

SYNALLOY CORP
Form DEF 14A
March 29, 2007

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant (x)

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))

(x) Definitive Proxy Statement

() Definitive Additional Materials

() Soliciting Material Pursuant to Rule 14a-11© or Rule 14a-12

SYNALLOY 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)

(x) No fee required

() \$125 per Exchange Act Rules 0-11©(1)(ii), 14a-6(i)(1), or 14a6(i)(2) or
Item 22a(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

2. Aggregate number of securities to which transaction applies:

Edgar Filing: SYNALLOY CORP - Form DEF 14A

3. Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

4. Proposed maximum aggregate value of transaction:

5. Total fee paid:

() Fee paid previously with preliminary materials.

() Check box if any part of the fee is offset as provided Exchange Act

Rule 0-11(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.

Amount Previously Paid:

For, Schedule or Registration Statement No.:

Filing Party:-----

Date Filed:-----



SYNALLOY CORPORATION
Post Office Box 5627
Spartanburg, South Carolina 29304

NOTICE OF ANNUAL MEETING
April 26, 2007

TO THE SHAREHOLDERS OF SYNALLOY CORPORATION

Notice is hereby given that the Annual Meeting of Shareholders of Synalloy Corporation will be held at the Company's corporate offices, 2155 West Croft Circle, Spartanburg, South Carolina on Thursday, April 26, 2007, at 10:00 a.m. local time. The following important matters will be presented for your consideration:

1. To elect six directors to serve until the next Annual Meeting of Shareholders or until their successors are elected and qualified;
2. To act upon such other matters as may properly come before the meeting or any adjournment or adjournments thereof.

All of the above matters are more fully described in the accompanying Proxy Statement.

Only shareholders of record at the close of business on February 27, 2007 are entitled to notice of and to vote at the meeting.

By order of the Board of Directors

/s/ Cheryl C. Carter
Cheryl C. Carter
Secretary

Spartanburg, South Carolina
March 26, 2007

Important: You are cordially invited to attend the meeting, but whether or not you plan to attend, PLEASE FILL IN, DATE, SIGN AND MAIL the enclosed Proxy promptly. If you are a record shareholder and attend the meeting, you may either use your proxy, or withdraw your proxy and vote in person.

The 2006 Annual Report on Form 10-K is furnished herewith.

**SYNALLOY CORPORATION
CROFT INDUSTRIAL PARK
POST OFFICE BOX 5627
SPARTANBURG, SOUTH CAROLINA 29304**

**ANNUAL MEETING OF SHAREHOLDERS
April 26, 2007**

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors of Synalloy Corporation (the "Company") of proxies to be voted at the Annual Shareholders' Meeting to be held at the Company's corporate office, 2155 West Croft Circle, Spartanburg, South Carolina, on Thursday, April 26, 2007, at 10:00 a.m. local time, and at all adjournment(s) thereof. On or about March 26, 2007, we will begin mailing these proxy materials to all shareholders of record as of the close of business on February 27, 2007.

Quorum and Voting. The presence, in person or by proxy, of a majority of the outstanding shares of Common Stock of the Company is necessary to constitute a quorum at the Annual Meeting. If a share is represented for any purpose at the annual meeting by the presence of the registered owner or a person holding a valid proxy for the registered owner, it is deemed to be present for purposes of establishing a quorum. Therefore, valid proxies which are marked "Abstain" or "Withhold" and shares that are not voted, including proxies submitted by brokers that are the record owners of shares (so-called "broker non-votes"), will be included in determining the number of votes present or represented at the annual meeting. If a quorum is not present or represented at the meeting, the shareholders entitled to vote who are present in person or represented by proxy have the power to adjourn the meeting from time to time. If the meeting is to be reconvened within 30 days, no notice of the reconvened meeting will be given other than an announcement at the adjourned meeting. If the meeting is to be adjourned for 30 days or more, notice of the reconvened meeting will be given as provided in the Bylaws. At any reconvened meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the meeting as originally noticed.

Voting Rights. The securities which can be voted at the Annual Meeting consist of Common Stock of the Company, \$1.00 par value per share. The record date for determining the holders of Common Stock who are entitled to notice of and to vote at the Annual Meeting is February 27, 2007. On February 23, 2007, the Company had outstanding 6,181,258 (excluding 1,818,742 shares held in treasury) shares of Common Stock. Each record shareholder of Common Stock is entitled to one vote per share on each matter to be voted on at the meeting, except that in the election of Directors shareholders have cumulative voting rights.

If a quorum is present at the Annual Meeting, Directors will be elected by a plurality of the votes cast by shares present in person or by proxy and entitled to vote at the meeting. "Plurality" means that, if there were more nominees than positions to be filled, the individuals who received the largest number of votes cast for directors would be elected. Votes that are withheld or shares that are not voted in the election of directors will have no effect on the outcome of election of directors. Each stockholder of Common Stock entitled to vote for the election of Directors has the right to cumulate his votes either (1) by giving to one candidate as many votes as equal the number of shares owned by such holder multiplied by the number of directors to be elected, or (2) by distributing his votes on the same principle among any number of candidates. Any stockholder who intends to cumulatively vote his shares must either (1) give written notice of such intention to the Secretary of the Company not less than forty-eight (48) hours before the time fixed for the Annual Meeting, or (2) announce his intention in such meeting before the voting for Directors commences. If a stockholder gives notice of his intention to cumulate his votes, all shareholders entitled to vote at the meeting will without further notice, be entitled to cumulate their votes.

If a quorum is present, all other matters which may be considered and acted upon by the holders of Common Stock at the Annual Meeting will be approved if a majority of shares present and entitled to vote at the meeting cast their votes in favor of the proposals. Abstentions and broker non-votes will have the effect of a vote against such matters.

Cost of Solicitation. The entire cost of soliciting these proxies will be borne by the Company. The Company may make arrangements with brokerage houses, nominees, fiduciaries and other custodians to send proxies and proxy material to beneficial owners of the Company's stock and may reimburse them for their expenses in so doing. Proxies may be solicited personally or by telephone, other electronic means or mail by directors, officers and regular employees of the Company without additional compensation for such

services. Synalloy has engaged the services of W. F. Doring & Company, a firm specializing in proxy solicitation, to solicit proxies and to assist in the distribution and collection of proxy material for a fee estimated at approximately \$2,500 plus reimbursement of out-of-pocket expenses.

Information About Voting. Shareholders of record can vote in person at the Annual Meeting or by proxy. Shareholders of record may vote their proxy by mail or by internet following the instructions on the proxy card. If your shares are held in the name of a bank, broker or other nominee, you will receive instructions from the nominee that you must follow in order for your shares to be voted. If your shares are not registered in your own name and you wish to vote your shares in person at the Annual Meeting, you should contact your broker or agent to obtain a broker's proxy card and bring it to the Annual Meeting in order to vote. If you hold shares in the Synalloy Corporation 401(k)/Employee Stock Ownership Plan, your proxy for these shares must be received by 5:00 p.m., local time, on April 19, 2007 to allow sufficient time for voting by the trustees and administrators of the plan.

Voting by Proxy. In voting by proxy with regard to the election of directors, shareholders may vote in favor of all nominees, withhold their votes as to all nominees or withhold their votes as to specific nominees. Shareholders should specify their choices on the accompanying proxy card. All properly executed proxy cards delivered by shareholders to the Company and not revoked will be voted at the Annual Meeting in accordance with the directions given. If no specific instructions are given with regard to the matters to be voted upon, the shares represented by a signed proxy card will be voted "FOR" the election of the persons named in this Proxy Statement as the Board of Directors' nominees for the election to the Board of Directors. If any other matters properly come before the Annual Meeting, the persons named as proxies will vote upon such matters according to their judgment.

Revocability of Proxy. Any record stockholder delivering a proxy has the power to revoke it at any time before it is voted by giving written notice to the Secretary of the Company at Post Office Box 5627, Spartanburg, South Carolina 29304; by delivering a valid proxy bearing a later date to the Company's offices at 2155 West Croft Circle, Spartanburg, South Carolina; or by attending the meeting and voting in person. Written notice of revocation of a proxy or delivery of a later dated proxy will be effective upon receipt by the Company. Attendance at the annual meeting will not in itself constitute revocation of a proxy. Shareholders who hold their shares in street name with a broker or other nominee may change or revoke their proxy instructions by submitting new voting instructions to the broker or other nominee.

Householding. The Securities and Exchange Commission's rules permit us to deliver a single proxy statement and annual report to one address shared by two or more of our shareholders. This delivery method is referred to as "householding" and can result in significant cost savings. In order to take advantage of this opportunity, we have delivered only one proxy statement and annual report to multiple shareholders who share an address, unless we received contrary instructions from impacted shareholders prior to the mailing date. If you prefer to receive separate copies of a proxy statement or annual report, either now or in the future, please call us at 864-585-3605, or send your request in writing to the following address: Secretary of Synalloy Corporation, Post Office Box 5627, Spartanburg, SC 29304. If you are still receiving multiple reports and proxy statements for shareholders who share an address and would prefer to receive a single copy of the annual report and proxy statement in the future, please call or write to use at the above address or telephone number.

ANNUAL REPORT ON FORM 10-K

The Company's Annual Report to Shareholders including Form 10-K for the year ended December 30, 2006, as filed with the Securities and Exchange Commission, accompanies this Proxy Statement. Copies of exhibits to the Form 10-K will be provided upon written request to Cheryl C. Carter, Secretary, Synalloy Corporation, Post Office Box 5627, Spartanburg, South Carolina 29304 at a charge of \$.10 per page. Copies of the Form 10-K and exhibits may also be downloaded from the Securities and Exchange Commission's website at: <http://www.sec.gov>. Such Annual Report to Shareholders does not form any part of the material for soliciting proxies.

**BENEFICIAL OWNERS OF MORE THAN FIVE (5%) PERCENT OF
THE COMPANY'S COMMON STOCK**

The table below provides certain information regarding persons known by the Company to be the beneficial owners of more than five (5%) percent of the Company's Common Stock as of February 23, 2007.

<u>Name and Address of Beneficial Owner</u>	<u>Amount and Nature of Beneficial Ownership</u>	<u>Percent of Class</u>
Royce & Associates LLC 1414 Avenue of the Americas New York, NY 10019	586,700 ⁽¹⁾	9.49
James G. Lane, Jr. PO Box 5627 Spartanburg, SC 29304	359,580 ⁽²⁾	5.82
Dimensional Fund Advisors, Inc. 1299 Ocean Avenue, 11th Floor Santa Monica, CA 90401	327,779 ⁽³⁾	5.30

1. Royce & Associates, Inc. ("Royce") is an investment advisor registered with the Securities & Exchange Commission under the Investment Advisors Act of 1940. This information was obtained from Royce's Schedule 13G dated January 25, 2007, as filed with the Securities and Exchange Commission, and has not been independently verified.
2. The aggregate number of shares of Common Stock owned beneficially by Mr. Lane includes direct ownership of 158,846 shares; 26,984 shares held in an IRA; and 173,750 shares owned by his spouse as to which Mr. Lane disclaims beneficial ownership.
3. According to its Schedule 13G dated February 1, 2007, as filed with the Securities and Exchange Commission, Dimensional Fund Advisors, Inc. ("Dimensional"), an investment advisor under Section 203 of the Investment Advisors Act of 1940, furnishes investment advice to four investment companies registered under the Investment Company Act of 1940, and serves as investment manager to certain other commingled group trusts and separate accounts. These investment companies, trusts and accounts are the "Funds." In its role as investment advisor or manager, Dimensional possesses voting and/or investment power over the securities of the Company described in the Schedule 13G that are owned by the Funds, and, accordingly, may be deemed to be the beneficial owner of the shares of the Company held by the Funds. However, all such securities reported in the Schedule 13G are owned by the Funds. Dimensional disclaims beneficial ownership of such securities. In addition, Dimensional has asserted that the filing of its Schedule 13G shall not be construed as an admission that the reporting person or any of its affiliates is the beneficial owner of any securities covered by the Schedule 13G for any other purpose than Section 13(d) of the Securities Exchange Act of 1934. The Company has not independently verified the information in the Schedule 13G.

SECURITY OWNERSHIP OF MANAGEMENT

The following table sets forth information regarding the ownership of the Company's Common Stock as of February 23, 2007 by each director and nominee for director and each executive officer of the Company for whom compensation information is disclosed under the heading "Executive Compensation."

Name of Beneficial Owner	Common Stock Beneficially Owned as of February 24, Percent 2006 of Class	
James G. Lane, Jr.	359,580 ⁽¹⁾	5.82
Murray H. Wright	239,751 ⁽²⁾	3.88
Sibyl N. Fishburn	78,191 ⁽³⁾	1.26
Ronald H. Braam	67,712 ⁽⁴⁾	1.10
Michael D. Boling	64,222 ⁽⁵⁾	1.04
Gregory M. Bowie	55,082 ⁽⁶⁾	*
Cheryl C. Carter	30,681 ⁽⁷⁾	*
Carroll D. Vinson	30,067 ⁽⁸⁾	*
Craig C. Bram	23,114 ⁽⁹⁾	*
All Directors and Executive Officers as a group (9 persons)	948,400 ⁽¹⁰⁾	15.34

*Less than 1%

1. Includes 26,984 shares held by an IRA; and 173,750 shares owned by his spouse, as to which Mr. Lane disclaims beneficial ownership.
2. Includes indirect ownership of 45,580 shares held by an IRA; 4,830 held by spouse; and 6,140 held in custodial accounts for minor children. As of February 23, 2007, 173,953 shares were held in a margin account and may from time-to-time be pledged as collateral.
3. Includes indirect ownership of 7,065 shares by spouse; and exercisable options to purchase 9,000 shares.
4. Includes 40,300 shares which are subject to currently exercisable options; 8,429 shares allocated under the Company's 401(k)/ESOP; 1,309 shares allocated to spouse under the Company's 401(k)/ESOP.
5. Includes 9,711 shares allocated under the Company's 401(k)/ESOP.
6. Includes 20,393 shares which are subject to currently exercisable options; 9,100 shares held by an IRA; 9,132 shares allocated under the Company's 401(k)/ESOP.
7. Includes 20,146 shares which are subject to currently exercisable options; 5,535 shares allocated under the Company's 401(k)/ESOP.
8. Includes indirect ownership of 1,350 held by IRA, 1,350 shares held by spousal IRA.
9. Includes indirect ownership of 3,811 shares held by an IRA; and 2,055 shares held by spouse, of which 2,055 are held in a margin account and may from time-to-time be pledged as collateral.

10. Includes 89,839 shares which are subject to currently exercisable options, and 34,116 shares allocated under the Company's 401(k)/ESOP.

ELECTION OF DIRECTORS

The Certificate of Incorporation of the Company provides that the Board of Directors shall consist of not less than three nor more than 15 individuals. Upon recommendation of the Nominating Committee, the Board of Directors has fixed the number of directors constituting the full Board at six members and recommends that the six nominees listed in the table which follows be elected as directors to serve for a term of one year until the next Annual Meeting or until their successors are elected and qualified to serve. Each of the nominees has consented to be named in this Proxy Statement and to serve as a director if elected.

If cumulative voting is not requested, the holders of the Board of Directors' proxies will vote the proxies received by them for the election as directors of the six persons named below. If cumulative voting is requested, the proxy agents named in the Board of Directors' form of proxy that accompanies this proxy statement intend to vote the proxies received by them cumulatively for some or all of the nominees in such manner as may be determined at the time by such proxy agents.

If, at the time of the Annual Meeting of Shareholders, or any adjournment(s) thereof, one or more of the nominees is not available to serve by reason of any unforeseen contingency, the proxy agents intend to vote for such substitute nominee(s) as the Board of Directors recommends.

The Board of Directors recommends that shareholders vote "FOR" the election of the six nominees listed below as directors of the Company.

The following table sets forth the names of nominees for director, their ages, the years in which they were first elected directors, a brief description of their principal occupations and business experience during the last five years. There are no family relationships among any of the directors and executive officers. The Board Committee assignments are as of February 28, 2007.

Name, Age, Principal Occupation, Other Directorships and Other Information	Since
---	--------------

Sibyl N. Fishburn, age 71	
---------------------------	--

Mrs. Fishburn is a graduate of Hollins University, Roanoke, VA. Mrs. Fishburn is a member of the Nominating/Corporate Governance and Compensation & Long-Term Incentive Committees.	1979
---	------

James G. Lane, Jr., age 73	
----------------------------	--

Mr. Lane served as Chief Executive Officer of the Company from 1987 until his retirement on January 31, 2002. He has served as Chairman of the Board since 1987 and is a member of the Executive, Compensation & Long-Term Incentive, and the Nominating/Corporate Governance Committees.	1986
---	------

Carroll D. Vinson, age 66	
---------------------------	--

Mr. Vinson is Principal and Managing Member of VH, LLC, a private real estate investment company. He is a member of the Audit, Executive and Nominating/Corporate Governance and Compensation & Long-Term Incentive Committees.	1987
---	------

Murray H. Wright, age 61	2001
--------------------------	------

Mr. Wright is the founder and managing director of Avitas Capital, LLC, a closely held investment banking firm, founded in 1999, in Richmond, VA. In 1986, he founded, and he recently retired as Chief Executive Officer of, the law firm of Wright, Robinson, Osthimer & Tatum, Richmond, VA. He serves on the Audit, Nominating/Corporate Governance and Compensation & Long-Term Incentive Committees.

Craig C. Bram, age 48

Mr. Bram is the founder and President of Horizon Capital Management, Inc., an investment advisory firm, founded in 1996, in Richmond, VA. Since 1995, he has also been a Managing Director with McCammon Group, a mediation and consulting company based in Richmond, VA. Mr. Bram has also served as the President of Bizport, Ltd., a document management company in Richmond, VA, since 2002. Mr. Bram serves on the Audit, Compensation and Long-Term Incentive and Nominating/Corporate Governance Committees. 2004

Ronald H. Braam, age 63

Mr. Braam has served as Chief Executive Officer of Synalloy Corporation since January 1, 2006. Since December 1999, he has been President of the Company's Specialty Chemicals Group, which is comprised of Manufacturers Chemicals, LLC, Blackman Uhler, LLC and Organic Pigments, LLC, wholly-owned by the Company. Mr. Braam serves on the Executive Committee. 2006

BOARD OF DIRECTORS AND COMMITTEES

Director Independence. The Board of Directors has determined that each of the following directors is independent as such term is defined by the NASDAQ Global Market Rules: Craig Bram, Sibyl Fishburn, James G. Lane, Jr., Carroll Vinson and Murray Wright. The Board has also determined that each of the members of the Audit Committee, the Compensation & Long-Term Incentive Committee and the Nominating Committee is independent within the meaning of the NASDAQ Rules.

Board and Board Committee Meetings. During fiscal year 2006, the Board of Directors met four times. All members of the Board attended 75% or more of the aggregate of the total number of meetings of the Board of Directors and of the committees of the Board on which they served. The Company encourages, but does not require, its directors to attend the Annual Meeting of Shareholders. Last year, all directors attended the annual meeting. The Company has standing Executive, Audit, Compensation & Long-Term Incentive and Nominating/Corporate Governance Committees of the Board of Directors.

Executive Committee. The members of the Executive Committee are James Lane, Chair, Carroll Vinson and Ronald Braam. This Committee exercises the authority of the Board of Directors in the management of the business of the Company between the meetings of the Board of Directors. However, this Committee does not have, among other powers, the authority to amend the Certificate of Incorporation or Bylaws, to adopt an agreement of merger or consolidation, to recommend to the shareholders the sale, lease or exchange of the Company's property and assets, to declare a dividend, or to authorize the issuance of stock. This Committee did not meet in 2006.

Audit Committee. The Company has an Audit Committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934. The Audit Committee members are Carroll Vinson, Chair, Murray Wright and Craig Bram. The Audit Committee acts pursuant to a written charter adopted by the Board of Directors which is available on the Company's website at: www.synalloy.com. Each member of the Audit Committee is independent as defined in the NASDAQ Rules. The Audit Committee held nine meetings during the year. During these meetings, the Audit Committee reviewed and discussed the audited financial statements to be included in the Company's Annual Report on Form 10-K, and the Form 10-Qs for each quarter prior to filing with the SEC with management and the independent auditors, met independently with the independent auditors, interviewed and selected the independent auditors, reviewed the Audit Committee Charter and had oversight of the development and implementation of the Company's Code of Conduct.

Compensation & Long-Term Incentive Committee. The Compensation & Long-Term Incentive Committee, is currently comprised of Murray Wright, Chair, Sibyl Fishburn, Craig Bram, James Lane and Carroll Vinson, all of whom are independent as defined in the NASDAQ Rules. This Committee is governed by a charter which is available on the Company's website at: www.synalloy.com. The Committee is responsible for reviewing and approving salaries, bonuses, incentive compensation and benefits for executive officers of the Company, and for administering and making recommendations with respect to the Company's stock option and stock grant programs, including the granting of options and shares thereunder. This Committee met once during the last fiscal year.

The Committee considers recommendations from the Company's Chief Executive Officer in setting compensation for executives officers. The Director of Human Resources supports the Committee in its duties, and the Committee may delegate authority to the Human Resources Department to fulfill administrative duties relating to the Company's compensation programs. The Committee has the authority under its charter to retain and terminate, and approve fees for, compensation consultants and other advisors as it deems appropriate to assist it in the fulfillment of its duties. The Committee did not use the services of a compensation consultant in 2006.

Nominating/Corporate Governance Committee. The Nominating/Corporate Governance Committee is comprised of Sibyl Fishburn, Chair, Carroll Vinson, Murray Wright, James Lane and Craig Bram, all of whom are independent as defined in the NASDAQ Rules. This Committee is governed by a charter which is available on the Company's

website at: www.synalloy.com. This Committee is responsible for reviewing and recommending changes in size and composition of the Board of Directors and evaluating and recommending candidates for election to the Company's Board. This Committee also reviews and oversees corporate governance issues and makes recommendations to the Board related to the adoption of policies pursuant to rules of the Securities and Exchange Commission, the NASDAQ, and other governing authorities, and as required by the Sarbanes Oxley Act. This Committee met once in 2006.

Compensation Committee Interlocks and Insider Participation. Mr. Murray Wright, Mr. Carroll Vinson, Mr. James Lane, Jr., Mr. Craig Bram and Mrs. Sibyl Fishburn served on the Compensation & Long-Term Incentive Committee. Mr. Lane served as CEO and President of the Company from 1987 until his retirement in January 2002. Mr. Lane joined the Committee in 2005 after becoming an independent director.

Related Party Transactions. The Company requires that each executive officer, director and director nominee complete an annual questionnaire and report all transactions with the Company in which such persons (or their immediate family members) had or will have a direct or indirect material interest (except for salaries, directors' fees and dividends on our stock). Management reviews responses to the questionnaires and, if any such transactions are disclosed, they are reviewed by Board of Directors. There were no such transactions during the year ended December 30, 2006.

CORPORATE GOVERNANCE

Director Qualifications and Nomination Process. In recommending and evaluating candidates, the Nominating Committee takes into consideration such factors as it deems appropriate based on the Company's current needs. These factors may include diversity, age, skills such as understanding of appropriate technologies and general finance, decision-making ability, inter-personal skills, experience with businesses and other organizations of comparable size, and the interrelationship between the candidate's experience and business background and other Board members' experience and business background. Additionally, candidates for director should possess the highest personal and professional ethics, and they should be committed to the long-term interests of the shareholders.

The Nominating Committee does not have any specific process for identifying director candidates. Such candidates are routinely identified through personal and business relationships and contacts of the directors and executive officers.

The Nominating Committee will consider as potential Board of Directors' nominees persons recommended by shareholders if the following requirements are met. If a shareholder wishes to recommend a director candidate to the Nominating Committee for consideration as a Board of Directors' nominee, the shareholder must submit in writing to the Nominating Committee the recommended candidate's name, a brief resume setting forth the recommended candidate's business and educational background and qualifications for service, the number of the Company's shares beneficially owned by the person, and a notarized consent signed by the recommended candidate stating the recommended candidate's willingness to be nominated and to serve. Additionally, the recommending shareholder must provide his or her name and address and the number of the Company's shares beneficially owned by such person. This information must be delivered to the Secretary of the Company at Post Office Box 5627, Spartanburg, South Carolina 29304 or Croft Industrial Park, Spartanburg, South Carolina 29302, for transmission to the Nominating Committee, and must be received not less than 90 days nor more than 120 days prior to the Annual Meeting of Shareholders. The Committee may request further information if it determines a potential candidate may be an appropriate nominee. Director candidates recommended by shareholders that comply with these requirements will receive the same consideration that the committee's candidates receive. The Nominating Committee routinely meets at the regular quarterly meeting of the Board of Directors next preceding the Annual Meeting.

Nominations for election as Directors may also be made by shareholders from the floor at the Annual Meeting of Shareholders provided such nominations are received by the Company not less than 30 nor more than 60 days prior to the Annual Meeting, contain the information set forth above, and otherwise are made in accordance with the procedures set forth in the Company's Bylaws.

Shareholder Communications With Directors

Any shareholder who wishes to send communications to the Board of Directors should mail them addressed to the intended recipient by name or position in care of: Corporate Secretary, Synalloy Corporation, Post Office Box 5627,

Spartanburg, SC 29304. Upon receipt of any such communications, the Corporate Secretary will determine the identity of the intended recipient and whether the communication is an appropriate shareholder communication. The Corporate Secretary will send all appropriate shareholder communications to the intended recipient. An "appropriate shareholder communication" is a communication from a person claiming to be a shareholder in the communication the subject of which relates solely to the sender's interest as a shareholder and not to any other personal or business interest.

In the case of communications addressed to the Board of Directors, the Corporate Secretary will send appropriate shareholder communications to the Chairman of the Board. In the case of communications addressed to the independent or outside directors, the Corporate Secretary will send appropriate shareholder communications to the Chairman of the Audit Committee. In the case of communications addressed to committees of the Board, the Corporate Secretary will send appropriate shareholder communications to the Chairman of such committee.

EXECUTIVE OFFICERS

Information about Mr. Braam, the Company's Chief Executive Officer, is set forth above under "Election of Directors."

Name, Age and Principal Position and Five-Year Business Experience

Gregory M. Bowie, age 57