

OLD NATIONAL BANCORP /IN/

Form PRE 14A

February 23, 2007

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

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No. )

Filed by the Registrant   
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**OLD NATIONAL BANCORP**

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(Name of Registrant as Specified In Its Charter)

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

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- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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**Old National Bancorp  
One Main Street  
Evansville, Indiana 47708**

**Notice of Annual Meeting of Shareholders**

To Our Shareholders:

The 2007 Annual Meeting of Shareholders of Old National Bancorp (the Company) will be held at Shanklin Theatre on the Campus of the University of Evansville, 1800 Lincoln Avenue, Evansville, Indiana on Thursday, May 17, 2007, at 9:00 a.m. for the following purposes:

- (1) The election of two Directors to Class II of the Company's Board of Directors, each to serve a term of three years.
- (2) Approval of the amendment to Section 1 of Article VII of the Company's Amended and Restated Articles of Incorporation to declassify the Board of Directors and to provide for the annual election of directors.
- (3) Approval of the amendment to the Company's Amended and Restated Articles of Incorporation to delete Article IV in its entirety and to renumber the Articles which follow Article IV.
- (4) Ratification of the appointment of Crowe Chizek and Company LLC as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2007; and
- (5) Transaction of such other matters as may properly come before the meeting or any adjournments and postponements thereof.

Common shareholders of record at the close of business on March 8, 2007 are entitled to notice of, and to vote at, the Annual Meeting.

By Order of the Board of Directors

Jeffrey L. Knight  
Executive Vice President, Chief Legal Counsel and  
Corporate Secretary

March 21, 2007

**IMPORTANT**

**Please submit your proxy promptly by mail or by Internet. In order that there may be proper representation at the meeting, you are urged to complete, sign, date and return the enclosed proxy in the envelope provided or vote by Internet, whether or not you plan to attend the meeting. No postage is required if mailed in the United States.**

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**Old National Bancorp  
One Main Street  
Evansville, Indiana 47708**

**Proxy Statement**

For the Annual Meeting of Shareholders  
to be held on May 17, 2007, at 9:00 a.m. at  
Shanklin Theatre, 1800 Lincoln Avenue, Evansville, IN 47714

General Information about the Annual Meeting and Voting

**Why am I receiving these materials?**

This Proxy Statement and the enclosed proxy materials relate to the Annual Meeting of Shareholders of Old National Bancorp (the Company or Old National ) to be held on May 17, 2007 at 9:00 a.m. at Shanklin Theatre on the Campus of the University of Evansville, 1800 Lincoln Avenue, Evansville, Indiana (the Annual Meeting ). These proxy materials are being furnished by the Company in connection with a solicitation of proxies by the Company s Board of Directors (the Board ) and are being mailed on or about March 21, 2007.

Shareholders will be admitted to the Annual Meeting beginning at 8:00 a.m. Central Daylight Time. Seating will be limited.

**Who can attend the Annual Meeting?**

Only shareholders of the Company of record as of March 8, 2007 (the Record Date ), their authorized representatives and guests of the Company may attend the Annual Meeting. Admission will be by ticket only.

**How do I receive an admission ticket?**

If you are a registered shareholder (your shares are held in your name) and plan to attend the meeting, your Annual Meeting admission ticket can be detached from the top portion of the proxy card.

If your shares are held in street name (in the name of a bank, broker or other holder of record) and you plan to attend the meeting, you will need to bring a copy of a brokerage statement reflecting your stock ownership as of the Record Date for admittance to the meeting.

No cameras, recording equipment, electronic devices, large bags, briefcases or packages will be permitted in the meeting.

**Who may vote at the Annual Meeting?**

These proxy materials are provided to holders of the Company s common stock who were holders of record on the Record Date. Only the Company s common shareholders of record on the Record Date are entitled to vote at the Annual Meeting. On the Record Date, shares of the Company s common stock were outstanding.

As of the Record Date, to the knowledge of the Company, no person or firm, other than the Company, beneficially owned more than 5% of the common stock of the Company outstanding on that date. As of March 8, 2007, no individual Director, nominee or officer beneficially owned more than 5% of the common stock of the Company

outstanding.

As of the Record Date, to the knowledge of the Company, only the Company indirectly beneficially owned more than 5% of the outstanding common stock of the Company. The Company indirectly owned        shares of common stock of the Company, which constituted % of the outstanding common stock of the Company on that date. These shares are held in various fiduciary capacities through the Company s wholly-owned trust company.

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### **How do I vote if I am a registered shareholder?**

Each share of the Company's common stock outstanding on the Record Date will be entitled to one vote at the Annual Meeting. Proxy cards are enclosed to facilitate voting.

If you are a shareholder whose shares are registered in your name, you may vote your shares in person at the meeting or by one of the methods indicated below. Execution of the enclosed proxy card or voting via the Internet will not affect your right to attend the Annual Meeting. If you vote by Internet, please do not mail your proxy card. If you vote by Internet and you submit a proxy card, only the most recently submitted vote will be counted.

Vote by Proxy Card: by completing, signing, dating and mailing the enclosed proxy card in the envelope provided; or

Vote by Internet: by going to the web address [www.oldnational.com](http://www.oldnational.com) and following the simple online instructions for Internet voting.

If your shares are held in street name, your broker will provide you with materials and instructions for voting your shares.

Shares of the Company's common stock for which instructions are received, will be voted in accordance with the shareholder's instructions. If you send in your proxy card or use Internet voting, but do not specify how you want to vote your shares, the proxy holders will vote them for each of the items being proposed by the Board and in the discretion of the proxy holders as to any other business that may properly come before the Annual Meeting and any adjournment or postponements thereof.

### **Can I change my vote after I return the proxy card or after voting electronically?**

If you are a shareholder whose shares are registered in your name, you may revoke your proxy at any time before it is voted by one of the following methods:

Submitting another proper proxy with a more recent date than that of the proxy first given by:

- (1) following the Internet voting instructions, or
- (2) completing, signing, dating and returning a proxy card to the Company's Corporate Secretary.

Sending written notice of revocation to the Company's Corporate Secretary.

Attending the Annual Meeting and voting by ballot (although attendance at the Annual Meeting will not, in and of itself, revoke a proxy).

If you hold your shares in street name through a broker, you may revoke your proxy by following instructions provided by your broker. No notice of revocation or later-dated proxy will be effective until received by the Company's Corporate Secretary at or prior to the Annual Meeting.

### **Will the Annual Meeting be webcast?**



Our Annual Meeting will be webcast on May 17, 2007. You are invited to visit [www.oldnational.com](http://www.oldnational.com) at 9:00 a.m. Central Daylight Time on May 17, 2007, to access the webcast of the meeting. Registration for the webcast is required. An archived copy of the webcast will also be available on our website through May 16, 2008.

**How many votes are needed to have the proposals pass?**

**Election of Directors.** A plurality of the votes cast at the meeting is required to elect directors. This means that the Director nominee with the most votes for a particular slot is elected for that slot. You may vote for or withheld with respect to the election of directors. Only votes for or withheld are counted in determining whether a plurality has been cast in favor of a Director. Abstentions are not counted for purposes of the election of Directors.

On July 27, 2006, our Board adopted a corporate governance policy regarding director elections that is contained in our Corporate Governance Guidelines. The policy provides that in any uncontested election, any

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nominee for director who receives a greater number of votes withheld for his or her election than votes for such election (a majority withheld vote) will tender his or her resignation as a director promptly following the certification of the shareholder vote. The Corporate Governance and Nominating Committee, without participation by any director so tendering his or her resignation, will consider the resignation offer and recommend to the Board whether to accept it. The Board, without participation by any director so tendering his or her resignation, will act on the Corporate Governance and Nominating Committee's recommendation no later than 90 days following the date of the Annual Meeting of Shareholders at which the election occurred. If the Board decides to accept the director's resignation, the Corporate Governance and Nominating Committee will recommend to the Board whether to fill the resulting vacancy or to reduce the size of the Board. We will promptly disclose the Board's decision and the reasons for the decision in a broadly disseminated press release that will also be furnished to the Securities and Exchange Commission (SEC) on Form 8-K.

**Amendments to the Articles of Incorporation.** The approval of the amendment to Article VII of the Company's Amended and Restated Articles of Incorporation to provide for the annual election of directors requires the affirmative vote of two-thirds of the outstanding shares of the Company. The approval of the amendments to delete Article IV in its entirety and to renumber the Articles which follow Article IV of the Company's Article of Incorporation requires the affirmative vote of the majority of the shares present in person or by proxy at the meeting.

**Ratification of Independent Registered Public Accounting Firm.** The affirmative vote of a majority of the shares present in person or by proxy is required for ratification of the appointment of Crowe Chizek and Company LLC as the independent registered public accounting firm of the Company for fiscal year 2007.

### **What is householding ?**

We have adopted a procedure called householding, which has been approved by the SEC. Under this procedure, a single copy of the annual report and proxy statement will be sent to any household at which two or more shareholders reside if they appear to be members of the same family, unless one of the shareholders at that address notifies us that they wish to receive individual copies. This procedure reduces our printing costs and fees.

Shareholders who participate in householding will continue to receive separate proxy cards.

Householding will not affect dividend check mailings in any way.

If a single copy of the annual report and proxy statement was delivered to an address that you share with another shareholder, at your written or oral request to the Company's Shareholder Services Department at 812-464-1296 or 1-800-677-1749, at P.O. Box 929, Evansville, Indiana 47706-0929, or via email to [shareholderservices@oldnational.com](mailto:shareholderservices@oldnational.com), we will promptly deliver a separate copy.

A number of brokerage firms have instituted householding. If you hold your shares in street name, please contact your bank, broker, or other holder of record to request information about householding.

### **How are abstentions and broker non-votes treated?**

Abstentions or broker non-votes will not be voted for or against any items or other matters presented at the meeting. Abstentions will be counted for purposes of determining the presence of a quorum at the Annual Meeting, but broker non-votes will not be counted for quorum purposes if the broker has failed to vote as to all matters.

With respect to the election of directors, abstentions, broker non-votes and instructions on the enclosed form of proxy to withhold authority to vote for one or more of the nominees will result in the nominee receiving fewer votes but will

not affect the outcome of the election.

With respect to the proposals to amend the Articles of Incorporation, ratify the selection of the independent registered public accounting firm and any other matters, abstentions and broker non-votes will have the same effect as a vote against the proposal.

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**How do I designate my proxy?**

If you wish to give your proxy to someone other than the proxies identified on the proxy card, you may do so by crossing out all the names of the Proxy members appearing on the proxy card and inserting the name of another person. The signed card must be presented at the meeting by the person you have designated on the proxy card.

**Who will pay for the costs involved in the solicitation of proxies?**

The Company will pay all costs of preparing, assembling, printing and distributing the proxy materials. The Company may retain Georgeson, Inc., a proxy soliciting firm, to assist in the solicitation of proxies, for an estimated fee of \$7,000 plus reimbursement of certain out-of-pocket expenses. In addition to solicitations by mail, Directors and Officers of the Company and its subsidiaries may solicit proxies personally, by telephone or in person, but such persons will not be specially compensated for their services.

We will, upon request, reimburse brokerage firms and others for their reasonable expenses incurred for forwarding solicitation material to beneficial owners of stock.

**Other Matters Related to the Meeting**

Only matters brought before the Annual Meeting in accordance with the Company's By-laws will be considered. Aside from the items listed above in the Notice of Annual Meeting, the Company does not know of any other matters that will be presented at the Annual Meeting. However, if any other matters properly come before the Annual Meeting or any adjournment, the proxy holders will vote them in accordance with their best judgment.

Should any nominee for Director become unable or unwilling to accept nomination or election, the persons acting under the proxy intend to vote for the election of another person recommended by the Corporate Governance and Nominating Committee of the Board and nominated by the Board. The Company has no reason to believe that any of the two nominees will be unable or unwilling to serve if elected to office.

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**Corporate Governance and  
Nominating Committee and Other Board Matters**

The Corporate Governance and Nominating Committee is primarily responsible for corporate governance matters affecting the Company and its subsidiaries. The Corporate Governance and Nominating Committee operates under a written charter which conforms to the requirements of the SEC and the New York Stock Exchange ( NYSE ).

**Role and Functioning of the Board**

The Board, which is elected by the shareholders, selects the Executive Leadership Group ( ELG ), which is the executive management team charged with the conduct of the Company s business. Having selected the ELG, the Board acts as an advisor and counselor to management and ultimately monitors its performance. The Board has the responsibility for overseeing the affairs of the Company and, thus, an obligation to keep informed about the Company s business. This involvement enables the Board to provide guidance to management in formulating and developing plans and to exercise its decision-making authority on appropriate matters of importance to the Company. Acting as a full Board and through the Board s six standing committees, the Board oversees and approves the Company s strategic plan. The Board regularly reviews the Company s progress against its strategic plans and exercises oversight and decision-making authority regarding strategic areas of importance to the Company.

The Company s Corporate Governance Guidelines provide for a non-executive Chairman (currently Larry E. Dunigan), who acts as chair of meetings of the Board; leads executive sessions of the Board; consults and meets with any or all outside directors as required and represents such directors in discussions with management of the Company on corporate governance issues and other matters; ensures that the Board, Committees of the Board, individual directors and management of the Company understand and discharge their duties and obligations under the Company s system of corporate governance; mentors and counsels new members of the Board to assist them in becoming active and effective directors; leads the Board in the annual evaluation of the CEO s performance; acts in an advisory capacity to the president and CEO in all matters concerning the interests of the Board and relationships between management and the Board; and performs such other duties and responsibilities as may be delegated to the non-executive Chairman by the Board from time to time.

Executive sessions, or meetings of outside Directors without management present, are held at regular intervals for both the Board and the Committees. Mr. Dunigan, as the non-executive Chairman of the Company, serves as the presiding director of the executive session meetings of the non-management Directors of the Board. The Board meets in executive session a minimum of four times each year.

The Board met eight times during 2006. Each Director attended 75% or more of Board meetings and meetings of Committees on which they served in 2006. Directors as a group attended an average of 97% of the Board meetings and meetings of Committees on which they served in 2006.

**Corporate Governance and Nominating Committee Scope of Responsibilities**

The Corporate Governance and Nominating Committee has responsibility for recruiting and nominating new Directors, assessing the independence of non-management Directors, leading the Board in its annual performance evaluation, reviewing and assessing the adequacy of the Corporate Governance Guidelines and retaining outside advisors as needed to assist and advise the Board with respect to legal and other accounting matters. The Corporate Governance Committee is also responsible for reviewing with the full Board, on an annual basis, the requisite skills and characteristics of Board members as well as the composition of the Board as a whole.

**Attendance at Annual Meetings**

The Company has not established a formal policy regarding Director attendance at its Annual Meeting of Shareholders, but it encourages all Directors to attend these meetings and reimburses expenses associated with attendance. The non-executive Chairman presides at the Annual Meeting of Shareholders. All the Directors attended the Annual Meeting of Shareholders in 2006.

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### **Code of Conduct and Code of Ethics**

The Board has adopted the Code of Business Conduct and Ethics that sets forth important company policies and procedures in conducting our business in a legal, ethical and responsible manner. These standards are applicable to all of our directors and employees, including the Company's Chief Executive Officer, Chief Financial Officer and Controller. In addition, the Audit Committee has adopted the Code of Ethics for CEO and Senior Financial Officers that supplements the Code of Business Conduct and Ethics by providing more specific requirements and guidance on certain topics. The Code of Ethics for CEO and Senior Financial Officers applies to the Company's Chief Executive Officer, Chief Financial Officer and Controller. The Code of Business Conduct and Ethics and the Code of Ethics for CEO and Senior Financial Officers are available on our website at [www.oldnational.com](http://www.oldnational.com). We will post any material amendments to, or waivers from, our Code of Business Conduct and Ethics and Code of Ethics for Senior Financial Officers on our website within two days following the date of such amendment or waiver.

Employees are required to report any conduct they believe in good faith to be an actual or apparent violation of our Codes of Conduct. In addition, as required under the Sarbanes-Oxley Act of 2002, the Audit Committee has established confidential procedures to receive, retain and treat complaints received regarding accounting, internal accounting controls, or auditing matters and the confidential, anonymous submission by company employees of concerns regarding questionable accounting or auditing matters.

### **Corporate Governance Guidelines**

The Board has adopted the Corporate Governance Guidelines that, along with the Company's corporate charter, By-laws and charters of the various committees of the Board, provide the foundation for the Company's governance. Among other things, our Corporate Governance Guidelines set forth the (i) minimum qualifications for the Directors; (ii) independence standards for the Directors, (iii) responsibilities of the Directors; (iv) majority vote standard for the election of directors; (v) committees of the Board, (vi) access of Directors to the officers and employees of the Company; (vii) Directors' compensation; (viii) procedures for Director orientation and development; (ix) procedures for an annual review of the CEO and management succession planning; (x) stock ownership guidelines for executives and directors; and (xi) procedures for an annual self-evaluation of the Board.

### **Communications from Shareholders to Directors**

The Board believes that it is important that a direct and open line of communication exist between the Board and the Company's shareholders and other interested parties. As a consequence, the Board has adopted the procedures described in the following paragraph for communications to Directors.

Any shareholder or other interested party who desires to contact Old National's Chairman or the other members of the Board may do so by writing to: Board of Directors, c/o Corporate Secretary, Old National Bancorp, P.O. Box 718, Evansville, IN 47705-0718. Communications received are distributed to the non-executive Chairman or other members of the Board, as appropriate, depending on the facts and circumstances outlined in the communication received. For example, if any complaints regarding accounting, internal accounting controls and auditing matters are received, then they will be forwarded by the Corporate Secretary to the Chairman of the Audit Committee for review.

### **Policy Regarding Consideration of Director Candidates Recommended by Shareholders**

The Company's nomination procedures for directors are governed by its By-Laws. Each year the Corporate Governance and Nominating Committee makes a recommendation to the entire Board of nominees for election as

directors. The Corporate Governance and Nominating Committee will review suggestions from shareholders regarding nominees for election as directors. All such suggestions from shareholders must be submitted in writing to the Corporate Governance and Nominating Committee at the Company's principal executive office not less than 120 days in advance of the date of the annual or special meeting of shareholders at which directors are to be elected. All written suggestions of shareholders must set forth (i) the name and address of the shareholder making the suggestion, (ii) the number and class of shares owned by such shareholder, (iii) the name, address and age of the suggested nominee for election as Director, (iv) the nominee's principal occupation during the five years



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preceding the date of suggestion, (v) all other information concerning the nominee as would be required to be included in the proxy statement used to solicit proxies for the election of the suggested nominee, and (vi) such other information as the Corporate Governance and Nominating Committee may reasonably request. Consent of the suggested nominee to serve as a Director of the Company, if elected, must also be included with the written suggestion.

In seeking individuals to serve as directors, the Corporate Governance and Nominating Committee seeks members from diverse professional backgrounds who combine a broad spectrum of experience and expertise. Directors should have an active interest in the business of the Company, possess a willingness to represent the best interests of all shareholders, be able to objectively appraise management performance, possess the highest personal and professional ethics, integrity and values, and be able to comprehend and advise management on complicated issues that face the Company and Board.

Directors should also demonstrate achievement in one or more fields of business, professional, governmental, communal scientific or educational endeavor. Directors are expected to have sound judgment, born of management or policy making experience that demonstrates an ability to function effectively in an oversight role. In addition, directors should have a general appreciation regarding major issues facing public companies of a size and operational scope similar to that of the Company. These issues include contemporary governance concerns, regulatory obligations of an SEC reporting financial holding company, strategic business planning and basic concepts of corporate finance.

### **Determination with Respect to the Independence of Directors**

It is the policy of the Board that a majority of its members be independent from management, and the Board has adopted Director Independence Standards that meet the listing standards of the NYSE. In accordance with our Corporate Governance Guidelines, the Board undertook its annual review of director independence. During this review, the Board considered any and all commercial and charitable relationships of directors, including transactions and relationships between each Director or any member of his or her immediate family and the Company and its subsidiaries. Following the review, the Board affirmatively determined, by applying the Director Independence Standards contained in the Corporate Governance Guidelines that each of our Directors nominated for election at this Annual Meeting, Niel C. Ellerbrook and Kelly N. Stanley, is independent of the Company and its management in that none has a direct or indirect material relationship with the Company.

The independent Directors of the Company are Joseph D. Barnette, Jr., Larry E. Dunigan, David E. Eckerle, Niel C. Ellerbrook, Andrew E. Goebel, Phelps L. Lambert, Marjorie Z. Soyugenc, Kelly N. Stanley and Charles D. Storms. The non-independent Directors are President and CEO, Robert G. Jones, and non-management Board member, Alan W. Braun. Mr. Jones is considered an inside Director because of his employment as President and CEO of the Company. Mr. Braun is not considered an independent outside Director as a result of work performed by his company, Industrial Contractors, Inc., on behalf the Company.

In addition, all members of the Audit Committee, the Compensation and Management Development Committee and the Corporate Governance and Nominating Committee satisfy the standards of independence applicable to members of such committees established under applicable law, the listing requirements of the NYSE and the Director Independence Standards set forth in the Company's Corporate Governance Guidelines.

### **Director Compensation**

All outside Directors of the Company receive an annual retainer of \$35,000 for serving on the Board. The outside Directors receive \$20,000 of the retainer in cash, while \$15,000 of the retainer is paid in Company stock. Directors not otherwise employed by the Company also receive \$1,000 for each Committee meeting attended and Audit Committee

members receive \$1,500 for each Audit Committee meeting attended. The Audit Committee Chairman receives an additional annual retainer of \$7,500 and Directors serving as a Committee Chairman on other committees receive an additional annual retainer of \$2,500. The non-executive Chairman of the Board receives an additional annual retainer of \$25,000, which he returned to the Company on January 8, 2007. Robert G. Jones, President and CEO of the Company and the only inside Director on the Board, receives no compensation for his directorship. For more information on Director compensation, please refer to pages 36 and 37.

**Table of Contents****Committees of our Board**

The following table lists the membership of the Company's standing Board Committees in 2006.

<b>Director</b>	<b>Audit</b>	<b>Compensation and Management Development</b>	<b>Corporate Governance and Nominating</b>	<b>Funds Management</b>	<b>Risk and Credit Policy</b>	<b>Community and Social Responsibility</b>
Joseph D. Barnette, Jr.		X			X	
Alan W. Braun					X	X
Larry E. Dunigan	X	X	Chair			
David E. Eckerle				X	Chair	X
Niel C. Ellerbrook		Chair	X			
Andrew E. Goebel	Chair			X	X	
Robert G. Jones						
Phelps L. Lambert	X		X	Chair		
Marjorie Z. Soyugenc	X	X				Chair
Kelly N. Stanley			X			
Charles D. Storms	X			X		X

The members of the Company's Board are elected to various committees. The standing committees of the Board include an Executive Committee, an Audit Committee, a Compensation and Management Development Committee, a Corporate Governance and Nominating Committee, a Funds Management Committee, a Risk and Credit Policy Committee, and a Community and Social Responsibility Committee.

When the Board is not in session, the Executive Committee has all of the power and authority of the Board except with respect to amending the Articles of Incorporation or By-Laws of the Company; approving an agreement of merger or consolidation; recommending to the shareholders the sale, lease or exchange of all or substantially all of the Company's property and assets; recommending to the shareholders a dissolution of the Company or a revocation of such dissolution; declaring dividends; or authorizing the issuance or reacquisition of shares. The Executive Committee did not meet in 2006 and currently does not have any members.

The members of the Audit Committee are Andrew E. Goebel (Chairperson), Larry E. Dunigan, Phelps L. Lambert, Marjorie Z. Soyugenc and Charles D. Storms. The Audit Committee held nine meetings during 2006. The functions of the Audit Committee are described under "Report of the Audit Committee" on page 40. The Audit Committee has adopted a written charter which has been approved by the Board.

The members of the Corporate Governance and Nominating Committee are Larry E. Dunigan (Chairperson), Niel C. Ellerbrook, Phelps L. Lambert, and Kelly N. Stanley. The Corporate Governance and Nominating Committee met four times in 2006. The functions of the Corporate Governance and Nominating Committee are described under

Corporate Governance and Nominating Committee and other Board Matters on page 5. The Corporate Governance and Nominating Committee has adopted a written charter which has been approved by the Board.

The members of the Compensation and Management Development Committee are Niel C. Ellerbrook (Chairperson), Joseph D. Barnette, Jr., Larry E. Dunigan and Marjorie Z. Soyugenc. The Compensation and Management Development Committee met six times during 2006. The functions of the Compensation and Management Development Committee are described under Compensation and Management Development Committee Matters on page 18. The Compensation and Management Development Committee has adopted a written charter which has been approved by the Board.

The members of the Risk and Credit Policy Committee are David E. Eckerle (Chairperson), Joseph D. Barnette, Jr., Alan W. Braun and Andrew E. Goebel. On January 31, 2007, Mr. Eckerle announced his retirement from the Board effective May 17, 2007 and that he would not stand for re-election at the Annual Meeting. The Risk and Credit Policy Committee met five times in 2006. The function of the Risk and Credit Policy Committee is to oversee the Company's policies, procedures and practices relating to credit, operation and compliance risk. The Risk and Credit Policy Committee has adopted a written charter which has been approved by the Board.

The members of the Community and Social Responsibility Committee are Marjorie Z. Soyugenc (Chairperson), Alan W. Braun, David E. Eckerle and Charles D. Storms. The Community and Social Responsibility Committee met three times in 2006. The Community and Social Responsibility Committee has the responsibility to review the Company's compliance with the Community Reinvestment Act, Fair Lending Practices, associate commitment and diversity, supplier diversity and the Company's Affirmative Action Plan. During 2005, the Community and Social

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Responsibility Committee approved the formation of the Old National Bank Foundation through which major charitable gifts from the Company will be funded. The Community and Social Responsibility Committee has adopted a written charter which has been approved by the Board.

The members of the Funds Management Committee are Phelps L. Lambert (Chairman), David E. Eckerle, Andrew E. Goebel and Charles Storms. The Funds Management Committee met six times during 2006. The function of the Funds Management Committee is to monitor the balance sheet risk profile of the Company, including credit, interest rate, liquidity and leverage risks. The Funds Management Committee is also responsible for reviewing and approving the investment policy for the Company. The Funds Management Committee has adopted a written charter which has been approved by the Board.

In addition to serving on the Corporate Governance and Nominating Committee, Kelly Stanley serves as Chairman of the Old National Trust Company Board of Directors and Chairman of ONB Insurance Group, Inc. Board of Directors. Both companies are subsidiaries of the Company.

**Availability of Corporate Governance Documents**

The Company's Corporate Governance Guidelines (including the Director Independence Standards), Board committee charters for the Audit Committee, Corporate Governance and Nominating Committee, and the Compensation and Management Development Committee, as well as the Code of Business Conduct and Ethics, and the Code of Ethics for CEO and Senior Financial Officers can be viewed under the Corporate Governance link on the Company's website at [www.oldnational.com](http://www.oldnational.com). These documents, as well as charters for all of the Company's Board committees, are available in print to any interested party who requests them by writing to: Corporate Secretary, Old National Bancorp, P.O. Box 718, Evansville, IN 47705-0718.

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**Item 1: Election of Directors**

The first item to be acted upon at the Annual Meeting of Shareholders is the election of two directors to Class II of the Board, each to hold office for three years (until the 2010 Annual Meeting) and until his successor shall have been duly elected and qualified or his earlier resignation, removal or death. In the event the shareholders approve Item 2 at the Annual Meeting of Shareholders, the two nominees elected at this Annual Meeting will serve until the 2008 Annual Meeting, and thereafter all directors shall be elected annually to hold office until the ensuing Annual Meetings of Shareholders.

In accordance with the Company's Articles of Incorporation and By-Laws, the Board consists of 12 directors divided into three classes with staggered terms. Each class is to be elected to three year terms with each term expiring in different years. At each Annual Meeting, the directors or nominees constituting one class are elected for a three year term. The current Class II directors' terms will expire at the Annual Meeting, on May 17, 2007. Any vacancies that occur after the directors are elected may be filled by the Board in accordance with the By-Laws for the remainder of the full term of the vacant directorship.

The Board has nominated for election as Class II directors the following two persons, each of whom are presently serving as Class II directors of the Company: Niel C. Ellerbrook and Kelly N. Stanley. If any Director nominee named in this proxy statement shall become unable or decline to serve (an event which the Board does not anticipate), the persons named as proxies will have discretionary authority to vote for a substitute nominee named by the Board, if the Board determines to fill such nominee's position. Unless authorization is withheld, the enclosed proxy, when properly signed and returned, will be voted for the election as directors of all of the nominees listed in this proxy statement.

The By-Laws of the Company currently provide for the Board to be comprised of 12 Directors. If Mr. Ellerbrook and Mr. Stanley are both elected to the Board, two vacancies on the Board will remain unfilled. The Board currently contemplates taking action to either reduce the size of the Board to 10 persons or to fill the vacancies. The proxies may not be voted for a greater number of persons than are presently nominated as Directors.

Pages 11 through 13 and page 16 contain the following information with respect to each Class II Director, and with respect to incumbent directors in Classes I and III of the Board who are not nominees for re-election at the Annual Meeting: name; principal occupation or business experience for the last five years; age; the year in which the nominee or incumbent Director first became a Director of the Company; the number of shares of common stock of the Company beneficially owned by the nominee or incumbent Director as of March 8, 2007; and the percentage that the shares beneficially owned represent of the total outstanding shares of the Company as of March 8, 2007. The number of shares of common stock of the Company shown as being beneficially owned by each Director nominee or incumbent Director includes those over which he or she has either sole or shared voting or investment power.

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Listed below is certain biographical information of each of the nominees for election including his or her principal occupation and other business affiliations.

**Nominees for Director to be Elected  
Class II  
Terms Expiring 2010**

**Niel C. Ellerbrook**

<i>Age:</i>	58
<i>Director Since:</i>	2002
<i>Principal Occupation since 2001:</i>	Chairman, President and CEO of Vectren Corporation, an energy holding company, 2003 - present. Chairman and CEO of Vectren Corporation from 2001 to 2003.

**Kelly N. Stanley**

<i>Age:</i>	63
<i>Director Since:</i>	2002
<i>Principal Occupation since 2001:</i>	President of BMH Foundation, Inc., a non-profit corporation, from 2003 to present. President and CEO of Ontario Corporation, a diversified technology/manufacturing company, from 2001 to 2003.

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**Directors Continuing in Office  
Class I  
Terms Expiring 2009**

**Joseph D. Barnette, Jr.**

<i>Age:</i>	67
<i>Director Since:</i>	2005
<i>Principal Occupation since 2001:</i>	President of the Sexton Companies, apartment developers/managers, since 2002. Chairman of Bank One, N.A., a financial services company, from 2001 to 2002.

**Larry E. Dunigan**

<i>Age:</i>	64
<i>Director Since:</i>	1982
<i>Principal Occupation since 2001:</i>	Chief Executive Officer of Holiday Management Company, healthcare services and Internet services.

**Phelps L. Lambert**

<i>Age:</i>	59
<i>Director Since:</i>	1990
<i>Principal Occupation since 2001:</i>	Managing Partner of Lambert and Lambert, investments.

**Marjorie Z. Soyugenc**

<i>Age:</i>	66
<i>Director Since:</i>	1993
<i>Principal Occupation since 2001:</i>	Executive Director and CEO, Welborn



Baptist Foundation, Inc., a non-profit foundation, since 2004. Executive Director and CEO, WBH Evansville, Inc. and Welborn Baptist Foundation, Inc., non-profit foundations, 2001 to 2004.

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**Directors Continuing in Office  
Class III  
Terms Expiring 2008**

**Alan W. Braun**

<i>Age:</i>	62
<i>Director Since:</i>	1988
<i>Principal Occupation since 2001:</i>	Chairman, President and CEO of Industrial Contractors, Inc., a construction company, since 2004. Chairman and CEO of Industrial Contractors, Inc. from 2002 to 2004. President of Industrial Contractors, Inc. from 2001 to 2002.

**Andrew W. Goebel**