SYNALLOY CORP
Form DEF 14A
March 14, 2012

United States

Securities and Exchange Commission

Washington, D. C. 20549

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

(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(c)(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: _____

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, 2012

TO THE SHAREHOLDERS OF SYNALLOY CORPORATION

Notice is hereby given that the Annual Meeting of Shareholders of Synalloy Corporation will be held in the Apex Meeting Room at the Summit Pointe Conference & Events Center, 801 Spartan Boulevard, Spartanburg, South Carolina 29301 on Thursday, April 26, 2012, at 10:00 a.m. local time. The following important matters will be presented for your consideration.

1. Election of six nominees listed in the Proxy Statement to our Board of Directors to hold office until the 2013 Annual Meeting of Shareholders or until a successor is elected and qualified;

2. Approval, on a non-binding advisory basis, of the compensation of our named executive officers (say on pay);

3. Approval, on a non-binding advisory basis, of the frequency of future advisory votes on the compensation of our named executive officers (say on frequency);

4. Ratification of the Audit Committee's selection of Dixon Hughes Goodman LLP as our independent registered public accounting firm for the fiscal year ending December 29, 2012; and

5. Transaction of such other business as may properly be brought before the meeting and 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, 2012 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, 2012

Important: You are cordially invited to attend the meeting, but whether or not you plan to attend, PLEASE VOTE YOUR PROXY promptly by internet, phone or mail as set forth on the proxy card. 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 2011 Annual Report on Form 10-K is furnished herewith.

SYNALLOY CORPORATION
Proxy Statement
Table of Contents

SYNALLOY CORPORATION
775 SPARTAN BOULEVARD, SUITE 102
POST OFFICE BOX 5627
SPARTANBURG, SOUTH CAROLINA 29304

PROXY STATEMENT
ANNUAL MEETING OF SHAREHOLDERS
April 26, 2012

The 2011 Annual Report to shareholders, including Form 10-K, is being made available to shareholders together with these proxy materials on or about March 26, 2012.

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

When and where will the Annual Meeting be held?

The Annual Meeting will be held at 10:00 a.m. Eastern Daylight Time on Thursday, April 26, 2012, in the Apex Meeting Room at the Summit Pointe Conference & Events Center, 801 Spartan Boulevard, Spartanburg, South Carolina. For directions to the meeting site, please contact Investor Relations at 864-585-3605.

Who is soliciting my proxy?
Our Board is soliciting your proxy to vote on all matters scheduled to come before the 2012 Annual Meeting of Shareholders, whether or not you attend in person. By completing and returning the proxy card or voting instruction card, or by transmitting your voting instructions via the internet, you are authorizing the proxy holders to vote your shares at our Annual Meeting as you have instructed.

On what matters will I be voting? How does the Board recommend that I cast my vote?
At the Annual Meeting, you will be asked to: elect the six director nominees listed in this Proxy Statement; approve, on an advisory basis, the compensation of our named executive officers; approve, on an advisory basis, the frequency of future advisory votes on the compensation of our named executive officers, and ratify the appointment of our independent registered public accounting firm.

Our Board unanimously recommends that you vote:

• FOR all six of the director nominees listed in this Proxy Statement;

• FOR the approval, on an advisory basis, of the compensation of our named executive officers;

• In favor of holding future advisory votes on the compensation of our named executive officers EVERY 1 YEAR; and

• FOR the ratification of the appointment of our independent registered public accounting firm.

How many votes may I cast?
You may cast one vote for every share of our Common Stock that you owned on February 27, 2012, the record date, except you have the right to cumulate your votes in regards to the election of directors. For more information, see "What is Cumulative Voting?" below.

What is cumulative voting?
You have the right to cumulate your 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 your votes

1

on the same principle among any number of candidates. If you intend to cumulatively vote your shares, you must either (a) 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 (b) announce your intention at the meeting before the voting for Directors commences. If you give notice of your intention to cumulate your votes, all shareholders entitled to vote at the meeting will, without further notice, be entitled to cumulate their votes.

How many shares are eligible to be voted?
On February 27, 2012, the record date, the Company had outstanding 6,325,844 (excluding 1,674,156 shares held in treasury) shares of Common Stock.

How many shares must be present to hold the Annual Meeting?
Under Delaware law and our By-Laws, the presence in person or by proxy of a majority of the issued and outstanding shares of our Common Stock entitled to vote is necessary to constitute a quorum at the Annual Meeting. The inspector of election will determine whether a quorum is present. If you are a beneficial owner (as defined below) of shares of our Common Stock and you do not instruct your bank, broker, or other holder of record how to vote your shares (so-called “broker non-votes”) on any of the proposals, your shares will be counted as present at the Annual Meeting for purposes of determining whether a quorum exists. In addition, shares held by shareholders of record who are present at the Annual Meeting in person or by proxy will be counted as present at the Annual Meeting for purposes of determining whether a quorum exists, whether or not such holder abstains from voting his shares on any of the proposals.

If a quorum is present at the Annual Meeting, Proposal 1 “Election of Six Director Nominees,” 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.

If a quorum is present, Proposal 2 – “Advisory Vote on the Compensation of our Named Executive Officers,” Proposal 3 – “Advisory Vote on the Frequency of Future Advisory Votes on the Compensation of our Named Executive Officers,” Proposal 4 – “Independent Registered Public Accounting Firm,” and 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.

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.

Who pays for soliciting proxies?
We pay all expenses incurred in connection with the solicitation of proxies for the Annual Meeting. In addition to solicitations by mail, our directors, officers, and employees, without additional remuneration, may solicit proxies personally or by telephone, other electronic means or mail and we reserve the right to retain outside agencies for the purpose of soliciting proxies. Banks, brokers or other holders of record will be requested to forward proxy soliciting material to the beneficial owners, and, as required by law, we will reimburse them for their out-of-pocket expenses in this regard.

2

How do I vote?

Shareholders of Record
Shareholders of record can vote in person at the Annual Meeting or by proxy. Shareholders of record may also vote their proxy by mail or by internet following the instructions on the proxy card.

Beneficial Shareholders
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. Your broker is not permitted to vote your shares on election of directors, advisory vote on the compensation of our named executive officers, or advisory vote on the frequency of future advisory votes on the compensation of our named executive officers unless you provide voting instructions. Therefore, if your shares are held in the name of a broker, to be sure your shares are voted, please instruct your broker as to how you wish it to vote. 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. You may vote your shares by internet, by mail or by telephone as further described below.

Participants in the Synalloy Corporation 401(k) Employee Stock Ownership Plan
If you are a participant in Synalloy Corporation 401(k) Plan/ESOP (401(k) Plan) and you own shares of our Common Stock through the 401(k) Plan, the proxy card sent to you will also serve as your voting instruction card to the 401(k) Plan trustee, who actually votes the shares of our Common Stock that you own through the 401(k) Plan. If you do not provide voting instructions for these shares to the trustee by 5:00 p.m., local time, April 19, 2012, as directed by the terms of the 401(k) Plan, the Company, in its capacity as the 401(k) Plan administrator, will instruct the trustee to vote those 401(k) Plan shares “FOR” all proposals and in favor of holding future advisory votes on compensation of our named executive officers every year.

Voting Methods

You can vote your proxy by any of the methods below:

VOTE BY INTERNET - www.proxyvote.com
Use the Internet to transmit your voting instructions and for electronic delivery of information until 11:59 p.m. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS
If you would like to reduce the costs incurred by our Company in mailing proxy materials, you can consent to receiving all future Proxy Statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

VOTE BY PHONE - 1-800-690-6903
Use any touch-tone telephone to transmit your voting instructions until 11:59 p.m. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL
Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

3

Only the latest dated proxy received from you, whether submitted by internet, mail or telephone, will be voted at the Annual Meeting. If you vote by internet or telephone, please do not mail your proxy card. You may also vote in person at the Annual Meeting.

What happens if I don’t vote for a proposal? What is a broker non-vote?

If you properly execute and return a proxy or voting instruction card, your shares will be voted as you specify. If you are a shareholder of record and you return an executed proxy card but make no specifications on your proxy card, your shares will be voted in accordance with the recommendations of our Board, as provided above. If any other matters properly come before the Annual Meeting, the persons named as proxies by the Board of Directors will vote upon such matters according to their judgment.

If you hold your shares of record with a bank, broker or other nominee, and you return a broker voting instruction card but do not indicate how you want your broker to vote on election of directors or on Proposals 2 and 3, a broker non-vote will occur as to those matters. A broker “non-vote” occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee has not received instructions from the beneficial owner and either (i) does not have discretionary voting power for that particular proposal, or (ii) chooses not to vote the shares. Brokers do not have discretionary voting power to vote on election of directors or Proposals 2 or 3.

Can I revoke or change my vote after I deliver my proxy?
Yes. You can revoke your proxy at any time before it is voted by providing notice in writing to our Corporate Secretary at Post Office Box 5627, Spartanburg, SC 29304; by delivering a valid proxy bearing a later date to the Company’s offices at 775 Spartan Blvd, Suite 102, Spartanburg, SC 29301, prior to the meeting; or by attending the meeting and voting in person. 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.

I share an address with another shareholder, and we received only one paper copy of the proxy materials. How may I obtain an additional copy of the proxy materials?
Some banks, brokers and other holders of record are “householding” our Proxy Statements and annual reports for their customers. This means that only one copy of our proxy materials may have been sent to multiple shareholders in your household. 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 contact us at the above address or telephone number. If you are a beneficial holder, you should contact your bank, broker or other holder of record.

NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIAL FOR THE SHAREHOLDERS’ MEETING TO BE HELD ON APRIL 26, 2012

The Company’s 2011 Annual Report and 2012 Proxy Statement are available via the Internet at http://investor.synalloy.com.

ANNUAL REPORT ON FORM 10-K

The Company's Annual Report to Shareholders including the Form 10-K for the year ended December 31, 2011, as filed with the Securities and Exchange Commission, accompanies this Proxy Statement. Copies of exhibits

4

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 December 31, 2011. This information has been obtained from Schedules 13D and 13G filed with the Securities and Exchange Commission, and has not been independently verified by the Company.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Royce & Associates, LLC 745 Fifth Avenue New York, NY 10151	511,5831)	8.09
Ta Chen (B.V.I.) Holdings LTD(2) PO Box 3444 Road Town Tortola, British Virgin Islands	445,9932)	7.05
Mr. Rung-Kun Robert Shieh (2) 7110 Rio Flora Place Downey, CA 90241	(2)	
Ta Chen Stainless Pipe Co. LTD (2) No. 125, Sintian 2nd St., Rende Township Tainan County 717 Taiwan, R.O.C.	(2)	
T. Rowe Price Associates, Inc. 100 E. Pratt Street Baltimore, MD 21202	360,1463)	5.69

(1) Royce & Associates, LLC ("Royce") is an investment advisor registered with the Securities & Exchange Commission under the Investment Advisors Act of 1940.

(2) The information was derived from a Schedule 13D filed August 24, 2009, and that no amendments to that schedule, or Schedules 13G, have been filed in 2010 or 2011, but the Company has been informally advised by a representative of the beneficial owner that the number and percentage of shares owned on December 31, 2011 was 485,343 and 7.67%.

(3) These securities are owned by various individual and institutional investors, (including T. Rowe Price Small-Cap Value Fund, Inc., which owns 353,246 shares, representing 5.58% of the shares outstanding) for which T. Rowe Price Associates, Inc. ("Price Associates") serves as an investment adviser with power to direct investments and/or sole power to vote the securities. For the purposes of the reporting requirements of the Securities Exchange Act of 1934, Price Associates expressly disclaims that it is, in fact, the beneficial owner of such securities.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding the ownership of the Company's Common Stock as of February 27, 2012 by each director and nominee for director, and each current 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 27, 2012		Percent of Class	
James G. Lane, Jr.	221,987	(1)	3.85	%
Murray H. Wright	212,531	(2)	3.69	%
Craig C. Bram	71,681	(3)	1.24	%
Cheryl C. Carter	32,972	(4)	*	
Carroll D. Vinson	26,476		*	
Charles E. Stieg	18,756	(5)	*	
Richard D. Sieradzki	4,937	(6)	*	
J. Kyle Pennington	3,713	(7)	*	
James W. Terry, Jr.	2,624		*	
Henry L. Guy	1,124		*	
Anthony A. Callander	-		*	
All Directors, Nominees and Executive Officers as a group (11 persons)	596,801	(8)	10.36	%

*Less than 1%
(1) Includes 26,984 shares held by an IRA; and 93,750 shares owned by his spouse, as to which Mr. Lane disclaims beneficial ownership.
(2) Includes indirect ownership of 35,580 shares held by an IRA; 4,830 held by spouse; and 11,890 held in custodial accounts for minor children.
(3) Includes 9,524 shares held by his spouse; 835 shares allocated under the Company's 401(k)/ESOP; and 20,000 shares which are subject to currently exercisable options.
(4) Includes 7,130 shares allocated under the Company's 401(k)/ESOP; and 10,000 shares which are subject to currently exercisable options.
(5) Includes 3,726 shares allocated under the Company's 401(k)/ESOP.
(6) Includes 3,277 shares allocated under the Company's 401(k)/ESOP.
(7) Includes 3,313 shares allocated under the Company's 401(k)/ESOP.
(8) Includes exercisable options to purchase 30,000 shares of Common Stock that beneficial owners have a right to acquire within 60 days; and 18,281 shares allocated under the Company's 401(k)/ESOP.

PROPOSAL 1 - 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/Corporate Governance 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 proxy agents named in the Board of Directors’ form of proxy that accompanies this Proxy Statement 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.

Vote Required

Directors will be elected by a plurality of the votes cast. Votes that are withheld or shares that are not voted will have no effect on the outcome of the election of Directors.

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 and 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 27, 2012.

Name, Age, Principal Occupation, Other Directorships and Other Information	Director Since
Craig C. Bram, age 53 Mr. Bram became CEO and a director of Synalloy on January 24, 2011. From 2004 until September 24, 2010, he served as a director of the Company. He was the founder and has been President of Horizon Capital Management, Inc., an investment advisory firm located in Richmond, VA since 1995. Mr. Bram was the CEO of Bizport, Ltd., a document management company in Richmond, VA, from 2002 through 2010. Mr. Bram serves on the Executive Committee.	2004
Anthony A. Callander, age 65 Mr. Callander was appointed Upstate Managing Director by The Hobbs Group, a CPA firm in Columbia, SC, effective January 2012. He retired from Ernst & Young, LLP in 2008 after 36 years in their Columbia, SC, Greenville, SC and Atlanta, GA offices. He served as a Partner in the firm’s audit and assurance practice and in various other roles including Office Managing Partner of the Columbia and Greenville offices, and leading the Southeast manufacturing industry group. He is an active entrepreneur with direct business interest in several Zaxby’s franchise restaurants.	Nominee
Henry L. Guy, age 43 Mr. Guy is the President & CEO of Modern Holdings Incorporated, a diversified holding company with investments primarily in the telecommunications, media, healthcare and energy industries. Mr. Guy joined the firm in 2002 and has led investments in over thirty Modern Holdings subsidiaries. Mr. Guy is also a managing director of Anima Regni Partners, a private single family investment office with offices in the United States, Luxembourg and Sweden. Mr. Guy serves on the Compensation & Long-Term Incentive and the Nominating/Corporate Governance Committees.	2011

Carroll D. Vinson, age 71 Prior to his retirement, Mr. Vinson was Principal and Managing Member of VH, LLC, a private real estate investment company, from 2000 to 2007. Other experience includes Chief Operating Officer of Insignia Properties Trust, a real estate investment trust; Director and President of Metropolitan Asset Enhancement Group, a series of real estate investment entities; President of Insignia Financial Group, Inc., a real estate services and merchant banking company; and Partner with a national firm of certified public accountants. He is a member of the Audit, Executive, Nominating/Corporate Governance and Compensation & Long-Term Incentive Committees.	1987

Name, Age, Principal Occupation, Other Directorships and Other Information	Director Since
Murray H. Wright, age 66 Mr. Wright became a Partner at the law firm of VanDeventer Black LLP, Richmond, VA in 2011 where he served as Senior Counsel since 2009. He is also founder and managing director of Avitas Capital, LLC, a closely held investment banking firm, founded in 1999, in Richmond, VA. In 1986, he founded the law firm of Wright, Robinson, Osthimer & Tatum, Richmond, VA, and served as Chief Executive Officer of the law firm from 1986 until his retirement in 2006. He serves on the Audit, Nominating/Corporate Governance and Compensation & Long-Term Incentive Committees.	2001
James W. Terry, Jr., age 64 Mr. Terry has been the President of Hollingsworth Funds, Inc., Greenville, SC, a charitable foundation, since October 2009. His career has been principally in the banking industry where he served most recently as President of Carolina First Bank, Greenville, SC from 1991 to 2008. Mr. Terry serves on the Audit and Compensation & Long-Term Incentive Committees.	2011

The Nominating/Corporate Governance Committee believes the combined business and professional experience of the Company's directors, and their various areas of expertise make them a useful resource to management and qualify them for service on the Board. Half of the Company's Board members, including Mr. Vinson, Mr. Wright and Mr. Bram, have served on the Board for a significant period of time. During their tenures, these directors have gained considerable institutional knowledge about the Company and its operations, which has made them effective board members. Because the Company's operations are complex, continuity of service and this development of institutional knowledge help make the Board more efficient and more effective at developing long-range plans than it would be if there were frequent turnover in Board membership. When Board members retire from the Board, the Nominating Committee seeks replacements who it believes will make significant contributions to the Board for a variety of reasons, including among others, business and financial experience and expertise, business and government contacts, relationship skills, knowledge of the Company, and diversity.

The Nominating/Corporate Governance Committee believes the current Board members are highly qualified to serve and each member has unique qualifications and business expertise that benefit the Company. Mr. Vinson was a CPA and a Partner with a national firm of certified public accountants. He has extensive experience in the real estate investment business having served in a variety of positions including Chief Operating Officer, Director and President of a major real estate services and merchant banking company. Mr. Wright's career as a trial lawyer, founder and Chief Executive Officer of a law firm and his business and financial experience as managing director of a closely held investment banking firm are considered to be valuable attributes to the Board. Mr. Bram has over 30 years' experience in business management, financial operations, logistics, management consulting, business start-ups and strategic planning for a variety of companies. Mr. Bram was employed by the Reynolds Metals Company, a global aluminum manufacturer, in their corporate Logistics and Sales and Marketing departments. He is an investor in multiple private businesses and real estate ventures and also serves on the boards of several private companies where, until his appointment as CEO of the Company, he played an active role in their day-to-day operations. Filling a vacancy, Mr. Terry joined the Board in August 2011. He brings a wealth of experience in the banking industry where he spent more than 35 years including 17 years as President of a bank where he managed and directed an 85-branch statewide network growing the asset structure from approximately $300 million in 1991 to over $6 billion in 2008. In his current role at Hollingsworth Funds, Mr. Terry manages and administers a non-profit fund exceeding $100 million and is responsible for investment asset management, expense and accounting functionality for all subsidiary operations with assets exceeding $400 million. We believe Mr. Terry's banking experience is valuable in helping the Company evaluate financing options as well as acquisitions. Named to the Board in August 2011 to fill a vacancy of a retiring director, Mr. Guy's primary career focus has been in the area of private investments. His expertise and experience in this area are valuable tools as the Company focuses on growing through acquisitions. Mr. Callander spent his career in the audit and assurance practice with significant experience in auditing, mergers and acquisitions, initial public offerings and other financings, reorganizations, business process improvement and business strategy development. From 199_ to 200_, while with Ernst & Young, Mr. Callander served as the audit partner on the Company's independent audits, giving him in depth experience and knowledge about the Company. Mr. Callander, a CPA, also meets the criteria of a financial expert. Messrs. Terry and Callander were recommended as potential nominees by a non-management director and Mr. Guy was recommended by an outside source.

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 (the NASDAQ Rules): James Lane, Jr., Carroll Vinson, Murray Wright, James Terry and Henry Guy. Mr. Callander, who is a first-time nominee for director, is also independent under the NASDAQ Rules. Sibyl Fishburn and Jeffrey Kaczka, who both served on the Board for part of 2011, were also independent under the NASDAQ Rules. Mr. Lane is retiring from the Board and will not stand for re-election at this Annual Meeting. The Board has also determined that each of the current members of the Audit Committee, the Compensation & Long-Term Incentive Committee and the Nominating/Corporate Governance Committee is independent within the meaning of the NASDAQ Rules, and each person who served on such committees at any time during 2011 was independent under the NASDAQ Rules...

Board and Board Committee Meetings and Attendance at Shareholder Meetings. During fiscal year 2011, the Board of Directors met six 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 Craig Bram. 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 2011.

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 James Terry. 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 seven 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, reviewed and discussed the Forms 10-Q for each quarter with management and the independent auditors prior to filing with the Securities and Exchange Commission ("SEC"), met independently with the independent auditors, interviewed and selected the independent auditors, reviewed the Audit Committee Charter, and had oversight of the Company's Code of Conduct and Internal Audit.

Compensation & Long-Term Incentive Committee. The Compensation & Long-Term Incentive Committee is currently comprised of Murray Wright, Chair, James Terry and Henry Guy, all of whom are independent as defined in the NASDAQ Rules. This Committee acts pursuant to a written charter which is available on the Company's website at www.synalloy.com. This Committee met twice during the last fiscal year. During these meetings, the Committee reviewed and approved salaries, bonuses, incentive compensation and benefits for executive officers of

9

the Company, and administered and made recommendations with respect to the Company's stock grant and option plans, including the granting of shares thereunder, and reviewed the Committee's charter.

The Committee sets the compensation for the CEO. It considers recommendations from the Company's Chief Executive Officer in setting compensation for other senior executive 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.

Nominating/Corporate Governance Committee. The Nominating/Corporate Governance Committee is comprised of Murray Wright, Chair, Carroll Vinson and Henry Guy, all of whom are independent as defined in the NASDAQ Rules. This Committee acts pursuant to a written charter which is available on the Company's website at www.synalloy.com. This Committee is responsible for reviewing and recommending changes in the 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 SEC, NASDAQ, and other governing authorities, and as required by the Sarbanes Oxley Act. This Committee met twice in 2011.

Compensation Committee Interlocks and Insider Participation. Murray Wright, James Terry, Henry Guy, Carroll Vinson and Sibyl Fishburn served on the Compensation & Long-Term Incentive Committee during 2011.

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. The Company does not, however, have a formal written policy setting out these procedures. There were no such transactions during the year ended December 31, 2011, except, after his planned retirement effective April 30, 2011, Mr. Ronald Braam, former CEO, has a two-year agreement through May 1, 2013 whereby he serves in a consulting role to the Board of Directors in regard to the activities of the Chemicals Segment including assisting the CEO in reviewing potential acquisitions and serving as an advisor to the management staff. Under this agreement, Mr. Braam was paid $37,333 in 2011 and his 2012 compensation is expected to be $56,000.

CORPORATE GOVERNANCE

Board Leadership Structure and Board's Role in Risk Oversight

Our Bylaws provide for a Chairman elected by the Board from among its members, and our Bylaws further provide that two or more offices may be held by the same person. Our Bylaws also make it clear that the business and affairs of the Company are managed under the direction of the Board of Directors, and that management control is subject to the authority of the Board of Directors to appoint and remove any of our officers at any time. Our Board does not have a specific policy as to whether the role of Chairman and Chief Executive Officer should be held by separate persons, but rather makes an assessment of the appropriate form of leadership structure on a case-by-case basis. The Board believes that this issue can be a part of the succession planning process and recognizes that there are various circumstances that weigh in favor of or against both combination and separation of these offices. In fact, within the last decade we have employed both structures – combined offices and separate offices. The Board believes it is in the best interests of the Company for the Board to make such a determination in light of current circumstances when it considers the selection of a new Chief Executive Officer or at such other time as is appropriate.

Since 2002, the roles of Chairman and Chief Executive Officer have been held by separate persons. Our current Chairman, Mr. Lane, served as Chairman and Chief Executive Officer from 1987 until his retirement as Chief Executive Officer in 2002. Because of his extensive knowledge of the business and operations of our Company, the Board believed it appropriate, and in our Company's best interests, for him to continue to serve as Chairman upon election of the Chief Executive Officers who succeeded him, and upon election of our current Chief Executive Officer. In this role, he has provided important insights to the Board, and his institutional knowledge and experience with our Company have made him a valuable resource to our Chief Executive Officer, other members of management, and our Board. Mr. Lane is retiring from the Board and will not stand for re-election at this Annual Meeting. The Company believes that the ideal plan is for the two roles to be separated. In 2012, we will elect a Chairman from the pool of independent directors.

Our Board is actively involved in the oversight of risks that could affect our Company. The Board receives regular reports from members of senior management on areas of material risk to us, including operational, financial, legal and regulatory, and strategic risks. These reports are reviewed by the full Board, or, where responsibility for a particular area of risk oversight is delegated to a committee of the Board, that committee reviews the report and then reports to the full Board. The Audit Committee's Charter requires the Committee to inquire of management and the registered public accountants about significant risks or exposures and assess the steps management has taken to manage such risks, and further requires the Committee to discuss with the registered public accountants the Company's policies and procedures to assess, monitor, and manage business risk, and legal and ethical compliance programs (e.g., the Company's Code of Conduct).

Director Qualifications and Nomination Process

In recommending and evaluating candidates, the Nominating/Corporate Governance 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. Although the Nominating/Corporate Governance Committee does not have a specific policy with regard to the consideration of diversity in identifying director nominees, the Committee considers racial and gender diversity, as well as diversity in business and educational experience among all of the directors, as part of the total mix of information it takes into account in identifying nominees. 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/Corporate Governance 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/Corporate Governance 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/Corporate Governance Committee for consideration as a Board of Directors' nominee, the shareholder must submit in writing to the Nominating/Corporate Governance 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 at the Company's corporate office for transmission to the Nominating/Corporate Governance 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

11

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/Corporate Governance 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.

Director Compensation

In 2011, non-employee directors were paid an annual retainer of $35,000, and each director elected to receive $15,000 of the retainer in restricted stock. Directors who did not serve the full year received a pro rata amount of the $15,000 in restricted stock. The number of restricted shares issued is determined by the average of the high and low stock price on the day prior to the Annual Meeting of Shareholders or the date prior to the appointment to the Board. In 2011, non-employee directors received restricted stock as follows: Messrs. Lane, Vinson and Wright - 998 shares; Messrs. Guy and Terry – 1,124 shares, Mrs. Fishburn - 499 shares and Mr. Kaczka – 249 shares (an aggregate of 5,990 shares). The shares granted to the directors are not registered under the Securities Act of 1933 and are subject to forfeiture in whole or in part upon the occurrence of certain events.

For the 2012-13 year, non-employee directors will be paid an annual retainer of $45,000 and each director will have the opportunity to elect to receive $20,000 of the retainer in restricted stock.

In addition, directors are compensated $1,500 for each board meeting attended in person; $1,000 for each telephone Board meeting; and $1,000 for attendance at committee meetings not held on Board meeting days. The Chairman of the Board, the Audit Committee and the Compensation & Long-Term Incentive Committee Chairs receive additional annual compensation of $5,000 each. Directors are reimbursed for travel and other expenses related to attendance at meetings. Directors who are employees are not paid extra compensation for service on the Board or any committee of the Board.

The following table sets forth information about compensation paid by the Company to non-employee directors for the year ended December 31, 2011.

Name (a)	Fees Earned or Paid in Cash ($) (1) (b)	Total ($) (h)
Henry L. Guy	16,877	16,877
James G. Lane, Jr.	49,574	49,574
James W. Terry, Jr.	19,377	19,377
Carroll D. Vinson	59,574	59,574
Murray H. Wright	56,574	56,574
Sibyl N. Fishburn	32,884	32,884
Jeffrey Kaczka	12,240	12,240

(1) As discussed above, each director elected to be paid $15,000 of his/her annual retainer in stock pro rata to his/her service on the Board. For 2011, directors received shares in lieu of cash as follows: 998 shares each for Messrs. Lane, Vinson and Wright, 1,124 shares for Messrs. Guy and Terry, 499 shares for Mrs. Fishburn and 249 shares for Mr. Kaczka.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's directors and executive officers, and any persons who own more than 10% of the Common Stock of the Company to file with the Securities and Exchange Commission reports of beneficial ownership and changes in beneficial ownership of Common Stock. Officers and directors are required by SEC regulation to furnish the Company with copies of all Section 16(a) forms they file. Based solely on review of the copies of such reports furnished to the Company or written representations that no other reports were required, the Company believes that, during 2011, all filing requirements applicable to its officers and directors were met on a timely basis.

Codes of Conduct

Our Board has formally adopted a Code of Corporate Conduct that applies to all of our employees, officers and directors. Our Board formally adopted a separate Code of Ethics for our Chief Executive Officer and senior financial officers, which applies to our CEO, CFO, Controller and all other senior financial and accounting executives. We intend to satisfy the disclosure requirement regarding any amendment to, or waiver of, a provision of the Code of Ethics for the Company’s CEO, CFO and Controller, or persons performing similar functions, by posting such information on the Company’s website.

There were no amendments to, or waivers of, any provision of the Code of Corporate Conduct or the Code of Ethics for the Company’s CEO, CFO, Controller, or any persons performing similar functions during fiscal year 2011. Copies of these codes are available on our website at www.synalloy.com.

EXECUTIVE OFFICERS

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

Name, Age and Principal Position and Five-Year Business Experience
Richard D. Sieradzki, age 57 Mr. Sieradzki, a certified public accountant, was named Chief Financial Officer and Vice President, Finance effective June 18, 2010. He served as interim CFO from April 5, 2010 until his appointment as CFO and Vice President, Finance. In June 2007, he joined Synalloy as Assistant Vice President, Finance. Prior to joining the Company, he was employed by Buffets, Inc. – Ryan's Division as Divisional Vice President, Finance from 2006 to 2007 and from 1988 to 2006, he was Vice President, Accounting and Corporate Controller at Ryan's Restaurant Group, Inc.
J. Kyle Pennington, age 54 Mr. Pennington has served as President of Bristol Metals, LLC, a subsidiary of the Company, since July 2011. He was President of Bristol Metals, LLC's Brismet Pipe Division from September 2009 to July 2011; Vice President of Manufacturing , Bristol Metals, LLC from December 2007 through September 2009. From 2006 to 2007, Mr. Pennington was Manufacturing/Logistics Manager at General Dynamics, Kilgore, TX; and from 2005 to 2006, he was Manager, Universal Packaging, Dell Computer Corporation, Nashville, TN. Prior to joining Bristol Metals in 2007, Mr. Pennington worked for 17 years in the metals industry including 12 years' experience in executive management and service on the Board of Directors of Texas & Northern Industries, a Lone Star Steel subsidiary.
Cheryl C. Carter, age 61 Ms. Carter has served as Corporate Secretary since 1987 and Director of Human Resources since 2006.
Charles E. Stieg, age 67 Mr. Stieg was named President of Manufacturers Chemicals, LLC, a subsidiary of the Company, in September 2008. Prior to that he served as Vice President, Operations from 1997 to 2008.

DISCUSSION OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This Compensation Discussion and Analysis ("CD&A") describes our compensation program and policies, and explains how the Board's Compensation & Long-Term Incentive Committee ("Committee") established goals, reviewed performance measures, and decided compensation for our Named Executive Officers ("NEOs") in fiscal year 2011.

Section I: Executive Summary

2011 Financial and Operational Performance

Fiscal 2011 was marked by several major accomplishments:

- We hired a new CEO.
- We restructured our Metals Segment, combining both business units under the same leadership.
- All business units have new sales leadership.
- Our BRISMET pipe manufacturing unit enjoyed a major turnaround in profitability.
- Our Chemicals Segment is poised for new business development with a major capital investment.

Fiscal 2011 highlights include:

- Increasing our revenues by 13% over 2010.
- Increasing our net earnings per share by 44% over 2010.
- Improving our safety record by reducing OSHA frequency rates at each of our business units in 2011.

2011 Compensation Overview

The Company's goal is to attract and retain highly motivated and talented executives and to ensure a strong link between executive pay, company performance and shareholder value. Our compensation programs are simple and straight forward, and consist of three main components: base salary and short-term and long-term at-risk incentives which are payable only if financial business objectives are achieved.

We implemented a new incentive compensation program for 2011   The 2011 Short-Term Cash Incentive and Options Plan (the "2011 Incentive Plan"). In designing the 2011 Incentive Plan, we had several primary goals:

- A simple, straight-forward pay-for-results approach that allows executives to see the connection between every additional dollar that goes to pre-tax income and its contribution to their annual cash incentive.

- Exclusion of inventory profits and losses from our Metals unit, over which our executives have no control, and instead, a focus on the core earnings of the business.

- A stronger link to pay-for-performance that includes metrics that affect pre-tax earnings over which executives have direct influence, such as safety and inventory turnovers. Because safety is a top priority at our Company, the plan penalizes the operating unit executives' incentive compensation for each lost-time accident in their division, and also reduces the CEO and corporate executives' cash incentives for lost-time accidents. Because inventory cost is a key metric that affects our operating results, the plan requires business unit and corporate executives to meet established inventory turnover goals for each business unit.

- A simple calculation process for short term cash incentives, which sets a stated pre-tax income goal for each business unit and the Company as a whole so that each participant would know at the beginning of the year what percentage of the incentive pool was his or hers and could track it every month to keep him or her focused on growing pre-tax income. For 2011, we set a baseline pre-tax income target range using the prior five-year average for each business unit and the Company as a whole. For 2012 and thereafter, the pre-tax income targets will be tied to achieving the Board approved budgets each year. The target range for each business unit and the Company as a whole will be from 90% to 100% of the 2012 budget.

- Aligning the interests of our executives with those of our shareholders through a long-term equity compensation component that consists of stock option grants tied directly to achieving pre-tax income targets. For 2011, option grants equal to 20% to 37.5% of executives' base salary were granted under the 2011 Long-Term Incentive Stock Option Plan.

For 2011, all business units and the combined Company met or exceeded their pre-tax income targets. As a result, all of our executives earned short-term cash incentive awards and long-term equity incentive awards. Fiscal year 2011 base salary and incentive compensation is commensurate with the Company's performance, reflecting the Company's "pay-for-results" philosophy as described in the sections below.

Section II: Objectives, Elements, and Policies of Compensation Program

Objectives of Our Executive Compensation Program

The three major objectives of our executive compensation program and the ways these objectives are achieved are listed in the following table:

15

Compensation Objective	How Objective is Achieved
Rewarding executives for achieving financial goals	The annual cash incentive plan has pre-tax income target ranges for each operating unit and the Company combined. Executives are rewarded higher incentives when above target ranges are met, while lower incentives are paid when target ranges are not achieved. The long-term equity component consists of stock option grants that are tied directly to achieving pre-tax income targets. No stock options are granted when target ranges are not achieved.
Attracting and retaining highly motivated and talented executives	The annual cash incentive plan has a discretionary element that allows for special recognition, for adjustment to unique market conditions, or for corrections for temporary external and internal inequities. Pay-for-performance emphasis attracts executives who are innovative and willing to risk a larger share of their compensation on their own performance and the performance of the Company.
Aligning the interests of executives with the interests of shareholders	Stock options have multi-year time vesting elements with forfeiture of unvested awards if an executive leaves the Company prior to vesting. Retirement plan provides Company ownership with match in Company stock.

Elements of Our Executive Compensation Program

The various elements of executive compensation, along with a brief summary description and purpose are listed in the following table. A more detailed description of each element follows later in this section.

Program	Description and Purpose
Base Salary (Reflected in the “Salary” column of the Summary Compensation Table)	Annual base salary is a tool to provide executives with a reasonable level of fixed income relative to the responsibility of the positions they hold.
Annual Short-Term Cash Incentive (Reflected in the “Non-Equity Incentive Plan Compensation” column of the Summary Compensation Table)	This plan provides annual short-term cash incentives to our executives for achieving pre-tax income targets that are established by the Committee each fiscal year.

Long-Term Incentive – Stock Options (Reflected in the “Stock Options” column of the Summary Compensation Table)	This element emphasizes shareholder value by encouraging stock ownership. One hundred percent (100%) of long-term incentive compensation annual value for NEOs is in the form of equity instruments, primarily stock options. This aligns the interests of our executives with our shareholders. In 2011, the dollar value of stock option grants to NEOs equaled 20% to 37.5% of their annual base salary.

Benefit Programs Health, Welfare and Retirement Programs (Reflected in the "All Other Compensation" column of the Summary Compensation Table)	Our executives participate in the group benefit programs on the same terms as other salaried employees. Our benefits are market competitive and are designed to help protect the health and welfare of the employees (and families) as well as provide retirement benefits.