PARK NATIONAL CORP /OH/
Form 424B3
January 11, 2007

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Registration No. 333-139083

Vision Bancshares, Inc.
2200 Stanford Road
Panama City, Florida 32405
(251) 967-4212

Notice of Special Meeting of Shareholders
To Be Held on February 20, 2007

To the Shareholders of Vision Bancshares, Inc.:

Notice is hereby given that a special meeting of the shareholders of Vision Bancshares, Inc. will be held on February 20, 2007 at 11:00 a.m., Central Time, at Vision Bank s Foley office, 501 South McKenzie Street, Foley, Alabama for the purpose of considering and voting on the following matters:

1. A proposal to approve the Agreement and Plan of Merger, dated to be effective as of September 14, 2006, by and between Park National Corporation and Vision Bancshares, Inc., which provides for the merger of Vision Bancshares, Inc. with and into Park National Corporation;

2. A proposal to approve the adjournment of the special meeting, if necessary, to solicit additional proxies, in the event there are not sufficient votes at the time of the special meeting to approve the Agreement and Plan of Merger; and

3. Any other business which properly comes before the special meeting or any adjournment or postponement of the special meeting. The Board of Directors of Vision Bancshares, Inc. is unaware of any other business to be transacted at the special meeting.

Holders of record of Vision Bancshares, Inc. common stock at the close of business on January 8, 2007, the record date, are entitled to notice of and to vote at the special meeting and any adjournment or postponement of the special meeting.

A prospectus/proxy statement and proxy card for the special meeting are enclosed.

Your vote is very important, regardless of the number of shares of Vision Bancshares, Inc. common stock you own. Please vote as soon as possible to make sure that your shares of common stock are represented at the special meeting. To vote your shares of common stock, you may complete and return the enclosed proxy card. If you are a holder of record, you also may cast your vote in person at the special meeting.

The Vision Bancshares, Inc. Board of Directors recommends that you vote FOR the approval of the Agreement and Plan of Merger.

By Order of the Board of Directors,

J. Daniel Sizemore
Chairman of the Board, Chief Executive Officer
and President

Panama City, Florida
January 9, 2007

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PARK NATIONAL CORPORATION	VISION BANCSHARES, INC.
PROSPECTUS	**PROXY STATEMENT**
for the issuance of up to	for the Special Meeting of Shareholders
859,284 common shares of	to be held on February 20, 2007
Park National Corporation	at 11:00 a.m., Central Time

Park National Corporation (Park) and Vision Bancshares, Inc. (Vision) have entered into an Agreement and Plan of Merger, dated to be effective as of September 14, 2006 (the merger agreement), which provides for the merger of Vision with and into Park. We cannot complete the merger unless the holders of at least two-thirds of the issued and outstanding shares of Vision common stock approve the merger agreement. The Board of Directors of Vision has called a special meeting of shareholders to vote on the approval of the merger agreement. The time, date and place of the special meeting are as follows: **11:00 a.m., Central Time**, **on February 20, 2007, at 501 South McKenzie Street, Foley, Alabama.**

Under the terms of the merger agreement, the shareholders of Vision will be entitled to elect to receive, in exchange for the shares of Vision common stock, $1.00 par value per share, that they own, either (a) cash, (b) Park common shares, or (c) a combination of cash and Park common shares, subject to the election and allocation procedures set forth in the merger agreement. Subject to adjustment for cash paid in lieu of fractional Park common shares in accordance with the terms of the merger agreement, Park will cause the requests of the Vision shareholders to be allocated on a pro-rata basis so that 50% of the shares of Vision common stock outstanding at the effective time of the merger will be exchanged for cash at the rate of $25.00 per share of Vision common stock and the other 50% of the outstanding shares of Vision common stock will be exchanged for Park common shares at the exchange rate of 0.2475 Park common shares for each share of Vision common stock. For purposes of this allocation, shareholders of Vision who exercise dissenters rights will be treated as having elected to receive cash consideration for their shares of Vision common stock.

As of January 8, 2007, 6,114,518 shares of Vision common stock were outstanding, no shares of Vision common stock were subject to outstanding subscriptions under the Vision Employee Stock Purchase Plan, as amended (the Vision ESPP), and 828,834 shares of Vision common stock were subject to outstanding stock options with a weighted average exercise price of $8.21 per share. Each outstanding stock option (that is not exercised prior to the election deadline specified in the merger agreement) granted under one of Vision s equity-based compensation plans will be cancelled and extinguished and converted into the right to receive an amount of cash equal to (1) (a) $25.00 multiplied by (b) the number of shares of Vision common stock subject to the unexercised portion of the stock option minus (2) the aggregate exercise price for the shares of Vision common stock subject to the unexercised portion of the stock option.

The Park common shares are listed on the American Stock Exchange LLC (AMEX) under the symbol PRK. On January 8, 2007, the last practicable trading day for which information was available prior to the date of this prospectus/proxy statement, the closing sale price of the Park common shares as reported on AMEX was $98.45 per share. Based on that price, 0.2475 Park common shares would be valued at $24.37.

An investment in the common shares of Park involves certain risks. For a discussion of these risks, see Risk Factors beginning on page 10 of this prospectus/proxy statement.

Whether or not you plan to attend the Vision special meeting, please complete, sign and return the enclosed proxy card in the enclosed postage-paid envelope. Not voting will have the same effect as voting against the approval of the merger agreement. We urge you to read carefully this prospectus/proxy statement, which contains a detailed description of the merger, the merger agreement and related matters.

The securities to be issued under this prospectus/proxy statement are not savings accounts, deposit accounts or other obligations of any bank or savings association and are not insured by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other federal or state governmental agency. Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Park common shares to be issued in the merger or determined if this prospectus/proxy statement is truthful or complete. Any representation to the contrary is a criminal offense.

This prospectus/proxy statement is dated January 9, 2007, and, together with the enclosed proxy card, is being first mailed to Vision shareholders on or about January 11, 2007.

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Additional Information

This prospectus/proxy statement incorporates important business and financial information about Park and Vision from other documents that they have filed with or furnished to the Securities and Exchange Commission but that have not been included in or delivered with this prospectus/proxy statement. You may obtain these documents, without charge, by writing or calling Park or Vision, as appropriate, at:

Park National Corporation
50 North Third Street
Newark, Ohio 43055
Attention: John W. Kozak
(740) 349-8451

Vision Bancshares, Inc.
P.O. Box 4649
Gulf Shores, Alabama 36547
Attention: William E. Blackmon
(251) 967-4212

In order to ensure timely delivery of documents, any requests for documents should be made no later than five business days before the February 20, 2007 special meeting of the shareholders of Vision. Accordingly, requests should be received by Park or Vision no later than February 12, 2007.

See Incorporation by Reference on page 13 and Where You Can Find More Information on page 65 for more information about the documents referred to in this prospectus/proxy statement.

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Questions and Answers About the Merger and the Special Meeting

Q: Why are Park and Vision proposing the merger?

A: Vision believes that the merger is in the best interests of Vision and its shareholders and will provide an opportunity for Vision shareholders to enhance shareholder value. The merger will enable Vision and its subsidiaries to become part of a larger and more diverse organization, which may help Vision and its subsidiaries reach more customers, add additional products for their customers, diversify their risks, enhance their ability to make larger loans and, in general, compete more effectively with larger banking institutions.

Park believes the merger will benefit Park shareholders by enabling Park to diversify and expand into the more robust markets currently served by Vision and its subsidiaries, gain a talented management team that has extensive experience operating in the Alabama and Florida Gulf Coast markets in which Vision and its subsidiaries operate, strengthen the competitive position of the combined organization, generate cost savings and enhance other opportunities for Park.

Q: What will I receive in the merger?

A: Under the terms of the merger agreement, the shareholders of Vision will be entitled to elect to receive, in exchange for the shares of Vision common stock, $1.00 par value per share, that they own, either (a) cash, (b) Park common shares, or (c) a combination of cash and Park common shares, subject to the election and allocation procedures set forth in the merger agreement. Subject to adjustment for cash paid in lieu of fractional Park common shares in accordance with the terms of the merger agreement, Park will cause the requests of the Vision shareholders to be allocated on a pro-rata basis so that 50% of the shares of Vision common stock outstanding at the effective time of the merger will be exchanged for cash at the rate of $25.00 per share of Vision common stock and the other 50% of the outstanding shares of Vision common stock will be exchanged for Park common shares at the exchange rate of 0.2475 Park common shares for each share of Vision common stock. For purposes of this allocation, shareholders of Vision who exercise dissenters rights will be treated as having elected to receive cash consideration for their shares of Vision common stock. See The Merger Agreement Conversion of Vision common stock beginning on page 43 of this prospectus/proxy statement.

Under the terms of the merger agreement, each employee who is a participant in the Vision Employee Stock Purchase Plan, as amended (the Vision ESPP), and who has not paid the entire balance due for any shares of Vision common stock for which the employee has subscribed may pay such balance in full on or prior to the election deadline specified in the merger agreement and receive the applicable shares of Vision common stock. If the participating employee fails to pay such balance in full on or prior to the election deadline specified in the merger agreement, the employee s subscription to purchase shares of Vision common stock will be treated as cancelled and Vision will refund (without interest) all amounts the employee has had withheld or has paid with respect to the cancelled subscription.

Each outstanding stock option (that is not exercised prior to the election deadline specified in the merger agreement) granted under one of Vision s equity-based compensation plans will be cancelled and extinguished and converted into the right to receive an amount of cash equal to (1) (a) $25.00 multiplied by (b) the number of shares of Vision common stock subject to the unexercised portion of the stock option minus (2) the aggregate exercise price for the shares of Vision common stock subject to the unexercised portion of the stock option.

Q: Can I elect the type of consideration that I will receive in the merger?

A: Yes. You will have an opportunity to elect to receive all cash, all Park common shares, or a combination of cash and Park common shares in exchange for your shares of Vision common stock.

Q: Will I receive the form of consideration I elect to receive?

A: Not necessarily. Your election will be subject to the allocation procedures set forth in the merger agreement and described in this prospectus/proxy statement to ensure that, subject to adjustment for cash paid in lieu of fractional shares, 50% of the shares of Vision common stock outstanding at the effective time of the merger will be exchanged for cash and the other 50% of the outstanding shares of Vision common stock will be exchanged for Park common shares. For purposes of this allocation, shareholders of Vision who exercise dissenters rights will be treated as having elected to receive cash consideration for their shares of Vision common stock. If the elections by Vision shareholders do not result in the required ratio of cash and stock consideration, then the form of consideration you receive may be different than what you elect.

Q: When and where will the special meeting take place?

A: The special meeting of shareholders of Vision will be held at 11:00 a.m., Central Time, on February 20, 2007, at Vision Bank s Foley office, 501 South McKenzie Street, Foley, Alabama.

Q: What matters will be considered at the special meeting?

A: Vision shareholders will be asked to vote to approve the merger agreement, to approve the adjournment of the special meeting to solicit additional proxies if there are not sufficient votes at the time of the special meeting to approve the merger agreement, and to vote on any other business which properly comes before the special meeting.

Q: What do I need to do now?

A: After reviewing this prospectus/proxy statement, please sign and date the enclosed proxy card and return it in the enclosed postage-paid envelope as soon as possible. By submitting your proxy card, you authorize the individuals named in the proxy card to represent you and vote your shares of Vision common stock at the special meeting in accordance with your instructions. ***Your vote is very important. Whether or not you plan to attend the special meeting, please sign, date and return your proxy card in the enclosed postage-paid envelope.***

Q: When should I send in my Vision common stock certificates?

A: Please do not send in your Vision common stock certificates with your proxy card. Shortly after you receive this prospectus/proxy statement, Park s exchange agent will mail to you an Election Form/Letter of Transmittal that you should use to (i) elect the form of merger consideration that you wish to receive and (ii) surrender your Vision common stock certificates to the exchange agent. You should not surrender your Vision common stock certificates for exchange until you receive the Election Form/Letter of Transmittal from the exchange agent. The First-Knox National Bank of Mount Vernon, a subsidiary of Park, will serve as the exchange agent for the transaction. For additional information, see The Merger Agreement Surrender of certificates beginning on page 45 of this prospectus/proxy statement.

Q: Is my vote needed to approve the merger agreement?

A: The affirmative vote of the holders of two-thirds of the shares of Vision common stock outstanding and entitled to vote at the Vision special meeting is required to approve the merger agreement. The special meeting may be adjourned, if necessary, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the merger agreement. The affirmative vote of the holders of a majority of the shares of Vision common stock represented, in person or proxy, at the special meeting is required to adjourn the special meeting. Your failure to vote, in person or by proxy, at the special meeting or your abstention will have the same effect as if you voted **AGAINST** the approval of the merger agreement.

Q: How will my shares of Vision common stock be voted if I return a blank proxy card?

If you sign, date and return your proxy card and do not indicate how you want your shares of Vision common stock to be voted, your shares of Vision common stock will be voted **FOR** the approval of the merger agreement and **FOR** the approval of the adjournment of the special meeting to solicit additional proxies.

Q: Can I change my vote after I have mailed my signed proxy card?

A: Yes. You may revoke your proxy at any time before a vote is taken at the special meeting by:

- filing a written notice of revocation with the Secretary of Vision, at P.O. Box 4649, Gulf Shores, Alabama 36547;
- executing and returning another proxy card with a later date; or
- attending the special meeting and giving notice of revocation in person.

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Attendance at the special meeting will not, by itself, revoke your proxy.

Q: If I do not favor the approval of the merger agreement, what are my rights?

A: If you are a Vision shareholder as of the January 8, 2007 record date and you do not vote in favor of the approval of the merger agreement, you will have the right under Sections 10-2B-13.01 through 10-2B-13.32 of the Alabama Business Corporation Act to demand payment in cash of the fair value for your shares of Vision common stock. The right to make this demand is known as dissenters rights. To exercise your dissenters rights, you must (i) deliver to Vision a written notice before the vote is taken at the special meeting on the approval of the merger agreement stating that you intend to seek a cash payment if the merger is consummated and (ii) not vote in favor of the approval of the merger agreement. If you satisfy these requirements, within ten (10) days after completion of the merger, Vision will send to you a dissenters notice that indicates the date by which you must submit a written payment demand. Within twenty (20) days after making such payment demand, you must submit the certificates representing your shares of Vision common stock to Vision for notation thereon that such demand has been made. Upon receipt of your payment demand, Vision will offer to pay you the amount which Vision estimates to be the fair value of your shares of Vision common stock, plus accrued interest, and you may agree to accept Vision s offer of payment. Upon receiving payment from Vision, you will cease to have any interest in your shares of Vision common stock. If you are dissatisfied with Vision s offer of payment, you may reject Vision s offer and seek to recover your estimate of the fair value of your shares of Vision common stock by complying strictly with the requirements set forth in Sections 10-2B-13.01 through 10-2B-13.32 of the Alabama Business Corporation Act. For additional information regarding your dissenters rights, see Dissenters Rights on page 21 of this prospectus/proxy statement and the complete text of Sections 10-2B-13.01 through 10-2B-13.32 of the Alabama Business Corporation Act attached to this prospectus/proxy statement as Annex C.

Q: If my shares of Vision common stock are held in street name by my broker, will my broker vote my shares of Vision common stock for me?

A: No. Your broker may vote your shares of Vision common stock only if you provide instructions on how to vote. Please tell your broker how you would like him or her to vote your shares of Vision common stock. If you do not tell your broker how to vote, your shares of Vision common stock will not be voted by your broker, which will have the same effect as if you had instructed your broker to vote **AGAINST** the approval of the merger agreement.

If you have instructed your broker to vote your shares of Vision common stock, you must follow directions received from your broker to change your vote.

Q: When do you expect the merger to be completed?

A: We are working to complete the merger as quickly as practicable. We expect to complete the merger on or about March 9, 2007, assuming shareholder approval and all applicable governmental approvals have been received by that date and all conditions precedent to the merger have been satisfied or, to the extent permitted by applicable law, waived.

Summary

This summary highlights selected information from this prospectus/proxy statement. It does not contain all of the information that may be important to you. You should read carefully this entire document and its annexes and all other documents to which this prospectus/proxy statement refers before you decide how to vote. To obtain more information, see Incorporation by Reference on page 13 and Where You Can Find More Information on page 65. Page references are included in this summary to direct you to a more complete description of topics discussed in this prospectus/proxy statement.

The parties (page 22)

Park National Corporation
50 North Third Street
Newark, Ohio 43055
(740) 349-8451

Park is an Ohio bank holding company headquartered in Newark, Ohio. Park and its subsidiaries consist of 12 community banking divisions and two specialty finance companies, all based in Ohio. As of January 8, 2007, Park operated 138 offices across 29 Ohio counties and one Kentucky county through the following organizations: The Park National Bank, The Park National Bank of Southwest Ohio & Northern Kentucky division, Fairfield National Division, The Richland Trust Company, Century National Bank, The First-Knox National Bank of Mount Vernon, Farmers and Savings Division, United Bank, N.A., Second National Bank, The Security National Bank and Trust Co., Unity National Division, The Citizens National Bank of Urbana, Scope Leasing, Inc., and Guardian Financial Services Company.

At September 30, 2006, on a consolidated basis, Park had total assets of $5.39 billion; total loans, net of unearned income, of $3.39 billion; total deposits of $3.89 billion; and total stockholders equity of $558.21 million. Park s common shares are listed on AMEX under the symbol PRK.

Recent Developments

Park recently completed the acquisition of Anderson Bank Company (Anderson), which was merged with and into The Park National Bank, a national bank subsidiary of Park, effective as of December 18, 2006, pursuant to the terms of a Second Amended and Restated Agreement and Plan of Merger, dated to be effective as of August 14, 2006. Anderson was an Ohio state-chartered commercial bank with its main office located in Anderson Township on the east side of Cincinnati, Ohio and a second office located in Amelia, Ohio. Upon the completion of the Anderson merger transaction, the two offices of Anderson became part of the division of The Park National Bank known as The Park National Bank of Southwest Ohio & Northern Kentucky. At September 30, 2006, Anderson had total assets of $70.39 million; total loans, net of unearned income, of $55.24 million; total deposits of $62.36 million; and total shareholders equity of $7.51 million.

Subject to adjustment for cash paid in lieu of fractional shares in accordance with the terms of the Anderson merger agreement, the shareholders of Anderson are receiving aggregate consideration consisting of 86,137 common shares of Park and $9,052,093. The Anderson shareholders had the opportunity to elect to receive all cash, all Park common shares or a combination of cash and Park common shares in exchange for their Anderson common shares. However, the elections of Anderson shareholders were subject to allocation procedures set forth in the Anderson merger agreement to ensure that the aggregate consideration received by Anderson shareholders in the merger transaction consisted of the number of Park common shares and the amount of cash described above.

Vision Bancshares, Inc.
2200 Stanford Road
Panama City, Florida 32405
(251) 967-4212

Vision is an Alabama bank holding company headquartered in Panama City, Florida. Vision operates two community banks, both named Vision Bank, which are headquartered in Gulf Shores, Alabama and Panama City, Florida, respectively. Vision Bank, a Florida state banking corporation (Vision Florida), provides general retail

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and commercial banking services to customers in Bay, Gulf, Okaloosa and Walton Counties in the panhandle of Florida through its eight full-service offices located in Panama City, Panama City Beach, Santa Rosa Beach, Wewahitchka, Port St. Joe, Port St. Joe Beach and Destin. Vision Bank, an Alabama state banking corporation (Vision Alabama), provides general retail and commercial banking services principally to customers in Baldwin County, Alabama through its seven locations in Gulf Shores, Orange Beach, Point Clear, Foley, Fairhope, Elberta and Daphne. Vision Bancshares Financial Group, Inc., a wholly-owned subsidiary of Vision Alabama, conducts permissible insurance and securities networking activities and is licensed with the Alabama Department of Insurance as a provider.

On December 5, 2005, Vision, through its subsidiary, Vision Bancshares Trust I (the Vision Trust), a Delaware statutory trust, sold to institutional investors $15.0 million of floating rate preferred securities. Holders of the preferred securities are entitled to receive preferential cumulative cash distributions from the Vision Trust, at a rate per annum reset quarterly equal to the sum of three month LIBOR plus 148 basis points. Vision, through various contractual arrangements, fully and unconditionally guaranteed all of the Vision Trust s obligations with respect to the preferred securities. The sole asset of the Vision Trust is $15.5 million of junior subordinated debentures issued by Vision. These junior subordinated debentures also carry the same floating rate as the preferred securities. Both the preferred securities and the junior subordinated debentures mature on December 30, 2035; however, the maturity of both may be shortened to a date not earlier than December 30, 2010. Vision can defer payment of interest on the junior subordinated debentures, and the Vision Trust can defer payment of the cash distributions on the preferred securities, at any time or from time to time for a period not to exceed twenty consecutive quarters.

At September 30, 2006, on a consolidated basis, Vision had total assets of $697.28 million; total loans, net of unearned income, of $559.49 million; total deposits of $594.65 million; and total stockholders equity of $54.96 million. Vision s common stock is not listed on any exchange, nor is it included on NASDAQ. However, trades may be reported on the OTC Bulletin Board under the symbol VBAL.OB . Vision is aware that FIG Partners, LLC and Morgan Keegan & Company, Inc. currently make a market in Vision s common stock.

The merger (page 42)

The merger agreement provides for the merger of Vision with and into Park, with Park surviving the merger. Following the merger, each of Vision s subsidiaries, including Vision Alabama and Vision Florida, will become subsidiaries of Park. The merger cannot be completed unless at least 4,076,346 shares of Vision common stock, which is two-thirds of the shares of Vision common stock outstanding and entitled to vote at the Vision special meeting, vote to approve the merger agreement. The merger agreement is attached to this prospectus/proxy statement as Annex A and is incorporated in this prospectus/proxy statement by reference. ***We encourage you to read the merger agreement carefully, as it is the legal document that governs the merger.***

What you will receive in the merger (page 43)

Under the terms of the merger agreement, the shareholders of Vision will be entitled to elect to receive, in exchange for the shares of Vision common stock, $1.00 par value per share, that they own, either (a) cash, (b) Park common shares, or (c) a combination of cash and Park common shares, subject to the election and allocation procedures set forth in the merger agreement. Subject to adjustment for cash paid in lieu of fractional Park common shares in accordance with the terms of the merger agreement, Park will cause the requests of the Vision shareholders to be allocated on a pro-rata basis so that 50% of the shares of Vision common stock outstanding at the effective time of the merger will be exchanged for cash at the rate of $25.00 per share of Vision common stock and the other 50% of the outstanding shares of Vision common stock will be exchanged for Park common shares at the exchange rate of 0.2475 Park common shares for each share of Vision common stock. For purposes of this allocation, shareholders of Vision who exercise dissenters rights will be treated as having elected to receive cash consideration for their shares of Vision common stock. See The Merger Agreement Conversion of Vision common stock beginning on page 43 of this prospectus/proxy statement.

Park will not issue fractional Park common shares, or certificates or scrip representing fractional Park common shares, in the merger. Instead, Park will pay to each holder of shares of Vision common stock who would otherwise be entitled to a fractional Park common share (after taking into account all Vision common stock certificates surrendered by such holder) an amount in cash, without interest, equal to the product of the fractional Park common share multiplied by $101.00.

Election procedures (page 43)

You may elect to receive, in exchange for your shares of Vision common stock, any of the following:

all Park common shares;

all cash; or

a combination of cash and Park common shares.

However, your election will be subject to the allocation procedures set forth in the merger agreement and described in this prospectus/proxy statement to ensure that, subject to adjustment for cash paid in lieu of fractional shares, 50% of the shares of Vision common stock outstanding at the effective time of the merger will be exchanged for cash and the other 50% of the outstanding shares of Vision common stock will be exchanged for Park common shares. For purposes of this allocation, shareholders of Vision who exercise dissenters rights will be treated as having elected to receive cash consideration for their shares of Vision common stock. If the elections by Vision shareholders do not result in the required ratio of cash and stock consideration, certain procedures for allocating cash and Park common shares will be followed as set forth in the merger agreement. As a result, you cannot be assured of receiving the form of consideration that you elect with respect to all of your shares of Vision common stock. See The Merger Agreement Allocation beginning on page 44.

Prior to the special meeting of Vision shareholders, you will receive an Election Form/Letter of Transmittal with instructions for making your election as to the form of consideration that you wish to receive and for surrendering your Vision common stock certificates to the exchange agent. The First-Knox National Bank of Mount Vernon, a subsidiary of Park, will serve as the exchange agent for the transaction. The procedures and deadline for making your election will be set forth in the Election Form/Letter of Transmittal and are described under the heading The Merger Agreement Election procedures beginning on page 43.

Subscriptions under the Vision ESPP (page 46)

Under the terms of the merger agreement, each employee who is a participant in the Vision ESPP, and who has not paid the entire balance due for any shares of Vision common stock for which the employee has subscribed, may pay such balance in full on or prior to the election deadline specified in the merger agreement and receive the applicable shares of Vision common stock. If the participating employee fails to pay such balance in full on or prior to the election deadline specified in the merger agreement, the employee s subscription to purchase shares of Vision common stock will be treated as cancelled and Vision will refund (without interest) all amounts the employee has had withheld or has paid with respect to the cancelled subscription.

Vision stock options (page 46)

Under the terms of the merger agreement, each outstanding stock option (that is not exercised prior to the election deadline specified in the merger agreement) granted under one of Vision s equity-based compensation plans will be cancelled and extinguished and converted into the right to receive an amount of cash equal to (1) (a) $25.00 multiplied by (b) the number of shares of Vision common stock subject to the unexercised portion of the stock option minus (2) the aggregate exercise price for the shares of Vision common stock subject to the unexercised portion of the stock option.

Special meeting of shareholders of Vision (page 19)

A special meeting of shareholders of Vision will be held at 11:00 a.m., Central Time, on February 20, 2007, at Vision Bank s Foley office, 501 South McKenzie Street, Foley, Alabama, for the purpose of considering and voting on the following matters:

A proposal to approve the Agreement and Plan of Merger, dated to be effective as of September 14, 2006, by and between Park and Vision, which provides for the merger of Vision with and into Park;

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A proposal to approve the adjournment of the special meeting, if necessary, to solicit additional proxies, in the event there are not sufficient votes at the time of the special meeting to approve the Agreement and Plan of Merger; and

Any other business which properly comes before the special meeting or any adjournment or postponement of the special meeting. The Vision Board of Directors is unaware of any other business to be transacted at the special meeting.

If you are a Vision shareholder, you are entitled to vote at the special meeting if you owned shares of Vision common stock as of the close of business on January 8, 2007. As of January 8, 2007, a total of 6,114,518 shares of Vision common stock were eligible to be voted at the Vision special meeting.

Required vote (page 20)

The approval of the merger agreement will require the affirmative vote of the holders of at least 4,076,346 shares of Vision common stock, which is two-thirds of the shares of Vision common stock outstanding and entitled to vote at the Vision special meeting. The affirmative vote of the holders of a majority of the shares of Vision common stock represented, in person or proxy, at the special meeting is required to adjourn the special meeting to solicit additional proxies. A quorum, consisting of the holders of a majority of the outstanding shares of Vision common stock, must be present in person or by proxy at the special meeting before any action, other than the adjournment of the special meeting, can be taken.

As of January 8, 2007, directors and executive officers of Vision and their respective affiliates beneficially owned an aggregate of 2,609,660 shares of Vision common stock (excluding shares of Vision common stock underlying unexercised stock options or subject to outstanding subscriptions under the Vision ESPP), amounting to 42.7% of the outstanding shares of Vision common stock. As of the date of this prospectus/proxy statement, neither Park nor any of its directors, executive officers or affiliates beneficially owned any shares of Vision common stock.

Recommendation to shareholders (page 19)

The Vision Board of Directors believes that the merger with Park is in your best interests and recommends that you vote **FOR** the approval of the merger agreement.

Conditions to the merger (page 47)

The completion of the merger depends upon the satisfaction of a number of conditions set forth in the merger agreement, including the approval of the merger agreement by Vision shareholders and the receipt of all necessary governmental approvals. Park and Vision have filed applications to obtain approval for the merger from the appropriate governmental authorities.

Opinion of financial advisor (page 26)

The Vision Board of Directors has received a fairness opinion from its financial advisor, Burke Capital Group, L.L.C. (BCG), stating that, as of the date of the opinion, the merger consideration set forth in the merger agreement was fair and equitable from a financial point of view to the Vision shareholders.

Pursuant to a letter agreement dated August 15, 2006, Vision paid BCG a fairness opinion fee of $50,000 upon the execution of the definitive merger agreement. In addition, Vision has agreed to pay BCG a financial advisory fee which will fluctuate based upon the ultimate value, determined as of the closing of the merger, of the consideration to be received by the holders of shares of Vision common stock and Vision stock options in the merger. As of September 14, 2006, the date of the announcement of the merger, and based on the closing price of Park s common shares of $104.98 on September 13, 2006, the fee payable to BCG at the closing of the merger would be $1,646,085. Vision has also agreed to reimburse BCG for its reasonable out-of-pocket expenses and to indemnify BCG and certain related persons against certain liabilities arising out of or in conjunction with BCG s rendering of services under its engagement, including certain liabilities under the federal securities laws.

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The full text of the fairness opinion, which outlines the matters considered and qualifications and limitations on the review undertaken by BCG in rendering its opinion, is attached as Annex B to this prospectus/proxy statement. ***We encourage you to read this fairness opinion in its entirety.***

Material federal income tax consequences of the merger (page 38)

We intend that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Code), and that, accordingly, for federal income tax purposes (i) no gain or loss will be recognized by Park or Vision as a result of the merger, and (ii) Vision shareholders who receive Park common shares in exchange for shares of Vision common stock in the merger will recognize no gain or loss, other than the gain or loss to be recognized as to cash received either (a) as a result of the election and allocation method, or (b) in lieu of fractional Park common shares. The obligation of Park and Vision to consummate the merger is conditioned on the receipt by Park and Vision of an opinion of Park s counsel, Vorys, Sater, Seymour and Pease LLP, dated as of the effective date of the merger, substantially to the effect that the merger constitutes a reorganization within the meaning of Section 368(a)(1)(A) of the Code.

Vision shareholders who exercise dissenters rights and receive cash for their shares of Vision common stock generally will recognize gain or loss for federal income tax purposes.

Interests of directors and executive officers of Vision (page 34)

Some of the directors and executive officers of Vision have interests in the merger that are different from, or in addition to, their interests as shareholders of Vision. These interests include the following:

Park, together with Vision Alabama and Vision Florida, entered into an employment agreement with J. Daniel Sizemore to become effective at the effective time of the merger. Mr. Sizemore currently serves as Chairman of the Board, Chief Executive Officer and President of Vision and Chairman of the Board and Chief Executive Officer of Vision Alabama and Vision Florida. The compensation and benefits that will be provided to Mr. Sizemore under his employment agreement are described under The Proposed Merger (Proposal One) Interests of Vision directors and executive officers in the merger beginning on page 34 of this prospectus/proxy statement.

Park, together with Vision Alabama, entered into an employment agreement with William E. Blackmon to become effective at the effective time of the merger. Mr. Blackmon currently serves as Executive Vice President and Chief Financial Officer of Vision and Vision Alabama. The compensation and benefits that will be provided to Mr. Blackmon under his employment agreement are described under The Proposed Merger (Proposal One) Interests of Vision directors and executive officers in the merger beginning on page 35 of this prospectus/proxy statement.

Park, together with Vision Alabama, entered into an employment agreement with Andrew W. Braswell to become effective at the effective time of the merger. Mr. Braswell currently serves as Executive Vice President and Senior Lending Officer of Vision Alabama. The compensation and benefits that will be provided to Mr. Braswell under his employment agreement are described under The Proposed Merger (Proposal One) Interests of Vision directors and executive officers in the merger beginning on page 35 of this prospectus/proxy statement.

Park, together with Vision Florida, entered into an employment agreement with Joey W. Ginn to become effective at the effective time of the merger. Mr. Ginn currently serves as President of Vision Florida. The compensation and benefits that will be provided to Mr. Ginn under his employment agreement are described under The Proposed Merger (Proposal One) Interests of Vision directors and executive officers in the merger beginning on page 36 of this prospectus/proxy statement.

Park, together with Vision Alabama, entered into an employment agreement with Robert S. McKean to become effective at the effective time of the merger. Mr. McKean currently serves as President of Vision Alabama. The compensation and benefits that will be provided to Mr. McKean under his employment agreement are described under The Proposed Merger (Proposal One) Interests of Vision directors and executive officers in the merger beginning on page 36 of this prospectus/proxy statement.

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Pursuant to the terms of the merger agreement, members of the Boards of Directors of Vision Alabama and Vision Florida will continue to serve following the merger until their respective successors are duly qualified and elected and will receive compensation for their service on the Board of Directors of Vision Alabama or Vision Florida, as appropriate, commensurate with the compensation paid to directors serving on the Boards of Directors of Park s other subsidiaries.

Park has agreed to purchase directors and officers liability insurance for the directors and officers of Vision and its subsidiaries for a period of three years after the merger. Park also has agreed to indemnify the directors, officers and employees of Vision and its subsidiaries for certain actions or omissions in the course of their duties as directors, officers and employees of Vision or one of its subsidiaries occurring prior to the merger, including, without limitation, the transactions contemplated by the merger agreement.

Vision Alabama and Vision Florida will each purchase certain real property at which certain of their branches are located from entities owned by one or more directors and/or executive officers of Vision, Vision Alabama and/or Vision Florida. The purchases will occur at the time of the merger, and the purchase price for each property is currently being negotiated by the parties. See The Proposed Merger (Proposal One) Interests of Vision directors and executive officers in the merger beginning on page 38 of this prospectus/proxy statement.

The Vision Board of Directors was aware of these interests of the directors and executive officers of Vision and considered them, among other things, in adopting the merger agreement.

Resale of Park common shares (page 41)

Park has registered the Park common shares to be issued in the merger with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the Securities Act). No restrictions on the sale or other transfer of the Park common shares issued pursuant to the merger will be imposed solely as a result of the merger, except for restrictions on the transfer of Park common shares issued to any Vision shareholder who may be deemed to be an affiliate of Vision for purposes of Rule 145 under the Securities Act.

Termination of the merger agreement (page 52)

Park and Vision may mutually agree to terminate the merger agreement and abandon the merger at any time before the merger is effective, whether before or after approval by Vision s shareholders. In addition, either Park or Vision acting alone may terminate the merger agreement and abandon the merger at any time before the merger is effective, whether before or after approval by Vision s shareholders, under certain circumstances as described on pages 52 and 53 of this prospectus/proxy statement.

If the merger agreement is terminated upon the occurrence of certain events specified in the merger agreement and described on pages 52 and 53 of this prospectus/proxy statement, Vision is required to pay to Park a termination fee of $6,500,000, and may also be required to pay Park s documented out-of-pocket expenses, up to $250,000, provided that the amount of all such expenses and fees payable by Vision may not exceed $6,500,000 in the aggregate.

Dissenters rights (page 21)

Under Alabama law, if you do not vote in favor of the approval of the merger agreement, you may demand that Vision pay to you the fair value for your shares of Vision common stock. The right to make this demand is known as dissenters rights. Vision shareholders exercising their dissenters rights must comply strictly with the procedures specified in Sections 10-2B-13.01 through 10-2B-13.32 of the Alabama Business Corporation Act. **Vision**

shareholders who want to exercise their dissenters rights must (i) deliver to Vision a written notice before the vote is taken at the special meeting on the approval of the merger agreement stating that he or she intends to seek a cash payment if the merger is consummated, (ii) not vote in favor of the approval of the merger agreement, (iii) submit a timely written payment demand to Vision after the merger is consummated and (iv) comply with certain other applicable statutory requirements. See Dissenters Rights beginning on page 21 of this prospectus/proxy statement and the text of Sections 10-2B-13.01 through 10-2B-13.32 of the Alabama Business Corporation Act attached to this prospectus/proxy statement as Annex C.

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Risk Factors

In addition to other information in this prospectus/proxy statement or incorporated in this prospectus/proxy statement by reference, you should carefully consider the risk factors discussed in Item 1A. Risk Factors of Part I of Park s Annual Report on Form 10-K for the fiscal year ended December 31, 2005, and in Item 1A. Risk Factors of Part II of Park s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2006, incorporated by reference into this prospectus/proxy statement, which could materially affect Park s business, financial condition or future results, as well as the following factors:

Fluctuation in the market price of the Park common shares will affect the value of the Park common shares received in the merger.

Under the terms of the merger agreement, the shareholders of Vision will be entitled to elect to receive, in exchange for the shares of Vision common stock that they own, either (a) cash at the rate of $25.00 for each share of Vision common stock owned, (b) Park common shares at the exchange ratio of 0.2475 Park common shares for each share of Vision common stock owned, or (c) a combination of cash and Park common shares. The stock exchange ratio (i.e., 0.2475 Park common shares for each share of Vision common stock) will not be adjusted if the market price of the Park common shares decreases prior to the closing of the merger. However, Vision may, but is not obligated to, terminate the merger agreement and abandon the merger if the average of the closing sale prices of the Park common shares on AMEX during the 20 trading-day period ending on the tenth trading day prior to the date established for the closing of the merger is less than $81.00 (as adjusted pursuant to the terms of the merger agreement for any stock split, stock dividend, recapitalization, reclassification, split up, combination, exchange of shares, readjustment or similar transaction). On the other hand, Park may, but is not obligated to, terminate the merger agreement and abandon the merger if the average of the closing sale prices of a Park common share on AMEX during the 20 trading-day period ending on the tenth trading day prior to the date established for the closing of the merger is greater than $121.00 (as adjusted pursuant to the terms of the merger agreement for any stock split, stock dividend, recapitalization, reclassification, split up, combination, exchange of shares, readjustment or similar transaction).

On January 8, 2007, the last practicable trading day for which information was available prior to the date of this prospectus/proxy statement, the closing sale price of the Park common shares as reported on AMEX was $98.45. Based on that price, 0.2475 Park common s