

BAY NATIONAL CORP
Form 8-K
April 27, 2006

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

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): April 27, 2006

Bay National Corporation
(Exact Name of Registrant as Specified in its Charter)

| | | |
|---------------------------------------------|----------------------------------------------|--------------------------------------------------------------|
| <u>Maryland</u> (State of Incorporation) | <u>000-51765</u> (Commission File Number) | <u>52-2176710</u> (I.R.S. Employer Identification No.) |
|---------------------------------------------|----------------------------------------------|--------------------------------------------------------------|

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|-------------------------------------------------------------------------------------------|---------------------|
| 2328 West Joppa Road Lutherville, Maryland (Address of Principal Executive Offices) | 21093 (Zip Code) |
|-------------------------------------------------------------------------------------------|---------------------|

Registrant's Telephone Number, Including Area Code: 410-494-2580

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Section 2 - Financial Information

Item 2.02 Results of Operations and Financial Condition.

On April 27, 2006, Bay National Corporation (the "Company") issued a press release announcing its earnings for the quarter ended March 31, 2006.

Among other figures, the press release presents a comparison of diluted net income per share before income taxes for the quarter ended March 31, 2006 compared to net income per diluted share for the quarter ended March 31, 2005. Because the Company had no income tax expense during the quarter ended March 31, 2005, a comparison of the Company's net income per diluted share, which would include the impact of taxes for the quarter ended March 31, 2006, could obscure the impact of changes in the Company's operations. Therefore, management believes that the comparison provides investors with a more accurate period-to-period comparison of the per-share impact of changes in the Company's operations.

The press release also reports that core deposits rose 25.3% year-over-year to \$152.6 million at March 31, 2006. Core deposits, which management categorizes as all deposits other than national market certificates of deposit and all but \$5.0 million in deposits from three accounts with highly variable balances, are closely monitored by management because they consider them not only a relatively stable source of funding but also reflective of the growth of commercial and consumer depository relationships.

The press release is furnished as Exhibit 99.1 hereto.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The following exhibit is filed herewith:

99.1 Press Release dated April 27, 2006.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BAY NATIONAL CORPORATION

Date April 27, 2006

By: /s/ Hugh W. Mohler
Hugh W. Mohler, President