

CITY NATIONAL CORP  
Form PRE 14A  
March 18, 2009

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[TABLE OF CONTENTS](#)

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

**SCHEDULE 14A**

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**City National Corporation**

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(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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(2) Aggregate number of securities to which transaction applies:

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(1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:

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CITY NATIONAL CORPORATION  
City National Center  
400 North Roxbury Drive  
Beverly Hills, California 90210  
(310) 888-6000

**NOTICE OF 2009 ANNUAL MEETING OF STOCKHOLDERS**

**Important Notice Regarding the Availability of Proxy Materials  
for the Stockholder Meeting to be held on May 27, 2009**

Notice of Annual Meeting and Proxy Statement are available at [www.cnb.com/ir/ir-kit.asp](http://www.cnb.com/ir/ir-kit.asp)

TO OUR STOCKHOLDERS:

We invite you to attend the 2009 Annual Meeting of Stockholders of City National Corporation to be held on **May 27, 2009 at 4:30 p.m., PDT at City National Center, 400 North Roxbury Drive, Beverly Hills, California**. We will hold our 2009 Annual Meeting of Stockholders to consider the following items of business:

1. Election to the Board of Directors of four Class I directors for terms expiring in 2012 or until their respective successors have been elected and qualified;
2. Ratification of the selection of KPMG LLP as City National Corporation's independent registered public accounting firm for the fiscal year ending December 31, 2009;
3. An advisory (non-binding) vote approving executive compensation;
4. A stockholder proposal regarding declassification of the Board of Directors; and
5. Any other business that may be properly brought before the meeting or any postponement or adjournment of the meeting.

Stockholders of record at the close of business on March 30, 2009 are entitled to notice of, and to vote at, the annual meeting or any postponement or adjournment of the meeting.

**Whether or not you plan to attend the annual meeting, please sign, date and return the enclosed proxy card in the provided postage paid envelope so that as many shares as possible may be represented at the annual meeting.** The vote of every stockholder is important and your cooperation in returning your executed proxy promptly is appreciated. Each proxy is revocable and will not affect your right to vote in person if you attend the annual meeting.

We appreciate your continuing support and look forward to seeing you at City National Corporation's annual meeting.

Sincerely,

BRAM GOLDSMITH  
*Chairman of the Board*  
Beverly Hills, California  
April [3], 2009

RUSSELL GOLDSMITH  
*Chief Executive Officer and President*

Table of Contents**TABLE OF CONTENTS**

<u>QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING, PROXY MATERIALS AND VOTING</u>	<u>1</u>
<u>PROPOSAL 1: Election of Directors</u>	<u>5</u>
<u>PROPOSAL 2: Ratification of Selection of Independent Registered Public Accounting Firm</u>	<u>8</u>
<u>CORPORATE GOVERNANCE</u>	<u>9</u>
<u>Director Independence</u>	<u>9</u>
<u>Board Meetings and Committees: Annual Meeting Attendance</u>	<u>10</u>
<u>Contacting the Board of Directors</u>	<u>10</u>
<u>The Compensation, Nominating &amp; Governance Committee</u>	<u>10</u>
<u>Compensation Matters</u>	<u>11</u>
<u>Nomination and Corporate Governance Matters</u>	<u>11</u>
<u>Compensation Committee Interlocks and Insider Participation</u>	<u>12</u>
<u>The Audit &amp; Risk Committee</u>	<u>12</u>
<u>Report by The Audit &amp; Risk Committee</u>	<u>12</u>
<u>Additional Governance Matters</u>	<u>14</u>
<u>Transactions with Related Persons</u>	<u>14</u>
<u>Review, Approval or Ratification of Transactions with Related Persons</u>	<u>15</u>
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	<u>15</u>
<u>Proxy Statement Proposals</u>	<u>15</u>
<u>Other Proposals and Nominations</u>	<u>15</u>
<u>Director Compensation</u>	<u>16</u>
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	<u>18</u>
<u>Principal Owners of Common Stock</u>	<u>18</u>
<u>Security Ownership of Management</u>	<u>20</u>
<u>City National Corporation</u>	<u>20</u>
<u>Stock Ownership of Subsidiaries of City National Corporation</u>	<u>22</u>
<u>EXECUTIVE COMPENSATION</u>	<u>24</u>
<u>Compensation Discussion and Analysis</u>	<u>24</u>
<u>Compensation Committee Report</u>	<u>35</u>
<u>Summary Compensation Table</u>	<u>36</u>
<u>2008 Grants of Plan-Based Awards</u>	<u>37</u>
<u>Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards</u>	<u>38</u>
<u>2008 Outstanding Equity Awards at Fiscal Year-End</u>	<u>40</u>
<u>2008 Option Exercises and Stock Vested</u>	<u>41</u>
<u>2008 Pension Benefits</u>	<u>42</u>
<u>2008 Nonqualified Deferred Compensation</u>	<u>42</u>
<u>Potential Payments Upon Termination or Change in Control</u>	<u>45</u>
<u>PROPOSAL 3: Advisory (Non-Binding) Vote Approving Executive Compensation</u>	<u>50</u>
<u>STOCKHOLDER PROPOSAL</u>	<u>51</u>
<u>PROPOSAL 4: Stockholder Proposal Regarding Declassification of Board of Directors</u>	<u>51</u>
<u>APPENDIX A DIRECTOR INDEPENDENCE STANDARDS</u>	<u>A-1</u>

Table of Contents

**CITY NATIONAL CORPORATION**  
**ANNUAL MEETING OF STOCKHOLDERS ON MAY 27, 2009**

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**PROXY STATEMENT**

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**QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING,  
PROXY MATERIALS AND VOTING**

***Q. Why did you send me this proxy statement?***

A. We sent you this proxy statement because the Board of Directors of City National Corporation (Corporation) is soliciting your proxy to vote at the 2009 Annual Meeting of Stockholders to be held on Wednesday, May 27, 2009 at 4:30 p.m., PDT. You are cordially invited to attend the annual meeting and are requested to vote on the Proposals described in this proxy statement. ***The annual meeting is being held this year at City National Center at 400 North Roxbury Drive, Beverly Hills, California 90210.***

***Q. When is this proxy statement being mailed to stockholders?***

A. This proxy statement and the accompanying proxy card are first being mailed to stockholders on or about April [3], 2009.

***Q. What am I voting on?***

A. The election of directors;

Ratification of the selection of KPMG LLP as our independent registered public accounting firm for 2009;

An advisory (non-binding) vote approving executive compensation; and

A stockholder proposal regarding declassification of the Board.

We will also consider any other business that properly comes before the meeting.

***Q. How does the Board of Directors recommend I vote?***

A. The Board of Directors recommends you vote as follows:

**"FOR":**

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Election to the Board of the four nominees for Director named in this proxy statement;

Ratification of KPMG LLP as our independent registered public accounting firm for 2009;

An advisory (non-binding) vote approving executive compensation; and

"AGAINST":

Declassification of the Board.

***Q. Who can vote at the annual meeting?***

A.

Stockholders of record on the Record Date, which is Monday, March 30, 2009, may vote at the annual meeting. At the close of business on the Record Date, there were [48,879,489] shares of the

Table of Contents

Corporation's common stock outstanding, each of which is entitled to one vote with respect to each matter to be voted on at the annual meeting.

***Q. How many votes are needed to hold the annual meeting?***

A.

The presence at the meeting, in person or by proxy, of the holders of a majority of the aggregate voting power of the common stock outstanding on the Record Date will constitute a quorum, permitting us to hold the meeting and conduct business. Proxies received but marked as abstentions and broker non-votes will be included in the calculation of the number of votes considered to be present at the meeting for purposes of determining a quorum.

***Q. What is a broker non-vote?***

A.

Under the rules that govern brokers who are voting with respect to shares held in street name, brokers have the discretion to vote such shares on routine matters (such as election of directors, ratification of independent registered public accounting firm and approval of the advisory (non-binding) vote on executive compensation), but not on non-routine matters (such as the stockholder proposal). A broker non-vote occurs when a broker has not received voting instructions from the customer and the broker cannot vote the shares because the matter is not considered a routine matter under NYSE rules.

***Q. What is the difference between a "stockholder of record" and a "street name" holder?***

A.

The terms describe how your shares are held. If your shares are registered directly in your name with Continental Stock Transfer & Trust, the Corporation's transfer agent, you are a "stockholder of record." If your shares are held in the name of a brokerage, bank, trust or other nominee as a custodian, you are a "street name" holder.

***Q. What do I have to do to vote?***

A.

You may vote by granting a proxy, or for shares held in street name, by submitting voting instructions to your broker or other nominee. If your shares are held by a broker or other nominee, you will receive instructions that you must follow to have your shares voted. See below for more information on voting your shares if held in the name of your broker.

If you hold your shares as the stockholder of record, you may vote by signing and dating each proxy card you receive and returning it in the enclosed postage paid envelope. If you mark the proxy card to show how you wish to vote, your shares will be voted as you direct. If you return a signed proxy card but do not mark the proxy card to show how you wish to vote, your shares will be voted **FOR** each of the Board of Directors' nominees for election as director, **FOR** ratification of KPMG LLP (KPMG) as our independent registered public accounting firm, **FOR** an advisory (non-binding) vote approving executive compensation and **AGAINST** the stockholder proposal. If you are the record holder of the shares, you may change or revoke your vote at any time before it is counted at the annual meeting by: (i) notifying our Secretary at the address shown above; (ii) attending the annual meeting and voting in person; or (iii) submitting a later dated proxy card.

In addition, if other matters are properly presented for voting at the annual meeting, the proxy holders are also authorized to vote on such matters as they shall determine in their sole discretion. As of the date of this proxy statement, we have not received notice of any other matters that may be properly presented for voting at the annual meeting.

***Q. What do I have to do to vote my shares if they are held in the name of my broker?***

A.

If your shares are held by your broker, you must vote your shares through your broker. You should receive a form from your broker asking how you want to vote your shares. Follow the instructions on

Table of Contents

that form to give voting instructions to your broker. If you do not give instructions to your broker, (i) with respect to the election of directors, ratification of our independent registered public accounting firm, and approval of the advisory (non-binding) vote on executive compensation, your broker will vote your shares at its discretion on your behalf, but (ii) with respect to the stockholder proposal, a broker non-vote will occur. The broker non-vote will not be counted. The voting instruction form will provide instructions for you to return it, including instructions for voting by telephone and the Internet. You may change your vote by submitting new voting instructions to your broker, bank or nominee.

***Q. How do I vote my shares that I hold in the City National Corporation Profit Sharing Plan?***

A.

If you hold shares in your account under the City National Corporation Profit Sharing Plan (Profit Sharing Plan), you will receive directions on how to submit your voting instructions as part of your proxy mailing. For any shares you hold in the Profit Sharing Plan, if your voting instructions are not received by 4:00 p.m., EDT on Friday, May 22, 2009, your shares will be voted in proportion to the way the other Profit Sharing Plan participants voted their shares. If your shares are held in our Profit Sharing Plan, you may change your vote by following the voting instructions as part of your proxy mailing, except that any changes to your voting instructions must be provided by Friday, May 22, 2009. You will not be able to change your vote after this deadline.

***Q. How is each proposal approved or disapproved?***

A.

(a) **Election of Directors:** You may vote either "FOR" each director nominee or withhold your vote from any one or more of the nominees. Directors are elected by a plurality of votes cast. The four nominees who receive the most votes will be elected.

(b) **Ratification of Independent Registered Public Accounting Firm:** You may vote "FOR," "AGAINST" or "ABSTAIN" from voting on the proposal to ratify the selection of KPMG as our independent registered public accounting firm for the year ending December 31, 2009. If you abstain from voting, it will have the same effect as a vote against this proposal. Stockholder ratification of the selection of KPMG as our independent registered public accounting firm is not required by our bylaws or otherwise. However, the Board is submitting the selection of KPMG to the stockholders for ratification as a matter of good corporate practice. The affirmative vote of a majority of the votes cast at the meeting, at which a quorum is present, either in person or by proxy, is requested to approve this proposal.

(c) **Advisory (non-binding) vote approving executive compensation:** You may vote "FOR" or "AGAINST" this item, or "ABSTAIN" from voting on this item. Abstentions are counted as votes present and entitled to vote at the meeting and will have the same effect as a vote against this item. The resolutions will be approved if a majority of the shares present in person or represented by proxy at the annual meeting and entitled to vote on this item vote "FOR" this item.

(d) **Stockholder Proposal:** Approval of the stockholder proposal requires the votes cast in favor of such proposal to exceed the votes cast against such proposal. Abstentions from voting, as well as broker non-votes, if any, are not treated as votes cast and, therefore, will have no effect on such proposal.

***Q. How may I obtain a separate set of proxy materials or request a single set for my household? What should I do if I receive more than one set of voting materials?***

A.

If you share an address with another stockholder, you may receive only one set of proxy materials (including our 2008 Summary Annual Report, Form 10-K for the year ended December 31, 2008, and proxy statement) unless you have provided contrary instructions. If you wish to receive a separate set of proxy materials now or in the future, please request the additional copies by e-mail to



Table of Contents

*investor\_relations@cnb.com*, by facsimile to (213) 673-7622 or by calling (213) 673-7615. Similarly, if you share an address with another stockholder and have received multiple copies of our proxy materials, you may contact us in the same manner or write us at the address set forth below in the last question to request delivery of a single copy of these materials.

***Q. Why may I receive multiple voting instruction forms and/or proxy cards?***

A.

If you hold your shares in more than one brokerage account, you may receive a separate voting instruction card for each brokerage account in which you hold shares. If you are a stockholder of record and your shares are registered in more than one name, you will receive more than one proxy card. If you are an employee of City National Bank, you will receive a voting instruction card for all the shares you hold in the Profit Sharing Plan and you will receive a proxy card for any restricted shares of our common stock you hold. In each case, please complete, sign, date and return each proxy card and voting instruction form that you receive.

***Q. Who is paying for this solicitation?***

A.

The Corporation will pay the cost of this proxy solicitation. In addition to soliciting proxies by mail, proxies may be solicited personally or by telephone, facsimile, the Internet or other means by certain directors, officers and employees who will receive no additional compensation for their services. We have engaged Innisfree M&A Incorporated, 501 Madison Avenue, 20<sup>th</sup> Floor, New York, NY 10022, to assist in the solicitation of proxies at an estimated fee of \$15,000 plus disbursements. We will pay brokers and others who hold our common stock in their name for the expenses of forwarding the proxy materials to the beneficial owners of the common stock.

***Q. What are the guidelines for attending the meeting?***

A.

Any stockholder entitled to vote at the annual meeting may attend the annual meeting. If you plan to attend the annual meeting, please bring the admission ticket attached to your proxy card and photo identification. If your shares are held in the name of a broker or other nominee, please bring with you a letter (and a legal proxy if you wish to vote your shares) from the broker or nominee confirming your ownership as of the record date, which is March 30, 2009. Failure to bring such a letter may prevent you from attending the meeting.

***Q. How do I get more information about the Corporation?***

A.

With this proxy statement, we are also sending you our 2008 Summary Annual Report and our Form 10-K for the year ended December 31, 2008, which includes our financial statements. At your request, we will send you additional copies of these reports without charge. The Form 10-K includes a list of exhibits filed with the Securities and Exchange Commission (SEC) but not the exhibits. If you wish to receive copies of the exhibits, you may request them from us by mail, facsimile or e-mail at the following contact information. We will send the exhibits to you upon payment of our expenses for doing so.

Investor Relations  
City National Corporation  
555 S. Flower Street, 9<sup>th</sup> Floor  
Los Angeles, California 90071  
Facsimile: (213) 673-7622  
E-mail: *investor\_relations@cnb.com*

Our website is available for information purposes only and should not be relied upon for investment purposes, nor is it incorporated by reference into this proxy statement. The other materials available in the online investor kit include our annual reports on Form 10-K and quarterly reports on Form 10-Q. The SEC also maintains a website at *www.sec.gov* that contains reports, proxy statements and other information regarding SEC registrants, including City National Corporation.

Table of Contents**PROPOSAL 1: Election of Directors**

Our Board of Directors is divided into three classes, with the term of office of one class expiring each year, meaning that our stockholders elect approximately one-third of our Directors at each annual meeting. Currently, our Board of Directors has 12 members.

The term of office of our Class I directors Kenneth L. Coleman, Bruce Rosenblum, Peter M. Thomas and Christopher J. Warmuth will expire at this year's annual meeting. On the nomination of our Board, each of Kenneth L. Coleman, Bruce Rosenblum, Peter M. Thomas and Christopher J. Warmuth, will stand for re-election as Class I directors at this year's annual meeting for a three year term expiring at our annual meeting in 2012 or until their successors have been elected and qualified. Set forth below is information as of February 1, 2009 about each nominee for election as Class I directors, and each of the Class II and Class III directors whose terms have not yet expired and who will continue to serve as directors after this year's annual meeting. Each of the current directors is also a director of City National Bank (Bank), a wholly owned subsidiary of City National Corporation (collectively, Corporation and Bank are referred to in this Proxy Statement as the Company).

Unless otherwise directed, the persons named as proxies in the enclosed proxy card intend to vote "FOR" the election of the nominees. If one or more of the nominees unexpectedly becomes unavailable to serve as a director, the proxies may be voted for one or more substitute nominees selected by our Board of Directors, or the authorized number of directors may be reduced. If the authorized number of directors is reduced for any reason, the proxies will be voted for the election of the remaining nominees named in this proxy statement. To the best of our knowledge, all nominees are and will be available to serve as directors.

**THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE "FOR" THE ELECTION OF  
KENNETH L. COLEMAN, BRUCE ROSENBLUM, PETER M. THOMAS AND CHRISTOPHER J. WARMUTH**

**Nominees for Election as Class I Directors with Terms Expiring in 2012:**

Name	Age	Principal Occupation and Other Directorships	Director of Bank Since	Director of Corporation Since
Kenneth L. Coleman	66	Non-executive Chairman of the Board, Accelrys, Inc., since February 2006 (served as a director since May 2003). From May 2002 to January 2006, Chairman and Chief Executive Officer, ITM Software. Director of Accelrys, Inc., MIPS Technologies, Inc. and United Online, Inc.	2003	2003
Bruce Rosenblum	50	President, Warner Bros. Television Group, since September 2005. Executive Vice President, Television, Warner Bros., from 1999 to September 2005.	2007	2007
Peter M. Thomas	58	Managing Partner, Thomas & Mack Co., LLC, a commercial real estate development company for more than the past five years. From 1992 to 1995, President and Chief Operating Officer of Bank of America-Nevada; and from 1982 to 1992, President and Chief Operating Officer of Valley Bank of Nevada. Director of Boyd Gaming Corporation.	2003	2003
Christopher J. Warmuth	54	Executive Vice President, City National Corporation and President, City National Bank since May 2005. Executive Vice President and Chief Credit Officer, City National Bank from June 2002 to May 2005.	2005	2005

Table of Contents**Class II Directors (Terms Expire at 2010 Annual Meeting):**

<b>Name</b>	<b>Age</b>	<b>Principal Occupation and Other Directorships</b>	<b>Director of Bank Since</b>	<b>Director of Corporation Since</b>
Russell Goldsmith(1)	58	Chief Executive Officer of City National Corporation and Chairman of the Board and Chief Executive Officer, City National Bank since October 1995. President of City National Corporation since May 2005. Vice Chairman of City National Corporation from October 1995 to May 2005. Director of Wynn Resorts, Limited.	1978	1979
Linda Griego	61	President and CEO, Griego Enterprises, Inc., a business management company, since 1986, which company includes 644 Figueroa Restaurant Partners and ZAPGO Entertainment LLC, a television programming company. Managing Director, Oso Ranch & Lodge LLC, a lodging operation, since 2000. Director of AECOM Technology Corporation, CBS Corporation and Southwest Water Company.	2006	2006
Michael L. Meyer	70	Managing Principal, AMG Realty Investors, LLC and Chief Executive Officer, Michael L. Meyer Company, real estate investment companies, since October 1999. From 1974 to 1998, Managing Partner, Orange County, Ernst & Young LLP Real Estate Group. Director of Paladin Realty Income Properties, Inc.	1999	1999
Ronald L. Olson	67	Partner, Munger, Tolles & Olson, law firm, for more than the past five years. Director, Edison International, Berkshire Hathaway, Inc., The Washington Post Company and Western Asset Trusts.	2001	2001

Table of Contents

**Class III Directors (Terms Expire at 2011 Annual Meeting):**

<b>Name</b>	<b>Age</b>	<b>Principal Occupation and Other Directorships</b>	<b>Director of Bank Since</b>	<b>Director of Corporation Since</b>
Richard L. Bloch	79	President, Piñon Farm, Inc. and co-management partner of CLB Partners for more than the past five years.	1974	1979
Bram Goldsmith(1)	85	Chairman of the Board, City National Corporation, for more than the past five years.	1964	1969
Ashok Israni	61	President and Chairman, Pacifica Companies for more than the past five years.	2007	2007
Kenneth Ziffren	68	Partner, Ziffren Brittenham LLP, law firm, for more than the past five years.	1989	1989

(1) Russell Goldsmith is the son of Bram Goldsmith.

Table of Contents**PROPOSAL 2: Ratification of Selection of Independent Registered Public Accounting Firm**

Our Board of Directors has ratified the decision of the Audit & Risk Committee to appoint KPMG to serve as our independent registered public accounting firm for the fiscal year ending December 31, 2009. Although we are not required to do so, it has been our practice to seek stockholder ratification of this appointment as a matter of good corporate governance. KPMG has audited our financial statements since 1993. Representatives of KPMG will be present at our annual meeting to make a statement if they desire to do so and to respond to appropriate questions.

If the stockholders fail to ratify the selection, the Audit & Risk Committee may reconsider whether or not to retain KPMG and reserves the discretion to retain KPMG as our independent registered public accounting firm. Even if the selection is ratified, the Audit & Risk Committee in its discretion may direct the appointment of a different independent registered public accounting firm at any time during the year if the Audit & Risk Committee determines that such change would be in the best interests of the Corporation and its stockholders.

We were billed as follows in 2008 and 2007 by KPMG for professional services:

	2008	2007
Audit Fees(1)	\$ 1,625,000	\$ 1,643,500
Audit-Related Fees(2)	179,500	174,250
Tax Fees(3)	60,000	52,941
All Other Fees(4)	35,000	
<b>Total Fees</b>	<b>\$ 1,899,500</b>	<b>\$ 1,870,691</b>

- (1) Audit Fees represented fees for professional services provided in connection with the integrated audit of the Company's financial statements and review of our quarterly financial statements and audit services provided in connection with other statutory or regulatory filings.
- (2) Audit-Related Fees consisted of professional services related to audits of employee benefit plans, internal control reviews of wealth management department operations, AIMR performance attestations regarding the wealth management department and other audit services requested by management, which are in addition to the scope of the financial statement audit.
- (3) Tax Fees included tax return review and tax compliance advice.
- (4) All Other Fees in 2008 primarily related to professional services provided with respect to securities registration statements.

The Audit & Risk Committee's policy is to pre-approve all audit and non-audit services to be provided by our independent registered public accounting firm. Pre-approvals are generally provided for up to one year, are detailed as to the particular service or category of services, and are subject to a specific budget. The Audit & Risk Committee has delegated pre-approval authority to its Chairman when expedited approval of services is necessary. All of the services provided by KPMG in 2008 and 2007 were pre-approved by the Committee.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR"  
THE RATIFICATION OF THE SELECTION OF KPMG AS OUR  
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Table of Contents

**CORPORATE GOVERNANCE**

We are committed to maintaining the highest standards of business conduct and corporate governance. We regularly review our governance practices and update them, as appropriate, based upon applicable state law, NYSE rules and listing standards, SEC regulations, and best practices recommended by recognized governance authorities. Our corporate governance program includes robust risk management and compliance policies, practices and programs.

Our framework for corporate governance includes the following:

**Corporate Governance Guidelines:** Our Corporate Governance Guidelines (Guidelines) establish significant corporate governance policies and practices for our Company.

**Codes of Conduct:** Our Codes of Conduct include our Code of Ethics for Senior Financial Officers and our Principles of Business Conduct and Ethics for our directors, officers and colleagues (Codes).

**Board Committee Charters:** Each standing committee of our Board operates pursuant to a written charter (Charter) which states each committee's functions and duties. Each committee's Charter is reviewed, revised, as appropriate, and reaffirmed annually. Further information regarding our Board committees is set forth below.

**Organizational Documents:** Our Restated Certificate of Incorporation and Bylaws set forth basic rights and duties for our Company's corporate governance.

Our Guidelines, Codes and Charters are available on our website at [www.cnb.com/ir/governance](http://www.cnb.com/ir/governance) (CNC Corporate Governance Web Page). We will post on this website any amendments to the Guidelines, Codes or Charters, or waivers of the Codes for directors and executive officers. There were no waivers in 2008. Stockholders may request printed copies of the Guidelines, Codes and Charters from Investor Relations at the contact information set forth on page 4 of this proxy statement or by email to [investor\\_relations@cnb.com](mailto:investor_relations@cnb.com).

**Director Independence:** Our Board of Directors has adopted categorical standards of independence (Independence Standards) to determine the independence of non-employee members of the Board. The Independence Standards are included as part of our Guidelines and are attached to this proxy statement as Appendix A. Our Board has designed our Independence Standards to provide a framework for Board decisions that is free of relationships that may impair, or appear to impair, our Board's ability to make independent collective judgments, and to ensure that all permitted transactions between the Company and a director or his/her family or their respective primary business affiliations will be on arms-length market terms. The Independence Standards seek to accomplish these goals by utilizing a combination of economic tests and confirmation that relationships are maintained on substantially the same terms as those prevailing at the time for comparable transactions with non-affiliated persons.

At its meeting on February 25, 2009, our Audit & Risk Committee and Board reviewed the relationship of the Company with each of our non-employee directors and determined that each of the following directors is an independent director as defined by the listing standards of the NYSE and the Independence Standards: Richard L. Bloch, Kenneth L. Coleman, Linda Griego, Ashok Israni, Michael L. Meyer, Ronald L. Olson, Bruce Rosenblum, Peter M. Thomas and Kenneth Ziffren.

In the case of any entities which transacted business with the Company over the past three years in which any of our independent directors (or any of their immediate family members) has served as an executive officer or is a partner, principal or greater than a 10% stockholder, any payments made to, or received from, the Company have been substantially below the dollar limits in our Independence Standards and the NYSE independence standards.

Table of Contents

**Board Meetings and Committees; Annual Meeting Attendance:** In 2008, each current director attended at least 75% of the total number of meetings of the Board and Board committees on which he or she then served, other than Ronald Olson. Mr. Olson, whose absences from some meetings were due to medical reasons or exigent circumstances involving his professional obligations, attended 62% of the cumulative Board and committee meetings. All directors are expected to attend the annual stockholder meeting, and all Board members (and nominees) were present at our 2008 annual meeting. In 2008, our independent directors met quarterly in executive session twice without management, and twice with our CEO. Kenneth Ziffren led the independent director executive sessions.

Current committee membership and the number of meetings of the full board and each standing committee in 2008 are shown in the table below. As it deems appropriate, our Board may form new committees or disband committees, other than the Audit & Risk Committee and the Compensation, Nominating & Governance Committee (Compensation Committee or CN&G Committee). The chair of each committee determines the frequency and agenda of committee meetings. (Members are designated with a "ü".)

	Board of Directors	Audit & Risk Committee	CN&G Committee	Special Matters Committee	Wealth Management & Fiduciary Committee	Community Reinvestment Act Committee
Richard L. Bloch	ü	ü	ü			
Kenneth L. Coleman	ü		ü			Chair
Bram Goldsmith	Chair					ü
Russell Goldsmith	ü			ü		
Linda Griego	ü				ü	
Ashok Israni	ü				ü	ü
Michael L. Meyer	ü	ü*				ü
Ronald L. Olson	ü				Chair	
Bruce Rosenblum	ü		Chair			
Peter M. Thomas	ü	Chair		ü	ü	
Christopher J. Warmuth	ü				ü	ü
Kenneth Ziffren	ü	ü		Chair		
Number of 2008 Meetings	9	14	10	0	4	4

\*

Identified as the Audit & Risk Committee "Financial Expert."

**Contacting the Board of Directors:** Individuals can contact the Board, any Committee, or select Board members (including the independent directors as a group) by sending an email to [bdofdirectors@cnb.com](mailto:bdofdirectors@cnb.com) or by writing to: Board of Directors, Attention: Corporate Secretary, City National Corporation, 400 N. Roxbury Drive, Beverly Hills, California 90210. This contact information is also provided on the CNC Corporate Governance Web Page. The Audit & Risk Committee has also established procedures for the receipt, retention and treatment of so-called "Whistleblower" complaints regarding accounting and auditing matters or actual or potential corporate fraud or violation of applicable law, which procedures are stated on the CNC Corporate Governance Web Page.

***The Compensation, Nominating & Governance Committee:***

The CN&G Committee is appointed by the Board to assist with director and officer compensation matters, recommend director nominees, and review and recommend appropriate policies and guidelines for governance matters. Each member of the CN&G Committee (which acts jointly as the CN&G Committee of the Bank) is an independent director as defined by the requirements of the NYSE and our Independence Standards.

Table of Contents

*Compensation Matters:* The CN&G Committee's responsibilities with respect to compensation matters, as discussed in detail in its charter, include reviewing and approving:

annually, management's recommendations and criteria for the overall annual compensation to be paid to or accrued for all officers in the aggregate;

annually, management's recommendations for compensation of members of the Strategy and Planning Committee (S&P Committee) other than the CEO, and all other officers earning an annual base salary of \$250,000 or more. (The S&P Committee includes the Chairman of the Board, the CEO, the Chief Financial Officer and the President of the Bank);

the terms of employment of the CEO and other members of the S&P Committee and all other officers earning an annual base salary of \$250,000 or more, including terms of employment contracts, termination agreements, change in control agreements, and recommendations of management to promote any person to an officer position of Executive Vice President or higher;

corporate goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those goals and objectives, and recommending to the Board the CEO's compensation in light of those goals and objectives;

recommendations to the Board for approval, subject as necessary or appropriate to stockholder approval, regarding stock option plans and other equity-based compensation plans that permit payment in or based on the Corporation's stock in connection with the CN&G Committee's administration of such plans; and reviewing and approving other compensation plans (and material amendments) in which the directors, the CEO, other members of the S&P Committee or any other officers earning an annual base salary of \$250,000 or more participate; and other broadly-based compensation plans (and material amendments) which are available to employees, officers or directors;

changes to the compensation and benefits provided to the Board, including as members of Board committees and recommending such changes to the Board for approval;

the Compensation Discussion and Analysis (CD&A) section of the proxy statement; and

reports to the Board regarding compensation matters.

The CN&G Committee also has authority under its charter and is responsible for certifying as to the Corporation's compliance with the requirement of the Troubled Asset Relief Program's Capital Purchase Program to review the senior executive officer incentive compensation arrangements. See below under *Implications of Participation in the Capital Purchase Program on our Executive Compensation Program*.

The CN&G Committee has the independent authority to retain and terminate compensation consultants to assist in the evaluation of director, CEO or senior executive compensation. The CN&G Committee has retained the services of George Paulin, Chairman and CEO of Frederic W. Cook, as its independent consultant to provide his advice and recommendations on the CEO's compensation package. The CN&G Committee may also seek advice and assistance from internal or external legal, accounting or other advisors. The CN&G Committee may form and delegate authority to subcommittees when appropriate.

*Nomination and Corporate Governance Matters:* In carrying out its responsibility to recommend and identify nominees for election to the Board, the CN&G Committee is authorized to retain search firms, as well as obtain advice and assistance from internal or external legal, accounting or other advisors. Nominations for the election of directors may be made by a stockholder of record entitled to vote for the election of directors by complying with the procedures set forth in the Corporation's bylaws for nominations of persons for election to the board of directors. The Corporation did not receive any stockholder nominations for the 2009 annual meeting. The CN&G Committee identifies, screens



and recommends to the Board candidates for membership on the Board, including nominees proposed by stockholders, if any, on the basis of candidate guidelines established by the CN&G Committee and

Table of Contents

approved by the Board as well as those qualifications for directors set forth in the Guidelines. Director candidates are expected to make a significant contribution to Board deliberations in fulfilling their responsibility to provide guidance and oversight of management, including reviewing the Corporation's business strategies and financial performance, providing advice and insight into general and local economic and business conditions that may affect the Company's business, reviewing key risks in the Company's business, reviewing and approving major transactions, ensuring processes are in place for promoting integrity in the conduct of management and other colleagues, and ensuring processes are in place for mandating integrity and transparency in financial reporting. The CN&G Committee considers the following individual qualities with that level of involvement in mind: (i) range of skills, perspective, background (including education and experience, such as experience in managing a company similar to the Company); (ii) the ability to serve as a significant and active resource for referrals and business development for the Company; (iii) high ethical standards and strong sense of professionalism; (iv) dedication to serving the interests of all the stockholders; and (v) the ability to be available to fulfill his or her duties as a member of the Board.

The CN&G Committee facilitates the annual assessment of the Board's performance and each of its standing committees. The CN&G Committee also reviews the adequacy of the Guidelines and the Codes and recommends and proposes changes to the Board for approval.

*Compensation Committee Interlocks and Insider Participation:* None of the members of the CN&G Committee in 2008 has ever been an officer or employee of the Corporation or any of its subsidiaries. During 2008, no executive officer or employee-director of the Corporation served as a director of an entity where a member of the CN&G Committee or any other independent Director of the Corporation is an executive officer. Certain members of the CN&G Committee were clients of the Bank in the ordinary course of business during 2008. Similar transactions are expected to occur in the future. In the opinion of management, all such transactions were effected on substantially the same terms as those prevailing at the time for comparable transactions with other unrelated persons, including, as to any loans, the terms of interest rates, fees and collateral, and any loans did not involve more than normal risk of collection or present other unfavorable features.

***The Audit & Risk Committee:***

Each member of the Audit & Risk Committee is an independent director as defined by the requirements of the NYSE and our Independence Standards, and is "financially literate" as determined by the Board of Directors in its business judgment. Under the Guidelines, Committee members are not expected to serve simultaneously on the audit committees of more than two other public companies, unless the Board determines that such service is (i) not otherwise prohibited and (ii) will not impair the effectiveness and ability to serve effectively on the Audit & Risk Committee. The Audit & Risk Committee also functions as the Audit & Risk Committee of the Bank and the Trust Audit Committee with audit oversight responsibility for audit, risk and compliance related wealth management and fiduciary activities of the Company.

The following "Report by the Audit & Risk Committee" shall not be deemed "soliciting material" or incorporated by reference by any general statement incorporating this proxy statement into any filing under the Securities Act of 1933, as amended, or under the 1934 Act, except to the extent that the Corporation specifically incorporates this information by reference, and shall not otherwise be deemed filed under such Acts.

**Report By The Audit & Risk Committee**

The charter of the Audit & Risk Committee ("we" or "the Committee") states that the Committee's purpose is to assist the Board in fulfilling its oversight responsibilities regarding:

Monitoring and oversight of the integrity of the Corporation's financial statements and financial accounting practices;

Table of Contents

Monitoring and oversight of the effectiveness of the Corporation's internal control over financial reporting;

Monitoring and oversight of the Corporation's compliance with legal and regulatory requirements;

Monitoring and oversight of the qualifications and independence of the Corporation's internal auditors and independent registered public accounting firm;

Monitoring and oversight of the performance of the Corporation's internal audit function and independent registered public accounting firm; and

Monitoring and oversight of all risk management activities, including audit, credit risk review and Enterprise Risk Management functions, as well as all risk management functions, and Enterprise Risk Management activities of the Corporation and Bank performed by management, all management committees, as well as other Board Committees.

In carrying out these responsibilities, the Committee, among other things:

discusses with management, the internal auditors and the independent registered public accounting firm the adequacy and effectiveness of the Corporation's and subsidiaries' internal controls regarding financial, accounting, regulatory and legal compliance;

reviews and discusses with management and the Corporation's independent registered public accounting firm financial results prior to the release of earnings and quarterly and annual financial statements, including Management's Discussion and Analysis of Financial Condition and Results of Operations and the results of the independent registered public accounting firm's quarterly review and annual audit of the financial statements, prior to the filing of the Corporation's quarterly and annual reports on Forms 10-Q and 10-K;

reviews disclosures made by the Corporation's Chief Executive Officer and Chief Financial Officer related to their certification process for the annual and quarterly reports concerning any significant deficiencies in the design or operation of internal controls or any material weaknesses therein and any fraud involving management or other employees who have a significant role in the Corporation's internal controls;

reviews reports from management, including, as appropriate, the senior officers of Risk Management, Internal Audit, Compliance and Credit Risk Review, to monitor and oversee the Corporation and its subsidiaries' conformity with internal controls, applicable legal and regulatory requirements, and reviews material reports received from regulators or governmental agencies;

discusses with management the Corporation's risk assessment and risk management policies; and

reviews management's report on its assessment of the effectiveness of internal control over financial reporting as of the end of each fiscal year, and the independent registered public accounting firm's report on the effectiveness of internal control over financial reporting.

During 2008, the Audit & Risk Committee conducted meetings in a manner designed to facilitate effective and complete communication among the committee members, management, internal auditors, risk management and compliance officers and the Corporation's independent registered public accounting firm, KPMG. Among the matters discussed with the Corporation's internal audit, risk management and compliance officers, as well as KPMG, was the overall scope and plans for their respective audits and controls assessments. During 2008, the Committee

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met in executive session with the internal auditors, the senior risk management officer and KPMG, to discuss the result of their examinations, observations and recommendations regarding financial reporting practices and the effectiveness of the Corporation's internal controls.

In performing its function, during the year ended December 31, 2008, the Committee has:

reviewed and discussed the audited financial statements of the Corporation as of and for the year ended December 31, 2008 with the Corporation's management;

Table of Contents

discussed with the Corporation's independent registered public accounting firm all matters required to be discussed by SAS 114 (Codification of Statements on Auditing Standards, AU § 380), as may be modified or supplemented;

received the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the Public Accounting Oversight Board regarding the independent accountant's communications with the audit committee concerning independence, and has discussed with the independent accountant the independent accountant's independence; and

in accordance with the Audit & Risk Committee's policy on Pre-Approval of Audit and Non-Audit Related Services, reviewed and approved all fees paid to KPMG for all audit and non-audit related services.

The Committee has also reviewed and overseen the Corporation's and KPMG's review and assessment process related to Section 404 of the Sarbanes-Oxley Act of 2002, including the Public Company Accounting Oversight Board's Auditing Standard No. 5 regarding the audit of internal control over financial reporting. Based on the foregoing review and discussions, the Audit & Risk Committee recommended to the Board of Directors that the Corporation's audited financial statements be included in the Corporation's Annual Report on Form 10-K for the year ended December 31, 2008 for filing with the SEC.

THE AUDIT & RISK COMMITTEE

PETER M. THOMAS, CHAIRMAN  
RICHARD L. BLOCH  
MICHAEL L. MEYER  
KENNETH ZIFREN

***Additional Governance Matters:***

*Transactions with Related Persons:* Certain directors, officers and stockholders of the Corporation, and their associates, were depositors, borrowers or clients of the Bank in the ordinary course of business during 2008. Similar transactions are expected to occur in the future. In the opinion of management, all such transactions were effected on substantially the same terms as those prevailing at the time for comparable transactions with other unrelated persons, including, as to any loans, the terms of interest rates, fees and collateral, and any loans did not involve more than normal risk of collection or present other unfavorable features.

Ronald L. Olson, a director of the Corporation, is a Partner with the law firm of Munger, Tolles & Olson LLP which provided legal services to the Corporation and its subsidiaries in 2008 and 2009. The Corporation and its subsidiaries paid fees of \$133,941 to Munger, Tolles & Olson LLP during 2008. The Company believes that the transactions described above are comparable to those which would have been undertaken under similar circumstances with nonaffiliated entities or persons.

Bram Goldsmith currently serves as the Chairman of the Board of the Corporation and as an untitled officer of the Bank pursuant to an employment agreement approved by our Board of Directors on May 15, 2003 for an initial two year term, which was extended for two additional years, and subsequently extended for three additional one year terms, with the most recent extension to May 14, 2010, as approved by the CN&G Committee and the independent members of the Board of Directors. The agreement provides for an annual base salary of \$350,000 and an annual incentive bonus not to exceed \$150,000, with total amount of base and bonus not to exceed \$500,000. For fiscal year 2008, Bram Goldsmith earned base salary in the amount of \$350,000. He was not paid a cash bonus for 2008 in light of the performance of the Company and our focus on cost containment for 2009. Bram Goldsmith is a party to the CNC Strategy and Planning Committee Change in Control Severance Plan which provides that following a defined change in control event, cash severance payments are made upon an involuntary or good reason termination.

Table of Contents

*Review, Approval or Ratification of Transactions with Related Persons:* We have adopted written policies to implement the requirements of Regulation O of the Federal Reserve Board, which restricts the extension of credit to directors and executive officers and their family members and other related interests. Under these policies, extensions of credit that exceed regulatory thresholds must be approved by our Board of Directors.

With respect to other transactions involving the Corporation in which a director or executive officer or immediate family member may have a direct or indirect material interest, pursuant to its Charter, the Audit & Risk Committee has the authority to review insider and affiliated person transactions ("related person transactions") and advise the Board with respect to these related person transactions. The CN&G Committee also has the authority to consider for approval any related party transactions pursuant to its Charter. If a related party transaction involves compensation or is otherwise related to an employment relationship with the Corporation, the related party transaction will be reviewed by the CN&G Committee.

Prior to the Company entering into any related person transactions, either the Audit & Risk Committee or the CN&G Committee, as applicable, reviews the terms of the transaction to ensure that they are fair and reasonable, on market terms, on an arms-length basis and comply with the Company's Codes. The applicable Board Committee then reports to the Board on the related person transaction, and the disinterested members of the Board vote on whether to approve the transaction.

*Section 16(a) Beneficial Ownership Reporting Compliance:* Section 16(a) of the 1934 Act requires directors and executive officers of the Corporation and persons who own more than 10% of the Corporation's common stock (10% Owners) to file reports of initial ownership of the Corporation's common stock and subsequent changes in ownership with the SEC and to provide us with copies of such reports. Based solely on a review of the copies of such reports and written representations that no other reports were required to be filed during 2008, the Corporation's directors, officers and 10% Owners complied with all Section 16(a) filing requirements in a timely manner in 2008 other than one late filing of a Form 4 for Russell Goldsmith reporting the exercise of 2,000 options, which transactions were reflected in Forms 4 subsequently filed by Mr. Goldsmith. The Form 4 was not timely filed due to an administrative error.

*Proxy Statement Proposals:* To be considered for inclusion in the Corporation's proxy statement for the 2010 Annual Meeting of Stockholders, a stockholder proposal must be received in writing by the Corporation's Secretary at its principal executive offices on or before November 26, 2009 and must satisfy the other requirements of Rule 14a-8 under the 1934 Act.

*Other Proposals and Nominations:* The Corporation's bylaws establish advance notice procedures as to (i) business to be brought before an annual meeting of stockholders other than by or at the direction of the Corporation's board of directors, and (ii) the nomination, other than by or at the direction of the Corporation's board of directors, of candidates for election as directors. Under the Corporation's bylaws, nominations for director or other business proposals to be addressed at our next annual meeting may be made by a stockholder entitled to vote who has delivered a notice to the Secretary of the Corporation no later than the close of business on January 21, 2010 and not earlier than December 22, 2009. The notice must contain the information required by the bylaws. Copies of our bylaws may be obtained by written request addressed to the Secretary at the Corporation's principal executive offices.

These advance notice provisions are in addition to, and separate from, the requirements that a stockholder must meet in order to have a proposal included in the proxy statement under the rules of the SEC. A proxy granted by a stockholder will give discretionary authority to the proxies to vote on any matters introduced pursuant to the above advance notice bylaw provisions, subject to applicable rules of the SEC.

Table of Contents**DIRECTOR COMPENSATION**

For director compensation, we use a combination of cash fees and compensation tied to our common stock to attract and retain qualified candidates to serve on our Board. In setting director compensation, we consider the amount of time that directors expend in fulfilling their duties as well as the skill required for members of our Board.

*Director Meeting Fees and Retainers:* We pay the following cash fees to non-employee directors for attendance at Board and Committee meetings and for serving as Committee Chairs:

<b>Type of Fees</b>	<b>Amount</b>
Board of Director Meetings	\$ 2,000
Committee Meetings	\$ 1,500
Annual Retainer for Chair of Board Committees(1)	
Audit & Risk Committee	\$ 10,000
Compensation, Nominating & Governance Committee	\$ 5,000
Community Reinvestment Act Committee	\$ 3,000
Special Matters Committee	\$ 3,000
Wealth Management & Fiduciary Committee	\$ 3,000

(1)

The retainers are paid bi-annually in January and July.

*Annual Director Award:* On the date of each annual stockholders meeting, the Company makes the Annual Director Award (Annual Award) to each non-employee director in an amount equivalent to the value of 500 shares of our common stock based on the closing price reported on the NYSE two business days prior to the annual meeting. In furtherance of the stock ownership policy described below, pursuant to the terms of the Director Deferred Compensation Plan (Director DCP) and the Guidelines, each non-employee director has elected to defer the Annual Award to the Director DCP and has designated the CNC Stock Fund as the investment election for the entire Annual Award. The CNC Stock Fund is measured in number of shares of CNC Common Stock (Stock Fund Units). Stock Fund Units do not have voting rights. Distributions from the fund are made in shares following termination of service. The value of the Stock Fund Units is based on market price of the Company's common stock together with dividend equivalents on that stock.

*Stock Ownership Requirement:* Similar to our named executives, our directors are subject to a minimum stock ownership requirement to align our Board's economic interests with our stockholders' interests. Within three years after joining our Board, each director is required to own at least \$100,000 worth of our common stock. Ownership may be achieved in several ways, including directly-owned stock through open market purchase, Stock Fund Units in the CNC Stock Fund in our Director DCP, and, due to the nominal \$1.00 exercise price of the previously granted director stock options, 100% of the gain on any in-the-money vested but unexercised director stock options. The higher of the actual spot date price or the one year simple moving average price for the Company's stock may be used in determining compliance with these ownership requirements. As of February 2, 2009, each of our outside directors was in compliance with the stock ownership requirements. See *Security Ownership of Management* table below for further detail.

*Deferred Compensation Program:* The Director DCP allows non-employee directors to elect each year to defer up to 100% of the cash amount of their standard director meeting fees and annual committee chair retainers, instead of receiving these amounts as cash payments taxable in the year of receipt. Under the Director DCP, Directors may designate select investment options in which the deferred director payments are deemed to be invested. As described above, commencing in 2008, 100% of the Annual Award is deferred to the Director DCP and allocated to the CNC Stock Fund, newly added as an investment option under the Director DCP. Other than a one-time transfer of existing balances, no

Table of Contents

amounts other than the Annual Directors Award may be deferred by the directors to the CNC Stock Fund. Other than the CNC Stock Fund, the investment options are non-publicly traded mutual funds, and are only available through variable insurance products. Directors have no ownership interest in the investment options they select; and the options are used to measure gains or losses. In addition, share equivalents allocated to the CNC Stock Fund have no voting rights. Investment results are credited to the directors' accounts daily, net of all investment option related expenses. There is no guaranteed investment return on any deferred payment amounts. Amounts in a director's deferral account represent unsecured claims against our assets. Other than the CNC Stock Fund, directors may change investment allocation elections as often as daily. Directors may not subsequently change their investment elections (or diversify out of the CNC Stock Fund) for amounts invested in the CNC Stock Fund. All deferred amounts together with any credited investment returns are paid out to participating directors in accordance with their advance written election either in a lump sum or in installments commencing upon termination of service, except that years 2007 and earlier may be paid during the director's services on the Board if so elected in advance. Directors are not permitted to receive distributions of amounts allocated to the CNC Stock Fund during the director's service. Distributions from the CNC Stock Fund will be in shares of the Company's common stock following the director's termination of service. This unfunded, non-qualified plan structure is required in order to preserve the beneficial tax deferral treatment for participating directors. The Director DCP was amended effective January 1, 2009 to bring the DCP into compliance with Section 409A of the Internal Revenue Code.

The table below summarizes the compensation we paid to non-employee directors for the fiscal year ended December 31, 2008.

Name(1)	Fees		Option Awards	Non-Equity Incentive Plan Compensation	Change in Pension Value and Nonqualified Deferred Compensation		All Other Compensation	Total (\$)
	Earned or Paid in Cash (\$)	Stock Awards (\$)			Nonqualified Deferred Earnings (\$)	(2)		
<b>Richard L. Bloch</b>	52,000						22,365	74,365
<b>Kenneth L. Coleman</b>	39,000						22,365	61,365
<b>Linda Griego</b>	24,000						22,365	46,365
<b>Ashok Israni</b>	30,000						22,365	52,365
<b>Michael L. Meyer</b>	43,000						22,365	65,365
<b>Ronald L. Olson</b>	16,500						22,365	38,865
<b>Bruce Rosenblum</b>	34,000						22,365	56,365
<b>Peter M. Thomas</b>	50,000						22,365	72,365
<b>Kenneth Ziffren</b>	42,500						22,658	65,158

(1) See *Summary Compensation Table* for compensation of Russell Goldsmith and Christopher J. Warmuth. See discussion under *Transactions with Related Persons* for compensation of Bram Goldsmith. Directors who are employees of the Company receive no compensation for services as Directors.

(2) Amounts reported as "All Other Compensation" includes \$22,365 which was the dollar amount of the Annual Award in 2008. The full amount of the Annual Award for each non-employee director was deferred to the Director DCP and allocated to the CNC Stock Fund under the Director DCP. Each director was allocated 503 Stock Fund Units.



Table of Contents**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT*****Principal Owners of Common Stock:***

The following table sets forth information as of February 2, 2009 regarding the beneficial owners of more than 5% of the outstanding shares of our common stock. To our knowledge, based on the absence of any other filings which beneficial owners of more than 5% of the outstanding shares of our common stock are required to make with the SEC, there are no other beneficial owners of more than 5% of the outstanding shares of our common stock. Except as otherwise noted in the footnotes below, each of these persons or entities had sole voting and investment power with respect to our common stock beneficially owned by them.

Name and Address of Beneficial Owner	Number of Shares of Common Stock Beneficially Owned(1)	Percent of Class(2)
<b>Bram Goldsmith:</b>		
400 North Roxbury Drive Beverly Hills, CA 90210		7.86%
Bram and Elaine Goldsmith, Trustees of the Bram and Elaine Goldsmith Family Trust	2,937,504	
Elaine and Bram Goldsmith, Trustees of the Elaine Goldsmith Revocable Trust	567,989	
Bram Goldsmith	50,991(3)	
Goldsmith Family Foundation	244,780(4)	
Bram Goldsmith, Trustee of Oak Trust A	13,731(5)	
Total	3,814,995(15)	
<b>Russell Goldsmith:</b>		
400 North Roxbury Drive Beverly Hills, CA 90210		10.25%
Goldsmith Family Partnership	2,860,000(6)	
The Russell Goldsmith Trust	417,240(7)	
ELM 2006 Charitable Annuity Lead Trust	30,000(8)	
Russell Goldsmith, Trustee of certain family trusts	7,046(9)	
California Quintet LLC	1,222(10)	
Maple-Pine Limited Partnership	304,930(11)	
Goldsmith Family Foundation	244,780(4)	
Russell Goldsmith	1,042,317(12)	
Russell Goldsmith, Trustee of the West LA Investment Trust No. 1-R	8	
B.N. Maltz Foundation	58,495(13)	
MKB Co. Ltd.	7,500(14)	
Total	4,973,538(15)	
<b>Ariel Investments, LLC:</b>		
200 E. Randolph Drive, Suite 2900 Chicago, Illinois 60601	3,430,671(16)	7.1%
<b>Marsico Capital Management, LLC:</b>		
1200 17th Street, Suite 1600 Denver, Colorado, 80202	3,354,213(17)	6.9%
<b>UBS AG:</b>		
Bahnhofstrasse 45 PO Box CH-8021 Zurich, Switzerland	3,041,800(18)	6.3%

(1)

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Includes shares subject to employee stock options which are presently exercisable or which will become exercisable within 60 days after February 2, 2009. Does not include restricted stock units issued pursuant to the City National Corporation 2008 Omnibus Plan (2008 Omnibus Plan) or under the Company's previous stock plans (together, Company Omnibus Plans). Restricted stock units do not have voting rights and do not convert to

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### Table of Contents

shares until termination of employment. Does not include stock fund units issued pursuant to the Company's executive deferred compensation plan, which stock fund units do not have voting rights and do not convert to shares until termination of employment. See below under *Security Ownership of Management* for further information on vested restricted stock units and stock fund units held at February 2, 2009.

- (2) Based on 48,529,683 shares of common stock outstanding at February 2, 2009.
- (3) Shares allocated to Bram Goldsmith's account under the Profit Sharing Plan.
- (4) The Goldsmith Family Foundation is a tax-exempt charitable foundation of which Bram Goldsmith and Russell Goldsmith are directors and officers. Bram Goldsmith and Russell Goldsmith each disclaim beneficial ownership of these shares.
- (5) Shares held in a trust for the benefit of a family member for which Bram Goldsmith is the sole trustee.
- (6) The Goldsmith Family Partnership is a limited partnership whose general partners include the Russell Goldsmith Trust, of which Russell Goldsmith is the sole trustee and the West L.A. Investment Trust No. 1-R, of which Russell Goldsmith is the sole trustee. Russell Goldsmith disclaims beneficial ownership of the shares held by the Goldsmith Family Partnership except to the extent of Russell Goldsmith's respective pecuniary interest in the partnership.
- (7) Excludes the 2,860,000 shares identified as being held by the Goldsmith Family Partnership which the Russell Goldsmith Trust may be deemed to beneficially own as a general partner of the Goldsmith Family Partnership.
- (8) ELM 2006 Charitable Annuity Lead Trust is a charitable trust for which Russell Goldsmith is the sole trustee.
- (9) Shares held in trusts for the benefit of family members for which Russell Goldsmith is the sole trustee.
- (10) California Quintet LLC is a limited liability company whose managing members are Russell Goldsmith and his spouse.
- (11) Maple Pine Limited Partnership is a limited partnership of which Russell Goldsmith is the General Partner.
- (12) Includes 190,100 shares solely owned by Russell Goldsmith, 2,700 shares allocated to Russell Goldsmith's account under the Profit Sharing Plan and 849,517 stock options exercisable within 60 days after February 2, 2009.
- (13) The B. N. Maltz Foundation is a tax-exempt charitable foundation of which Russell Goldsmith is a director. Russell Goldsmith disclaims beneficial ownership of these shares.
- (14) MKB Co. Ltd. is a limited liability company whose managing members include Russell Goldsmith's spouse. The number of shares of City National Corporation held by MKB Co. Ltd. exceeds her pecuniary interest therein. Russell Goldsmith disclaims beneficial ownership of these shares.
- (15) After appropriate elimination of duplicate ownership attributable to both Russell Goldsmith and Bram Goldsmith under the Goldsmith Family Foundation (see footnote 4), Bram Goldsmith and Russell Goldsmith and their related interests beneficially own 8,543,753 shares which constitutes 17.61% of the outstanding shares.
- (16)

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Based solely upon information contained in a Form 13G/A filing with the SEC on January 9, 2009. Of the 3,430,671 shares beneficially owned by Ariel Investments, LLC, it has sole voting power as to 2,923,565 shares and shared dispositive power as to 3,428,256 shares. The "Percent of Class" calculation in the table was made using the 3,430,671 shares reported as beneficially owned in the Form 13G/A filing, and the 48,529,683 shares of our common stock outstanding as of February 2, 2009.

(17)

Based solely upon information contained in a Form 13G filing with the SEC on February 12, 2009. Of the 3,354,213 shares beneficially owned by Marsico Capital Management, LLC, it has sole voting power as to 3,337,728 shares and sole dispositive power as to 3,354,213 shares. The "Percent of Class" calculation in the table was made using the 3,354,213 shares reported as beneficially owned in the Form 13G filing and the 48,529,683 shares of our common stock outstanding as of February 2, 2009.

(18)

Based solely upon information contained in a Form 13G/A filing with the SEC on February 9, 2009. Of the 3,041,800 shares beneficially owned by UBS AG, it has sole voting power as to 2,668,905 shares and shared dispositive power as to 3,041,800 shares. The "Percent of Class" calculation in the table was made using the 3,041,800 shares reported as beneficially owned in the Form 13G filing, and the 48,529,683 shares of our common stock outstanding as of February 2, 2009.

Table of Contents**SECURITY OWNERSHIP OF MANAGEMENT***City National Corporation:*

The following table sets forth the number of shares of the Corporation's common stock beneficially owned as of February 2, 2009 by each of the current directors, the nominees recommended by the Board of Directors for election as directors, each of the individuals included in the Summary Compensation Table below, and all current directors, nominees and executive officers as a group. Except as otherwise noted in the footnotes below, each of these persons had sole voting and investment power with respect to the Common Stock beneficially owned by him or her.

	(a)	(b)	(c)		(d)	(e)
Name or Number of Persons in Group	Number of Shares of Common Stock Beneficially Owned(1)	Right to Acquire(2)	Total	Percent of Class*	Restricted Stock Units Vested(3)	Stock Fund Units (EDCP / DDCP)(4)
Richard L. Bloch	136,455(5)		136,455	*		503
Michael B. Cahill	16,269(6)	67,773	84,042	*		
Christopher J. Carey	7,332(7)	63,913	71,245	*	11,278	5,413
Kenneth L. Coleman	871(8)	1,000	1,871	*		503
Brian Fitzmaurice	9,898(9)	12,553	22,451	*		923
Bram Goldsmith	3,814,995(10)		3,814,995	7.86%		4,548
Russell Goldsmith	4,124,021(11)	849,517	4,973,538	10.25%	46,061	
Linda Griego	1,035(12)		1,035	*		503
Ashok Israni	350		350	*		503
Michael L. Meyer	9,300		9,300	*		503
Ronald L. Olson	30,000(13)	2,000	32,000	*		503
Bruce Rosenblum	1,200(14)		1,200	*		