

PATRIOT NATIONAL BANCORP INC
Form DEF 14A
May 01, 2006

SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

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
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Definitive Proxy Statement
 Definitive Additional Materials
 Soliciting Material Under Rule 14a-12

Patriot National Bancorp, Inc.
(Name of Registrant as Specified in Its Charter)

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

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- (3) Filing Party:
 - (4) Date Filed:
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PATRIOT NATIONAL BANCORP, INC.
900 Bedford Street
Stamford, Connecticut 06901
(203) 324-7500

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To be held on June 14, 2006

To the Shareholders of
Patriot National Bancorp, Inc.:

The Annual Meeting of Shareholders of Patriot National Bancorp, Inc. ("Patriot") will be held on Wednesday, June 14, 2006, at 9:00 a.m. local time, at The Hyatt Regency, 1800 East Putnam Avenue, Old Greenwich, Connecticut 06870, for the following purposes:

1. To elect nine directors to serve until the next annual meeting of shareholders.
2. To approve an amendment to the Patriot Certificate of Incorporation, as amended to date, to increase the number of authorized shares of Patriot common stock from 30,000,000 to 60,000,000 shares.
3. To consider and act upon a proposal to ratify the appointment of McGladrey & Pullen, LLP as independent auditors for the year ending December 31, 2006.
4. To transact any other business that may properly come before the Annual Meeting.

Shareholders of record at the close of business on Wednesday, April 26, 2006 will be entitled to vote at the annual meeting or at any adjournment of the annual meeting.

Our board hopes that you will attend the meeting. Whether or not you plan to attend, please complete, date, sign and return the enclosed proxy card in the accompanying envelope. Your prompt response will greatly facilitate arrangements for the meeting, and your cooperation will be appreciated.

By Order of the Board of Directors

Angelo De Caro
Chairman & Chief Executive Officer

Stamford, Connecticut
May 1, 2006

PATRIOT NATIONAL BANCORP, INC.
900 Bedford Street
Stamford, Connecticut 06901
(203) 324-7500

PROXY STATEMENT

Our board of directors is soliciting your proxy with the enclosed proxy card for use at the 2006 Annual Meeting of Shareholders to be held on Wednesday, June 14, 2006 and at any adjournments of the meeting. This proxy statement and accompanying proxy are first being sent or given to shareholders on or about May 1, 2006.

GENERAL INFORMATION ABOUT VOTING

Who can vote. You will be entitled to vote your shares of Patriot common stock at the annual meeting if you were a shareholder of record at the close of business on April 26, 2006. As of that date, 3,230,649 shares of common stock were outstanding and entitled to vote at the annual meeting.

In the election of directors, you may elect to cumulate your vote. Cumulative voting will allow you to allocate among the director nominees, as you see fit, the total number of votes equal to the number of director positions to be filled multiplied by the number of shares you hold. For example, if you own 100 shares of stock, and there are nine directors to be elected at the annual meeting, you may allocate 900 "for" votes (nine times 100) among as few or as many of the nine nominees to be voted on at the annual meeting as you choose.

If you choose to cumulate your votes, you will need to submit a proxy card or a ballot and make an explicit statement of your intent to cumulate your votes, either by so indicating in writing on the proxy card or by indicating in writing on your ballot when voting at the annual meeting. If you hold shares beneficially in street name and wish to cumulate votes, you should contact your broker, trustee or nominee.

If you sign your proxy card with no further instructions, John A. Geoghegan, L. Morris Glucksman, and Michael F. Intrieri, as proxy holders, may cumulate and cast your votes in favor of the election of some or all of the applicable nominees in their sole discretion, except that none of your votes will be cast for any nominee as to whom you instruct that your votes be withheld.

Cumulative voting applies only to the election of directors. For all other matters, each share of common stock outstanding as of the close of business on the record date, April 26, 2006, is entitled to one vote. If you sign your proxy card with no further instructions with respect to the approval of the amendment to the Certificate of Incorporation or the ratification of the selection of the independent auditors, then proxies will be voted in favor of both proposals.

How to vote your shares. You can vote your shares either by attending the Annual meeting and voting in person or by voting by proxy. If you choose to vote by proxy, please complete, date, sign and return the enclosed proxy card. The proxies named in the enclosed proxy card will vote your shares as you have instructed. You may authorize the proxies to vote your shares in favor of each of the proposals contained in this proxy statement by simply signing and returning the enclosed proxy card without indicating how your votes should be cast.

Even if you expect to attend the annual meeting, please complete and mail your proxy card in any case in order to assure representation of your shares. If you attend the meeting, you can always revoke your proxy by voting in person. No postage is necessary if the proxy card is mailed in the United States.

Quorum. A quorum of shareholders is required in order to transact business at the annual meeting. A majority of the outstanding shares of common stock entitled to vote must be present at the meeting, either in person or by proxy, to constitute a quorum.

Number of votes required. The number of votes required to approve each of the proposals that are scheduled to be presented at the meeting is as follows:

Proposal	Required Vote
• Election of directors	Under cumulative voting for directors, the nine nominees receiving the largest number of votes will be elected.
• Amendment to the Certificate of Incorporation.	The affirmative vote of a majority of the outstanding shares of common stock are for the Amendment.
• Ratification of the Audit Committee's selection of independent auditors	The affirmative vote of a majority of the votes cast are for ratification.

Abstentions and broker non-votes. A broker non-vote occurs when a broker cannot vote a customer's shares registered in the broker's name because the customer did not send the broker instructions on how to vote on the matter. If the broker does not have instructions *and* is barred by law or applicable rules from exercising its discretionary voting authority in the particular matter, then the shares will not be voted on the matter, resulting in a "broker non-vote." Abstentions and broker non-votes will be counted for purposes of determining whether a quorum is present at the annual meeting.

Abstentions and broker non-votes will not count as votes cast in the election of directors or in the vote on ratifying the Audit Committee's selection of independent auditors. Therefore, abstentions and broker non-votes will have no effect on the voting on these matters at the meeting.

However, abstentions and broker non-votes will count as a vote against a matter determined by a percentage of the outstanding shares entitled to vote. Accordingly, abstentions and broker non-votes at this meeting will count as votes against the proposed amendment to our certificate of incorporation increasing the shares of our authorized common stock.

Discretionary voting by proxies on other matters. Aside from the election of directors, the amendment to our certificate of incorporation increasing the shares of our authorized common stock and the ratification of the Audit Committee's selection of independent auditors, we do not know of any other proposal that may be presented at the 2006 Annual Meeting. However, if another matter is properly presented at the meeting, the persons named in the accompanying proxy card will exercise their discretion in voting on the matter.

How you may revoke your proxy. You may revoke the authority granted by your executed proxy card at any time before we exercise it by notifying our Corporate Secretary in writing, by executing a new proxy card bearing a later date and delivering the new executed proxy card to our Corporate Secretary, or by voting in person at the annual meeting.

Expenses of solicitation. We will bear all costs of soliciting proxies. We will request that brokers, custodians and fiduciaries forward proxy soliciting material to the beneficial owners of stock held in their names, for which we will reimburse their out-of-pocket expenses. In addition to solicitations by mail, our directors, officers and regular employees, without additional remuneration, may solicit proxies by telephone and/or personal interviews.

Shareholders sharing the same surname and address. In some cases, shareholders holding their shares in a brokerage or bank account who share the same surname and address and have not given contrary instructions are receiving only one copy of our annual report and proxy statement. This practice is designed to reduce duplicate mailings and save significant printing and postage costs as well as natural resources. If you would like to have additional copies of our annual report and/or proxy statement mailed to you, please call or write us at our principal executive offices, Attention: Corporate Secretary, 900 Bedford Street, Stamford, Connecticut 06901, (203) 324-7500. If you want to receive separate copies of the proxy statement or annual report to shareholders in the future, or if you are receiving multiple copies and would like to receive only one copy per household, you should contact your bank, broker or other nominee record holder.

Patriot National Bancorp, Inc. is the bank holding company for Patriot National Bank, or the Bank. A copy of our Annual Report on Form 10-KSB for the fiscal year ended December 31, 2005 accompanies this proxy statement.

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

The table below provides certain information about beneficial ownership of our common stock as of April 14, 2006 by (i) each person, or group of affiliated persons, who is known to us to beneficially own more than five percent of our common stock; (ii) each of our directors; (iii) each of our executive officers named in the Summary Compensation Table; and (iv) all of our directors and executive officers as a group.

Except as otherwise noted, the persons or entities in this table have sole voting and investing power with respect to all shares of common stock beneficially owned by them, subject to community property laws, where applicable. The address of each director and executive officer is care of us at our principal executive office.

To our knowledge, no arrangement exists the operation of which might result in a change in control of Patriot. However, Angelo De Caro has received authority from the Federal Reserve Bank of New York to acquire up to 35% of our common stock.

The percentage ownership column below is based on a total of 3,230,649 shares of common stock outstanding as of April 14, 2006.

<u>Beneficial Owner</u>	<u>Shares of Common Stock Beneficially Owned</u>	
	<u>Shares</u>	<u>Percent</u>
<i><u>5% Shareholders:</u></i>		
Barry C. Lewis 177 South Mountain Road New City, NY 10956	251,692 ⁽¹⁾	7.8%
Robert K. Steel 28 Grigg Street Greenwich, CT 06830	187,346 ⁽²⁾	5.8%
Harvey Sandler Revocable Trust 21170 NE 22nd Court North Miami Beach, FL 33180	165,082 ⁽³⁾	5.1%
<i><u>Directors and Executive Officers:</u></i>		
Angelo De Caro	741,285 ⁽⁴⁾	22.9%
John J. Ferguson	1,758	*
Brian A. Fitzgerald	626	*
John A. Geoghegan	7,943	*
L. Morris Glucksman	66,320 ⁽⁵⁾	2.0%
Charles F. Howell	37,420	1.2%
Michael F. Intrieri	51,769 ⁽⁶⁾	1.6%
Robert F. O'Connell	20,448	*

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Philip W. Wolford	21,171 ⁽⁷⁾	*
Martin Noble	1,311	*
Marcus Zavattaro	76,011	2.4%
All directors and executive officers of Patriot (13 persons)	1,030,031 ⁽⁸⁾	31.5%

* Percentage is less than 1% of all outstanding shares of common stock.

1. Based on a Schedule 13G filed by Mr. Lewis with the SEC on January 9, 2006. Reflects 171,481 shares held in Barry Lewis IRA Rollover Accounts, of which Mr. Lewis disclaims beneficial ownership, except to the extent of his equity interest therein, and 80,211 shares held by the Barry Lewis Revocable Living Trust.
2. Based on a Schedule 13D filed by Mr. Steel with the SEC on September 30, 2005. Mr. Steel has sole voting and sole dispositive control over all of these shares.
3. Based on a Schedule 13G/A filed by the Harvey Sandler Revocable Trust with the SEC on April 6, 2006. The Harvey Sandler Revocable Trust has sole voting and sole dispositive control over all of these shares. Mr. Sandler is the sole trustee of the trust.
4. Includes 19,000 shares for which Mr. De Caro has sole voting power but in which he has no direct or indirect pecuniary interest.
5. Includes 3,200 shares held by Mr. Glucksman as Trustee for Roslyn Glucksman, Mr. Glucksman's wife; 1,000 shares owned solely by Roslyn Glucksman; 5,500 shares held by Mr. Glucksman as Trustee for Rayna Glucksman, Mr. Glucksman's daughter; 5,500 shares held by Mr. Glucksman as Trustee for Janna Glucksman, Mr. Glucksman's daughter; and 10,800 shares held as Trustee for other than immediate family members. Also includes 16,000 shares of common stock issuable upon exercise of stock options exercisable within 60 days after April 14, 2006.
6. Includes 1,200 shares held in joint tenancy with Karen Intrieri, Mr. Intrieri's wife, and 651 shares owned solely by Karen Intrieri; 600 shares held by Michael J. Intrieri, Mr. Intrieri's son, and 1,500 shares owned jointly by father and son; and 600 shares held by Jason Intrieri, Mr. Intrieri's son, and 1,500 shares owned jointly by father and son. Also includes 10,000 shares of common stock issuable upon exercise of stock options exercisable within 60 days after April 14, 2006.
7. Includes 84 shares held in joint tenancy with, Regine Vantieghem, Mr. Wolford's wife and 83 shares held in joint tenancy with Kathryn Rachel Wolford, Mr. Wolford's mother. Also includes 9,000 shares of common stock issuable upon exercise of stock options exercisable within 60 days after April 14, 2006.

8. Includes 35,000 shares of common stock issuable upon exercise of stock options exercisable within 60 days after April 14, 2006.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Our directors, our executive officers and anyone owning beneficially more than ten percent of our equity securities are required under Section 16(a) of the Securities Exchange Act of 1934 to file with the SEC reports of their ownership and changes of their ownership of our common stock. They must also furnish copies of the reports to us. Based solely on our review of the reports furnished to us and any written representations that no other reports were required, we believe that during 2005, our directors, executive officers and ten percent beneficial owners complied with all applicable Section 16(a) filing requirements.

PROPOSAL 1

ELECTION OF DIRECTORS

Directors; Nominees

The board of directors has fixed the number of directors for 2006 at nine. Under our certificate of incorporation, directors are elected annually by the shareholders and hold office until the next annual meeting of shareholders and until his or her successor is elected and qualified, or until his or her earlier resignation, death or removal. In the election of directors, you may elect to cumulate your vote. Cumulative voting means that each share of common stock is entitled to one vote multiplied by the number of directors to be elected. All votes may be cumulated and cast for a single nominee or votes may be distributed among two or more nominees in the manner selected by the shareholder. If a shareholder submits a signed proxy with no further instructions, the persons named in the proxy will distribute the votes among the nominees in his or her discretion. The nine nominees who receive the largest number of votes will be elected as directors. The nine nominees for director are currently serving as directors of Patriot and the Bank. Each nominee has consented to being named in this proxy statement and to serve if elected. If for any reason a nominee should become unavailable for election prior to the annual meeting, the proxies may vote for the election of a substitute. We do not presently expect that any of the nominees will be unavailable.

Biographical Information

The following table contains biographical information about the nominees for election as directors. Information about the number of shares of common stock beneficially owned by each nominee, directly or indirectly, as of April 14, 2006, appears above under "Security Ownership of Certain Beneficial Owners and Management."

There is no arrangement or understanding between any director and any other person or persons pursuant to which such director was or is to be selected as a director or nominee. There is no family relationship between any director and any of our executive officers. Each of the

nominees has held the principal occupation listed for the past five years, except as set forth below.

Name	Age	Business Experience and Other Directorships	Director Since
Angelo De Caro	63	Angelo De Caro has served as our director since our organization in 1999 and as our Chairman since his election in 2001. He has also served as our Chief Executive Officer since 2001 and as President and Chief Executive Officer from 1999 to 2001. He has served as a director of the Bank since 1998, as Chairman of the Board of Directors of the Bank since September 2000, and as Chief Executive Officer of the Bank from June 1999 until October 2000. Mr. De Caro has been a private investor from 1996 to present. Mr. De Caro was a Senior Financial Officer of Goldman, Sachs & Co. from 1979 to 1986 and a General Partner of Goldman, Sachs & Co. from 1986 to 1996. In addition, he served on the Executive Committees of Goldman Sachs Swiss Private Bank and Goldman Sachs Trust Services.	1999
Charles F. Howell	57	Charles F. Howell has served as our Vice Chairman since 2000 and as our President since 2001. He has also served as a director and President and Chief Executive Officer of the Bank since 2000. From 1998 to 2000, Mr. Howell was a director and President of Summit Bank Connecticut. He also served as Executive Vice President, Chief Operating Officer and a director of each of NSS Bank from 1994 to 1998, and NSS Bancorp from the date of formation in 1997 to 1998.	2000
Robert F. O'Connell	57	Robert F. O'Connell has served as our director and Senior Executive Vice President and Chief Financial Officer since 2001 and as our Executive Vice President and Chief Financial Officer from 2000 to 2001. He has also served as a director and Senior Executive Vice President and Chief Financial Officer of the Bank since 2001 and as Executive Vice President and Chief Financial Officer of the Bank from 2000 to 2001. From 1994 to 2000, Mr. O'Connell served as Senior Vice President and Chief Financial Officer of New Canaan Bank and Trust Company and Treasurer/Senior Financial Officer of its successor, Summit Bank, New Canaan, Connecticut.	2001
Philip W. Wolford	58	Philip W. Wolford has served as our Chief Operating Officer and Secretary since June 2000. He has also	1999

		<p>served as Chief Operating Officer and Secretary of the Bank since September 2000. Mr. Wolford was our President and Secretary from December 1999 until June 2000. He was President, Chief Executive Officer and Secretary of the Bank from September 1994 until June 1999 and President and Secretary of the Bank from August 1999 until September 2000. Mr. Wolford has served as our director since 1999 and a director of the Bank since 1994.</p>	
John J. Ferguson	66	<p>John J. Ferguson has served as a director of us and the Bank since 2001. He is a Senior Partner of the law firm of Ferguson, Aufsesser, Hallowell & Wrynn, LLP of Greenwich, Connecticut.</p>	2001
Brian A. Fitzgerald	57	<p>Brian A. Fitzgerald has served as a director of us and the Bank since 2005. He has also served as the Finance Director and Property Manager at Villa Maria Education Center in Stamford, Connecticut since 2001. From 1999 to 2001, Mr. Fitzgerald served as the Finance Director and Controller of Chromacol, a developer of consumables and accessories for chromatography. Mr. Fitzgerald was chairman of the audit committee of Summit Bank of Connecticut from 1999 to 2001, chairman of the audit committee of NSS Bancorp from 1997 to 1998, and chairman of the audit committee of NSS Bank from 1995 to 1997.</p>	2005
John A. Geoghegan	64	<p>John A. Geoghegan has served as a director of us since 1999 and a director of the Bank since 1998. He is the Resident Principal (Partner) of the law firm of Gellert & Klein, P.C., Purchase, New York and its predecessor firm. Previously, Mr. Geoghegan was a director of Barclays Bank, N.A. for over eighteen years.</p>	1999
L. Morris Glucksman	58	<p>L. Morris Glucksman has served as a director of us since 1999 and a director of the Bank since 1993. Mr. Glucksman is a practicing attorney in Stamford, Connecticut.</p>	1999
Michael F. Intrieri	62	<p>Michael F. Intrieri has served as a director of us since 1999 and a director of the Bank since 1993. He is a facilitator in the Stamford, Connecticut Public School System. Mr. Intrieri holds an Ed.D. in education and counseling and is a licensed real estate broker.</p>	1999

Vote Required

Under cumulative voting for directors, the nine nominees receiving the largest number of votes will be elected as directors. Abstention and broker non-votes are not considered votes cast and will not affect the outcome of the vote.