

FNB CORP/FL/
Form DEF 14A
March 22, 2007

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**SCHEDULE 14A
SCHEDULE 14A INFORMATION
PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934**

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 under sec.240.14a-12

F.N.B. CORPORATION

(NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

(NAME OF PERSON(S) FILING PROXY STATEMENT, IF OTHER THAN THE REGISTRANT)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- \$125 per Exchange Act Rules O-11(c)(1)(ii), 14a-6(i)(1), 14a-6(i)(2) or Item 22(a)(2) of Schedule 14A.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
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- o Check box if any part of the fee is offset as provided by Exchange Act Rule O-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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March 29, 2007

Dear Shareholder:

It is a pleasure to invite you to attend our Annual Meeting of Shareholders of F.N.B. Corporation. The meeting will be held at 4:00 p.m., Eastern Daylight Time, on Monday, May 14, 2007, at the F.N.B. Technology Center Board Room located at 4140 East State Street, Hermitage, Pennsylvania 16148.

At the meeting, you will be asked to consider and vote upon the following: (i) election of directors; (ii) ratification of appointment of independent registered public accounting firm; and (iii) adoption of the F.N.B. Corporation 2007 Incentive Compensation Plan.

Your vote is important regardless of how many shares of stock you own. If you hold stock in more than one account or name, you will receive a proxy card for each.

Whether or not you plan to attend our Annual Meeting, please complete, sign, date and promptly return the enclosed proxy card in the postage-paid envelope we have provided to insure that your shares are represented at our Annual Meeting. Alternatively, you may vote via the Internet or by telephone by following the instructions on your proxy card. By voting now you will assure that your vote is counted even if you are unable to attend the Annual Meeting.

Please indicate on the card whether you plan to attend our Annual Meeting. If you attend our Annual Meeting and wish to vote in person, you may withdraw your proxy and do so.

As always, our directors, management and staff thank you for your continued interest and support of F.N.B. Corporation.

Peter Mortensen
Chairman of the Board

Stephen J. Gurgovits
President and Chief Executive Officer

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Annual Meeting of Shareholders of F.N.B. Corporation (Corporation) will be held at 4:00 p.m., Eastern Daylight Time, on Monday, May 14, 2007, at the F.N.B. Technology Center Board Room located at 4140 East State Street, Hermitage, Pennsylvania 16148. At our Annual Meeting, our shareholders will vote on the following matters:

1. Election of six nominees named in the attached proxy statement as directors, four nominees to serve as Class III directors with terms expiring at the 2010 Annual Meeting of Shareholders (Annual Meeting), one nominee to serve as a Class II director with a term expiring at the 2009 Annual Meeting, and one nominee to serve as a Class I director with a term expiring at the 2008 Annual Meeting, in each case until their successors are duly elected and qualified;
2. Ratification of the appointment of Ernst & Young LLP as the Corporation s independent registered public accounting firm for 2007;
3. Adoption of the Corporation s 2007 Incentive Compensation Plan; and
4. Consideration of other matters that properly come before our Annual Meeting and any adjournment, postponement or continuation of our Annual Meeting.

Only shareholders of record as of the close of business on March 5, 2007, are entitled to notice of and to vote at our Annual Meeting.

It is important that your shares be represented and voted at our Annual Meeting, whether you own a few shares or many. Please complete, sign, date and return the enclosed proxy card in the envelope provided or vote via the Internet or telephone, whether or not you expect to attend our Annual Meeting in person.

BY ORDER OF THE BOARD OF DIRECTORS,

David B. Mogle, Corporate Secretary

March 29, 2007

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March 29, 2007

**One F.N.B. Boulevard
Hermitage, PA 16148**

PROXY STATEMENT

This proxy statement contains information relating to the 2007 Annual Meeting of Shareholders (Annual Meeting) of F.N.B. Corporation to be held on Monday, May 14, 2007, beginning at 4:00 p.m., Eastern Daylight Time, at the F.N.B. Technology Center Board Room located at 4140 East State Street, Hermitage, Pennsylvania, and at any adjournment, postponement or continuation of the Annual Meeting. This proxy statement and the accompanying proxy are first being mailed to shareholders on or about March 29, 2007. Unless the context indicates otherwise, all references in this proxy statement to we, us, our, F.N.B., Company or the Corporation mean F.N.B. Corporation and its subsidiaries, First National Bank of Pennsylvania (also referred to as FNBPA), First National Trust Company, First National Investment Services Company, LLC, F.N.B. Investment Advisors, Inc., First National Insurance Agency, LLC, Regency Finance Company and F.N.B. Capital Corporation, LLC.

ABOUT OUR ANNUAL MEETING

What is the purpose of our Annual Meeting?

There are three proposals that will be presented for your consideration and vote at our Annual Meeting:

Electing six directors;

Ratifying the appointment of Ernst & Young LLP as the Company s independent registered public accounting firm for 2007; and

Adopting the Company s 2007 Incentive Compensation Plan.

Other business may be addressed at the meeting if it properly comes before the meeting. However, we are not aware of any such other business.

VOTING

Who is entitled to vote at our meeting?

Our Board of Directors has set March 5, 2007 as the record date for the Annual Meeting. Only F.N.B. shareholders of record at the close of business on the record date, March 5, 2007, are entitled to receive notice of and to vote at our Annual Meeting and any adjournment, postponement or continuation of our Annual Meeting.

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How do I vote?

Our Board of Directors is asking for your proxy. When you or your authorized attorney-in-fact gives us your proxy, you authorize us to vote your F.N.B. stock in the manner you specify on your proxy card. Giving a proxy allows your shares to be voted at the Annual Meeting even if you do not attend the meeting in person.

If you hold your shares directly, you have four ways to vote, as explained on your proxy card and summarized below. If your shares are in an account at a bank or broker, you will receive an instruction card and information about how to give voting instructions to your bank or broker.

You may:

Complete, sign, date and return the enclosed proxy card in the envelope provided; the envelope requires no postage if mailed in the United States.

Vote by using the Internet. Instructions are provided on your proxy card. Our Internet voting system has been designed to provide security for the voting process and to confirm that your vote has been recorded accurately. If you vote by Internet, you may incur costs associated with electronic access, such as usage charges from Internet service providers and telephone companies.

Vote by telephone using the instructions on your proxy card.

If you are a registered shareholder and attend our Annual Meeting you may deliver your completed proxy card in person or request a voting ballot at the meeting. Even if you returned a proxy before the Annual Meeting, you may withdraw it and vote in person. If you hold your F.N.B. shares in street name (that is, through a broker or other nominee) and wish to vote at our Annual Meeting you will need to obtain a signed proxy card from your brokerage firm or the bank that holds your F.N.B. stock.

Florida law provides that shareholders voting by means of the Internet or telephone, as we provide above, will be treated as having transmitted a properly authenticated proxy for voting purposes. Florida law permits the use of the Internet or telephone voting both when a shareholder of record is voting and when a beneficial owner is communicating its vote to a shareholder of record, such as a securities depository, bank or brokerage firm.

Who can attend our Annual Meeting?

All shareholders as of March 5, 2007 (the record date), or their duly appointed proxies, may attend our Annual Meeting. Even if you currently plan to attend our Annual Meeting, we recommend that you vote by mailing us your completed proxy card or submit your vote via the Internet or telephone as described above so that your vote will be counted at the meeting if you later decide not to attend our Annual Meeting.

If you hold your shares in street name, you will need to bring a copy of a brokerage statement reflecting your ownership of Company stock as of March 5, 2007, and check in at the registration desk at our Annual Meeting.

What constitutes a quorum?

The presence at our Annual Meeting, in person or by proxy, of the holders of a majority of our outstanding shares of common stock on the record date will constitute a quorum, permitting the conduct of business at our Annual Meeting. If you return valid proxy instructions or vote in person at our Annual Meeting, you will be considered part of the quorum. Proxies received, but marked as abstentions, and broker non-votes, will be included in the calculation of the

number of shares considered to be present for purposes of determining a quorum. New York Stock Exchange (NYSE) rules allow banks, brokers or other nominees to vote shares held by them for a customer on matters that the NYSE determines to be routine, even though the bank, broker or other nominee has not received voting instructions from the customer. A broker non-vote occurs when a bank, broker or other nominee has not received voting instructions from the customer and the bank, broker or nominee cannot vote the customer s shares because the matter is not considered routine under NYSE rules.

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May I change my vote after I return my proxy card?

Yes. Even after you have submitted your proxy, you may change your vote at any time before the proxy is exercised by filing with our Corporate Secretary either a notice of revocation or a duly executed proxy bearing a later date. The powers of the proxy holders will be revoked if you attend our Annual Meeting in person and request that your proxy be revoked. If your proxy is not properly revoked, we will vote your shares as indicated by your most recent valid proxy.

How do I vote if my F.N.B. shares are held in street name ?

If you hold your F.N.B. shares in street name in an account at a bank or brokerage firm, we generally cannot mail our proxy materials directly to you. Instead, your bank or brokerage firm will forward our proxy materials to you and tell you how to give them voting instructions for your F.N.B. shares.

How do I vote my 401(k) Plan shares?

If you participate in the F.N.B. Corporation Progress Savings 401(k) Plan (401(k) Plan), you may vote the number of shares of common stock credited to your account as of the record date. You may vote by instructing First National Trust Company, the trustee of our 401(k) Plan, pursuant to the proxy card being mailed with this proxy statement to plan participants. The trustee will vote your shares in accordance with your duly executed proxy card, provided that it is received by the close of business on May 8, 2007.

If you do not send your proxy card, your shares credited to your 401(k) Plan account will be voted by the trustee in the same proportion that it votes the share for which it did receive timely proxy cards.

You may also revoke a previously given proxy card until the close of business on May 8, 2007, by filing with the trustee either a written notice of revocation or a properly completed and signed proxy card bearing a later date.

What vote is required to approve each matter?

Action by the shareholders on each of the proposals presented at our Annual Meeting requires the presence of a quorum at the Annual Meeting, in person or by proxy (see discussion under the question, What constitutes a quorum?).

Directors are elected by a plurality of the votes cast in person or by proxy at our Annual Meeting. Plurality means that the nominees receiving the largest number of votes cast are elected as directors, up to the maximum number of directors to be elected at our Annual Meeting for each director Class. Shares cannot be voted for a greater number of persons than the number of directors to be elected in each Class. At our Annual Meeting, the maximum number of directors to be elected shall be four (4) in director Class III and one each in director Classes I and II. Shares not voted, whether by marking ABSTAIN on your proxy card or otherwise, will have no impact on the election of directors. Unless a properly executed proxy card is marked WITHHOLD authority as to any or all nominees, the proxy given will be voted FOR each of the Corporation s nominees for director.

The affirmative vote of a majority of the votes cast on Proposal 2 at the Annual Meeting, whether in person or by proxy, is required for approval of Proposal 2. For purposes of the vote on Proposal 2, abstentions and broker non-votes will not be counted as votes cast and will have no effect on the result of the vote. The affirmative vote of a majority of the votes cast on Proposal 3 at the Annual Meeting, whether in person or by proxy, is required for approval of Proposal 3, provided that the total vote cast on the proposal represents votes by holders of more than 50%

of the total shares entitled to vote on Proposal 3. For purposes of the vote on Proposal 3, abstentions and broker non-votes will have the same effect as votes against the proposal, unless holders of more than 50% of the total shares entitled to vote on the proposal cast votes on the proposal, in which event abstentions and broker non-votes will not have any effect on the result of the vote.

If you sign your proxy card with no further instructions, your shares will be voted in accordance with the recommendations of our Board with respect to Proposal 1, Proposal 2 and Proposal 3 (see question below, What are our Board's recommendations?).

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What are our Board's recommendations?

If you properly submit a proxy card without giving specific voting instructions, your shares will be voted in accordance with the recommendations of our Board of Directors. Our Board of Directors recommends a **FOR** vote on the following proposals to be considered at our Annual Meeting:

the elections of Messrs. Campbell, Gurgovits, Radcliffe and Rose as Class III directors, the election of Mr. Rooney as a Class II director and the election of Ms. Hickton as a Class I director;

the ratification of the selection of Ernst & Young, LLP as the independent registered public accounting firm for the Company for 2007; and

the adoption of the F.N.B. Corporation 2007 Incentive Compensation Plan.

Who will pay the costs of soliciting proxies on behalf of our Board of Directors?

We are making this solicitation and will pay the cost of soliciting proxies on behalf of our Board of Directors, including the expenses of preparing and mailing this proxy statement. In addition to mailing these proxy materials, the solicitation of proxies or votes may be made in person or by telephone, e-mail or telegram by our regular officers and employees, none of whom will receive special compensation for such services. Upon request, we will also reimburse brokers, nominees, fiduciaries and custodians and persons holding shares in their names or in the names of nominees for their reasonable expenses in sending proxies and proxy material to beneficial owners. In addition, we have agreed to pay Regan & Associates, Inc., \$20,000 (includes all of the firm's out of pocket expenses) to assist in the proxy solicitation and tabulation.

How can I be admitted to the meeting?

The proxy card you received allows you to indicate whether you plan to attend our Annual Meeting. When you arrive at the meeting, you will be asked to register inside the entry way to the F.N.B. Technology Center Building. If you hold your F.N.B. shares in an account at a bank or broker, your name will not appear on our shareholder list. In such instance, please bring an account statement or a letter from your broker showing your F.N.B. shareholdings as of the March 5, 2007, record date, and present this documentation at the meeting registration desk in order to be permitted to attend our Annual Meeting.

Everyone who attends our Annual Meeting must abide by the rules for the conduct of the meeting.

How can I avoid receiving more than one set of proxy materials in future years?

If two or more F.N.B. shareholders live in your household, you may have received more than one set of our proxy materials. This may also happen if you maintain more than one shareholder account on the books of our transfer agent. We have made a delivery method for proxy materials called **householding** available to our shareholders. If you consent to **householding**, only one annual report and one proxy statement will be delivered to your address; however, a separate proxy card will be delivered for each account. Please refer to the section titled, **Other Matters** at the end of this proxy statement for more information regarding **householding**.

How can I find out the voting results of our Annual Meeting?

The preliminary voting results will be announced at our Annual Meeting. The final voting results will be published in our quarterly report on Form 10-Q for the second quarter of fiscal year 2007.

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Proposal 1. Election of Directors

General Information Regarding Director Nominees

The Bylaws of the Corporation provide that the Board of Directors shall consist of not fewer than five (5) nor more than twenty-five (25) persons, the exact number to be determined from time to time by the Board. The Board of Directors has fixed the number of directors at twelve (12), effective as of the commencement of our Annual Meeting. Also, the Bylaws of the Corporation provide for classification of the directors into three classes with the term of office of the directors of each class to expire at the third annual meeting after their election. Each director shall hold office for the term for which he/she is elected and thereafter until his/her successor is duly elected and qualified or until his/her earlier death, retirement, resignation or removal.

The following Class III directors, whose terms expire at our Annual Meeting, have been nominated by the Board of Directors for re-election at our Annual Meeting, to continue to serve as Class III directors until the 2010 Annual Meeting and until their successors are elected. Messrs. William B. Campbell, Stephen J. Gurgovits, Harry F. Radcliffe and John W. Rose. Additionally, in 2006 our Board appointed Ms. Dawne S. Hickton (appointment effective June 21, 2006) and Mr. Arthur J. Rooney, II (appointment effective July 19, 2006) to our Board of Directors. Ms. Hickton was appointed to director Class I and Mr. Rooney was appointed to director Class II for the purpose of maintaining the director Classes as nearly equal as possible in accordance with our Company Bylaws and applicable NYSE rules. As required by Florida law, Ms. Hickton and Mr. Rooney, as newly Board appointed directors, will stand for election to Class I and Class II, respectively, at our Annual Meeting. All of the director nominees are currently on the Company Board of Directors.

Directors are elected by a plurality of the votes cast at our Annual Meeting. This means that the four (4) persons properly nominated for election to Class III receiving the highest number of FOR votes cast by the holders of our common stock for election as Class III directors will be elected. Likewise, this person properly nominated for election to each of director Classes I and II receiving the highest number of FOR votes cast by the holders of our common stock shall be elected to these director Classes. Relevant biographical information concerning the director nominees and other Company directors is described under the caption titled Information Concerning Directors and Executive Officers of this proxy statement.

THE BOARD RECOMMENDS A VOTE FOR ALL OF THE NOMINEES IDENTIFIED IN THE ABOVE DISCUSSION FOR ELECTION AS DIRECTORS (ITEM 1 ON THE PROXY CARD).

Each of the director nominees have expressed his or her willingness to serve if elected. In the event one or more of the director nominees is unable or unwilling to serve as a director for any reason (the Corporation knows of no such reason), or should any nominee be unavailable for election by reason of death or other unexpected occurrence, the enclosed proxy, to the extent permitted by applicable law, may be voted with discretionary authority in connection with the nomination by the Board and the election of any substitute nominee. In addition, the Board may reduce the number of directors to be elected at the meeting.

Proxies, unless indicated to the contrary, will be voted FOR the election of Messrs. Campbell, Gurgovits, Radcliffe and Rose as Class III directors of the Company with terms expiring at the 2010 Annual Meeting, and FOR the election of Ms. Hickton as a Class I director of the Company with a term expiring at the 2008 Annual Meeting, and FOR the election of Mr. Rooney as a Class II director of the Company with a term expiring at the 2009 Annual Meeting.

Company policy specifies that directors who reach the age of seventy-two (72) during their term of office are expected to retire from the Board by the date of the Annual Meeting following their 72nd birthday. Director Archie O. Wallace, a Class I director, will be 72 years of age by the Annual Meeting date and in accordance with our policy has announced his retirement as a director effective April 30, 2007.

Table of Contents**INFORMATION CONCERNING DIRECTORS AND EXECUTIVE OFFICERS**

Listed in the table below are the names of the six nominees to serve as directors, the six incumbent directors who will be continuing in office following the Annual Meeting, Director Wallace who is retiring effective April 30, 2007, and each executive officer named in the Summary Compensation table of this proxy statement, together with: their principal occupations during the past five years; any other current directorships they serve with publicly held companies; their ages; with respect to director only, the year during which each was first elected a director of the Company; with respect to directors only, the expiration of their director term; and the amount and percentage of Company common stock which each of them owns and the amount owned by all of our executive officers and directors as a group as of March 5, 2007:

Directors and Executive Officers

Name and Principal Occupation (during past 5 years)	Age	Director Since	Expiration of Term of Office as Director (a)	Amount and Nature of Beneficial Ownership of Common Stock (b)(c)	Percent (d)
Peter Mortensen Chairman of the Corporation since 1988; CEO of the Corporation 1988-2000; Chairman of the Corporation's subsidiary, FNBPA 1988-2004; and Chairman of the Corporation's Executive Committee since 1996	71	1974	2008	206,775	
Stephen J. Gurgovitsu* President and CEO of the Corporation since January 2004; Vice Chairman of the Corporation 1998-2003; Chairman of FNBPA since 2004; and President and CEO of FNBPA 1988-2004	63	1981	2007	428,187(e)	
William B. Campbellu Retired Businessman	68	1975	2007	76,223(f)	
Henry M. Ekker Partner of Ekker, Kuster, McConnell & Epstein, LLP, Hermitage, Pennsylvania (law firm)	68	1994	2008	31,783	
Robert B. Goldstein Principal of CapGen Financial Advisors LLC, New York, NY, since 2007 (fund manager); and Chairman of the Board and Chief Executive Officer of Bay View Corp from 2001 to 2006 (financial services)	66	2003	2009	68,200	
Dawne S. Hicktonu Vice Chairman and CEO elect of RTI International Metals, Inc., Niles, Ohio since	49	2006	2008uu	3,027	

2007; Senior Vice President - Administration,
 Chief Administrative Officer, General
 Counsel and Corporate Secretary of RTI
 International Metals, Inc. from 2005 to 2007

David J. Malone 52 2005 2009 22,210(g)

President and CEO of Gateway Financial,
 Pittsburgh, Pennsylvania (financial services)
 since 2004; Vice President and CFO of
 Gateway Financial from 1997 to 2004

Harry F. Radcliffe 56 2002 2007 116,675(h)
 Investment Manager

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Name and Principal Occupation (during past 5 years)	Age	Director Since	Expiration of Term of Office as Director (a)	Amount and Nature of Beneficial Ownership of Common Stock (b)(c)	Percent (d)
Arthur J. Rooney, II President, Pittsburgh Steelers Sports, Inc., Pittsburgh, Pennsylvania (professional sports franchise); Of Counsel to Buchanan, Ingersoll & Rooney, Pittsburgh, Pennsylvania since 2006 (law firm); and shareholder of Klett, Rooney, Lieber & Schorling, Pittsburgh, Pennsylvania from 1988 to 2006 (law firm)	54	2006	2009uu	5,252	
John W. Roseu Principal of CapGen Financial Advisors LLC, New York, NY, since 2007 (fund manager); and President of McAllen Capital Partners, Inc., Hermitage, Pennsylvania since 1991 (investment management)	57	2003	2007	117,686(i)	
William J. Strimbu President, Nick Strimbu, Inc., Brookfield, Ohio since 1994 (common carrier)	46	1995	2006	59,668	
Earl K. Wahl, Jr. Owner, J.E.D. Corporation, Somerset, Pennsylvania (environmental consulting)	66	2002	2008	36,932	
Archie O. Wallace Partner of Wallace Law Firm, LLP, Greenville, Pennsylvania (law firm)	72	1992	**	54,845	
Gary J. Roberts* President and CEO of FNBPA since 2004; Sr. Executive VP and COO of FNBPA from 2003 to 2004; and Sr. Executive VP of FNBPA from 2002 to 2003	57	N/A	N/A	95,428	
Brian F. Lilly* CFO of the Corporation since January 2004; Chief Administrative Officer of FNBPA since 2003; and CFO of Billingzone, LLC, Pittsburgh, Pennsylvania from 2000 to 2003	49	N/A	N/A	26,655	
David B. Mogle* Corporate Secretary of the Corporation since 1994; Treasurer of the Corporation from 1986 to 2004; Secretary and Senior Vice President of FNBPA since 1994,	57	N/A	N/A	62,391	

Treasurer of FNBPA from 1999 to 2004 James G. Orié*	48	N/A	N/A	48,778	
Chief Legal Officer of the Corporation since 2004; Corporate Counsel of the Corporation from 1996 to 2003; and Senior Vice President of FNBPA since 2003					
All Directors and Executive Officers as a Group (18 persons)	N/A	N/A	N/A	1,467,064	2.4

* Denotes person who served as an executive officer of the Corporation during 2006.

u Denotes persons nominated for election to the Corporation's Board of Directors at our Annual Meeting.

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** Director Wallace's retirement is effective as of April 30, 2007.

uu Although Directors Rooney and Hickton are members of Class II and Class I, respectively, they are required under Florida law to stand for election since they were appointed to the Board in 2006.

- (a) The term of office for directors expires at the Annual Meeting to be held during the year and upon the election of the directors' successors.
- (b) Includes the following shares that the director or officer has the right to acquire within 60 days of March 5, 2007, upon exercise of stock options: Mr. Mortensen, 166,775 shares; Mr. Gurgovits, 277,199 shares; Mr. Radcliffe, 2,937 shares; Mr. Strimbu, 2,138 shares; Mr. Wallace, 8,743 shares; Mr. Roberts, 55,277 shares; Mr. Mogle, 37,704 shares; and Mr. Orie, 36,677 shares.
- (c) Except as otherwise indicated, each director possesses sole voting power and sole investment power as to all shares listed opposite his name or shares these powers with his spouse or a wholly-owned company. The totals shown do not include the 493 shares held of record by Mr. Mortensen's spouse, as to which Mr. Mortensen disclaims beneficial ownership.
- (d) Unless otherwise indicated, represents less than 1%.
- (e) Includes 444 shares owned by Mr. Gurgovits' wife and 9,506 shares owned by Mr. Gurgovits' wife as a participant in her personal profit sharing account.
- (f) Includes 2,072 shares owned by Mr. Campbell's wife.
- (g) Includes 2,700 shares owned by Mr. Malone's children.
- (h) Includes 5,976 shares owned by Mr. Radcliffe's wife.
- (i) Includes 510 shares owned by Mr. Rose's wife.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 (the "Exchange Act") requires that our executive officers and directors, as well as persons who own 10% or more of a class of our equity securities, file reports of their ownership of our securities, as well as statements of changes in such ownership, with the Securities and Exchange Commission (the "SEC"). To our knowledge, based solely on a review of copies of reports filed on behalf of our directors and executive officers and written representations received by us from our executive officers and directors (we do not have any shareholders who own 10% or more of any class of our equity securities), that no other reports were required, and our review of the statements of ownership changes filed by our executive officers and directors with the SEC during 2006, we believe that all such filings required during 2006 were made on a timely basis.

Security Ownership of Certain Beneficial Owners

We are not aware of any stockholder who was the beneficial owner of more than 5% of the outstanding shares of common stock as of December 31, 2006, except for the entities identified in the table below who have filed Schedule 13Gs with the SEC:

Name and Address	Amount and Nature of Beneficial Ownership(1)	Percent of Outstanding Common Stock Beneficially Owned
Barclays Global Investors, NA Barclays Global Fund Advisors 45 Fremont Street San Francisco, CA 94105	4,589,855(2)	7.61%
Perkins, Wolf, McDonnell & Co.* 311 South Wacker Drive Chicago, IL 60606	1,917,300(3)	3.40%
Janus Capital Management LLC 151 Detroit Street Denver, CO 80206	1,917,300(3)	3.40%

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- * The majority owner of Perkins, Wolf, McDonnell & Co. is Mac-Per Wolf Company. Perkins, Wolfe, McDonnell & Co., also is an indirect subsidiary of Janus Capital Management, LLC (Janus Capital has an indirect 30% ownership stake in Perkins, Wolf, McDonnell & Co), which is located at 151 Detroit Street, Denver, CO 80206.
- (1) Under the regulations of the SEC, a person who has or shares voting or investment power with respect to a security is considered a beneficial owner of the security. Voting power is the power to vote or direct the voting of shares, and investment power is the power to dispose of or direct the disposition of shares.
 - (2) According to the Schedule 13G filed under the Exchange Act on January 31, 2007. Barclays Global Investors, NA has sole voting power of 865,780 shares and sole dispositive power of 995,789 shares, and Barclays Global Fund Advisors has sole voting and dispositive power of 3,594,066 shares.
 - (3) According to the Schedule 13Gs filed under the Exchange Act by Janus Capital Management, LLC and Mac-Per-Wolf Company on January 31, 2007, and February 13, 2007, respectively, Janus Capital Management, LLC and Perkins, Wolf, McDonnell & Co. each furnish investment advice to various investment companies registered under the Investment Company Act of 1940 and to individual and institutional clients and in the aggregate have sole or shared voting and investment power over 3,834,600 shares. The information set forth above is as reported by Mac-Per-Wolf Company and Janus Capital Management, LLC in their respective Schedule 13Gs.

CORPORATE GOVERNANCE

The Company has developed and operated under corporate governance principles and practices that are designed to maximize long-term shareholder return, align the interest of the Board and management with the Company's shareholders, and promote the highest ethical conduct among the Company's directors, management and employees.

You can find more specific details about these and other F.N.B. corporate governance policies and practices in this proxy statement and F.N.B.'s Corporate Governance Guidelines available on F.N.B.'s website at www.fnbcorporation.com under the tab, Corporate Governance, and then clicking on the heading, F.N.B. Corporation Corporate Governance Guidelines. The Corporate Governance Guidelines are also available in print to any shareholder who requests it by contacting us at: F.N.B. Corporation, One F.N.B. Boulevard, Hermitage, Pennsylvania 16148 c/o Corporate Secretary. Highlights of portions of the Company's Corporate Governance Guidelines, as well as some of F.N.B.'s corporate governance policies, practices, procedures and related matters are described below.

All of the directors are independent, with the exception of Mr. Gurgovits who is the only F.N.B. officer on the Board.

Shareholders may communicate directly with the Board or any Board Committee, or any individual director.

The Audit, Nominating and Corporate Governance and Compensation Committees are composed entirely of independent directors.

Each of the regular Board committees has a written charter that is reviewed and reassessed annually.

Audit Committee members cannot serve on more than two other public company audit committees.

The F.N.B. internal audit function is overseen by our internal auditor, who reports directly to the Audit Committee.

The Compensation Committee has retained two independent compensation consultants to provide the Committee with advice and guidance on F.N.B.'s executive compensation program.

F.N.B.'s Corporate Governance Guidelines are posted on the Corporate Governance page of F.N.B.'s website at www.fnbcorporation.com, and a copy of these Guidelines may be obtained by written request to our Corporate Secretary (see instructions in bolded paragraph below).

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F.N.B. conducts an annual self-evaluation process of the Board, each regular Board committee and the individual directors.

F.N.B.'s Code of Conduct and Code of Ethics for directors, officers, and employees is disclosed on the Corporate Governance page of F.N.B.'s website at www.fnbcorporation.com, and a copy of these Codes may be obtained by written request to our Corporate Secretary (see instructions in bolded paragraph below).

The Nominating and Corporate Governance Committee will consider director candidates recommended by shareholders.

The Audit, Nominating and Corporate Governance, and Compensation Committee charters are posted at www.fnbcorporation.com under the tab, Corporate Governance, and a copy of the charters may be obtained by written request to our Corporate Secretary (see instructions in bolded paragraph below).

Every three years each F.N.B. director is expected to attend director education programs accredited by Institutional Shareholder Services.

Shareholder voting is confidential.

F.N.B. directors and officers are subject to stock ownership guidelines.

The Board recognizes the importance of independent leadership on the Board, as evidenced by its establishment of a Lead Director position.

This portion of the proxy statement contains information about a variety of our corporate governance policies and practices. In particular, you will find information about our compliance with the NYSE's corporate governance rules approved by the SEC. The NYSE believes that these rules will maintain the integrity of public companies' corporate governance processes. The NYSE and SEC intend that these disclosures will enhance the transparency of the operations of public company boards of directors.

We encourage you to visit the Corporate Governance page of our corporate website at www.fnbcorporation.com for additional information about our Board and its Committees, our Corporate Governance Guidelines and the ethical standards of our Company. Additional information on these topics is also included in other sections of this proxy statement.

If you would like to have printed copies of the F.N.B. Corporate Governance Guidelines, the F.N.B. Corporation Codes of Conduct and Ethics or the charters of the Board's Audit, Nominating and Corporate Governance or Compensation Committees (all of which are posted on our corporate website), please send your written request to: F.N.B. Corporation, One F.N.B. Boulevard, Hermitage, Pennsylvania 16148, Attention: Corporate Secretary. We will provide the material at no cost to you.

Director Independence

Background. Because we are a company listed on the NYSE, our Board of Directors must have a majority of independent members. Under the NYSE's corporate governance rules, no director qualifies as independent unless our Board affirmatively determines that the director has no material relationship with F.N.B. The fact that a director or member of a director's immediate family may have a material relationship with F.N.B. directly or as a partner, owner, shareholder, or officer of an organization that has a relationship with F.N.B. will not necessarily preclude such

director from being nominated for election to the Board. However, the Board may not determine directors who have relationships covered by one of five bright-line independence tests established by the NYSE, or the categorical independence standards contained within F.N.B.'s Corporate Governance Guidelines, as discussed below, are independent.

¹ The F.N.B. Corporate Governance Guidelines incorporate the NYSE definition of the term "immediate family member" to include a director's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law and anyone who resides in the director's home.

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The New York Stock Exchange's bright-line independence tests. The NYSE has adopted five bright-line independence tests for directors. The NYSE's director independence requirements are designed to increase the quality of Board oversight at listed companies and to lessen the possibility of damaging conflicts of interests. Each of these tests describes a specific set of circumstances that would cause a director not to be independent from our management. The NYSE's corporate governance rules do not define every relationship that will be considered material for purposes of determining a director's independence from our management. Material relationships can include commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, among others. For example, one of the bright-line independence tests provides that a director who is an employee of F.N.B. or its affiliates, or whose immediate family member is an executive officer of F.N.B. is not independent until three years after the end of the employment relationship.

The four other bright-line independence tests address circumstances involving:

the receipt of more than \$100,000 per year in direct compensation from F.N.B. or its affiliates, except for certain permitted payments such as directors fees;

relationships with F.N.B.'s internal or external auditors;

interlocking directorates; and

business relationships involving companies that make payments to, or receive payments from, F.N.B. above specified annual thresholds.

Categorical standards of director independence adopted by our Board of Directors. The NYSE's corporate governance rules permit a listed company's board of directors to adopt categorical standards of director independence. Categorical standards permit a board of directors to determine in advance that specific categories of relationships between a listed company and a director do not, by themselves, render a director non-independent. Of course, categorical standards of independence cannot override the bright-line independence tests established by the NYSE. Categorical standards are intended to assist a board in making determinations of independence. The NYSE recognizes that the adoption and disclosure of categorical standards provide investors with an adequate means of assessing the quality of a board's independence and its independence determinations, while avoiding excessive disclosure of immaterial relationships.

Our Board, acting on the recommendation of its Nominating and Corporate Governance Committee, has adopted categorical standards of independence. Our Board applied these standards in determining the independence of the individual members of F.N.B.'s Board of Directors. These categorical standards, which are set forth in the F.N.B. Corporation Corporate Governance Guidelines, can be found on our website at www.fnbcorporation.com under the F.N.B. Corporate Governance .

The F.N.B. categorical standards of independence generally provide, among other things, that ordinary course business relationships do not constitute material relationships. These categorical standards generally permit directors or any entity or partnership of which such director or immediate family member is an officer, partner, director or 10% equity owner to provide consulting, legal, business or other services or products within ordinary course relationships as long as these relationships do not represent a significant financial relationship for F.N.B. or the service or product provider. A significant financial relationship is deemed not to exist if such service or product provider has made payments to, or received payments from the Company, or its affiliates, in an amount that, in any of the last five fiscal years does not exceed the greater of \$1,000,000 or 2% of such entity's consolidated gross revenues.

Also, under F.N.B.'s categorical standards, the determination of whether a director is independent includes an evaluation of any transactions and relationships between each director, any member of his or her immediate family or his or her related business entities and the Company or its subsidiaries and affiliates. Our categorical independence standards generally specify that the F.N.B. Board of Directors examine any transactions and relationships between directors, including their immediate family members, any entity or partnership in which they or their immediate family members have an ownership interest or employment relationship, (subsequently such relationships are referred to in this proxy statement as related business interest(s)), and our Company or affiliates or transactions with members of our senior management. In this instance where a director, officer, his/her

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immediate family member or related business interest(s) is a client of F.N.B., or any of its affiliates, such business relationship will not be deemed to be material if the business relationship was entered into in the ordinary course of business on terms substantially similar to those that would be offered to comparable customers in similar circumstances and termination of such business relationship is not reasonably expected to have a material adverse effect on the financial condition, results of operations, or business of F.N.B., its affiliates or the director, his/her immediate family member or related business interest(s).

F.N.B.'s categorical standards provide that a material relationship will not be considered to exist where F.N.B.'s contributions to a non-profit entity, for which an F.N.B. director is an officer, do not exceed 5% of the non-profit's total revenues.

Since banking is a significant portion of our business, our Board of Directors determined that a director's independence is not affected where there is a loan relationship made in the ordinary course between FNBPA and the director, his/her immediate family member or related business interest(s) or immediate family member and such loan conforms with applicable bank policies and federal regulatory requirements and is performing in accordance with its contractual terms and such loan has not been adversely classified or specifically mentioned by the federal bank examiners or FNBPA's internal loan review process. Additionally, a director's participation in subordinated debt, private equity, mezzanine financing or other financial transactions entered into by our subsidiary, F.N.B. Capital Corporation, LLC, will not be deemed to create a material relationship if the director, the director's immediate family member, or the related business interest, participates in such transaction and the transaction is made on terms substantially the same as those pursuant to which F.N.B. Capital Corporation, LLC participates, unless the director or immediate family member is an officer, director or owner of 10% or more of the equity of the enterprise, business or entity to which F.N.B. Capital Corporation, LLC provides such financing or equity.

Where a director or a director's immediate family member is associated as a partner or associate of, or of counsel to, a law firm that provides services to the Company or any of its affiliates, such relationship will not be deemed material if neither the director nor an immediate family member of the director provides such services to F.N.B. or its affiliates and the payments received from F.N.B. or its affiliates do not exceed 2% or \$1,000,000, whichever is greater, of the law firm's gross revenues in any of the prior five years.

Also, the Corporate Governance Guidelines require that the Board broadly consider all relevant facts and circumstances especially in situations not covered by the NYSE bright-line or F.N.B.'s categorical independence standards.

As required by the NYSE's corporate governance rules, we disclose in this proxy statement any director relationships with us that meet either the NYSE bright-line independence tests or F.N.B.'s categorical independence standards. In certain limited cases, a director may have a relationship that is described by a categorical independence standard and NYSE bright-line independence test. In such a case, the bright-line test will determine whether the director's relationship is a material relationship that prohibits a determination of independence by our Board.

Director Independence Determinations

On February 21, 2007, the Board, with the assistance of the Nominating and Corporate Governance Committee, conducted an evaluation of director independence, based on the director independence standards set forth in the Company's Corporate Governance Guidelines, the NYSE rules and applicable SEC rules and regulations. In connection with this review, the Board evaluated banking, commercial, business, investment, legal, charitable, consulting, familial or other relationships with each director or immediate family member and their related business interest(s) and the Company and its affiliates, including those relationships described under the caption, Related Persons Transactions, in this proxy statement.

As a result of this evaluation, the Board affirmatively determined that each of Messrs. Campbell, Ekker, Goldstein, Malone, Mortensen, Radcliffe, Rooney, Rose, Strimbu, Wahl and Ms. Hickton is an independent director under the Company's director independence standards, the NYSE rules and the applicable SEC rules and regulations. Mr. Wallace, who is retiring, was also determined to be independent. In connection with the evaluation, the Board considered that in addition to the fact that the Company's various affiliates provided lending, wealth management, insurance and other financial services in the ordinary course of business to the directors, their

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immediate family members and their related business interest(s), some directors, their immediate family members and their related business interest(s) provided services to the Company and its affiliates or participated in transactions with the Company's merchant banking affiliate, and concluded that none of these relationships were material. In particular, the Board considered the following relationships:

Director Wallace's son and Director Rose's step-son are employed with affiliates of the Company, but neither person received total compensation in excess of \$100,000 in 2006, and their respective compensation and benefits were established in accordance with the Company's compensation policies and practices;

In 2006 Director Rose and Director Goldstein provided subordinated financing to business enterprises to which the Company's subsidiary, F.N.B. Capital Corporation, LLC, also provided financing. However, neither Director Rose nor Director Goldstein had any ownership interest in these enterprises nor were either of them a director or officer of these entities. Further, Directors Rose and Goldstein's participation in the subject financing arrangements were on the same terms as were negotiated by F.N.B. Capital Corporation, LLC.

Director Wallace and Director Ekker are partners with law firms which provided legal services to the Company or its affiliates. Additionally, Director Hickton's spouse is a partner with a law firm which provided services to FNBPA. The amount paid by the Company and its affiliates to these law firms in 2006 was less than \$50,000 in each case and did not approach the 2% of consolidated revenue threshold contained in the Company's categorical independence standards.

FNBPA leases a corporate box at Heinz Field in Pittsburgh, Pennsylvania and purchased tickets and paid for food and beverages to entertain clients at various events held there, including Pittsburgh Steelers' football games. Director Rooney is President of the Pittsburgh Steelers Sports, Inc. The amounts paid by FNBPA in connection with the corporate box lease, ticket purchases and food and beverage costs were less than \$120,000, which constituted a nominal portion of the Pittsburgh Steelers Sports, Inc.'s consolidated gross revenues in 2006.

To our knowledge, the aggregate grants, donations and contributions made by the Company or its affiliates to any non-profit organization for which one of our directors served as an officer did not exceed 2% of such organization's consolidated gross revenues in 2006.

Our Board affirmatively determined that Mr. Gurgovits is not independent under the NYSE corporate governance rules and F.N.B.'s categorical director independence standards because he is the Company's President and Chief Executive Officer.

Executive Sessions of the Board of Directors

The Company's policy is that our Board of Directors hold at least one executive session per year. The Lead Director presides at the executive session meeting. The Board conducted one executive session in 2006, in which only non-management directors attended.

OUR BOARD OF DIRECTORS AND ITS COMMITTEES

Board of Directors

Our Board of Directors met 12 times in 2006. All directors attended at least 75% of the aggregate number of meetings of the Board of Directors and the respective committees on which such director served. All of our directors attended our 2006 Annual Meeting. It is the policy of our Board of Directors that our directors are expected to attend our

Annual Meeting. Our Board of Directors has an Executive Committee, an Audit Committee, a Nominating and Corporate Governance Committee, a Compensation Committee and a Risk Committee.

Lead Independent Director

The Board has long recognized the importance of independent leadership on the board and toward that end established the designation of Lead Director in 2006. As provided in the Corporate Governance Guidelines, the

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independent directors elect the Lead Director for a one-year term and such person cannot serve more than three consecutive terms as Lead Director. In 2006, the independent directors elected Mr. Campbell to serve as the Board's Lead Director. The duties and responsibilities of the Lead Director include, but are not limited to, the following:

Assist the Board in fulfilling its responsibility for reviewing, evaluating and monitoring the Corporation's strategic plan by meeting with the Corporation's Chief Executive Officer to monitor and remain knowledgeable regarding the status of such plan;

Maintain liaison and communications with the Corporation's Chairman, directors and Chief Executive Officer for the purpose of coordinating information flow among the parties with the goal of optimizing the effectiveness of the Corporation's Board and Board Committees;

Serve as a conduit of information and feedback among the Corporation's Chairman, directors and Chief Executive Officer between Board meetings;

Coordinate the review and resolution of conflict of interest issues with respect to members of the Corporation's Board as they may arise;

Coordinate and develop the agenda for, and preside at, executive sessions of the Corporation's Board; and

Preside at meeting(s) of the Company's non-management directors.

Executive Committee

Our Executive Committee met 13 times in 2006. Messrs. Mortensen, Campbell, Goldstein, Gurgovits, Rose and Radcliffe are the members of our Executive Committee. The purpose of our Executive Committee is to provide an efficient means of considering such matters and taking such actions as may require the attention of our Board of Directors or the exercise of our Board of Directors' powers or authorities, consistent with Florida law and Company bylaws, in the intervals between regular meetings of our Board of Directors.

Audit Committee

The members of our Audit Committee are Messrs. Radcliffe, Goldstein, Malone and Strimbu. Our Audit Committee selects our independent registered public accounting firm and reviews our financial reporting process, audit reports and management recommendations made by our independent registered public accounting firm. The Audit Committee met 12 times during fiscal year 2006. In addition, the Chairman of the Audit Committee met quarterly with management and internal and external auditors to review our quarterly financial statements, press releases and periodically to discuss routine matters with management. A copy of our Audit Committee Charter is posted under the Corporate Governance tab on our website at www.fnbcorporation.com.

Our Board has reviewed the requirements of the NYSE and the SEC regarding the independence and financial aptitude of the members of our Audit Committee and has determined that the Audit Committee is in compliance with such requirements. Although we have determined that each of our Audit Committee members qualify as a financial expert within the meaning of applicable requirements of the SEC and NYSE, our Board has determined that the Chairman of our Audit Committee, Mr. Radcliffe, by virtue of his extensive career in business and experience in the areas of banking, finance, investments and business generally, be designated as the Audit Committee financial expert.

Nominating and Corporate Governance Committee

The members of our Nominating and Corporate Governance Committee are Ms. Hickton and Messrs. Campbell, Ekker, Rose and Wahl. All of the Nominating and Corporate Governance Committee members satisfy applicable SEC and NYSE independence standards and the independence criteria specified in our Corporate Governance Guidelines. This Nominating and Corporate Governance Committee met 7 times in 2006. A copy of the Charter of our Nominating and Corporate Governance Committee is posted on our website at www.fnbcorporation.com under the Corporate Governance tab. This Nominating and Corporate Governance Committee assists in developing standards concerning the qualifications and composition of the Corporation and affiliate Boards; recommends director candidates to stand for election to the Company Board and director

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appointments to the Company's affiliate Boards and affiliate advisory boards and seeks to promote the best interest of the Company and its shareholders through the implementation of prudent and sound corporate governance principles and practices. The Nominating and Corporate Governance Committee coordinates the Board's self-assessment process and assists in the development of Board education and training initiatives. In making its recommendations, our Nominating and Corporate Governance Committee conducts a review and assessment of the nominee's judgment, experience, temperament, independence and compatibility with the Company's culture, understanding of the Company's finances, business and operations, attendance at meetings and such other factors as the Nominating and Corporate Governance Committee considers relevant. In general, our Nominating and Corporate Governance Committee seeks to balance the needs for professional knowledge, business expertise, varied industry knowledge, financial acumen and CEO-level management experience.

Recommendations to the Nominating and Corporate Governance Committee with respect to the 2008 Annual Meeting of Shareholders must be submitted in writing to the Corporate Secretary by the deadline specified in the Corporation's Bylaws to the address indicated in the discussion under the caption titled "Shareholder Proposals" in this proxy statement. Such recommendations shall include the name, age, citizenship, business and residence addresses, qualifications, including principal occupation or employment, and directorships and other positions held by the proposed nominee in business, charitable and community organizations. Information must also be provided concerning: (i) any commercial, industrial, banking, consulting, legal, accounting, charitable, familial or other relationships involving the proposed nominee and us that may be relevant in determining whether the proposed nominee is independent of us under the then applicable rules of the SEC and the NYSE and the independence criteria set forth in our Corporate Governance Guidelines and (ii) the educational, professional and employment-related background and experience of the proposed nominee, together with any other facts and circumstances that may be relevant in determining whether the proposed nominee is an audit committee financial expert under the applicable rules of the SEC and the NYSE.

In performing its corporate governance function, the Nominating and Corporate Governance Committee performs the following responsibilities: (i) reviews the qualifications and independence of members of the Board and its various Committees on a regular periodic basis (at least annually); (ii) recommends to the Board the Company's corporate governance principles and practices to be included in the Company's Corporate Governance Guidelines; (iii) recommends independence standards to be used by the Board in making determinations regarding the independence of the Company's directors; (iv) monitors compliance with the Company's Corporate Governance Guidelines; and (v) assists the Board in its annual review of the Board's performance.

Risk Committee

The Risk Committee was established in 2006 and had 6 meetings in 2006. The primary responsibilities of the Risk Committee are to assist the Board in reviewing and overseeing information regarding the Company's significant policies, procedures and practices relating to the Company's management of its enterprise-wide risk program, including establishing acceptable risk tolerance levels for the Company. The following directors are current members of the Risk Committee: Messrs. Campbell, Radcliffe, Rose and Wallace.

Compensation Committee

Information concerning the Compensation Committee membership, number of meetings held in 2006 and the Committee responsibilities are discussed under the caption, "Executive Compensation and Other Proxy Disclosures," in this proxy statement. A copy of the Compensation Committee charter is posted under the "Corporate Governance" tab of our website at www.fnbcorporation.com.

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COMPENSATION COMMITTEE REPORT

The Compensation Committee of the Board (the Committee) has reviewed and discussed the matters contained under the title, Compensation Discussion and Analysis, of this proxy statement with the Company's management and, based on such review and discussions, the Committee recommended to the Board that the compensation discussion and analysis be included in this proxy statement. Portions of this proxy statement, including the compensation discussion and analysis, have been incorporated by reference into the Company's Annual Report on Form 10-K for the Company's fiscal year ended December 31, 2006.

Respectfully submitted,

Robert B. Goldstein, Chairman

John W. Rose

David J. Malone

Arthur J. Rooney, II

William J. Strimbu

**EXECUTIVE COMPENSATION AND
OTHER PROXY DISCLOSURE**

The Committee consists of Robert B. Goldstein as Chairman, David J. Malone, Arthur J. Rooney, II, John W. Rose and William J. Strimbu. Our Board of Directors has delegated the responsibility of setting the compensation of the Company's Chief Executive Officer, other executives and key employees (Senior Officers) and directors to the Committee. The Committee met 7 times in 2006. Each Committee member has been determined to be independent under the NYSE Rules, and are non-employees under the meaning of Rule 16b-3 under the Exchange Act.

Authority and Responsibilities

The Committee administers the Company's executive compensation program, including the oversight of executive compensation policies and decisions, administration of the annual cash incentive award plan applicable to executive officers and administration of the Company's equity incentive plan. The Committee administers and interprets the Company's qualified and non-qualified benefit plans, establishes guidelines, approves participants in the non-qualified plans, approves grants and awards, and exercises other power and authority required and permitted under the plans and the Committee's charter, a copy of which is available on our website. The Committee also reviews and approves executive officer, including Chief Executive Officer, compensation, including, as applicable, salary, short-term incentive and long-term incentive compensation levels, perquisites, equity compensation, severance arrangements and other forms of executive officer compensation. The Committee's charter reflects its responsibilities, which the Committee reviews annually, and recommends any proposed changes to the Board.

Delegation

From time to time, the Committee delegates authority to fulfill various functions of administering the Company's plans to employees of the Company. Specifically, the Committee delegates administration of the Company's qualified plans to the Pension Committee, which is a Committee of Senior Officers of the Company having the appropriate expertise, experience and background in handling defined benefit and defined contribution plans.

Consultants

The Compensation Committee engaged Mercer Human Resource Consulting, Inc. (Mercer) to assist it in evaluating the compensation practices at F.N.B. and to provide advice and ongoing recommendations regarding Chief Executive Officer, Senior Officer and director compensation that are consistent with F.N.B. s business goals and pay philosophy. Mercer provides market information and analysis as background to decisions regarding total compensation, including base salary and short and long-term incentives, for the Chief Executive Officer, other

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Senior Officers and directors. The Committee also received advice regarding Senior Officer compensation from Towers Perrin. Towers Perrin provided competitive assessments of executive compensation including composition of the Company's peer group, performance against peers and competitive pay review. Towers Perrin also provided preliminary incentive design recommendations related to the Company's annual incentive and long-term incentive plans.

Mercer is not affiliated with F.N.B. nor did it provide any other services or perform other work for the Company in 2006. Towers Perrin serves as the actuary for the Company's defined benefit plan and provides other consulting services related to the administration of the Company's qualified and non-qualified benefit plans.

In performance of their duties, Mercer and Towers Perrin (collectively Consultants) interacted with the Chief Executive Officer, Director of Human Resources, Corporate Counsel and other Company employees. Additionally, the Consultants communicated with, took direction from, and regularly interacted with the Chairman of the Compensation Committee and other members of the Compensation Committee in addition to attending Compensation Committee meetings on an as needed basis.

Compensation Discussion and Analysis

This section discusses the material factors involved in the Company's decisions regarding the compensation of the Named Executive Officers (as defined in the discussion under the caption, Summary Compensation Table, of this proxy statement) during 2006. The specific amounts paid or payable to the Named Executive Officers are included in the tables and narrative under the title, Summary Compensation Table, of this proxy statement. The following discussion cross-references the specific tabular and narrative disclosures where appropriate.

Objectives

F.N.B. seeks to link the interest of shareholders and management in creating long-term shareholder value through its compensation program. F.N.B. believes it will accomplish this objective and attract and maintain highly motivated and talented employees by linking compensation to individual performance and long-term Company performance. The Committee designed F.N.B.'s compensation program to result in increased compensation when performance is above targeted or benchmarked standards and decreased total compensation when performance is below targeted standards.

Elements of Compensation

Overview

F.N.B. has divided executive compensation into three broad categories: (i) base salary and benefits, (ii) short-term annual incentive bonus, and (iii) long-term incentive compensation. F.N.B. then uses its incentive programs to reward its Named Executive Officers (and other Senior Officers) for individual and Company performance through its annual and long-term incentive plans. Overall, the awards under the plans are designed to vary with position and level of responsibility reflecting the principle that total compensation opportunity should increase with position and responsibility while, at the same time, putting a greater percentage of Named Executive Officer compensation at risk based on Company and individual performance.

Benchmarks

F.N.B. desires that its compensation programs be competitive in the marketplace. Thus, F.N.B. benchmarks itself against an appropriate comparative group of financial services companies with assets in the \$3 billion to \$10 billion

range. For purposes of comparing base salary, annual incentives, and long-term compensation, the Committee conducts a review of its benchmarks throughout the year, with assistance from the Consultants, using a variety of methods such as direct analysis of proxy statements of other financial services companies, as well as a review of compilation of survey data of companies of a similar size published by several independent consulting firms and customized compensation surveys performed by independent consulting firms. Overall, the Committee's intention is to have total compensation be in the fiftieth percentile of compensation paid by competitors for

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comparable positions, with an annual bonus and long-term incentive opportunity such that, if a Named Executive Officer realizes the incentives, his or her total compensation will be above the median and in the third quartile.

In setting Named Executive Officer compensation, the Committee reviews the above survey data and the proxy data of a group of 13 companies generally located in the mid-Atlantic and northeastern Ohio region and located outside of major metropolitan areas. The Company believes this group is representative of the market in which we compete for talent and includes companies of similar size and product and service offerings. However, with the assistance of the Consultants, the Committee regularly reviews the group to assure that it remains an appropriate benchmark for F.N.B. F.N.B. is in the median of the peer group in terms of asset size and market capitalization. The 13 companies in the peer group are:

Chittenden Corp.	Harleysville National Corporation
Citizens Republic Bancorp	S&T Bancorp
FBOP Corporation	Sandy Spring Bancorp, Inc.
First Commonwealth Financial Corporation	Susquehanna Bancshares, Inc.
First Financial Bancorp	United Bankshares, Inc.
Firstmerit Corporation	Wesbanco, Inc.
Fulton Financial Corporation	

For purposes of determining whether the Company has met its long-term incentive performance targets, the Company compares its performance to all financial service organizations located throughout the United States, having assets in the \$3 billion to \$10 billion range. Currently, there are 63 organizations in this group. This group includes all types of financial service organizations, such as commercial banks, savings and loan associations and credit unions. The Committee believes this comparative group is diverse and provides the necessary depth to be meaningful in setting relative goals.

The Committee reviewed the corporate goals and objectives relevant to Mr. Gurgovits' compensation for 2006, including the annual incentive bonus paid in 2006 for 2005 performance and the restricted stock awards. The Committee considered Mr. Gurgovits' contributions to the Company. The Committee believes that Mr. Gurgovits' dedication to the Company and leadership, especially since the spin-off of the Company's Florida operations, have been important to our ongoing growth, including the Company's movement into the Harrisburg, Pennsylvania market, in 2006. The Committee believes Mr. Gurgovits' total compensation is at a level competitive with Chief Executive Officers' salaries within the financial services industry and within the thirteen bank peer group more particularly described above.

Total compensation for Named Executive Officers is comprised of base salary, annual cash incentive awards, long-term equity awards, retirement and post-employment benefits, and other benefits and perquisites. The various components of compensation are detailed below.

Base Salary

Why the Company pays this Component

The Company provides base salary and benefits to all salaried employees including the Named Executive Officers, in order to provide them with a degree of financial certainty. Competitive base salaries further the compensation program's objectives by allowing the Company to attract talented employees by providing a fixed portion of compensation upon which all employees can rely. Base salary is the only fixed cash portion of our Named Executive Officers' compensation.

How the Company determines the Amount

Each year, the Company reviews the annual salary for each Named Executive Officer. Year-to-year, the Company determines adjustments to each Named Executive Officer's base salary based upon an assessment of his or her performance versus job responsibilities, including the impact of such performance on F.N.B.'s financial results. The Committee targets base salary for Named Executive Officers at the median for its peer group. The Company reviews base salary annually and adjusts it as the Company deems appropriate. In certain cases, the Company increases base salary in order to raise the Named Executive Officer's annual

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salary to reflect more closely the annual salaries of comparably performing peer group executives. As more particularly set forth in the Summary Compensation Table, for the year ended December 31, 2006, Mr. Gurgovits received an annual salary of \$525,024.

Relation of Base Salary to Other Components of Compensation

A Named Executive Officer's base salary is a reference point for the Company's annual incentive opportunities. The Company determines the level at which Named Executive Officers participate in the Executive Incentive Compensation Plan (EIC Plan). This level is typically expressed in a percentage amount. For example, if a Named Executive Officer participates in the EIC Plan at the 20% level, it means that the Named Executive Officer's target incentive opportunity would be the Named Executive Officer's base salary multiplied by 20%. In addition, base salary is the only component of compensation in the formula under which the Named Executive Officer's pension benefit accrues under the Company's Pension Plan that was in effect during 2006. A Named Executive Officer may also defer a portion of his or her base salary and bonus into the Company's 401(k) Plan.

Annual Incentive Awards

The Company paid cash bonuses to our Named Executive Officers under our EIC Plan, except Mr. Gurgovits, as more particularly stated in the Summary Compensation Table and Grants of Plan Based Awards tables. The EIC Plan provides additional compensation to Named Executive Officers based on the Company's achievement of certain financial objectives. The EIC Plan is open to each Named Executive Officer and all other salaried personnel selected by the Company's Chief Executive Officer and the Compensation Committee for participation.

Why the Company pays this Component

The Company believes that a significant amount of compensation should be contingent on Company performance. By putting a portion of the Named Executive Officers' and Senior Officers' total short-term compensation at-risk, the Company expects to drive the Company's annual performance goals. These goals are critical to the Company's earnings per share and total shareholder return, which are important measures to both the Company and its shareholders. Thus, by paying annual incentive compensation, the Company links its performance to increasing shareholder value.

How the Company Determines the Amount

F.N.B. targets short-term, annual incentive compensation, such that it is tied directly to both corporate and individual performance. Corporate performance is based upon the Company's performance relative to its overall annual performance plan goals as approved by the Board of Directors, including goals related to net income and earnings per share. The Chief Executive Officer, the other Named Executive Officers and other Senior Officers are each eligible to receive an annual cash bonus based upon Company and individual performance. All annual bonuses are discretionary, with the Compensation Committee establishing bonuses for the Chief Executive Officer and other Named Executive Officers, and reviewing and approving the recommendations of the Chief Executive Officer for other members of the senior management team. The general parameters for target bonuses for the Chief Executive Officer, the other Named Executive Officers and other Senior Officers range from 20% to 60% of base pay.

The Committee establishes an annual bonus pool based upon the Company meeting an annual target net income goal set by the Board of Directors. The pool is a product of the annual salaries of the participants multiplied by the participants' target payout levels. If the Company fails to achieve 80% of the target goal, the plan does not provide for any annual incentive compensation payout to the Chief Executive Officer, the other Named Executive Officers or other Senior Officers. Additionally, if the Company exceeds the goal as set by the Board of Directors, then the plan provides for annual incentive payments that are higher than the target bonus for each Named Executive Officer and

other Senior Officers. The EIC Plan provides for an increase over target if the Company's performance exceeds plan from 1% to 20% of goal.

The maximum bonus that the Company will award under the EIC Plan is two times the Named Executive Officer's target bonus amount. The EIC Plan gives the Committee discretion to increase and decrease

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individual awards from the plan targets; however, the annual pool cannot be increased. Additionally, the Committee has discretion to consider unusual factors and their resulting effect on corporate performance, *i.e.*, significant merger and acquisition transactions, unusual investment gains or losses, corporate and balance sheet restructuring, significant asset sales and other items the Compensation Committee deems appropriate in determining whether the Company met the target goal.

Named Executive Officers and other Senior Officers who can make an important contribution to our success, as determined by the Committee, are included in the compensation pool. Objectives may be different from individual to individual. Mr. Gurgovits, as noted above, is entitled by contract to a retention bonus if he is employed on December 31 of each year during which his employment agreement remains in effect, and may be entitled to a performance bonus. As reflected in the Summary Compensation Table, Mr. Gurgovits received the retention bonus for 2006. Each participating Named Executive Officer, including Mr. Gurgovits, is eligible for a bonus equal to a certain percentage of that Named Executive Officer's base salary if the Company and the Named Executive Officer attain established goals. The Company goal for all Named Executive Officers, except Mr. Roberts, is based on total Company performance. Mr. Roberts' goal is a factor using both the performance of the Company, weighted 30%, and its subsidiary, FNBPA, weighted 70%. The Company has discretion within the pool to allocate the respective percentage of the pool that each participant in the EIC Plan receives.

In 2006, the Company exceeded 80% of the target net income goal. Thus, the Company awarded bonuses to the Named Executive Officers, other than Mr. Gurgovits, as more particularly reflected in the Summary Compensation Table and Grants of Plan-Based Awards table and accompanying narrative. Specifically, the Company achieved 97.3% of its net income target or \$67.6 million despite the various pressures on earnings, including a flat to inverted yield curve, softening housing market and extremely competitive pricing. The Committee did not adjust corporate results for any unusual factors.

Relation of Annual Incentives to Other Components of Compensation

The Company has targeted its annual incentive compensation to vary significantly based upon performance against the annual target net income goal. Therefore, there is a significant upside and downside potential. Annual incentive awards provide the potential for payment to the Named Executive Officers at or above the target level if the Company performance is at or above the target net income goal. Similarly, if Company performance is below the target net income goal, the compensation of Named Executive Officers also will be below the target bonus amount. For each 1% the Company deviates from its net income goal, the annual incentive compensation pool is affected by 5%. For example, if the Company exceeds its net income goal by 2%, then a Named Executive Officer's annual incentive bonus payment may be increased up to 10% more than his or her target bonus amount. Likewise, if the Company misses its target goal by 5%, then each Named Executive Officer's potential bonus amount is reduced by 25%. A Named Executive Officer may also defer a portion of his or her bonus into the Company's 401(k) Plan.

The Committee has deferred a decision on whether to pay and the amount of any performance bonus for 2006 for Mr. Gurgovits. The Committee reached this decision as a result of the Committee's analysis of the tax consequences under Section 162(m) of the Internal Revenue Code of 1986, as amended (Code). Specifically, the annual bonus plan under which the Committee would award Mr. Gurgovits a bonus has not yet been approved by the shareholders. (See Proposal 3 of this proxy statement). Since the Company has requested shareholder approval of the F.N.B. Corporation 2007 Incentive Compensation Plan (2007 Plan) at the Annual Meeting, the Committee has deferred a decision on paying a performance bonus to Mr. Gurgovits until after the shareholder vote on the 2007 Plan.

Long-Term Awards

In recent years, the Compensation Committee has placed greater emphasis on restricted stock awards (both performance and service-based) as a means to increase long-term stock ownership by Named Executive Officers. Based upon various factors, including the Company's commitment to its shareholders to be a value oriented, high-dividend paying company, the Company currently does not award stock options. The Compensation Committee has determined that it is in the Company's best interest to continue to rely on granting equity-based awards in restricted

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stock in order to best align the Company's compensation practices with the Company's long-term financial performance goals and objectives and its shareholders' interests.

The Committee has historically granted restricted stock awards in January. In 2006, the Committee did not make any awards under the Company's long-term incentive plan, the F.N.B. Corporation 2001 Incentive Plan (the "2001 Plan"), since the Committee had previously elected to make awards in December 2005. The December 2005 awards were the awards that the Committee otherwise would have granted in 2006. However, by making these grants in 2005 the Company attempted to minimize adverse accounting effects under financial accounting standard (FAS) 123R, which became effective in January 2006. As a result of the adoption of FAS 123R, equity awards under the long-term incentive plan would have needed to be expensed immediately for Named Executive Officers and other employees who had already achieved the age of normal retirement. Additionally, under FAS 123R, the Company would have been required to accelerate expensing of awards to employees reaching normal or early retirement age during the vesting period of the award. Therefore, the Company thought it more appropriate to reconsider the timing of the awards in order to mitigate an adverse accounting affect on the Company in the future. At the same time, the Committee recognized the need to reward Named Executive Officers for 2005 performance. Thus, it granted the awards prior to the effective date of FAS 123R.

In 2005, under the Company's 2001 Plan, the Compensation Committee also granted restricted stock to certain other employees who do not participate in the Company's annual incentive bonus program who made important performance related contributions to the Company or its affiliates. These restricted stock awards vest in equal installments over a five-year period. Similarly, the Committee did not make any of these awards in 2006.

The Committee also has not made restricted stock awards in 2007, because of a proposed change in structure from awards of prior years as noted above. As a result, the Board of Directors is submitting the 2007 Plan for vote by the shareholders at the Annual Meeting. The 2007 Plan, among other things, will provide the Committee the discretion to offer immediate vesting for equity-based awards issued under the 2007 Plan upon a participant attaining the age of normal or early retirement (see Plan Summary discussed under Proposal 3 of this proxy statement for a complete description of the 2007 Plan). This change to the award structure and the delay in granting awards will be beneficial to the Company and its shareholders, as the changes will help minimize the adverse accounting effects of certain awards under FAS 123R described above. Therefore, the Company anticipates granting awards later in 2007, which it typically would have granted in January.

Since 2004, the Committee has made restricted stock awards, 50% of which vest in full at the end of three years ("Time Awards") and 50% that vest in full at the end of four years, provided, the Company meets certain financial performance requirements set forth in the awards ("Performance Awards"). Current outstanding Performance Awards cliff vest at the end of four years if the Company's annual return on average tangible equity is in the top quartile relative to peers. For each year in which the Company's financial performance is in the top quartile during the four one year performance periods, the Named Executive Officer receives 25% of the initial Performance Award on the cliff vesting date. All restricted stock awards, including both Time Awards and Performance Awards, are subject to forfeiture if the Named Executive Officer terminates employment, other than as a result of retirement, death or disability, before the cliff vesting date. The Committee believes this allocation of equity awards assists the Company in attracting and retaining highly qualified Named Executive Officers, rewarding Named Executive Officers for loyalty to the Company, and driving Company performance, while creating shareholder value by linking the shareholders' interests and the Named Executive Officers' interests in long-term success.

Management Stock Ownership Policy

In October, 2006, the Committee adopted the Management Stock Ownership Policy which requires the Chief Executive Officer, all the Named Executive Officers and all other participants in the long-term incentive plan, the

2001 Plan and any successor plan to maintain varying levels of stock ownership based upon the officer's participation level in the plan.

Retirement and Other Post Employment Benefits

All salaried employees except employees, of First National Insurance Agency, LLC (FNIA), participate in a defined benefit pension plan, the Retirement Income Plan (RIP), and all employees are eligible to participate in a

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401(k) retirement savings plan. In addition, each of our Named Executive Officers participates in a supplemental executive retirement plan, the Basic Retirement Plan (BRP), and each of our Named Executive Officers receives benefits in the event of the termination of employment as detailed in the Potential Termination and Change in Control tables and accompanying narrative. Additionally, described in the narrative in connection with the Potential Termination and Change in Control tables, upon a change in control, Mr. Roberts receives payments and benefits, and if certain events occur after a change in control, Mr. Lilly is also entitled to payments and benefits.

Why the Company pays these Benefits to Executives

Retirement Plans, in general, are designed to provide Named Executive Officers and other employees with financial security after retirement. The Company's defined benefit pension plan, the RIP, offers benefits to employees which are more particularly detailed in the narrative accompanying the Pension Benefits table. Additionally, the Company provides matching contributions under the 401(k) Plan, for all employees, including the Named Executive Officers. However, due to Code limits on the amount of compensation that may be recognized for tax-qualified retirement plans, certain Named Executive Officers, including, Messrs. Gurgovits, Roberts and Lilly, are unable to receive the full amount of contributions to the 401(k) Plan and a portion of their base compensation is not included in the calculation of their pension benefit. Therefore, the Company also offers the F.N.B. Corporation ERISA Excess Retirement Plan and the F.N.B. Corporation Lost Match Plan to allow any affected employee to receive the full benefit intended by the qualified retirement plans.

In addition to those plans, the Company also maintains a supplemental executive retirement plan, known as the BRP, which supplements the benefits provided by the RIP. The purpose of the BRP is to insure a minimum level of retirement income for the Named Executive Officers and other Senior Officers who participate in the plan. Post-retirement compensation is necessary to attract and retain talented executives. The Company believes its post-retirement benefits are competitive in the industry and provide Named Executive Officers appropriate retirement benefits.

The Company also provides severance and change in control payments through employment contracts that provide additional security for our Named Executive Officers. The Company determined that the continued retention of the services of the Named Executive Officers on a long-term basis fosters stability of senior management through retention of well-qualified officers. The Potential Payments Upon Termination or Change in Control tables and accompanying narrative detail the Named Executive Officer's employment contracts.

How the Company determines the Amount to Pay

The RIP benefit is determined by a precise formula set forth in the plan document and explained in the narrative accompanying the Pension Benefits table. The 401(k) Plan provides for the Company to match employee contributions in Company stock equal to 50% of up to 6% of the employee's contributions. The ERISA Excess Lost Match Plan and ERISA Excess Retirement Plan benefit formulas are based upon the specific opportunity or amount lost by the Named Executive Officer, or other participant, due to Code limits and are more fully detailed in the Pension Benefits table and narrative. The benefit under the BRP is a monthly benefit equal to a target benefit percentage based on years of service at retirement and a designated tier as determined by the Committee and detailed in the narrative accompanying the Pension Benefits table. The Company does not grant extra years of credited service under any of its qualified or non-qualified plans. The termination and change in control benefits for Named Executive Officers were set by contract and are described more fully in the Potential Termination and Change in Control Payments tables and in the narrative accompanying the Summary Compensation Table.

Relation of these Benefits to Other Components of Compensation

Retirement benefits are directly linked to the amount of the Named Executive Officer's base compensation. The formula for determining benefits under each of the plans includes the named Executive Officer's base salary. In the case of the 401(k) Plan only, the Company also matches employee contributions from any bonus payments (up to Code limits). Additionally, under the BRP, annual incentive pay is also used in the calculation of the participant's benefit. Similarly, while the named Executive Officer's termination benefits

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are determined under their respective employment agreements, generally, termination benefits are a product of base compensation and in the case of Mr. Gurgovits, his annual retention bonus.

Other Benefits and Perquisites

The Company's Named Executive Officers participate in a wide array of benefit plans that are generally available to all employees of the Company. Benefits primarily consist of participation in the Company's defined benefit, defined contribution and health and welfare benefit plans. In addition, some of the named Executive Officers receive perquisites in the form of country club membership dues, a company car and other perquisites more particularly detailed as part of the Summary Compensation Table and accompanying narrative. The Company provides country club membership dues to certain Named Executive Officers in order to provide them with the ability to entertain customers, potential customers and various business contacts. Similarly, the Company provides certain Named Executive Officers a company car for purposes of appropriate transportation for entertainment of customers, vendors and business contacts and traveling between the Company's facilities. These perquisites are detailed in the Summary Compensation Table.

Additionally, as set forth in the narrative accompanying the Potential Payments Upon Termination or Change in Control table, Mr. Gurgovits has previously entered into a post-employment consulting agreement with the Company. Mr. Gurgovits will also receive deferred compensation under the Non-Qualified Deferred Compensation Agreement as more particularly detailed in the narrative accompanying the Pension Benefits table.

Tax and Accounting Treatment of Compensation

Section 162(m) of the Code limits the deductibility of the compensation in excess of \$1 million dollars paid to the Chief Executive Officer or any of the Named Executive Officers unless such compensation qualifies as performance-based compensation. Performance Awards of restricted stock granted under our 2001 Plan are intended to meet the performance-based compensation exception to the annual \$1 million dollar limitation. Although our cash bonus program does not currently meet the performance-based exception to the IRS deduction limitation, awards and bonuses under our proposed 2007 Plan are intended to satisfy this exception for all cash and stock awards. While the Compensation Committee is cognizant of the tax deduction limitations applicable to our compensation program for Named Executive Officers, the Committee may from time to time set compensation levels outside the deduction limitations if it deems the amount of compensation is appropriate.

Other provisions of the Code also can affect the Company's compensation decisions. Under Code Section 280G, a 20% excise tax is imposed upon Named Executive Officers and other executive officers who receive excess payments upon a change in control of a public corporation to the extent the payments received by them exceed an amount approximating three times their average annual compensation. The excise tax applies to all payments equal to or exceeding three times annual compensation, determined by a five-year average. A company also loses its tax deduction for excess payments.

In addition, the Code was recently amended to provide surtax under Section 409A of the Internal Revenue Code with respect to various features of deferred compensation arrangements of publicly held corporations, mostly for compensation deferred on or after January 1, 2005. We have made the appropriate changes to our non-qualified retirement plans and employment agreements to help ensure there are no adverse affects on the Company or executive officers as a result of these Code amendments. We do not expect these changes to have a material tax or financial consequence on the Company.

As discussed above, the Company has calculated and discussed with the Committee the tax impact to the Company and the executives of each of its cash and equity compensation awards and agreements. The Company also calculates

and monitors the FAS 123R accounting expense related to equity-based compensation.

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The following table shows the total compensation paid or earned by the Company's Chief Executive Officer, Chief Financial Officer and the three most highly paid executive officers other than the Chief Executive Officer and Chief Financial Officer (each, a Named Executive Officer and together, the Named Executive Officers) for services rendered in all capacities to the Company and its subsidiaries for its fiscal year ended December 31, 2006:

Name and Principal Position	Year	Salary (\$)	Bonus (\$)(1)	Stock Awards (\$)(2)	Option Awards (\$)	Non-Equity Incentive Compensation (\$)(3)	Change in Pension Value and Nonqualified Deferred Compensation	All Other Compensation (\$)	Total (\$)
							(\$)(4)		
Stephen J. Gurgovits President and CEO	2006	525,024	100,000	363,508	0	0	0	93,984	1,082,516
Brian F. Lilly Chief Financial Officer	2006	252,000	0	107,864	0	87,166	44,921	43,453	535,404
Gary J. Roberts President and CEO, FNBPA	2006	325,008	0	122,992	0	138,585	207,658	48,630	842,873
David B. Mogle Corporate Secretary	2006	166,320	0	53,563	0	43,147	54,467	10,975	328,472
James G. Orié Chief Legal Officer	2006	165,000	0	31,392	0	42,805	28,894	8,937	277,028

- (1) Payments under the Company's annual incentive plan are reported in the Non-Equity Incentive Compensation Plan column not the Bonus column, in accordance with SEC requirements. For Mr. Gurgovits the bonus column reflects the \$100,000 annual retention bonus to which he is entitled if he is employed on December 31st of each year during which his employment contract remains in effect.
- (2) The Company did not grant stock awards in 2006. The restricted stock award amounts shown in this table, with respect to awards granted in prior fiscal years, represent the dollar amount of expense recognized for financial statement reporting purposes for the fiscal year determined pursuant to Statement of Financial Accounting Standards No. 123(R), Share-Based Payment. Assumptions used in the calculation of this amount are included in Note #18 to the Company's audited financial statements for the fiscal year ended December 31, 2006, included in the Company's Annual Report on Form 10-K filed with the SEC on February 28, 2007. The restricted stock awards granted under the 2001 Plan vest either after (i) the executive's continued employment with the Company or one of its affiliates for three years or (ii) the Company's achievement of performance goals and the executive's continued employment with the Company or one of its affiliates for four years. The amounts reflected assume

that each executive will perform the requisite service and that the Company will achieve the required performance goals. The amount for Mr. Gurgovits also includes a stock award valued at \$15,890 for service as a director of the Company in 2006 that vested immediately upon grant. All restricted stock earns cash dividends that are reinvested into additional shares of the Company's common stock under the F.N.B. Corporation Dividend Reinvestment and Direct Stock Purchase Plan. These reinvested shares are subject to the same restrictions and vesting schedule as the underlying restricted stock.

- (3) Amount earned by the Named Executive Officer as an annual incentive bonus under our EIC Plan, based upon 2006 Company performance. The EIC Plan is discussed in further detail in the Compensation Discussion and Analysis under the heading Annual Incentive Awards. As more fully described in the Compensation Discussion and Analysis, the Compensation Committee has deferred a decision on paying a performance bonus for 2006 to Mr. Gurgovits until after the shareholder vote on the 2007 Plan. The maximum amount that the Compensation Committee may grant to Mr. Gurgovits, based on the Company's performance during 2006, is \$272,405.
- (4) The amounts in this column reflect the actuarial change in the present value of the Named Executive Officers benefit under all pension plans established by the Company determined using interest rate and mortality rate assumptions consistent with those used in the Company's financial statements and includes amounts that the Named Executive Officer may not currently be entitled to receive because such amounts are not vested. The

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Company's pension plans are described in the narrative accompanying the Pension Benefits table. In addition, the change in the present value of the accumulated benefit under the Deferred Compensation Agreement between FNBPA and Mr. Gurgovits is calculated in accordance with APB No. 12, assuming an interest rate of 5.70% and assuming that payments will commence at age 65 and continue for 10 years. Note that the change in value for Mr. Gurgovits was actually a decrease of \$46,539. However, based on the SEC's interpretive guidance, the amount shown in the Summary Compensation Table should not be less than \$0. The Company does not pay or provide above-market interest under Non-Qualified Deferred Compensation Plans.

Other Compensation Table

The following table reflects the items included in the All Other Compensation column of the Summary Compensation Table shown above.

Name	Disability Insurance (\$)	Perquisites (\$)	Tax Grossups (\$)	401(k) Match (\$)	Lost Match (\$)	Split Dollar Life Insurance Premiums (\$)	Total All Other Compensation (\$)
Stephen J. Gurgovits	5,102	68,457	213	6,000	14,212	0	93,984
Brian F. Lilly	0	34,839	35	6,000	2,579	0	43,453
Gary J. Roberts	0	36,865	85	6,000	5,680	0	48,630
David B. Mogle	0	0	0	5,807	0	5,168	10,975
James G. Orié	0	0	0	5,666	0	3,271	8,937

The Named Executive Officers receive various perquisites provided by or paid for by the Company pursuant to Company policies or individual agreements with the executive. SEC rules require disclosure of the perquisites and other personal benefits, securities or property for a Named Executive Officer unless the amount of that type of compensation is less than \$10,000 in the aggregate.

Perquisites Table

The following table reflects the perquisites included in the All Other Compensation column of the Summary Compensation Table shown above:

Name	Country Club Equity Memberships (\$)	Country Club Dues (\$)	Company Provided Automobiles(1) (\$)	Other(2) (\$)	Total Perquisites Included in All Other Compensation(3) (\$)
Stephen J. Gurgovits	16,579	25,994	24,223	1,661	68,457
Brian F. Lilly	0	5,537	29,302	0	34,839
Gary J. Roberts	0	18,162	18,354	349	36,865
David B. Mogle	0	0	0	0	0

James G. Orie	0	0	0	0	0
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- (1) The valuation of the company provided automobiles was calculated as follows: current year depreciation expense for the Company owned automobile plus all costs incurred related to the automobile (including, but not limited to, the cost of insurance, gas, car washes, repairs, and registration and inspection fees) less the Company's mileage reimbursement allowance for business miles driven by employees who use their own automobile for business purposes.
- (2) The amounts reported as "Other" include personal travel expenses and sporting event tickets for Mr. Gurgovits and sporting event tickets and dues to certain organizations for Mr. Roberts. Messrs. Gurgovits and Roberts attended the sporting events with customers of the Company.
- (3) In addition to the amounts reported above, during 2006, Mr. Roberts used the company aircraft to travel on company business and his wife accompanied him. There was no incremental cost of her accompanying him on the business trip. The valuation for all perquisites other than Company provided automobiles shown above is the actual cost to the Company.

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The foregoing Summary Compensation Table and its sub-tables do not include certain fringe benefits generally made available on a non-discriminatory basis to all of our salaried employees such as group health insurance, dental insurance, vision insurance, life insurance, accidental death and dismemberment insurance and long-term disability insurance, which we consider to be ordinary and incidental business costs and expenses.

Mr. Gurgovits' employment agreement dated December 31, 2005, as amended by an amendment dated December 15, 2006, provides for his continued employment as the Company's President and Chief Executive Officer and as Chairman of FNBPA's Board of Directors. The agreement was effective as of January 1, 2006, and expires on December 31, 2008 (Term). Under the terms of the agreement, Mr. Gurgovits receives a base salary which is reflected in the Summary Compensation Table and may be increased from time to time as determined by the Board. Additionally, the agreement, as amended, provides for Mr. Gurgovits to receive a retention bonus of \$100,000 if Mr. Gurgovits remains employed on December 31st of each year of the Term. In addition to the annual retention bonus, Mr. Gurgovits is eligible for annual incentive compensation at a target award level of 60% of his base salary with the possibility of achieving a bonus between 0% and 120% of base salary based upon performance of the Company. The severance and change in control provisions of Mr. Gurgovits' employment agreement are described under Potential Payments Upon Termination or Change in Control.

Mr. Lilly serves as the Company's Chief Financial Officer. Mr. Lilly's employment agreement is dated October 6, 2003, and had an initial term of two years. Unless sooner terminated, the agreement automatically extends for one year on the anniversary of the commencement date. Either party may terminate the automatic renewal by providing the other 60 days' advance written notice of non-renewal. Presently, Mr. Lilly's employment agreement runs through October, 2008. Under the terms of the agreement, Mr. Lilly is entitled to receive from the Company a base salary which is reflected in the Summary Compensation Table and may be increased from time to time as is determined by the Board. Additionally, Mr. Lilly is eligible to participate in incentive compensation and bonus plans of the Company at the discretion of the Compensation Committee. Mr. Lilly's target award level for annual incentive compensation is 40% of his base pay with the possibility of achieving a bonus between 0% and 80% of base pay based upon performance of the Company. The severance and change in control provisions of Mr. Lilly's employment agreement are described under Potential Payments Upon Termination or Change in Control.

Mr. Roberts is the President and Chief Executive Officer of the Company's principal subsidiary, FNBPA. Mr. Roberts' current employment agreement is dated December 2, 2002, and was initially for a three year term. Unless sooner terminated, the agreement automatically extends for one year on the anniversary of the commencement date. Either party may terminate the automatic renewal by providing the other 60 days' advance written notice of non-renewal. Presently, the agreement runs until December, 2009. Under the terms of the agreement, Mr. Roberts is entitled to receive from FNBPA, a base salary, which is reflected in the Summary Compensation Table, which may be increased from time to time as is determined by the Board. Additionally, Mr. Roberts is eligible to participate in incentive compensation and bonus plans of the Company at the discretion of the Compensation Committee. Mr. Roberts' target award level for annual incentive compensation is 50% of his base pay with the possibility of achieving a bonus between 0% and 100% of base pay based upon performance of the Company and FNBPA. The severance and change in control provisions of Mr. Roberts' employment agreement are described under Potential Payments Upon Termination or Change in Control.

Mr. Mogle serves as the Company's Corporate Secretary and Mr. Orie serves as the Company's Chief Legal Officer. Their employment agreements are virtually identical and are dated October 4, 2005. The initial term of the agreements is for two (2) years, which automatically extend for one year periods on their anniversary, unless sooner terminated. Either the Company or Messrs. Mogle or Orie may terminate the automatic renewal of their respective agreements by providing the Company 60 days' advance written notice of non-renewal. Presently, the contracts run through October 2008. Under the terms of the agreements, Mr. Mogle and Mr. Orie receive a base salary, which is reflected in the

Summary Compensation Table, which may be increased from time to time as is determined by the Board. Additionally, Mr. Mogle and Mr. Orié are eligible to participate in incentive compensation and bonus plans of the Company at the discretion of the Compensation Committee. Mr. Mogle's and Mr. Orié's target award level for annual incentive compensation is 30% of base pay with the possibility of achieving a bonus between 0% and 60% of base pay based upon performance of the Company. The severance and change in control provisions of Mr. Mogle's

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and Mr. Orié's employment agreements are described in the narrative accompanying the Potential Payments Upon Termination or Change in Control tables.

Grants of Plan-Based Awards

The following table sets forth grants of plan-based awards to the Named Executive Officers for 2006:

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Future Payouts Under Equity Incentive Plan Awards(2)			All Other Stock Awards	All Other Option Awards	Exercise Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards (\$)
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (\$)	Target (\$)	Maximum (\$)	Number of Shares of Stock or Underlying Securities	Number of Options		
Stephen J. Gurgovits	n/a	0	315,014	630,029	0	0	0	0	0	0	0
Brian F. Lilly	n/a	0	100,800	201,600	0	0	0	0	0	0	0
Gary J. Roberts	n/a	0	162,504	325,008	0	0	0	0	0	0	0
David B. Mogle	n/a	0	49,896	99,792	0	0	0	0	0	0	0
James G. Orié	n/a	0	49,500	99,000	0	0	0	0	0	0	0

(1) The amounts shown represent the threshold, target and maximum amounts to be earned by the Named Executive Officer under the annual incentive compensation program based upon the Company's performance during 2006. The amounts actually earned for 2006 were below the target and are reflected in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table.

(2) The Company did not grant stock awards in 2006.

Participants who terminate service prior to year-end are not eligible for annual incentive compensation under the program. In the event of death, disability or retirement (i.e., age 55 with five years of service), during the year or before the Company makes payment of the annual incentive award amount, the Committee, at its discretion, may approve a pro-rata award. The program provides for payment in the case of a change in control as more particularly detailed in the Potential Payments Upon Termination or Change in Control tables.

There are 2,582,472 shares, representing 4.3% of the Company's outstanding shares of Common Stock, remaining available for awards under the 2001 Plan. If the performance criteria are not met, the Named Executive Officers will not earn 38,340 shares in the aggregate that will then become available for issuance under the 2001 Plan.

Table of Contents**Outstanding Equity Awards at Fiscal Year-End(1)**

The following table sets forth certain information summarizing the outstanding equity awards of each Named Executive Officer as of December 31, 2006.

Name	Option Awards(2)					Stock Awards(3)			
	Number of Securities Underlying Unexercised Options (#)	Number of Securities Underlying Exercised Options (#)	Number of Securities Underlying Unexercised Incentive Plan Awards (#)	Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested(5) (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Rights That Have Not Vested(6) (#)	Equity Incentive Plan Awards: Market Payout Value of Unearned Shares, Units or Rights That Have Not Vested (\$)
Stephen J. Gurgovits	82,741	0	0	10.21224	1/23/2010	61,997	1,132,685	20,008	365,546
	1,319			10.21223	1/23/2010				
	85,036			10.43640	1/22/2011				
	1,457			10.43639	1/22/2011				
	53,419			12.93944					