

PARK NATIONAL CORP /OH/

Form 11-K

June 19, 2009

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 11-K**

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934**

**For the fiscal year ended December 31, 2008**

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934**

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**

**Commission file number 333-91178**

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

**Park National Corporation**

Employees Stock Ownership Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Park National Corporation

50 North Third Street

Newark, Ohio 43055

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**REQUIRED INFORMATION**

The following financial statements and supplemental schedules for the Park National Corporation Employees Stock Ownership Plan are being filed herewith:

**Audited Financial Statements:**

Report of Independent Registered Public Accounting Firm - Crowe Horwath LLP

Statements of Net Assets Available for Benefits at December 31, 2008 and 2007

Statements of Changes in Net Assets Available for Benefits for the Years Ended December 31, 2008 and 2007

Notes to Financial Statements December 31, 2008 and 2007

**Supplemental Schedules:**

Schedule of Delinquent Participant Contributions, Schedule H, Line 4(a) December 31, 2008

Schedule of Assets (Held at End of Year), Schedule H, Line 4(i) December 31, 2008

Schedule of Reportable Transactions, Schedule H, Line 4(j) December 31, 2008

The following exhibit is being filed herewith:

| Exhibit No. | Description  |
|-------------|--|
| 23.1        | Consent of Independent Registered Public Accounting Firm Crowe Horwath LLP |

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**SIGNATURES**

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

PARK NATIONAL CORPORATION  
EMPLOYEES STOCK OWNERSHIP PLAN

By THE PARK NATIONAL BANK, Trustee

Date: June 19, 2009

By: /s/ John W. Kozak  
Printed Name: John W. Kozak  
Title: Chief Financial Officer

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Park National Corporation  
Employees Stock Ownership Plan  
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Audited Financial Statements

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Executive Committee of the Board of Directors

Plan Oversight Committee

Park National Corporation Employees Stock Ownership Plan

We have audited the accompanying statements of net assets available for benefits of the Park National Corporation Employees Stock Ownership Plan (the Plan) as of December 31, 2008 and 2007, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2008 and 2007, and the changes in net assets available for benefits for the years then ended in conformity with U.S. generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedules of delinquent participant contributions, assets (held at end of year) and reportable transactions are presented for purposes of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic 2008 financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic 2008 financial statements taken as a whole.

/s/ Crowe Horwath LLP

Crowe Horwath LLP

Columbus, Ohio

June 19, 2009

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Park National Corporation  
 Employees Stock Ownership Plan  
 Statements of Net Assets Available for Benefits  
 December 31, 2008 and 2007

|   | 2008                 | 2007                 |
|---|----------------------|----------------------|
| <b>ASSETS</b>   |                      |                      |
| Cash  | \$                   | \$ 26,924            |
| Investments, at fair value:   |                      |                      |
| Park National Corporation Common Stock                                | 47,923,332           | 38,339,896           |
| Mutual Funds  | 11,509,058           | 16,757,198           |
| Money Market Funds  |                      | 355,460              |
| Interest-bearing account, issued by Park National Bank                | 187,603              |                      |
| Savings accounts, issued by Park National Corporation bank affiliates | 2,779,207            | 2,641,447            |
| <br>  |                      |                      |
| Total Investments   | 62,399,200           | 58,094,001           |
| Contributions receivable:   |                      |                      |
| Employer  | 31                   |                      |
| Employee  | 62                   |                      |
|   | 93                   |                      |
| Accrued interest and dividends  | 12,018               | 575,970              |
| <br>  |                      |                      |
| Total Assets  | 62,411,311           | 58,696,895           |
| <br>  |                      |                      |
| <b>NET ASSETS AVAILABLE FOR BENEFITS</b>                              | <b>\$ 62,411,311</b> | <b>\$ 58,696,895</b> |

See accompanying notes to financial statements.



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Park National Corporation  
 Employees Stock Ownership Plan  
 Statements of Changes in Net Assets Available for Benefits  
 For the years ended December 31, 2008 and 2007

|   | 2008          | 2007            |
|---|---------------|-----------------|
| Additions:  |               |                 |
| Investment income (loss):   |               |                 |
| Net realized and unrealized depreciation in fair value of investments | \$ (991,434)  | \$ (19,742,768) |
| Interest and dividends  | 2,837,693     | 2,707,464       |
| Total investment income (loss)  | 1,846,259     | (17,035,304)    |
| Contributions:  |               |                 |
| Employer  | 1,976,762     | 1,867,859       |
| Employee  | 4,365,262     | 4,186,816       |
| Rollover  | 36,284        | 1,179,486       |
| Total contributions   | 6,378,308     | 7,234,161       |
| Net increase (decrease) before deductions                             | 8,224,567     | (9,801,143)     |
| Deductions:   |               |                 |
| Benefit payments to participants                                      | 4,510,151     | 6,026,638       |
| Net increase (decrease) in net assets available for benefits          | 3,714,416     | (15,827,781)    |
| Net assets available for benefits at beginning of year                | 58,696,895    | 74,524,676      |
| Net assets available for benefits at end of year                      | \$ 62,411,311 | \$ 58,696,895   |

See accompanying notes to financial statements.

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Park National Corporation  
Employees Stock Ownership Plan  
Notes to Financial Statements  
December 31, 2008 and 2007

**1. Description of the Plan**

The following description of the Park National Corporation Employees Stock Ownership Plan (the Plan ) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan s provisions.

**General**

The Plan is a defined contribution plan covering full-time or part-time employees of Park National Corporation and subsidiaries ( Park ) who have completed one year of service, and are age eighteen or older. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 ( ERISA ).

**Contributions**

Each year, participants may contribute up to 25% of their pretax annual compensation, as defined in the Plan. Participants may also contribute rollover amounts representing distributions from other qualified defined contribution plans. The maximum salary deferral permitted by the Internal Revenue Code (Code) was \$15,500 for 2008 and 2007. The Plan also permits participants who are age 50 or older to make catch-up contributions in accordance with Code Section 414(v).

Park provides a matching contribution at a level established annually by Park. For 2008 and 2007, Park matched 50% up to the first 12% of compensation contributed by the participant.

**Participant Accounts**

Each participant s account is credited with the participant s salary deferral, an allocation of Park s contribution and Plan earnings. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant s account.

**Vesting**

Participants accounts are 100% vested at all times.

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Park National Corporation  
Employees Stock Ownership Plan  
Notes to Financial Statements (continued)  
December 31, 2008 and 2007

**1. Description of the Plan (continued)**

**Payments of Benefits**

Upon termination or after age 59<sup>1/2</sup>, a participant may elect lump sum, rollover, or installments over a period not to exceed the participant's (and their designated beneficiary's) life expectancy in an amount equal to the value of his or her account. A participant can elect to take a distribution of their account balance in cash or shares of Park National Corporation Common Stock.

**ESOP**

Effective January 1, 2002, the Plan was amended and restated to become an ESOP Plan that invests in shares of Park National Corporation Common Stock. The Plan is not leveraged and all new contributions (both employer and employee) will be used to purchase only Park National Corporation Common Stock. Prior to January 1, 2007, participants had the ability to diversify their investments upon reaching age 55. Effective January 1, 2007, the Plan was amended to allow all participants to diversify their investments on a quarterly basis.

**Bank Acquisitions**

On March 9, 2007, Park acquired Vision Bancshares, Inc. ( Vision ). Vision terminated its 401(k) plan on June 30, 2007, and all employees who have met the eligibility requirements of the Plan became eligible to participate in the Plan on July 1, 2007.

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Park National Corporation  
Employees Stock Ownership Plan  
Notes to Financial Statements (continued)  
December 31, 2008 and 2007

**2. Summary of Accounting Policies**

**Basis of Presentation**

The financial statements of the Plan are prepared on the accrual basis and are prepared in accordance with accounting principles generally accepted in the United States (GAAP).

**Valuation of Investments**

Investments are reported at fair value on a trade-date basis in the Statement of Net Assets Available for Benefits. Park National Corporation Common Stock is valued at its quoted market price. Shares of mutual funds are valued at quoted market prices which represent the net asset value of shares held by the Plan at year end. Investments in the money market fund and savings accounts are stated at cost, which approximates fair value. (Refer to Note 10 Fair Values.)

**Dividends and Interest Income**

Dividends are recorded as of their ex-dividend date. Interest income is recorded on an accrual basis when earned.

**Administrative Expenses**

All administrative expenses charged to the Plan are borne by Park. Park also provides other accounting and administrative services to the Plan.

**Payment of Benefits**

Benefits are recorded when paid.

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of investment income and expenses during the reporting period. Actual results could differ from those estimates.

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Park National Corporation  
Employees Stock Ownership Plan  
Notes to Financial Statements (continued)  
December 31, 2008 and 2007

**2. Summary of Accounting Policies (continued)**

**Concentration of Credit Risk**

At December 31, 2008 and 2007, approximately 77% and 66%, respectively, of the Plan's assets were invested in Park National Corporation Common Stock.

At December 31, 2008 and 2007, approximately 5% of the Plan's assets were invested in deposit and savings accounts issued by Park National Corporation bank affiliates. The investments in the deposit and savings accounts may from time to time exceed the federally insured limits.

**Adoption of New Accounting Standards**

In September 2006, the FASB issued Statement No. 157, *Fair Value Measurements* (FAS 157). This Statement defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. This Standard is effective for financial statements issued for fiscal years beginning after November 15, 2007. In October 2008, the FASB issued Staff Position (FSP) 157-3, *Determining the Fair Value of a Financial Asset when the Market for That Asset Is Not Active*. This FSP clarifies the application of FAS 157 in a market that is not active. The impact of adoption of these standards as of January 1, 2008 was not material to the Plan's net assets available for benefits.

**Recently Issued but not yet Effective Accounting Pronouncements**

On April 9, 2009, the FASB issued FASB Staff Position (FSP) FAS 157-4, *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly*. The FSP provides additional guidance for estimating fair value in accordance with FASB Statement No. 157, *Fair Value Measurements*, when the volume and level of activity for the asset or liability have significantly decreased. The FSP also includes guidance on identifying circumstances that indicate a transaction is not orderly. Further, the FSP emphasizes that even if there has been a significant decrease in the volume and level of activity for the asset or liability and regardless of the valuation technique(s) used, the objective of a fair value measurement remains the same. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. The FSP amends Statement 157 to require certain additional disclosures in interim and annual periods to discuss the inputs and valuation technique(s) used to measure fair value. This FSP is effective for interim and annual reporting periods ending after June 15, 2009, with early adoption permitted for periods ending after March 15, 2009, and shall be applied prospectively. Plan management is evaluating the impact of FSP 157-4.

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Park National Corporation  
 Employees Stock Ownership Plan  
 Notes to Financial Statements (continued)  
 December 31, 2008 and 2007

**3. Plan Termination**

Although Park has not expressed any intent to do so, it has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

**4. Investments**

The Plan's investments are held in trust by The Park National Bank, a wholly owned subsidiary of Park National Corporation. The Plan's investments (including investments bought and sold as well as held during the year) appreciated/(depreciated) in fair value during the years ended December 31, 2008 and 2007 as follows:

|   | 2008         | 2007            |
|---|--------------|-----------------|
| Park National Corporation Common Stock            | \$ 4,727,909 | \$ (20,364,228) |
| Vanguard Institutional Index Fund                 | (2,615,079)  | 230,724         |
| Vanguard Short-Term Investment-Grade Bond Fund    | (128,907)    | 10,512          |
| Vanguard Growth Index Fund                        | (652,386)    | 131,995         |
| Vanguard Institutional Extended Market Index Fund | (711,078)    | 18,280          |
| Vanguard Balanced Index Fund                      | (584,351)    | 59,257          |
| Vanguard Total International Stock Index Fund     | (1,027,246)  | 147,805         |
| Vanguard Intermediate-Term Bond Index Fund        | (296)        | 22,887          |
|   | \$ (991,434) | \$ (19,742,768) |

The following table represents the fair value of those investments that represent 5 percent or more of the Plan's net assets available for benefits as of December 31:

|   | 2008          | 2007          |
|---|---------------|---------------|
| *Park National Corporation Common Stock | \$ 47,923,332 | \$ 38,339,896 |
| Vanguard Institutional Index Fund       | 4,090,996     | 7,017,437     |

\* Nonparticipant-directed

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Park National Corporation  
 Employees Stock Ownership Plan  
 Notes to Financial Statements (continued)  
 December 31, 2008 and 2007

**5. Nonparticipant-Directed Investments**

The following information represents the assets and the significant components of changes in assets related to the nonparticipant-directed portion of the Park National Corporation Common Stock investment. Initial contributions are deposited into the Plan in the form of cash with shares of Park National Corporation Common Stock purchased on a delayed basis.

|  | December 31,  |                 |
|--|---------------|-----------------|
|  | 2008          | 2007            |
| Investment, at fair value:                                   |               |                 |
| Park National Corporation Common Stock                       | \$ 47,923,332 | \$ 38,339,896   |
| Northern Institutional Government Portfolio                  |               | 355,458         |
| Park National Bank FDIC Account                              | 187,603       |                 |
| Cash   |               | 26,924          |
|  | \$ 48,110,935 | \$ 38,722,278   |
| Changes in assets:   |               |                 |
| Contributions  | \$ 6,356,887  | \$ 6,547,357    |
| Interest and dividend income                                 | 2,973,379     | 2,216,346       |
| Distributions to participants                                | (3,287,042)   | (4,665,172)     |
| Net transfers to participant directed investments            | (1,382,476)   | (4,238,421)     |
| Net appreciation/(depreciation) in fair value of investments | 4,727,909     | (20,364,228)    |
| Increase/(decrease) in assets                                | \$ 9,388,657  | \$ (20,504,118) |

**6. Income Tax Status**

The Plan has received a determination letter from the Internal Revenue Service dated September 30, 2003, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the Internal Revenue Service, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

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Park National Corporation  
 Employees Stock Ownership Plan  
 Notes to Financial Statements (continued)  
 December 31, 2008 and 2007

**7. Party-in-Interest**

The Plan held the following party-in-interest investments (at fair value):

|   | December 31,  |               |
|---|---------------|---------------|
|   | 2008          | 2007          |
| Park National Corporation Common Stock  | \$ 47,923,332 | \$ 38,339,896 |
| The Park National Bank Savings Accounts | 2,779,207     | 2,641,447     |
| The Park National Bank FDIC Account     | 187,603       |               |
|   | \$ 50,890,142 | \$ 40,981,343 |

At December 31, 2008, the Plan held 667,921 shares of Park National Corporation Common Stock, with a fair value of \$47,923,332. At December 31, 2007, the Plan held 594,417 shares of Park National Corporation Common Stock, with a fair value of \$38,339,896.

During 2008 and 2007, cash dividends of \$2,966,318 and \$2,196,119, respectively, were paid to the Plan by Park National Corporation.

At December 31, 2008 and 2007, the Plan held participant-directed savings accounts issued by Park National Corporation bank affiliates of \$2,779,207 and \$2,641,447, respectively. At December 31, 2008, the Plan held a nonparticipant-directed interest-bearing account issued by Park National Bank of \$187,603. During 2008 and 2007, interest of \$57,944 and \$125,602, respectively, was paid to the Plan by the Park National Bank and its affiliates.

During 2008 and 2007, the Plan purchased 95,877 shares and 46,778 shares, respectively, of Park National Corporation Common Stock.

Costs and expenses incurred in administering the Plan are paid by Park, which totaled \$109,967 and \$127,640 for 2008 and 2007, respectively.



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Park National Corporation  
 Employees Stock Ownership Plan  
 Notes to Financial Statements (continued)  
 December 31, 2008 and 2007

**8. Form 5500 Reconciliation**

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500.

|  | December 31,  |               |
|--|---------------|---------------|
|  | 2008          | 2007          |
| Net assets available for benefits per the financial statements | \$ 62,411,311 | \$ 58,696,895 |
| Less: Employer contribution credit                             |               | (2,485)       |
| Less: Accrued interest and dividends                           | (12,018)      | (575,970)     |
| <br>   |               |               |
| Net assets available for benefits per the Form 5500            | \$ 62,399,293 | \$ 58,118,440 |

The following is a reconciliation of net change in net assets available for benefits per the financial statements to the Form 5500:

|   | 2008         | 2007            |
|---|--------------|-----------------|
| Net increase/(decrease) in net assets available for benefits per the financial statements | \$ 3,714,416 | \$ (15,827,781) |
| Plus/(Less): Employer contribution credit   | 2,485        | (2,485)         |
| Less: Accrued interest and dividends  | (12,018)     | (575,970)       |
| Plus: Prior year accrued interest and dividends   | 575,970      | 590,121         |
| <br>  |              |                 |
| Net increase/(decrease) in net assets available for benefits per the Form 5500            | \$ 4,280,853 | \$ (15,816,115) |

**9. Risks and Uncertainties**

The Plan invests in various investment securities including Park National Corporation Common Stock, mutual funds, savings accounts and a money market fund. Investment securities are exposed to various risks such as interest rate, market, liquidity and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants account balances and the amounts reported in the statements of net assets available for benefits.

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Park National Corporation  
Employees Stock Ownership Plan  
Notes to Financial Statements (continued)  
December 31, 2008 and 2007

**10. Fair Values**

The Plan's investments are reported at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

FAS 157 defines fair value as the price that would be received by the Plan for an asset or paid by the Plan to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date in the Plan's principal or most advantageous market for the asset or liability. FAS 157 establishes a fair value hierarchy which requires the Plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The hierarchy places the highest priority on unadjusted quoted market prices in active markets for identical assets or liabilities (level 1 measurements) and gives the lowest priority to unobservable inputs (level 3 measurements). The three levels of inputs within the fair value hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect the Plan's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The fair values of mutual fund investments and common stock are determined by obtaining quoted prices on nationally recognized securities exchanges (level 1 inputs). Additionally, due to their short-term nature, the fair value of interest-bearing cash balances are determined by reference to their face value (level 1 input). The fair value of all of the investments held by the Plan have been determined using Level 1 inputs.

**11. Subsequent Event**

On June 12, 2009, Park notified Plan participants of the following change made to the Plan related to employer matching contributions. Effective July 24, 2009, Park will cease, for the remainder of the 2009 Plan year, employer matching contributions on amounts contributed by Park officers. Prior to this date, Park matched 50% up to the first 12% of compensation contributed by the participant. The matching formula for non-officer employees will not change.

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**SUPPLEMENTAL SCHEDULES**

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Park National Corporation  
 Employees Stock Ownership Plan  
 Schedule H, Line 4a  
 Schedule of Delinquent Participant Contributions  
 For the year ended December 31, 2008

|  |                           |
|--|---------------------------|
| Name of Plan Sponsor:  | Park National Corporation |
| Employer identification number:  | 31-1179518                |
| Three digit plan number:   | 002                       |
| Participant Contributions of the Current Plan Year Not Deposited Into the Plan within the Time Period Described in 29 CFR 2510.3-102 * | \$ 29,547                 |
| Plus: Delinquent Deposits of Prior Year Participant Contributions Not Corrected Prior to the Current Plan Year                         |                           |
| Total Delinquent Participant Contributions (Line 4a of Schedule H)   | 29,547                    |
| Less: Amount Fully Corrected Under the DOL's Voluntary Fiduciary Correction Program (VFC Program) and PTE 2002-51                      |                           |
| Delinquent Deposits of Participant Contributions Constituting Nonexempt Prohibited Transactions  | \$ 29,547                 |

\* Participant contributions were deposited into the Plan prior to December 31, 2008. Plan management has deposited lost earnings due to the late contributions into participant accounts during the 2009 Plan year.

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Park National Corporation  
 Employees Stock Ownership Plan  
 Schedule H, Line 4i  
 Schedule of Assets (Held at End of Year)  
 December 31, 2008

|   |  |               |               |
|---|--|---------------|---------------|
| Name of Plan Sponsor:   | Park National Corporation  |               |               |
| Employer identification number:   | 31-1179518   |               |               |
| Three digit plan number:  | 002  |               |               |
| (b)   | (c)  |               | (e)           |
| Identity of Issue, Borrower, Lessor or Similar Party                        | Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (d)<br>Cost   | Current Value |
| Interest-bearing account  |  |               |               |
| * The Park National Bank FDIC Account                                       | Interest rate of 1.15%   | \$ 187,603    | \$ 187,603    |
| Common Stock:   |  |               |               |
| * Park National Corporation Common Stock                                    | 667,921 shares   | \$ 39,715,140 | \$ 47,923,332 |
| Mutual Funds:   |  |               |               |
| Vanguard Institutional Index Fund   | 49,564 shares  | **            | \$ 4,090,996  |
| Vanguard Short-Term Investment Grade Fund                                   | 135,309 shares   | **            | 1,308,436     |
| Vanguard Growth Index Fund  | 56,159 shares  | **            | 1,055,793     |
| Vanguard Institutional Extended Market Index Fund                           | 52,860 shares  | **            | 1,091,037     |
| Vanguard Intermediate-Term Bond Index Fund                                  | 96,509 shares  | **            | 1,013,348     |
| Vanguard Balanced Index Fund  | 102,812 shares   | **            | 1,688,180     |
| Vanguard Total International Stock Index Fund                               | 116,892 shares   | **            | 1,261,268     |
| Total Mutual Funds  |  | **            | 11,509,058    |
| Savings accounts, issued by Park National Corporation bank affiliates:      |  |               |               |
| * The Park National Bank  | Interest rate of 0.465%  | **            | \$ 2,124,122  |
| * The Richland Trust Company  | Interest rate of 0.465%  | **            | 655,085       |
| Total Savings Accounts, issued by Park National Corporation bank affiliates |  |               | 2,779,207     |
| Total Investments Held at End of Year                                       |  |               | \$ 62,399,200 |

- \* Indicates party-in-interest to the Plan.
- \*\* Disclosure of historical cost is not required for participant-directed investments.

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Park National Corporation  
 Employees Stock Ownership Plan  
 Schedule H, Line 4j  
 Schedule of Reportable Transactions  
 For the year ended December 31, 2008

Name of Plan Sponsor: Park National Corporation  
 Employer identification number: 31-1179518  
 Three digit plan number: 002

| (a)   | (b)   | (c)          | (d)           | (g)           | (h)  | (i)                |
|---|---|--------------|---------------|---------------|--|--------------------|
| Identity of Party Involved  | Description of Asset Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | Cost         | Selling Price | Cost of Asset | Current Value of Asset on Transaction Date | Net Gain or (Loss) |
| <b>Category (iii) A series of transactions in excess of 5% of plan assets</b> |   |              |               |               |  |                    |
| Northern Govt Portfolio   | Money Market Fund, 71 purchases   | \$ 6,886,594 | \$            | \$ 6,886,594  | \$ 6,886,594                               | \$                 |
| Northern Govt Portfolio   | Money Market Fund, 69 sales   |              | 7,242,054     | 7,242,054     | 7,242,054                                  |                    |
| Park National Bank  | FDIC Account, 21 purchases  | 2,633,683    |               | 2,633,683     | 2,633,683                                  |                    |
| Park National Bank  | FDIC Account, 27 sales  |              | 2,446,080     | 2,446,080     | 2,446,080                                  |                    |
| Park National Corporation   | Common Stock, 20 purchases  | 6,353,241    |               | 6,353,241     | 6,353,241                                  |                    |

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**INDEX TO EXHIBITS**

| Exhibit No. | Description  |
|-------------|--|
| 23.1        | Consent of Independent Registered Public Accounting Firm Crowe Horwath LLP |