland Financial USA, Inc.              | Dubuque, IA           |
| Heritage Financial Corporation             | Olympia, WA           |
| Hilltop Holdings Inc.                      | Dallas, TX            |
| Home BancShares, Inc.                      | Conway, AR            |
| HomeStreet, Inc.                           | Seattle, WA           |
| Hudson Valley Holding Corp.                | Yonkers, NY           |
| Independent Bank Corp.                     | Rockland, MA          |
| Independent Bank Group, Inc.               | McKinney, TX          |
| INTRUST Financial Corporation              | Wichita, KS           |
| Johnson Financial Group, Inc.              | Racine, WI            |
| Kearny MHC                                 | Fairfield, NJ         |
| Lakeland Bancorp, Inc.                     | Oak Ridge, NJ         |
| Lakeland Financial Corporation             | Warsaw, IN            |
| Legacy Texas Financial Group, Inc.         | Plano, TX             |
| Luther Burbank Corp.                       | Santa Rosa, CA        |
| MainSource Financial Group, Inc.           | Greensburg, IN        |
| Mercantil Commercebank Holding Corporation | Coral Gables, FL      |
| Meridian Bancorp, Inc.                     | Peabody, MA           |
| Middlesex Bancorp, MHC                     | Natick, MA            |



| Financial Services Holding Company Name   | Home Office Location       |
|---|----------------------------|
| Midland Financial Co.                     | Oklahoma City, OK          |
| National Americas Holdings LLC            | New York, NY               |
| National Bank Holdings Corporation        | Greenwood Village, CO      |
| National Penn Bancshares, Inc.            | Boyertown, PA              |
| NBT Bancorp Inc.                          | Norwich, NY                |
| New York Private Bank & Trust Corporation | New York, NY               |
| Northfield Bancorp, Inc.                  | Woodbridge, NJ             |
| Northwest Bancshares, Inc.                | Warren, PA                 |
| Ocean Bankshares, Inc.                    | Miami, FL                  |
| OFG Bancorp                               | San Juan, PR               |
| Oritani Financial Corp.                   | Township of Washington, NJ |
| Park National Corporation                 | Newark, OH                 |
| Pinnacle Bancorp Inc.                     | Central City, NE           |
| Pinnacle Financial Partners, Inc.         | Nashville, TN              |
| Provident Financial Services, Inc.        | Jersey City, NJ            |
| Renasant Corporation                      | Tupelo, MS                 |
| Republic Bancorp, Inc.                    | Louisville, KY             |
| S&T Bancorp, Inc.                         | Indiana, PA                |
| Salem Five Bancorp                        | Salem, MA                  |
| Sandy Spring Bancorp, Inc.                | Olney, MD                  |
| Santander BanCorp                         | Guaynabo, PR               |
| SeaCoast Banking Corporation of Florida   | Stuart, FL                 |
| ServisFirst Bancshares, Inc.              | Birmingham, AL             |
| Simmons First National Corporation        | Pine Bluff, AR             |
| SKBHC Holdings LLC                        | Seattle, WA                |
| SNBNY Holdings Limited                    | New York, NY               |
| South State Corporation                   | Columbia, SC               |
| Southside Bancshares, Inc.                | Tyler, TX                  |
| Square 1 Financial, Inc.                  | Durham, NC                 |
| State Bankshares, Inc.                    | Fargo, ND                  |
| Sterling Bancorp                          | Montebello, NY             |
| Stifel Financial Corp.                    | Saint Louis, MO            |
| Stockman Financial Corp.                  | Miles City, MT             |
| Talmer Bancorp, Inc.                      | Troy, MI                   |
| Tompkins Financial Corporation            | Ithaca, NY                 |
| TriCo Bancshares                          | Chico, CA                  |
| TrustCo Bank Corp NY                      | Glenville, NY              |
| Union Bankshares Corporation              | Richmond, VA               |
| United Community Banks, Inc.              | Blairsville, GA            |
| United Financial Bancorp, Inc.            | Glastonbury, CT            |
| USAmeriBancorp, Inc.                      | Clearwater, FL             |
| Valley View Bancshares, Inc.              | Overland Park, KS          |
| W.T.B. Financial Corporation              | Spokane, WA                |
| Washington Trust Bancorp, Inc.            | Westerly, RI               |
| WesBanco, Inc.                            | Wheeling, WV               |
| Westamerica Bancorporation                | San Rafael, CA             |



| Financial Services Holding Company Name | Home Office Location |
|---|----------------------|
| Wilshire Bancorp, Inc.                  | Los Angeles, CA      |
| Woodforest Financial Group, Inc.        | The Woodlands, TX    |
| WSFS Financial Corporation              | Wilmington, DE       |
| Yadkin Financial Corporation            | Raleigh, NC          |

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PARK NATIONAL CORPORATION  
50 NORTH THIRD STREET  
NEWARK, OH 43055

VOTE BY INTERNET - [www.proxyvote.com](http://www.proxyvote.com)

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m., Eastern Daylight Saving Time, on April 26, 2015.

Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

**ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS**

If you would like to reduce the costs incurred by Park National Corporation in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports and Notices of Internet Availability of Proxy Materials, as applicable, electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

**VOTE BY PHONE - 1-800-690-6903**

Use any touch-tone telephone to transmit your voting instructions up until 11:59 p.m., Eastern Daylight Saving Time, on April 26, 2015. Have your proxy card in hand when you call and then follow the instructions.

**VOTE BY MAIL**

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

M83324-P60280 KEEP THIS PORTION FOR YOUR RECORDS

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THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED. DETACH AND RETURN THIS PORTION ONLY

PARK NATIONAL CORPORATION

The Board of Directors recommends you vote "FOR" the

Board of Directors' nominees in Item 1 and

"FOR" each

of the proposals in Items 2 and 3:

For Against Abstain

Election of three directors, each to serve until the 2018

1. Annual Meeting of Shareholders:

1a. F. William Englefield

IV

r r r

1b. David L. Trautman

r r r

1c. Leon Zazworsky

r r r



Advisory resolution to approve the compensation of the Company's named executive  
2. officers.

r r r

3. Ratify the appointment of Crowe Horwath LLP as the independent registered public  
accounting firm of the Company for the fiscal year ending December 31, 2015.

r r r

The undersigned shareholder(s) authorize the individuals designated to vote this proxy to  
vote, in their discretion, to the extent permitted by applicable law, upon such other matters  
(none known by the Company at the time of solicitation of this proxy) as may properly  
come before the Annual Meeting.

Please sign exactly as your name appears hereon. The signer hereby revokes all prior  
proxies given by the signer to vote at the Annual Meeting. Please fill in, sign, date and  
return this proxy card in the enclosed envelope. When signing as Attorney, Executor,  
Administrator, Trustee or Guardian, please give full title as such. If shareholder is a  
corporation, please sign the full corporate name by an authorized officer. If shareholder is  
a partnership or other entity, an authorized person must sign the entity's name. Joint owners  
must each sign individually.

Signature [PLEASE SIGN WITHIN BOX] Date

Signature (Joint Owners)

Date

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Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders of Park National Corporation to be held on Monday, April 27, 2015: Park National Corporation's Notice of the 2015 Annual Meeting of Shareholders, Proxy Statement and 2014 Annual Report are available at [www.proxyvote.com](http://www.proxyvote.com).

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PARK NATIONAL CORPORATION

Proxy for Annual Meeting of Shareholders

April 27, 2015 at 2:00 p.m., Eastern Daylight Saving Time

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The holder(s) of common shares of Park National Corporation (the "Company") hereby appoint(s) Donna M. Alvarado and Stephen J. Kambeitz, and each of them, with power to act without the other and with power of substitution, the proxies of the shareholder(s) and hereby authorize(s) them to attend the Annual Meeting of Shareholders of the Company (the "Annual Meeting") to be held at the offices of The Park National Bank, 50 North Third Street, Newark, Ohio 43055, on Monday, April 27, 2015, at 2:00 p.m., Eastern Daylight Saving Time, and to vote all of the common shares which the shareholder(s) is/are entitled to vote at such Annual Meeting. Where a choice is indicated, the common shares represented by this proxy card, when properly executed and returned, will be voted or not voted as specified. If no choice is indicated, the common shares represented by this proxy card will be voted, to the extent permitted by applicable law, "FOR" the election of the nominees listed in Item 1 as directors of the Company and "FOR" each of the proposals in Items 2 and 3. If any other matters are properly brought before the Annual Meeting, or if a nominee for election as a director named in the Proxy Statement who would have otherwise received the required number of votes is unable to serve or for good cause will not serve, the common shares represented by this proxy card will be voted in the discretion of the individuals designated to vote the common shares represented by this proxy card, to the extent permitted by applicable law, on such matters or for such substitute nominee(s) as the directors of the Company may recommend.

If common shares are allocated to the account of a shareholder under the Park National Corporation Employees' Stock Ownership Plan (the "KSOP"), then the shareholder hereby directs the Trustee of the KSOP to vote all of the common shares of the Company allocated to such account under the KSOP in accordance with the instructions given herein, at the Company's Annual Meeting, on the matters set forth on the reverse side. If no instructions are given, the common shares allocated to the shareholder's account under the KSOP will be voted by the Trustee of the KSOP pro rata in accordance with the instructions received from other participants in the KSOP who have voted.

The shareholder(s) hereby acknowledge(s) receipt of the Notice of Annual Meeting of Shareholders and the related Proxy Statement for the April 27, 2015 Annual Meeting, as well as the Company's 2014 Annual Report.

Continued and to be signed and dated on reverse side