

# FIRST NATIONAL BANCORP, INC.

A BANK HOLDING COMPANY FOR



## PROXY STATEMENT ANNUAL MEETING OF SHAREHOLDERS OF FIRST NATIONAL BANCORP, INC.

May 9, 2013

FIRST NATIONAL BANCORP, INC., a Michigan bank holding company, is submitting this Proxy Statement to its shareholders (the “*Shareholders*”) in connection with the solicitation of proxies by the Board of Directors of First National Bancorp, Inc. (the “*Board*”) for use at the 2013 Annual Meeting of Shareholders to be held at the offices of First National Bank of Michigan at 348 West Michigan Avenue, Kalamazoo, Michigan 49007, at 5:00 p.m. on May 9, 2013, and at any adjournments or postponements thereof (the “*Annual Meeting*”).

As indicated in the accompanying letter to the Shareholders and Notice of the Annual Meeting, the Shareholders will be asked to consider and vote upon the following proposals (collectively, the “*Proposals*”):

1. Election of Eric V. Brown, Jr., James J. DeKruyter, James S. DeMoss, John M. Dunn, James S. Gunderson, David L. Holmes, Ben Ipema, Larry D. Lueth, Sondra K. Phillips, John M. Schreuder, Michael N. Seelye, Daniel R. Smith, George N. Todd and Joshua T. Weiner as the members of the First National Bancorp, Inc. Board of Directors for one year until their successors are elected and qualified or upon their earlier resignation or removal;
2. To ratify the appointment of Plante & Moran, LLP, Certified Public Accountants, as independent public accountants for First National Bancorp, Inc.;
3. To transact such other business as may properly come before the meeting or any adjournments thereof.

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*The foregoing introductory information concerning the Proposals provides only a very brief overview. While this overview may be useful to you as you review the more detailed information in the remainder of this Proxy Statement, you should not rely exclusively upon this overview. Instead, you should carefully review this entire Proxy Statement and the attached Annexes A and B.*

## **GENERAL INFORMATION**

### **Attending in person**

Only the Shareholders, their proxy holders and First National Bancorp, Inc. guests may attend the Annual Meeting.

### **Who may vote**

The Shareholders of First National Bancorp, Inc., as recorded in our stock register on April 5, 2013 (the “**Record Date**”), may vote at the Annual Meeting. As of both the Record Date and the date of this Proxy Statement, First National Bancorp, Inc. had 1,800,900 issued and outstanding shares. Each such share is entitled to one vote on each of the matters presented for shareholder action at the Annual Meeting.

### **How to vote**

You may either vote in person at the Annual Meeting or by proxy. We recommend you vote by proxy even if you plan to attend the Annual Meeting. You can always change your vote at the Annual Meeting.

### **How proxies work**

Your proxy covers all shares registered in your name. By properly executing and returning your proxy, your shares will be voted at the Annual Meeting according to your instructions unless you revoke the proxy prior to or at the Annual Meeting. You may vote for all, some or none of the director candidates and you may vote for, against or abstain from voting on the other proposals.

If you return your proxy without voting instructions, your shares will be voted FOR the election of the director nominees and in favor of the other Proposals. If you return a properly executed proxy, the persons named as proxy holders will have discretion to vote your shares on any additional matters properly presented for a vote at the Annual Meeting.

**To ensure your proxy is received prior to the Annual Meeting, please return it no later than May 7, 2013.** If your proxy is not received prior to the Annual Meeting, your shares will not be voted at the Annual Meeting unless they are voted in person at the Annual Meeting.

### **Revoking a proxy**

The grant of a proxy on the enclosed form of proxy does not preclude you from voting in person or otherwise revoking a proxy. Attendance at the Annual Meeting will not, in and of itself, constitute revocation of a proxy. You may revoke your proxy before it is voted by:

- submitting a new proxy with a later date;
- notifying First National Bancorp, Inc.’s Secretary in writing before the Annual Meeting; or
- voting in person at the Annual Meeting.

### **Quorum**

In order to carry on the business of the Annual Meeting, we must have a quorum. This means at least a majority of the outstanding shares of First National Bancorp, Inc. eligible to vote at the Annual Meeting must be represented at the Annual Meeting by proxy or in person.

## **Votes needed**

The director candidates who receive a majority of the votes cast will be elected to fill the 14 seats on the Board. Approval of the other Proposals requires the favorable vote of a majority of the votes cast. Only votes for or against a proposal count. Abstentions count for quorum purposes but not for voting purposes.

As of the date of this Proxy Statement, directors and officers of First National Bancorp, Inc. and their affiliates were not the beneficial owners of greater than a majority of the outstanding shares.

## **BUSINESS**

First National Bancorp, Inc. is a Michigan bank holding company that was incorporated on July 7, 2005 to organize and serve as the holding company for First National Bank of Michigan (the “**Bank**”), a national bank with branches located at 348 West Michigan Avenue, Kalamazoo, Michigan 49007, 2700 W. Centre Ave., Portage, Michigan 49024, 5313 West Main Street, Kalamazoo, Michigan 49009 and 141 Ionia NW, Grand Rapids, Michigan 49503. First National Bancorp, Inc. received approval from the Federal Reserve Board to become a bank holding company and acquired all of the stock of the Bank. The Bank received regulatory approval to open from the Office of the Comptroller of the Currency and for deposit insurance with the Federal Deposit Insurance Corporation. The Bank focuses on the local community, emphasizing personal service to individuals and businesses in its primary service area.

The Bank offers convenient service, local decision-making and competitively priced deposit and loan products in its primary service area. By focusing its operations on the communities it serves, the Bank should be able to respond to changes in the market more quickly than large non-local institutions.

## **PROPOSAL 1 - ELECTION OF DIRECTORS**

First National Bancorp, Inc.’s Board of Directors currently consists of 14 members who serve one-year terms. Therefore, all 14 seats are reelected each year. The 14 director nominees listed below, all of whom are current directors of First National Bancorp, Inc., were nominated by the Board to fill the 14 Board seats for the upcoming year. Biographical information on each of the nominees is given below. All director nominees have indicated their willingness to serve on the Board if elected. If, prior to the Annual Meeting, a director nominee determines that he or she will be unable to serve on the Board for the upcoming year, your proxy authorizes the proxy holders to vote your shares for a replacement nominee if one is selected.

**ERIC V. BROWN, JR.** Mr. Brown is of counsel to the law firm of Miller, Canfield, Paddock and Stone, P.L.C. Mr. Brown is a broad-based business counselor. He has served as an advisor and counselor in a substantial number of business transactions for both private and public companies as well as the organization of the Bank, First National Bancorp, Inc. and a venture capital firm. He served on the boards of two other banks and bank holding companies in Michigan for a period in excess of 20 years. He is a member of the board of directors and General Counsel of Kalsec, Inc., a spice, herb, hop and vegetable extraction company. He also is a member of the board of directors of Lafourche Realty Company, Inc., an oil and gas and real estate company. He has been active in the Business Law Section of the American Bar Association for the last 15 years, including participation as a regular member of the Mergers and Acquisitions Committee. As such, he was on the editorial board of a task force which published a Model Stock Purchase Agreement, with commentary, in 1995, and a Model Asset Purchase Agreement, with commentary, in 2000. He has also been active with an American Bar Association task force which has published a Model Joint Venture Agreement. Mr. Brown is listed in the 2003-2013 editions of The Best Lawyers in America under Corporate, Mergers & Acquisitions and Securities Law Sections. Mr. Brown’s extensive experience with the business and banking communities is a great asset to the Board.

**JAMES J. DEKRUYSER.** Mr. DeKruyter founded Michigan Disposal Service Corporation in Kalamazoo, Michigan, which he operated until it was sold in 1993. His widespread knowledge of the Kalamazoo market and substantial business contacts provides an active source of business for the Bank. Mr. DeKruyter currently serves on the Board of the Kalamazoo Christian Schools Foundation. He has served many volunteer organizations in Kalamazoo, including the Kalamazoo YMCA and the national board of Youth for Christ. He has served on the boards of Gull Lake Ministries, Open Hearts Ministries and Youth for Christ Foundation. Mr. DeKruyter also served as director of Michigan National Bank – Kalamazoo.

**JAMES S. DEMOSS.** Dr. DeMoss is a practicing Emergency Medicine physician and President of Southwestern Michigan Emergency Services, P.C., which has staffed Bronson Methodist Hospital's Emergency Department for over 40 years. His organization also provides emergency physician staffing of several other hospitals in southwest Michigan. Prior to becoming President of SWMES, P.C., Dr. DeMoss served in several administrative positions within the organization and brings with him a unique knowledge regarding the operations and needs of a midsize professional company providing healthcare in southwest Michigan. An avid outdoor sportsman and enthusiast, Dr. DeMoss supports many wildlife habitat conservation efforts.

**JOHN M. DUNN.** Dr. Dunn is the president of Western Michigan University in Kalamazoo, Michigan. Prior to his appointment in 2007, Dr. Dunn held administrative, research and teaching appointments at Southern Illinois University Carbondale, the University of Utah, Oregon State University and the University of Connecticut. Dr. Dunn is internationally recognized for his efforts to enhance the lives of individuals with disabilities, specifically their long-term health. He is a regular speaker throughout the United States and internationally. In recognition of his efforts, Dr. Dunn has received numerous awards for his scholarship, teaching and leadership and has held offices in several professional organizations. In addition to his professional responsibilities, Dr. Dunn is an active participant in state and community efforts that focus on quality-of-life issues and enhancing economic development. Dr. Dunn serves on several regional boards as well as the governing boards of the Greater Kalamazoo Area United Way, the internationally acclaimed Gilmore Keyboard Festival, Southwest Michigan First, and the W.E. Upjohn Institute. Dr. Dunn began his teaching at the University of Connecticut in 1972, earned bachelor's and master's degrees from Northern Illinois University in 1967 and 1969, respectively. He earned his doctoral degree from Brigham Young University in 1972. Dr. Dunn's diverse experience and leadership provide a valuable resource to the Board.

**JAMES S. GUNDERSON.** Mr. Gunderson was the Founder and President of Engineered Packaging Systems (sold to Alco Standard in 1996). Currently, he is involved in the ownership of a number of small businesses including, Technical Packaging Systems, Gulf States Electric, Your Shower Door, Grand Rapids, and My Shower Door, Tampa. Additionally, he serves on the Board of Bronson Healthcare Group (past Chairman) in Kalamazoo, Michigan. Mr. Gunderson has served numerous community organizations including Kalamazoo County Chamber of Commerce (past Chairman) and the Kalamazoo County Chamber Foundation. Mr. Gunderson's business experience and knowledge of the Kalamazoo business environment are valuable resources for the Bank.

**DAVID L. HOLMES.** Mr. Holmes was an owner and general legal counsel of Phoenix Properties, LLC, a real estate management and development firm in Kalamazoo, Michigan from 1995 to 2010, at which time the business was sold to other partners of the company. Prior to 1995 he was in private practice as a partner in the Kalamazoo office of Howard & Howard Attorneys, P.C. Mr. Holmes remains an active commercial real estate investor. He has been involved as a community volunteer, including having served on the City of Kalamazoo Planning Commission, President of the LIFT Foundation, Chairperson of the Greater Kalamazoo United Way Pacesetter campaign and Vice Chairman of the Finance Council at St. Catherine of Siena Parish. Mr. Holmes brings to the Board extensive experience with the community's real estate market.

**BEN IPEMA.** Mr. Ipema is President & CEO of The Exhibit House, which provides trade show exhibit design, build and management services. Mr. Ipema is also involved in Airpower America, a local company producing the LiquiVac and MaxAir, air powered consumer products, and Level Data Inc., a "software as a service" (SaaS) company. Mr. Ipema's diverse experience provides a unique and valuable resource for the Bank. Mr. Ipema has served many charitable and civic organizations in Kalamazoo, including Kalamazoo Deacons Conference, Southern Heights Church, Kalamazoo Christian Schools and various organizations dedicated to education, poverty and housing.

**LARRY D. LUETH.** Mr. Lueth has served as President and Senior Lender for the Bank since the Bank's inception in 2006. Prior to founding the Bank, Mr. Lueth served as Regional President for the Kalamazoo Region of National City Bank, now PNC Bank. Mr. Lueth has served many civic organizations in Kalamazoo including current board member and past chair of Borgess Health, board member of Downtown Tomorrow, Inc., and board member and Treasurer of WMU Alumni Association.

**SONDRA K. PHILLIPS.** Ms. Phillips recently launched Interior Design Schemes, a national web based company selling pre-packaged interior design schemes for commercial and residential spaces. Ms. Phillips also is the sole owner of SKP Design, a firm that she founded in 1996. SKP Design offers interior design and branding

services in the Midwest. She graduated from the University of Michigan in 1989. Prior to starting SKP Design, Sondra held positions with Tilton and Lewis in Chicago, Eckert-Wordell Architects and First of America Bank in Kalamazoo. Her community activities include serving on the Permanent Collection Committee at the Kalamazoo Institute of Arts, serving on multiple non-profit fundraising campaign committees and leading her daughter's Girl Scout troop. Ms. Phillips recently was a recipient of the Kalamazoo Chapter of the National Association of Women in Construction Crystal Vision Award. She was also recognized in the Business Review's Leaders Under 40 in 2006. Ms. Phillips' passion for marketing, her small business perspective and community connections as a lifelong resident make her an asset to the Bank Board.

**JOHN M. SCHREUDER.** Mr. Schreuder is the Chairman and CEO of the Bank, positions he has held since the Bank's inception in April, 2006. He has over 25 years of banking experience in Kalamazoo, Michigan. Mr. Schreuder has served on behalf of many civic and charitable organizations and currently is on the Board of Directors of the Michigan Bankers Association, Heritage Community of Kalamazoo and the Michigan Chamber of Commerce Foundation.

**MICHAEL N. SEELYE.** Mr. Seelye is President and owner of Don Seelye Ford, Inc. and Seelye-Wright KIA, Kalamazoo and also Vice President and partner in several other regional automotive dealerships. His day-to-day activities involve managing real estate operations including commercial, residential home building and several local residential developments. He also finds time to play golf and spend time with his six grandchildren. Mr. Seelye currently serves on the Adrian College Board of Trustees, Big Brothers/Big Sisters Board and Kalamazoo County Land Bank Board. He has served and chaired the American Heart Association Board, American Cancer Society Board, twice Big Brothers/Big Sisters Board and Capital Campaign Co-Chair, Greater Kalamazoo United Way Board and Capital Campaign Chair and Vice Chair, is a past member of the Kalamazoo Symphony Board, as well as served in other charitable organizations in the Kalamazoo Community. Mr. Seelye's unique leadership and business experience serves the Board well.

**DANIEL R. SMITH.** Mr. Smith was the Chairman and Chief Executive Officer of First of America Bank Corporation, headquartered in Kalamazoo, Michigan from 1985 to 1996, prior to its acquisition by National City Corporation. He is a Past Chairman of American Bankers Association and the Michigan Bankers Association. He also served as a member of the Board of Directors of the Federal Reserve Bank of Chicago, Detroit Branch. Mr. Smith's 40 years of banking experience is an invaluable resource to the Bank with regard to loan and deposit generation, public relations and operational activities. Mr. Smith has served numerous charitable and civic organizations in Kalamazoo.

**GEORGE N. TODD.** Mr. Todd is the President, CEO and Chairman of Kalsec, Inc., a privately held international food and beverage business specializing in the manufacture and sale of natural colors, flavors, antioxidants, hop extracts and nutritional ingredients. Kalsec was founded by Mr. Todd's father in 1956. After serving in Vietnam, attending college and co-founding a company that produced ornamental castings, Mr. Todd joined Kalsec in 1981, where he worked his way through manufacturing and other areas, before becoming President in 1998, and CEO and Chairman in 2009. Mr. Todd also serves on the Board for Pathfinder International, an international organization that works to improve reproductive health of adolescents, women and men throughout the developing world. Mr. Todd's experience in founding and running a privately owned company is a valuable asset to the Board.

**JOSHUA T. WEINER.** Mr. Weiner is the Chief Executive Officer of the Meyer C. Weiner Company, a commercial real estate development firm headquartered in Portage, Michigan. Mr. Weiner is the principal in over 55 income-producing real estate entities; and his primary business interest is in ownership and management for long term asset appreciation. Mr. Weiner's historical experience has provided him with in-depth knowledge of a variety of industries and this background provides the Bank with an extremely valuable resource. Mr. Weiner's familiarity with the Kalamazoo market and the region is another asset for the Bank. Mr. Weiner has extensive experience in the banking industry from prior developmental and regional board positions with National City Bank and Irwin Union Bank and Trust. Mr. Weiner has served numerous charitable and civic causes and organizations, including the Kalamazoo Regional Chamber of Commerce, Western Michigan University Foundation, the United Way, the Jewish Federation of Southwest Michigan, Big Brothers/Big Sisters, Kalamazoo Civic Theatre and Farmers Alley Theatre.

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS  
VOTE "FOR" THE ELECTION OF THE NOMINEES.**

**PROPOSAL 2 – RATIFICATION OF PLANTE & MORAN, LLP**  
**AS INDEPENDENT PUBLIC ACCOUNTANTS**

At its meeting on March 14, 2013, the Board of Directors of First National Bancorp, Inc. appointed Plante & Moran, LLP, Certified Public Accountants, as independent public accountants for the holding company for the upcoming year.

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS**  
**VOTE “FOR” THE RATIFICATION OF PLANTE & MORAN, LLP**  
**AS INDEPENDENT PUBLIC ACCOUNTANTS.**

**OTHER MATTERS**

The Shareholders of First National Bancorp, Inc. will also consider and vote upon such other matters as may properly be brought before the Annual Meeting or any adjournments or postponements thereof. We do not have any knowledge of any other matters to be presented at the Annual Meeting.

**BENEFICIAL\* STOCK OWNERSHIP**

The following table sets forth information as of April 5, 2013 regarding each person (including any group as that term is defined in Section 13(d)(3) of the Securities Exchange Act of 1934) who was known to be the beneficial (the right to vote shares) owner of more than 5% of First National Bancorp, Inc.’s common stock as of that date, each of the directors (including each nominee for election as a director), and each of our executive officers.

| <b>Name of Beneficial Owner</b> | <b>Common Stock</b> | <b>Rights to Acquire<sup>(1)</sup></b> | <b>Restricted Stock</b> | <b>Approximate Percent of Common Stock<sup>(2)</sup></b> |
|---------------------------------|---------------------|----------------------------------------|-------------------------|----------------------------------------------------------|
| Eric V. Brown, Jr.              | 30,500              | 0                                      | 0                       | 1.69                                                     |
| James J. DeKruyter              | 103,358             | 0                                      | 0                       | 5.74                                                     |
| James S. DeMoss                 | 100                 | 0                                      | 0                       | 0.01                                                     |
| John M. Dunn                    | 10,100              | 0                                      | 0                       | 0.56                                                     |
| James S. Gunderson              | 30,000              | 0                                      | 0                       | 1.67                                                     |
| David L. Holmes                 | 40,000              | 0                                      | 0                       | 2.22                                                     |
| Ben Ipema                       | 40,000              | 0                                      | 0                       | 2.22                                                     |
| Larry D. Lueth                  | 10,000              | 66,000                                 | 0                       | 0.56                                                     |
| Sondra K. Phillips              | 2,000               | 0                                      | 0                       | 0.11                                                     |
| John M. Schreuder               | 40,000              | 102,500                                | 0                       | 2.22                                                     |
| Michael N. Seelye               | 50,000              | 0                                      | 0                       | 2.78                                                     |
| Daniel R. Smith                 | 30,000              | 0                                      | 0                       | 1.67                                                     |
| George N. Todd                  | 15,842              | 0                                      | 0                       | 0.88                                                     |
| Joshua T. Weiner                | 100,000             | 0                                      | 0                       | 5.55                                                     |
| Michael F. Dimond               | 5,000               | 29,000                                 | 0                       | 0.28                                                     |

\* “Beneficial” for the purposes of this table means the right to vote shares of First National Bancorp, Inc. and shares held by the beneficial owner’s spouse.

<sup>(1)</sup> The numbers in the “Rights to Acquire” column represent the shares that may be acquired by exercise of stock options granted under the First National Bancorp, Inc. 2006, 2009 and 2012 Stock Option and Restricted Stock Plans. These numbers are not reflected in the “Approximate Percent of Common Stock” column.

<sup>(2)</sup> Based on 1,800,900 shares issued and outstanding as of April 5, 2013.

## EXECUTIVE OFFICERS

First National Bancorp, Inc.'s current executive officers are as follows:

| Name              | Position with First National Bancorp, Inc. | Officer Since  |
|-------------------|--------------------------------------------|----------------|
| John M. Schreuder | Chairman/CEO and President                 | March 23, 2006 |
| Larry D. Lueth    | Vice President                             | March 23, 2006 |
| Michael F. Dimond | Secretary                                  | April 12, 2007 |
| Michael F. Dimond | Treasurer/CFO                              | March 23, 2006 |

## FINANCIAL INFORMATION

The Profit and Loss Statement of First National Bancorp, Inc. for fiscal year 2012 and the Balance Sheet as of December 31, 2012 are attached hereto in Annex A.

## MISCELLANEOUS

### **Solicitation of Proxies**

First National Bancorp, Inc. will bear the cost of the solicitation of proxies from Shareholders, including the cost of printing and mailing this Proxy Statement and the accompanying materials. In addition to solicitation by mail, proxies may be solicited in person, or by telephone, facsimile or otherwise in writing or electronic transmission, by directors, officers and regular employees of First National Bancorp, Inc. (none of whom will be paid any additional compensation for such services).

### **Interests of Certain Persons in the Proposals**

You should note that certain directors and members of management may have certain interests in the Proposals in addition to their interests as Shareholders of First National Bancorp, Inc. The Board was aware of any such interests and considered them, among other matters, in approving the Proposals and in recommending Shareholder approval of the Proposals.

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ANNEX A

**FIRST NATIONAL BANCORP, INC.  
2012 AUDITED FINANCIAL STATEMENTS**