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NATCO GROUP INC  
 Form DEFA14A  
 May 20, 2004

NATCO GROUP INC.  
 2950 N. LOOP WEST, 7TH FLOOR  
 HOUSTON, TEXAS 77092

PROXY STATEMENT SUPPLEMENT

This Proxy Statement Supplement is furnished by the Board of Directors of NATCO Group Inc. (the "Company" or "NATCO"). It amends and supplements the Proxy Statement of NATCO dated April 24, 2004, which was first mailed to stockholders on or about April 29, 2004. Capitalized terms used and not otherwise defined in this supplement shall have the respective meanings assigned to such terms in the Proxy Statement.

After the April 24, 2004 Proxy Statement was printed, we became aware of the following inadvertent errors in the Summary Compensation Table appearing on page 17 of the Proxy Statement. The revised information is set forth below.

A bonus payment totaling \$135,179 made to Patrick M. McCarthy in 2002 was inadvertently omitted from the Summary Compensation Table. In the column of the Table captioned "Bonus (1)," the revised amount for Mr. McCarthy for 2002 is \$135,179. The annual salary paid to Robert A. Curcio in 2002 was inadvertently understated by \$2,070 in the Summary Compensation Table. In the column of the Table captioned "Salary," the revised amount for Mr. Curcio for 2002 is \$199,500. Amounts listed under "Other" for each of Mr. McCarthy, Mr. Smith, Mr. Curcio and Mr. Michaluk have been omitted since they are below the threshold for reporting such amounts, and footnote 7 has been revised to reflect this change.

In addition, certain amounts with regard to 401(k) contributions in the table and in footnotes 3 and 4 reflected the total contribution to the Named Executive Officer's account by the executive, not the company match, as was required. This resulted in the overstatement of "All Other Compensation" in 2003 of \$6,000 for each of Nathaniel A. Gregory, Mr. McCarthy, C. Frank Smith and Mr. Curcio. In addition, "All Other Compensation" for Mr. Curcio for 2002 was previously overstated by \$3,000. In the column of the Table captioned "All Other Compensation", the revised amount for Mr. Gregory for 2003 is \$9,806, the revised amount for Mr. McCarthy for 2003 is \$9,161, the revised amount for Mr. Smith for 2003 is \$8,469 and the revised amount for Mr. Curcio for each of 2003 and 2002 is \$8,270.

A revised Summary Compensation Table, with footnotes, is set forth below.

NAME AND PRINCIPAL POSITION	FISCAL YEAR	ANNUAL COMPENSATION			OTHER (\$)
		SALARY	BONUS (1)		
Nathaniel A. Gregory .....	2003	\$426,308	\$316,104		\$78,798 (2)
Chairman and Chief Executive	2002	400,000	216,523		78,875 (2)
Officer	2001	394,231	191,842		71,299 (2)

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Patrick M. McCarthy .....	2003	293,087	166,133	--(7)
Director and President	2002	275,000	135,179	--(7)
	2001	277,177	137,030	--(7)
C. Frank Smith .....	2003	228,039	107,299	--(7)
Executive Vice President	2002	220,000	84,229	--(7)
	2001	200,000	83,532	--(7)
Robert A. Curcio .....	2003	206,790	68,291	--(7)
Senior Vice President--	2002	199,500	54,875	--(7)
Technology and Product	2001	189,999	56,689	--(7)
Development				
Peter G. Michaluk (6) .....	2003	175,109	69,941	--(7)
Senior Vice President--Europe,	2002	156,260	70,655	--(7)
Africa and Middle East	2001	112,239	41,531	--(7)

ANNUAL COMPENSATION

NAME AND PRINCIPAL POSITION -----	FISCAL YEAR -----	SALARY -----	BONUS (1) -----	OTHER (\$) -----
Richard W. FitzGerald .....	2003	121,154	--	--
Senior Vice President and Chief Financial Officer (9)				

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- (1) Bonuses reported and paid in a fiscal year relate to the executive's performance in the prior fiscal year and, in 2003, also included payment of previously deferred bonus awards.
  - (2) Includes costs paid for lodging in Houston and the tax gross-up of related costs of \$50,076 and \$28,722 for 2003, respectively, \$41,347 and \$37,529 for 2002, respectively, and \$37,040 and \$34,259 for 2001, respectively.
  - (3) Represents (a) matching contributions made in 2003 under our 401(k) Savings Plan of \$8,000 for Mr. Gregory, \$8,000 for Mr. McCarthy, \$8,000 for Mr. Smith, \$8,000 for Mr. Curcio and \$1,696 for Mr. FitzGerald and (b) life insurance premiums of \$1,806, \$1,161, \$469, \$270 and \$192 for Messrs. Gregory, McCarthy, Smith, Curcio and FitzGerald, respectively.
  - (4) Represents (a) matching contributions made in 2002 under our 401(k) Savings Plan of \$8,000 for Mr. Gregory, \$9,350 for Mr. McCarthy, \$5,738 for Mr. Smith and \$8,000 for Mr. Curcio and (b) life insurance premiums of \$966, \$1,161, \$469 and \$270 for Messrs. Gregory, McCarthy, Smith, and Curcio, respectively.
  - (5) Represents (a) matching contributions made in 2001 under our 401(k) Savings Plan of \$10,950 for Mr. Gregory, \$8,400 for Mr. McCarthy, \$10,950 for Mr. Smith and \$9,075 for Mr. Curcio and (b) life insurance premiums of \$828, \$1,032, \$270 and \$168 for Messrs. Gregory, McCarthy, Smith and Curcio, respectively.
  - (6) Mr. Michaluk, Senior Vice President-Europe, Africa and Middle East, began employment with us in March 2001, when the company acquired Axsia Holdings Limited.
  - (7) The aggregate amount of perquisites and other personal benefits for the Named Executive Officer is less than \$50,000 or 10% of the annual salary and bonus of the named executive.

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- (8) Represents (a) employer contributions to the U.K. Occupational Pension Scheme on behalf of the employee of \$22,681, \$17,548 and \$10,983, and (b) amounts related to private health insurance in the U.K. for this employee of \$2,133, \$1,853 and \$1,334, for the years ended December 31, 2003, 2002 and 2001, respectively.
- (9) Mr. FitzGerald, Senior Vice President and Chief Financial Officer, began employment with the company on May 28, 2003.

In addition, footnote 1 to the table on security ownership of management and principal stockholders, located on pages 13 and 14 of the Proxy Statement, inadvertently overstated by 625 shares the number of shares which Mr. McCarthy had the right to acquire within 60 days. The revised number of shares in the footnote is 104,817.

The Company's Proxy Statement dated April 24, 2004 is modified in its entirety by the foregoing.

A NEW PROXY CARD IS INCLUDED WITH THIS SUPPLEMENT. IF YOU HAVE ALREADY VOTED, AND DO NOT WISH TO CHANGE YOUR VOTE, YOU DO NOT NEED TO SEND A NEW PROXY. IF YOU WISH TO CHANGE YOUR VOTE, OR HAVE NOT YET VOTED, PLEASE COMPLETE, DATE, SIGN AND MAIL PROMPTLY THE ENCLOSED PROXY IN THE ENCLOSED POSTPAID ENVELOPE. THE PROXY IS REVOCABLE AND WILL NOT BE USED IF YOU ARE PRESENT AT THE ANNUAL MEETING AND PREFER TO VOTE YOUR SHARES IN PERSON.

By Order of the Board of Directors

/s/ Katherine P. Ellis

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Katherine P. Ellis  
Senior Vice President, Secretary &  
General Counsel

Dated: May 20, 2004

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at its option, in whole, but not in part, on February 7, 2029, upon at least 10 business days but not more than 60 calendar days prior written notice to holders of the Notes at a redemption price equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest, if any, thereon to, but excluding, the redemption date.

In addition, the Issuer may redeem the Notes, at its option, in whole at any time or in part from time to time, on or after August 7, 2019 (or, if additional Notes are issued after February 7, 2019, beginning six months after the issue date of such additional Notes), and prior to February 7, 2029, upon at least 10 business days but not more than 60 calendar days prior written notice to the holders of the Notes, at a make-whole redemption price equal to the greater of:

- (i) 100% of the principal amount of the Notes to be redeemed; or

(ii) as determined by the quotation agent described below, the sum of the present values of the scheduled payments of principal and interest on the Notes to be redeemed, that would have been payable from the redemption date to February 7, 2029, not including interest accrued to, but excluding, the redemption date, discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the treasury rate plus 20 basis points,

plus, in either case of (i) or (ii) above, accrued and unpaid interest, if any, on the principal amount of the Notes being redeemed to, but excluding, the applicable redemption date.

Notwithstanding the foregoing, any interest on Notes being redeemed that is due and payable on an Interest Payment Date falling on or prior to a redemption date for such Notes will be payable on such Interest Payment Date to holders of such Notes being redeemed as of the close of business on the relevant record date according to the terms of the Notes and the Senior Indenture.

**treasury rate** means, with respect to any redemption date, the rate per annum equal to: (1) the yield, under the heading that represents the average for the week immediately prior to the calculation date, appearing in the most recently published statistical release appearing on the website of the Board of Governors of the Federal Reserve System or in another recognized electronic source, in each case, as determined by the quotation agent in its sole discretion, and that establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity, for the maturity corresponding to the applicable comparable treasury issue; *provided* that, if no maturity is within three months before or after February 7, 2029, yields for the two published maturities most closely corresponding to the applicable comparable treasury issue will be determined and the treasury rate will be interpolated or extrapolated from those yields on a straight-line basis, rounding to the nearest month; or (2) if such release (or any successor release) is not published during the week immediately prior to the calculation date or does not contain such yields, the semi-annual equivalent yield to maturity or interpolated maturity (on a day-count basis) of the comparable treasury issue, calculated using a price for the applicable comparable treasury issue (expressed as a percentage of its principal amount) equal to the related comparable treasury price for such redemption date.

The treasury rate will be calculated by the quotation agent on the third business day preceding the applicable redemption date of the Notes.

In determining the treasury rate, the below terms will have the following meaning:

**comparable treasury issue** means, with respect to any redemption date, the U.S. Treasury security or securities selected by the quotation agent as having an actual or interpolated (on a day-count basis) maturity comparable to the remaining term of the Notes to be redeemed, as if such Notes matured on February 7, 2029, that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes as if such Notes matured on February 7, 2029.

**comparable treasury price** means, with respect to any redemption date, (1) the average of the reference treasury dealer quotations for such redemption date, after excluding the highest and lowest reference treasury dealer quotations, provided that the quotation agent obtains five reference treasury dealer quotations, or (2) if the quotation agent obtains fewer than five such reference treasury dealer quotations, the average of all such quotations.

**quotation agent** means Merrill Lynch, Pierce, Fenner & Smith Incorporated, or its successor, or, if that firm is unwilling or unable to select the comparable treasury issue, an investment bank of national standing appointed by the Issuer.

**reference treasury dealer** means (1) Merrill Lynch, Pierce, Fenner & Smith Incorporated, or its successor, unless that firm ceases to be a primary U.S. government securities dealer in New York City (referred to in this term sheet as a primary treasury dealer ), in which case the Issuer will substitute another primary treasury dealer and (2) four other primary treasury dealer(s) that the Issuer may select.

**reference treasury dealer quotations** means, with respect to each reference treasury dealer and any redemption date, the average, as determined by the quotation agent, of the bid and asked prices for the applicable comparable treasury issue (expressed in each case as a percentage of its principal amount) quoted in writing to the quotation agent by such reference treasury dealer at 3:30 p.m., New York City time, on the third business day preceding such redemption date.

Unless the Issuer defaults on payment of the applicable redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date. If fewer than all of the Notes are to be redeemed, for so long as such notes are in book-entry only form, such Notes to be redeemed will be selected in accordance with the procedures of The Depository Trust Company.

Because Merrill Lynch, Pierce, Fenner & Smith Incorporated is, and any successor to Merrill Lynch, Pierce, Fenner & Smith Incorporated will be, an affiliate of the Issuer, the economic interests of Merrill Lynch, Pierce, Fenner & Smith Incorporated or its successor may be adverse to your interests as a holder of the Notes subject to the Issuer's redemption, including with respect to certain determinations and judgments it must make as quotation agent in the event that the Issuer redeems the Notes before their maturity pursuant to the make-whole optional redemption described above.

Bank of America Corporation (the Issuer) has filed a registration statement (including a prospectus supplement and a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read those documents and the other documents that the Issuer has filed with the SEC for more complete information about the Issuer and this offering. You may obtain these documents for free by visiting EDGAR on the SEC website at [www.sec.gov](http://www.sec.gov). Alternatively, the lead manager will arrange to send you the pricing supplement, the prospectus supplement, and the prospectus if you request them by contacting Merrill Lynch, Pierce, Fenner & Smith Incorporated, toll free at 1-800-294-1322. You may also request copies by e-mail from [fixedincomeir@bankofamerica.com](mailto:fixedincomeir@bankofamerica.com) or [dg.prospectus\\_requests@baml.com](mailto:dg.prospectus_requests@baml.com).