

NATCO GROUP INC
Form 4
November 13, 2006

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
MCCARTHY PATRICK M

(Last) (First) (Middle)

C/O NATCO GROUP INC., 2950
NORTH LOOP WEST, SUITE 700

(Street)

HOUSTON, TX 77092

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
NATCO GROUP INC [NTG]

3. Date of Earliest Transaction
(Month/Day/Year)
11/09/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

President & Chief Operating Of

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (D) | Price |
| Common stock - restricted stock | 11/09/2006 ⁽¹⁾ | | F | | 1,000 ⁽²⁾ | D | \$ 35.575 |
| | | | | | 22,733 ⁽³⁾ | D | |
| Common stock | 11/10/2006 | | X | | 18,500 | A | \$ 8.81 |
| | | | | | 41,233 ⁽³⁾ | D | |
| Common stock | 11/10/2006 | | S | | 18,500 | D | \$ 35.2869 |
| | | | | | 22,733 ⁽³⁾ | D | |
| Common stock | 11/13/2006 | | X | | 31,500 | A | \$ 8.81 |
| | | | | | 54,233 ⁽³⁾ | D | |
| | 11/13/2006 | | S | | 31,500 | D | \$ 35.5 |
| | | | | | 22,733 ⁽³⁾ | D | |

Common
stock

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock option - right to buy | \$ 8.81 | 11/10/2006 | | X | 18,500 | ⁽⁴⁾ 05/01/2009 | Common stock | 18,500 |
| Stock option - right to buy | \$ 8.81 | 11/13/2006 | | X | 31,500 | ⁽⁴⁾ 05/01/2009 | Common stock | 31,500 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| MCCARTHY PATRICK M C/O NATCO GROUP INC. 2950 NORTH LOOP WEST, SUITE 700 HOUSTON, TX 77092 | X | | President & Chief Operating Of | |

Signatures

Patrick M.
McCarthy

11/13/2006

**Signature of
Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) Represents the date restrictions lapsed on shares of restricted stock awarded on June 13, 2005.
- (2) Represents the number of shares withheld by the Company to satisfy in part the tax withholding obligation with respect to recipient's shares on the date the restrictions lapsed, as provided in the restricted stock agreement with respect to the award.
- (3) Direct ownership includes an aggregate of 5,833 shares of restricted stock subject to performance-based restrictions and potential forfeiture.
- (4) Options vested in four equal installments on the first through fourth anniversaries of the date of grant, May 1, 1999.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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