

SYNALLOY CORP

Form DEF 14A

April 06, 2015

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 (Amendment No. __)

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 Under 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(c)(1)(ii), 14a-6(i)(1), or 14a6(i)(2) or Item 22a(2) of Schedule 14A

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Form Schedule or Registration Statement No.: _____

Filing Party: _____

Date Filed: _____

SYNALLOY CORPORATION

Post Office Box 5627

Spartanburg, South Carolina 29304

NOTICE OF ANNUAL MEETING

May 13, 2015

TO THE SHAREHOLDERS OF SYNALLOY CORPORATION

Notice is hereby given that the Annual Meeting of Shareholders of Synalloy Corporation, a Delaware corporation (the "Company"), will be held at the Hilton Richmond Hotel and Spa/Short Pump in James River Salon AB, 12042 West Broad Street, Richmond, VA 23233, at 10:00 a.m. local time on Wednesday, May 13, 2015. The following important matters will be presented for your consideration.

1. Election of seven nominees listed in the Proxy Statement to the Company's Board of Directors to hold office until the 2016 Annual Meeting of Shareholders or until their successors are elected and qualified;
2. Approval to amend the Company's Certificate of Incorporation to increase the number of shares of authorized Common Stock of the Company from 12,000,000 to 24,000,000 shares;
3. Approval to amend the Company's Certificate of Incorporation to nullify cumulative voting at any election of directors;
4. Approval of the Synalloy Corporation 2015 Stock Awards Plan;
5. Approval, on a non-binding advisory basis, of the compensation of our named executive officers (say on pay);
6. Ratification of the Audit Committee's selection of Dixon Hughes Goodman LLP as our independent registered public accounting firm for the fiscal year ending January 2, 2016; and
7. 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 March 16, 2015 are entitled to notice of and to vote at the meeting.

By order of the Board of Directors

Cheryl C. Carter
Secretary

Spartanburg, South Carolina

April 13, 2015

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 shareholder of record and attend the meeting, you may either use your proxy, or withdraw your proxy and vote in person.

The 2014 Annual Report on Form 10-K is furnished herewith.

SYNALLOY CORPORATION
 2015 Proxy Statement
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SYNALLOY CORPORATION
775 SPARTAN BOULEVARD, SUITE 102
POST OFFICE BOX 5627
SPARTANBURG, SOUTH CAROLINA 29304
PROXY STATEMENT
ANNUAL MEETING OF SHAREHOLDERS
May 13, 2015

The 2014 Annual Report to Shareholders, including our 2014 Form 10-K, is being made available to shareholders together with these proxy materials on or about April 13, 2015.

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

When and where will the Annual Meeting be held?

The Annual Meeting of Shareholders of Synalloy Corporation (the "Company") will be held at the Hilton Richmond Hotel and Spa/Short Pump in James River Salon AB, 12042 West Broad Street, Richmond, VA 23233, at 10:00 a.m. local time on Wednesday, May 13, 2015. For directions to the meeting site, please go to <http://investor.synalloy.com/events.cfm>.

Who is soliciting my proxy?

Our Board is soliciting your proxy to vote on all matters scheduled to come before the 2015 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 seven director nominees listed in this Proxy Statement; approve amending the Company's Certificate of Incorporation to increase the number of authorized shares of Common Stock of the Company from 12,000,000 to 24,000,000 shares; amend the Company's Certificate of Incorporation to nullify cumulative voting at any election of directors; approve the Synalloy Corporation 2015 Stock Awards Plan; approve, on an advisory basis, 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 seven of the director nominees listed in this Proxy Statement;

FOR amending Article IV of the Company's Certificate of Incorporation to increase the number of authorized shares of Common Stock of the Company from 12,000,000 to 24,000,000 shares;

FOR amending Article IV of the Company's Certificate of Incorporation to nullify cumulative voting at any election of the directors;

FOR the approval of the Synalloy Corporation 2015 Stock Awards Plan;

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

FOR the ratification of the appointment of Dixon Hughes Goodman LLP as our independent registered public accounting firm for the fiscal year ending January 2, 2016.

How many votes may I cast?

You may cast one vote for every share of our Common Stock that you owned on March 16, 2015 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 you multiplied by the number of directors to be elected, or (2) by distributing your votes on the same principle among any number of candidates.

How many shares are eligible to be voted?

On March 16, 2015, the record date, the Company had 8,717,256 shares of Common Stock outstanding and eligible to be voted at the Annual Meeting (excluding 1,582,744 shares held in treasury).

How many shares must be present to hold the Annual Meeting?

Under Delaware law and our Bylaws, 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, with respect to Proposal 1 - "Election of Directors," 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, approval of Proposal 2 - "Amending Article IV of the Company's Certificate of Incorporation to increase the number of authorized shares of Common Stock of the Company from 12,000,000 to 24,000,000 shares" and Proposal 3 - "Amending Article IV of the Company's Certificate of Incorporation to nullify cumulative voting at any election of directors" requires the affirmative vote of the holders of a majority of the outstanding shares of the Company's Common Stock entitled to vote at the meeting.

Approval of Proposal 4 - "Approval of the Synalloy Corporation 2015 Stock Awards Plan," Proposal 5 - "Advisory Vote on the Compensation of our Named Executive Officers," and Proposal 6 - "Ratification of the Appointment of Our 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 eligible to vote at the meeting are voted in favor of the proposals.

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. We have engaged the services of Morrow & Co., LLC, 470 West Avenue, Stamford, CT 06902, a firm specializing in proxy solicitation, to solicit proxies for a fee estimated at approximately \$8,500 plus reimbursement of out-of-pocket expenses.

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 the election of directors, amending the Company's Certificate of Incorporation to increase the number of authorized shares, amending the Company's Certification of Incorporation to nullify cumulative voting at any election of directors, the Synalloy Corporation 2015 Stock Awards Plan or the advisory vote 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)/ESOP Plan

If you are a participant in the Synalloy Corporation 401(k) Plan/Employee Stock Ownership Plan (the "401(k)/ESOP Plan") and you own shares of our Common Stock through the 401(k)/ESOP Plan, the proxy card sent to you will also serve as your voting instruction card to the 401(k)/ESOP Plan trustee, who actually votes the shares of our Common Stock that you own through the 401(k)/ESOP Plan. If you do not provide voting instructions for these shares to the trustee by 5:00 p.m., local time, May 7, 2015 (the "plan cut-off date"), as directed by the terms of the 401(k)/ESOP Plan, the Company, in its capacity as the 401(k)/ESOP Plan administrator, will instruct the trustee to vote those 401(k)/ESOP Plan shares "FOR" all the director nominees named in this Proxy Statement and "FOR" all other proposals.

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 meeting date or the plan cut-off date for 401(k)/ESOP Plan participants. 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 meeting date or the plan cut-off date for 401(k)/ESOP Plan participants. 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.

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 through 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 Proposals 1, 2, 3, 4 and 5, 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 Proposals 1, 2, 3, 4 and 5.

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: Corporate 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 MAY 13, 2015**

The Company's 2014 Annual Report to Shareholders, 2014 Annual Report on Form 10-K and 2015 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 Annual Report on Form 10-K for the fiscal year ended January 3, 2015 as filed with the Securities and Exchange Commission ("SEC"), accompanies this Proxy Statement. Copies of exhibits to the 2014 Annual Report on Form 10-K will be provided upon written request to Cheryl C. Carter, Corporate Secretary, Synalloy Corporation, Post Office Box 5627, Spartanburg, SC 29304 at a charge of \$.10 per page. Copies of the 2014 Annual Report on Form 10-K and exhibits may also be downloaded from the SEC's website at <http://www.sec.gov>. The 2014 Annual Report on Form 10-K does not form any part of the material for soliciting proxies.

BENEFICIAL OWNERS OF MORE THAN FIVE PERCENT (5%) 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 percent (5%) of the Company's Common Stock as of December 31, 2014. This information has been obtained from Schedules 13D and 13G, and related amendments, filed with the SEC, 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	844,750	(1) 9.70
Markel Corporation 4521 Highwoods Parkway Glen Allen, VA 23060-3382	785,343	9.02
Van Den Berg Management, Inc. 805 Las Cimas Parkway, Suite 430 Austin, TX 78746	706,221	(2) 8.11
T. Rowe Price Associates, Inc. 100 E. Pratt Street Baltimore, MD 21202	461,671	(3) 5.30

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

(2) Van Den Berg Management, Inc. is an investment advisor registered with the SEC under the Investment Advisors Act of 1940.

(3) These securities are owned by various individual and institutional investors (including T. Rowe Price Small-Cap Value Fund, Inc., which owns 416,181 shares, representing 4.77% 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 March 16, 2015 by each director and nominee for director, each current executive officer of the Company for whom compensation information is disclosed under the heading "Discussion of Executive Compensation," and are the directors, nominees for director and executive officers of the Company as a group.

Name of Beneficial Owner	Common Stock Beneficially Owned	Percent of Class
Craig C. Bram	156,792	(1) 1.87%
Murray H. Wright	111,913	(2) 1.33%
Cheryl C. Carter	37,579	(3) *
James W. Terry, Jr.	19,201	(4) *
J. Kyle Pennington	14,748	(5) *
Richard D. Sieradzki	13,958	(6) *
Henry L. Guy	7,355	(7) *
Anthony A. Callander	4,856	*
Amy J. Michtich	2,886	*

Vincent W. White	2,000	*
All Directors, Nominees and Executive Officers as a group (15 persons)	399,608	(8) 4.76%

Footnotes to the table are on the next page.

*Less than 1%

(1) Includes 11,524 shares held by his spouse; 6,448 shares allocated under the Company's 401(k)/ESOP Plan; and 70,037 shares which are subject to currently exercisable options.

(2) Includes indirect ownership of 20,000 shares held by an IRA; 4,830 held by his spouse; 5,630 shares held in a custodial account for a minor child; and, 80,350 shares held in a revocable trust.

(3) Includes 9,267 shares allocated under the Company's 401(k)/ESOP Plan; and 2,143 shares which are subject to currently exercisable options.

(4) Includes 14,000 shares held by an IRA.

(5) Includes 5,222 shares allocated under the Company's 401(k)/ESOP Plan; and 3,578 shares which are subject to currently exercisable options.

(6) Includes 5,389 shares allocated under the Company's 401(k)/ESOP Plan; and 3,076 shares which are subject to currently exercisable options.

(7) Includes 520 shares held in custodial accounts for minor children.

(8) Includes 40,521 shares allocated under the Company's 401(k)/ESOP Plan; and 82,976 shares which are subject to currently exercisable options. The beneficial owners have a right to acquire such shares within 60 days of March 16, 2015.

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 seven members and recommends that the seven 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 of the seven persons named below as directors. 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.

Board Recommendation

THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS VOTE "FOR" THE ELECTION OF THE SEVEN NOMINEES LISTED BELOW AS DIRECTORS OF THE COMPANY.

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The following table sets forth the names of nominees for director, their ages, the years in which they were first elected directors, if applicable, 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 March 16, 2015.

Name, Age, Principal Occupation, Other Directorships and Other Information	Director Since
<p>Craig C. Bram, age 56 Mr. Bram became President, Chief Executive Officer ("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 Chief Executive Officer of Bizport, Ltd., a document management company in Richmond, VA, from 2002 through 2010.</p>	2004
<p>Anthony A. Callander, age 68 Mr. Callander was appointed Upstate Managing Director by The Hobbs Group, a certified public accounting ("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 serves on the Board of a non-charitable organization and is an active entrepreneur in various private enterprises. Mr. Callander serves on the Audit and Nominating/Corporate Governance Committees.</p>	2012
<p>Henry L. Guy, age 46 Mr. Guy is the President and Chief Executive Officer 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 30 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 Audit Committees.</p>	2011
<p>Amy J. Michtich, age 46 Ms. Michtich has been the Brewery Vice President and Plant Manager of the MillerCoors-Shenandoah Brewery, Rockingham County, VA, since June 2009. From November 2007 to 2009, she served as the Operations Manager at Miller Brewing Company in Milwaukee, WI. (Effective July 1, 2008, Miller Brewing Company and Coors Brewing Company formed a joint venture). Prior to 2007, Ms. Michtich held executive and operations leadership positions across various consumer package goods companies including Pepsi Bottling Group, Clorox and Lipton. She serves on the Compensation & Long-Term Incentive and Nominating/Corporate Governance Committees.</p>	2014
<p>James W. Terry, Jr., age 67 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, Compensation & Long-Term Incentive and Nominating/Corporate Governance Committees.</p>	2011
<p>Vincent W. White, age 57 Mr. White is engaged in real estate lending, investing and development activities and provides consulting services to publicly-held companies and institutional investors. In 2014 he retired from Devon Energy Corporation, a Fortune 500 oil and gas producer, after 21 years of service in various roles of increasing responsibility. Most recently, he served as Devon's Senior Vice President of Communications and Investor Relations. Mr. White is involved in various philanthropic endeavors and serves of the Boards of several non-profit organizations. He is a member of the National Investor Relations Institute's Senior Roundtable and the American Institute of Certified Public Accountants.</p>	Nominee
<p>Murray H. Wright, age 69</p>	2001

Mr. Wright has served as Chairman of the Board of Synalloy since 2014. He became employed as Senior Counsel at the Richmond, VA law firm of DuretteCrump, PLC in January 2013. From 2011 until January 2013, he was a Partner at the VanDeventer Black LLP law firm, Richmond, VA, where he served as Senior Counsel from 2009 to 2011. From 1999 to 2012, he was a founder and managing director of Avitas Capital, LLC, a closely held investment banking firm in Richmond, VA.

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. Messrs. Wright and 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 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 a Board member decides not to run for re-election, the Nominating/Corporate Governance Committee seeks replacement directors 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. 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. 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. A Board member since August 2011, 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 1998 to 2003, 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. Amy Michtich joined the Board in 2014 and has served in executive and operations leadership positions with several large union and non-union manufacturing businesses. She has significant experience in the areas of human resources, manufacturing operations, environmental and safety. Mr. White, a first-time director nominee, brings expertise in the oil and gas industry, and with Synalloy's increased presence in the energy markets, the Nominating/Corporate Governance Committee was particularly interested in adding expertise to support this effort. He has experience in the areas of mergers and acquisitions, and public and media relations. Mr. White is also a CPA.

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 applicable rules of the NASDAQ Stock Market LLC (the "NASDAQ Rules"): Anthony Callander, Henry Guy, Amy Michtich, James Terry and Murray Wright. 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 2014 was independent under the NASDAQ Rules.

Board and Board Committee Meetings and Attendance at Shareholder Meetings. During fiscal year 2014, 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 annual meetings of shareholders. Last year, all directors attended the 2014 Annual Meeting. The Company has standing Audit, Compensation & Long-Term Incentive and Nominating/Corporate Governance Committees of the Board of Directors.

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 Anthony Callander, Chair, Henry Guy 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 and meets the independence requirements of Rule 10A-3 under the Securities Exchange Act of 1934. The Audit Committee held six meetings during the year. During these meetings, the Audit Committee reviewed and discussed

with management and the independent auditors prior to filing with the SEC the audited financial statements to be included in the Company's Annual Report on Form 10-K and the Form 10-Q for each quarter, met independently with the independent auditors, reviewed the Audit Committee's 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 Henry Guy, Chair, Amy Michtich and James Terry, 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 five times during the last fiscal year. During these meetings, the committee reviewed and approved salaries, bonuses, incentive compensation and benefits for executive officers of the Company, and administered and made recommendations with respect to

the Company's 2014 and 2015 Short-Term Cash Incentive and Options Plans, equity compensation, including the granting of shares and options thereunder, and reviewed the committee's charter.

The committee sets the compensation for the CEO. It considers recommendations from the Company's CEO 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 James Terry, Chair, Anthony Callander and Amy Michtich, 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 of 2002. This committee did not meet in 2014.

Compensation Committee Interlocks and Insider Participation. Henry Guy, Amy Michtich and James Terry served on the Compensation & Long-Term Incentive Committee during 2014. All members of the Compensation & Long-Term Incentive Committee are independent directors and none of them is a present or past employee or officer of the Company or its subsidiaries.

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 the Board of Directors. The Company does not, however, have a formal written policy setting out these procedures. There were no such transactions during the fiscal year ended January 3, 2015.

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.

Since 2002, the roles of Chairman and Chief Executive Officer have been held by separate persons. The Board believes it is appropriate, and in our Company's best interests, for the two roles to be separated. Upon Carroll Vinson's retirement in 2014, Murray Wright was elected to serve as Chairman.

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).

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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 Corporate 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 an 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. Nominations for election as directors may also be made by shareholders from the floor at an 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

For the 2014-15 term year, non-employee directors were paid an annual retainer of \$45,000, and each director was permitted to elect to receive up to 100% of the annual retainer in restricted stock. The number of restricted shares issued is determined by the average of the high and low Common Stock price on the day prior to the Annual Meeting of Shareholders or the date prior to the appointment to the Board. For 2014, non-employee directors elected by the shareholders for the 2014-15 term year received an aggregate of 7,088 shares of restricted stock in lieu of such cash retainer amount as follows: Anthony Callander - 1,604; Henry Guy - 1,443; Amy J. Michtich - 2,886; James Terry - 1,155; and Murray Wright - 0. For the 2014-15 term year, Directors were 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, and the Chairs of the Audit Committee and the Compensation & Long-Term Incentive Committee received additional annual compensation of \$5,000 each. Directors were reimbursed for travel and other expenses related to attendance at meetings.

For the 2015-16 term year, non-employee directors will be paid an annual retainer of \$50,000 and each director will have the opportunity to elect to receive up to 100% of the annual retainer in restricted stock. In addition, non-employee directors will receive \$1,750 for each board meeting attended in person; \$1,250 for each telephone board meeting; and \$1,250 for attendance at committee meetings not held on board meeting days. The Chairman of the Board, and the Chairs of the Audit Committee and the Compensation & Long-Term Incentive Committee receive additional annual compensation of \$7,500 each. Directors are reimbursed for travel and other expenses related to attendance at meetings. Directors who are employees do not receive extra compensation for service on the Board or any committee of the Board.

The shares granted to the non-employee 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.

The following table sets forth information about compensation paid by the Company to non-employee directors during fiscal 2014.

Name	Fees	
	Earned or Paid in Cash (\$) ⁽¹⁾	Total (\$)
(a)	(b)	(h)
Anthony A. Callander	61,000	61,000
Henry L. Guy	64,000	64,000
Amy J. Michtich	53,500	53,500
James W. Terry, Jr.	62,000	62,000
Carroll D. Vinson ⁽²⁾	1,500	1,500
Murray H. Wright	61,000	61,000

⁽¹⁾ As discussed above, each non-employee director was permitted to elect to receive up to 100% of the annual retainer in stock pro rata to his or her service on the Board. For 2014, non-employee directors elected by the shareholders for the 2014-15 term year received an aggregate of 7,088 shares of restricted stock in lieu of such cash retainer amount as follows: Anthony Callander - 1,604; Henry Guy - 1,443; Amy J. Michtich - 2,886; James Terry - 1,155; and Murray Wright - 0.

⁽²⁾ Mr. Vinson did not stand for re-election in 2014.

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 SEC 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 2014, 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, Chief Financial Officer ("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 2014. Copies of these codes are available on our website at www.synalloy.com.

EXECUTIVE OFFICERS

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

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

Richard D. Sieradzki, age 60

Mr. Sieradzki, a certified public accountant, was named CFO 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 57

Mr. Pennington was named President, Synalloy Metals, Inc., a subsidiary of the Company, effective January 1, 2013. He served as President, Bristol Metals, LLC, a subsidiary of the Company, from July 2011 until December 31, 2012. He was President, Bristol Metals, LLC's BRISMET Pipe Division from September 2009 to July 2011; and Vice President, Manufacturing, Bristol Metals, LLC from December 2007 through September 2009. Prior to joining the Company, 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 Company subsidiary.

Cheryl C. Carter, age 64

Ms. Carter has served as Corporate Secretary since 1987 and Director of Human Resources since 2006.

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 (the "Committee") established goals, reviewed performance measures, and decided compensation for our Named Executive Officers ("NEOs") in and for fiscal year 2014.

Section I: Executive Summary

2014 Financial and Operational Performance

Fiscal 2014 highlights and setbacks:

• Successful exit from the under-performing Fabrication business, with the closure of the Bristol Fabrication unit of Synalloy Fabrication, LLC ("BristolFab") and the sale of Ram-Fab, LLC ("Ram-Fab")

• Acquisition of Specialty Pipe & Tube, Inc.

• Major turnaround in Company's profitability from 2013

Adjusted EBITDA from continuing operations was \$27.5 million, or \$3.15 per share, up 79% from 2013's total of \$12.1 million, or \$1.88 per share

Proforma Adjusted EBITDA from continuing operations (assuming Synalloy owned Specialty Pipe & Tube, Inc. for all of 2014) was \$27.9 million, or \$3.20 per share

• The build-out of CRI Tolling, LLC was completed in 2014, and production testing started in January 2015

• The Company paid its eighth consecutive annual dividend, increasing the pay-out by 15% over 2013

2014 Compensation Overview

The Company's goal is to attract and retain highly motivated and talented executives to ensure a strong link between executive pay, Company performance and shareholder value. Our compensation programs are relatively simple and straightforward, 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.

The primary goals of the 2014 Short-Term Cash Incentive and Options Plan (the "2014 Incentive Plan") were:

• A straight-forward pay-for-results approach that allows executives to see the connection between every additional dollar that is used to calculate Adjusted EBITDA and its contribution to their annual incentive. In 2014, the

performance measurement used by the Committee was changed from pre-tax income (formerly referred to as NIBIT) to Adjusted

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EBITDA. "Adjusted EBITDA" is defined as operating income before interest, change in fair value of interest rate swap, income taxes, depreciation and amortization, excluding inventory profits and losses, acquisition costs and costs associated with raising capital.

With the Company's exit from the fabrication business in 2014, the Committee chose to focus primarily on the financial performance of the continuing operations. However, short-term cash incentives were reduced by 10% for Bristol Metals, LLC ("BRISMET"), the Metals Segment President, the Corporate Group and the CEO, to reflect the negative contribution of the Fabrication businesses prior to the closure of BristolFab and the divestiture of Ram-Fab. Exclusion of inventory profits and losses from the Metals Segment, over which our executives have no control, and instead focus on the core earnings of the continuing operations of the Company.

A stronger link to pay-for-performance that includes metrics that affect Adjusted EBITDA over which operating executives and the CEO have a direct influence. Because safety is a top priority at our Company, the plan penalizes operating unit executives' incentive compensation for each lost-time accident in their division, and also reduces the CEO's cash incentive for lost-time accidents. A percentage of the CEO's and the CFO's cash incentive is also tied to achieving the targeted cash flow budget for the Company.

A calculation process for short-term cash incentives, which sets a stated Adjusted EBITDA 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 Adjusted EBITDA. The Adjusted EBITDA target ranges are tied to achieving the Board approved budgets each year. The budget for 2014 was revised to reflect six weeks of ownership of Specialty Pipe & Tube, Inc.

For 2014, the target range for the Specialty Chemicals Segment business units was set at 95% to 105% of the approved Adjusted EBITDA budget. Within this range, the cash incentive pool was set at 4.5% of Adjusted EBITDA. If this target range was exceeded, the cash incentive pool was set at 6.5% of Adjusted EBITDA. Below the target range, down to 80% of the approved Adjusted EBITDA budget, the cash incentive pool was set at 2.25% of Adjusted EBITDA. If Adjusted EBITDA was below 80% of the approved budget, no cash incentives would be paid.

The target range for 2014 for the Metals Segment business units was set at 95% to 105% of the approved Adjusted EBITDA budget. While the Committee used only continued operations in calculating the actual Adjusted EBITDA achieved for the year, the target range included the approved budgets for the discontinued Fabrication businesses as well. For BRISMET, the cash incentive pool for performance within the target range was set at 2.5% of Adjusted EBITDA; and for Palmer of Texas Tanks, Inc. ("Palmer"), the cash incentive pool for performance within the target range was set at 3.5% of Adjusted EBITDA. For exceeding the target range, BRISMET was set at 3.5% of Adjusted EBITDA, while Palmer was set at 5.0% of Adjusted EBITDA. Below the target range, down to 80% of the approved Adjusted EBITDA budget, the cash incentive pool for BRISMET was set at 1.25% and for Palmer 1.75% of Adjusted EBITDA. Adjusted EBITDA below 80% of the approved budget would result in no cash incentives being paid.

The President of the Metals Segment in 2014 had a target range for the entire Metals Segment that was set at 95% to 105% of the approved Adjusted EBITDA budget. While the Committee used only continued operations in calculating the actual Adjusted EBITDA achieved for the year, the target range included the approved budgets for the discontinued Fabrication businesses as well. For performance within the target range, the cash incentive was set at 1.0% of Adjusted EBITDA; for performance in excess of the target range, the cash incentive was set at 1.40% of Adjusted EBITDA; and for performance below the target range, down to 80% of the approved budget, the cash incentive was set at .50% of Adjusted EBITDA. No cash incentives would be paid for Adjusted EBITDA below 80% of the approved budget.

Specialty Pipe & Tube, Inc. ("Specialty") was acquired in November 2014. The Company adopted Specialty's short-term cash incentive plan, whereby the three top executives are paid on the first dollar of Adjusted EBITDA. The cash incentives range from 1.5% to 3.0% of the business unit's Adjusted EBITDA.

For 2014, the Corporate Group (excluding the CEO) had a target range for the entire Company that was set at 95% to 105% of the approved Adjusted EBITDA budget. While the Committee used only the continued operations in calculating the actual Adjusted EBITDA for the year, the target range included the approved budgets for the discontinued Fabrication businesses as well. For performance within the target range, the cash incentive was set at 1.5% of Adjusted EBITDA; for performance in excess of the target range, the cash incentive was set at 2.0% of

Adjusted EBITDA; and for performance below the target range, down to 80% of the approved budget, the cash incentive was set at .75% of Adjusted EBITDA. No cash incentives would be paid for Adjusted EBITDA below 80% of the approved budget.

The CEO in 2014 had a target range for the entire Company that was set at 95% to 105% of the approved Adjusted EBITDA budget. While the Committee used only the continued operations in calculating the actual Adjusted EBITDA for the year, the target range included the approved budgets for the discontinued Fabrication businesses as well. For performance within the target range, the cash incentive was set at 1.25% of Adjusted EBITDA; for performance in excess of the target range, the cash incentive was set at 1.75% of Adjusted EBITDA; and for performance below the target range, down to 80% of the approved budget, the

cash incentive was set at .625% of Adjusted EBITDA. No cash incentives would be paid for Adjusted EBITDA below 80% of the approved budget.

For 2014, CRI Tolling, LLC ("CRI") executives exceeded their target range and had no lost-time accidents. As a result, they achieved the maximum on their short-term cash incentives and stock option grants. Manufacturers Chemicals, LLC ("MC") executives met their target range and had no lost-time accidents, achieving the short-term cash incentives and stock option grants. BRISMET executives exceeded their target range and had one lost-time accident. As a result, their cash incentives were reduced by 5% for the lost-time accident and an additional 10% for the discontinued fabrication operations penalty. They achieved the maximum on their stock option grants. Palmer executives did not achieve the minimum threshold for short-term cash incentives or stock option grants. The Metals Segment President met his target range and lost 10% for two lost-time accidents at Palmer and another 10% for the discontinued operations penalty. He received the target range stock option grants. The Specialty executives received their short-term cash incentives for the six-week period that Specialty was owned by the Company. No options were granted for this six-week period. Members of the Corporate Group met their target range, with their short-term cash incentive reduced by 10% for the discontinued operations penalty. They received the target range stock option grants. The CEO met his target range and his short-term cash incentive was reduced by 10% for lost-time accidents and another 10% for the discontinued operations penalty. He received the target range stock option grants.

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 Adjusted EBITDA target ranges. For 2014, the option grants were equal to 10.0% to 37.5% of base salary, depending on the executive and the actual Adjusted EBITDA relative to their respective target ranges.

Fiscal year 2014 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.

At the 2014 Annual Meeting, the Company provided shareholders with an advisory vote on executive compensation. The shareholders voted to approve, on an advisory basis, the compensation of the Company's NEOs, as described in the CD&A, the compensation tables and the accompanying narrative disclosure, set forth in the Company's 2014 Annual Meeting proxy statement. The vote was 94% approval.

The Committee took into account the result of the shareholder vote in determining the executive compensation policies and decisions since the 2014 Annual Meeting. The Committee continues to look for opportunities to improve upon the existing executive compensation program and expects to make several modifications to the current program for 2015.

Section II: Objectives, Components 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:

Compensation Objective	How Objective is Achieved
Rewarding executives for achieving financial goals	The annual cash incentive component of the compensation program has Adjusted EBITDA target ranges for each operating unit and the Company as a whole. Executives are rewarded with higher incentive pay when above target ranges are met, while lower incentives are paid when target ranges are not achieved, down to a minimum threshold equal to 80% of the approved budget for Adjusted EBITDA; this includes cash incentives and stock option grants. The long-term equity component of the compensation program consists of stock option grants that are tied directly to achieving Adjusted EBITDA target ranges. No stock options are granted when target ranges are not achieved.
Attracting and retaining highly motivated and talented executives	The annual cash incentive component of the compensation program 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 for any reason other than retirement, disability or death.

401(k)/ESOP provides Company ownership with match in Company stock.

Components of Our Executive Compensation Program

The various components of executive compensation, along with a brief summary description and purpose are listed in the following table. A more detailed description of each component 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 component provides annual short-term cash incentives to our executives for achieving Adjusted EBITDA target ranges 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 component 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 2014, the dollar value of stock option grants to NEOs equaled 10% to 25% 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.
Other Perquisites (Reflected in the "All Other Compensation" column of the Summary Compensation Table)	Limited perquisites are provided to executives to facilitate job performance and to foster customer relationships.
Compensation Policies	<p>The Company's objective is to set base salaries for its executives below the median for those companies in its defined peer group, which is established on an annual basis by the Committee. It is the Company's position that many of the companies in its peer group are considerably larger and more profitable and that the median statistics for base salaries reflect this fact. In addition, the Company's operations are located in geographic markets that have lower cost-of-living metrics, which also argues for lower base salaries for its executives.</p> <p>The Company believes that the at-risk portion of an executive's compensation should have the potential to exceed the executive's base salary, and should be tied directly to the Company's financial performance. Adjusted EBITDA target ranges are established for each operating unit and for the Company as a whole on an annual basis by the Committee. In addition, the at-risk incentive pay should reflect those criteria that are under the direct control of the executive, and the Company has designed its short-term and long-term incentive programs to specifically exclude the impact of inventory profits and losses that occur in BRISMET. In 2013, the Committee determined to change the incentive programs so as to not allow any applicable executive to move more than one target range as a result of the inventory loss add back. For the 2014 Incentive Plan, the Committee established a minimum annual threshold target where no cash incentive awards would be paid if the Adjusted EBITDA target range for each business unit or Corporate Group falls below the minimum threshold. Goals for safety are also established, with poor performance in this area resulting in the reduction of short-term incentive pay.</p> <p>The Company's short-term at-risk incentive program provides for tiered levels of incentives, where every dollar of incremental earnings above a minimum threshold results in some amount of short-term cash incentive. The Company's long-term at-risk incentives include the use of stock option grants, which are also tied to meeting or exceeding Adjusted EBITDA target ranges. As the Company or the operating unit meets and exceeds the Adjusted EBITDA target ranges established for the short-term and long-term incentive components, the value of the incentive compensation increases as well.</p> <p>At its February 7, 2013 Board meeting, the Board of Directors established stock ownership levels for the senior management team and the Board of Directors. The executive officers will have five years to achieve the targeted</p>

ownership levels. Once the ownership level is achieved, it will not be necessary to purchase additional shares should the value of the stock decline and the ownership level fall back below the targeted level. Stock ownership requirements are as follows: CEO - four times base salary; CFO, Metals Segment President and the Board of Directors - \$250,000; Business Unit General Managers, Executive Vice Presidents and the Corporate Secretary - \$200,000. The Company has no policies regarding the hedging of the economic risk of ownership of Company stock. The Company has no clawback provisions for incentive payments made in prior years.

Section III: Compensation Decisions Made in Past Fiscal Year

Information on the main components of our executive compensation program and on certain decisions made in 2014 relating to those components is set forth below.

Base Salary

Base salary is a tool to provide executives with a reasonable level of fixed income relative to the responsibility of the positions they hold. Base salaries are established using criteria that include the level of responsibility for the position, base salary data for other internal positions and base salaries for similar positions obtained from publicly available information and surveys provided by consultants. With the exception of the CEO, whose annual base salary adjustments are mandated by an employment agreement, all base salaries are reviewed annually by the CEO and the Committee and are adjusted from time to time to reflect changes in responsibility level, internal equity or external market equity based on data obtained from peer companies, geographical and industry surveys.

The Committee has historically determined base salaries by considering market forces in the geographic area and in the industry applicable to each business unit. Additional information on executive compensation is obtained by reviewing executive compensation information in proxy statements, and various publications and surveys that contain data about executive compensation for manufacturing companies. In addition, the Company considers the attributes of each individual executive, including but not limited to his or her longevity with the Company, his or her educational background and experience, the particular responsibilities of his or her position, the compensation of others with similar background, credentials and responsibilities, and his or her past level of performance, as well as prospective assumptions. Based on these evaluations, the Company believes that its executive base compensation has been migrating closer to the salaried of similarly situated companies.

While the CEO's base salary is still considered below the median of our peer group, the Committee believes that the short-term cash incentive compensation component has the potential, in years when Adjusted EBITDA exceeds the target range, for the CEO and the other NEOs to earn in excess of the median total cash compensation of the peer group.

Base salaries for 2014 increased between 4.5% and 25% for the NEOs, based on the above criteria, performance evaluations and additional responsibilities, as shown in the table below:

NEO	Title	Base Salary at 12/31/2014
Craig C. Bram	President and CEO	\$325,000
Richard D. Sieradzki	CFO and Vice President, Finance	\$188,100
J. Kyle Pennington	President, Synalloy Metals, Inc.	\$210,000
Cheryl C. Carter	Corporate Secretary and Director of Human Resources	\$130,625

Short-Term Cash Incentive Compensation and Bonuses, and Long-Term Equity Incentive Compensation
2014 Short-Term Cash Incentive and Options Plan

The 2014 Incentive Plan consists of two components - short-term cash incentive compensation, and long-term equity incentive compensation in the form of stock options to be issued under the 2011 Long-Term Incentive Stock Option Plan (the "2011 Option Plan"), which was approved by shareholders at the 2011 Annual Meeting.

Short-term Cash Incentive Component of the 2014 Incentive Plan

The short-term cash incentive component of the 2014 Incentive Plan had several primary goals:

• Change the performance measurement from pre-tax income (NIBIT) to Adjusted EBITDA

• Establish minimum thresholds for the payment of cash incentives

• Create a program that allows the management team to see a connection between every additional dollar that is used to calculate Adjusted EBITDA and its contribution to their annual bonus

With these goals in mind, the short-term incentive component of the 2014 Incentive Plan set an annual Adjusted EBITDA target range for each business unit and the entire Company. The target range for Adjusted EBITDA was set at 95% to 105% of the approved budget. The amount of the cash incentive to be earned was determined by whether actual Adjusted EBITDA was in the target range, above the target range, below the target range, or missed the approved budget by more than 20%.

For the 2015 Incentive Plan, the Committee has made several adjustments. Target ranges will still be based on Adjusted EBITDA and there will continue to be a minimum threshold for achieving short-term cash incentives. Instead of calculating short-term cash incentives as a percentage of Adjusted EBITDA, the incentives will be set as a percentage of an executive's base salary. The percentages of base salary will range from 30% to 100%, depending on the executive's position with the Company. If minimum thresholds for Adjusted EBITDA are not achieved, cash incentives will not be paid. The final change in the short-term cash

incentive portion of the 2015 Incentive Plan is to add a project-based measurement to the executive's performance evaluation. While Adjusted EBITDA performance will carry the heaviest weighting (70-80%), an executive's completion of key project initiatives will also be factored into determining his or her short-term cash incentive.

Long-Term Equity Incentive Component of the 2014 Incentive Plan

Our goal in awarding long-term equity incentive compensation is to emphasize to our executives the importance of increasing shareholder value by tying a portion of executive compensation to growth in the Company's stock price. One hundred percent (100%) of long-term incentive compensation annual value for NEOs is in the form of equity instruments, primarily stock options. This helps align the interests of our executives with the interests of our shareholders.

In order to position the Company to better compete with others in the marketplace for top executive talent, the Board adopted the 2011 Option Plan, which provides for long-term incentive awards in the form of stock options.

Under the 2011 Option Plan, stock options are issued to executives in years in which the Adjusted EBITDA target range is achieved by their unit, or, in the case of the Corporate Group, achieved by the entire Company. Additional stock options will be issued when Adjusted EBITDA exceeds the annual target range, and no stock options will be issued when Adjusted EBITDA is below the target range. At the beginning of each year, the Committee sets the potential value of the executive's stock options based on a percentage of base salary if the target range is achieved and a higher percentage if above the target range is achieved. The CEO's base salary percentages are set by the Committee. The base salary percentages for the other NEOs are recommended by the CEO and approved by the Committee. The exercise price of the stock options is equal to the average of the high and low sales prices of the Company's Common Stock on the day prior to the allocation of grants by the Committee, and the options vest in 20% increments over five years.

For the 2015 Incentive Plan, the Committee has decided to replace the use of stock options with restricted stock. The restricted stock will vest over five years and employees leaving the Company for any reason other than retirement, disability or death, will forfeit any unvested shares. The Committee believes that the use of restricted shares is more prevalent among the Company's peer group and is a more desirable equity incentive to executives than the use of stock option grants. Restricted stock grants will range from 5% to 30% of base salary, depending on the executive's position with the Company. If minimum thresholds for Adjusted EBITDA are not achieved, restricted stock grants will not be made.

Section IV: Performance Targets and Results for 2014

The following table sets forth the 2014 Adjusted EBITDA compared to the Adjusted EBITDA target range for each business unit and the Company as a whole before cash incentives and inventory adjustments.

(dollars in millions)	2014 Adjusted EBITDA	Below Threshold	% if Below Threshold	Below Target Range	% if Below Target Range	Target Range	% if at Target Range	Above Target Range	% if Above Target Range
Corporate Group	\$24.60	<\$20.36	—%	<\$24.17	0.75%	\$24.17 to \$26.72	1.50%	>\$26.72	2.00%
CEO	\$24.60	<\$20.36	—%	<\$24.17	0.63%	\$24.17 to \$26.72	1.25%	>\$26.72	1.75%
Metals Segment	\$18.59	<\$15.97	—%	<\$18.77	0.63%	\$18.77 to \$20.77	1.00%	>\$20.77	1.40%
Specialty Chemicals Segment	\$7.52	<\$6.22	—%	<\$7.33	2.25%	\$7.33 to \$8.09	4.50%	>\$8.09	6.50%
Specialty Pipe & Tube	\$0.72	N/A		N/A		N/A		N/A	

The inventory turnover goals for the Metals Segment and the Specialty Chemicals Segment were 3.0X and 4.5X, respectively. The Metals Segment had two lost-time accidents in 2014, resulting in a 10% reduction in cash incentives for the following named executives: Messrs. Bram and Pennington.

Cash Incentive Compensation Earned. For 2014, Messrs. Bram, Sieradzki and Ms. Carter met Adjusted EBITDA target ranges; consequently, these executives earned short-term cash incentive payments. Mr. Pennington achieved

Adjusted EBITDA within 1% of target range and the Committee used its discretion to pay his cash incentive at the target range. The 2014 Incentive Plan used Adjusted EBITDA target ranges based on Board approved budgets. For 2014, CRI and BRISMET were the only business units that exceeded their Adjusted EBITDA target ranges; MC and the combined Company met their Adjusted EBITDA target ranges. Consequently, executives in these business units earned short-term cash incentives. Inventory profits and losses were excluded from those target range calculations. Other performance metrics including penalties for lost-time accidents were included. Palmer did not meet the minimum Adjusted EBITDA target ranges.

Commensurate with the Company's performance, cash incentives were earned for our NEOs for fiscal year 2014 as follows:

NEO	Division	Target Range %	% of Incentive Pool Division	2014 Short-Term Cash Incentive Payouts
Craig C. Bram	CEO	1.25%	100.0% ⁽¹⁾	\$ 249,108
Richard D. Sieradzki	Corporate	1.50%	47.7% ⁽²⁾	\$ 158,536
J. Kyle Pennington	Metals Segment	0.50%	100.0% ⁽³⁾	\$ 180,282
Cheryl C. Carter	Corporate	1.50%	23.8% ⁽⁴⁾	\$ 79,072

⁽¹⁾ Mr. Bram's cash incentive was 1.25% of Adjusted EBITDA of \$24.60 million less the 10% lost-time accident adjustment and another 10% for the discontinued fabrication operations penalty.

⁽²⁾ Mr. Sieradzki's cash incentive was 43% of the corporate incentive pool which was 1.50% of Adjusted EBITDA of \$24.60 million less 10% for the discontinued fabrication operations penalty. Mr. Sieradzki received an additional \$15,714 of the corporate 10% discretionary pool.

⁽³⁾ Mr. Pennington's cash incentive was 100% of the Metals Segment which was 0.50% of Adjusted EBITDA of \$18.59 million less 10% lost-time accident adjustment and another 10% for the discontinued fabrication operations penalty. Mr. Pennington received an additional \$105,000 of the Metals Segment 20% discretionary pool.

⁽⁴⁾ Ms. Carter's cash incentive was 22% of the corporate incentive pool which was 1.50% of the Adjusted EBITDA of \$24.60 million less 10% for the discontinued fabrication operations penalty. Ms. Carter received an additional \$6,000 of the corporate 10% discretionary pool.

Equity Incentive Compensation Earned. For 2014, CRI and BRISMET were the only business units that exceeded their Adjusted EBITDA target ranges. MC and the combined Company met their Adjusted EBITDA target ranges. Although the Metals Segment's performance fell below its target range, Mr. Pennington was given long-term equity incentive awards in recognition of several major accomplishments. Stock options were granted under the 2011 Option Plan to all NEOs. Stock option grants are based on a value equal to a percentage of base salary which ranged from 10.0% to 37.5%, depending on the executive and the actual Adjusted EBITDA relative to their respective target range. Palmer did not meet the minimum Adjusted EBITDA target ranges and accordingly, no equity compensation was awarded for performance in 2014 under the 2011 Option Plan.

NEO	Division	% of Base Salary at Target Range	Base Salary @ YE 2014	Value of 2014 Actual Long-Term Equity Compensation
Craig C. Bram	CEO	25%	\$325,000	\$81,250
Richard D. Sieradzki	Corporate	20%	\$188,100	\$37,620
J. Kyle Pennington	Metals Segment	20%	\$210,000	\$42,000
Cheryl C. Carter	Corporate	15%	\$130,625	\$19,594

Section V: Compensation Process and Risk Considerations

Compensation Process

The Company has engaged the services of compensation consultants in the past to assist with establishing compensation policies and in benchmarking our executive pay with other companies. Most recently, we have purchased access to the Equilar data base to define our peer group for benchmarking our executive compensation. Equilar is totally independent from the Board of Directors and management team at the Company and their services are paid for through annual subscription fees. Equilar has not had any role in determining, providing advice on or recommending the amount or form of executive and directors compensation.

The Equilar system allows the Company to define certain criteria in establishing the peer group. In accordance with Institutional Shareholder Services Inc. guidelines, the companies in our peer group have revenue that is in the range of

.45 to 2.1 times the Company's revenue and a market capitalization range of .2 to 5 times the Company's market capitalization. The Company identified 12 companies for its peer group. In addition to the size parameters, we used the Basic Materials-Metals/Mining industry classification for our Metals Segment, which comprises 75% of our revenues. For the Specialty Chemicals Segment, we used companies in the Materials-Specialty Chemicals industry classification.

The peer group consists of the following companies: American Pacific Corp, American Vanguard, Flow International, Friedman Industries, Inc., Hawkins Inc., Insteel Industries, Inc., KMG Chemicals Inc., Landec Corp., Lawson Products Inc., Northwest Pipe Co., Penford Corp, and Universal Stainless & Alloy Products.

The peer group information is used by the Company to benchmark the compensation for our CEO and other executive officers. The Company's goal is to set base salaries for our CEO and other NEOs below the median base salaries for the peer group. However, total cash compensation, including short-term incentive pay, should provide the CEO and other NEOs of the Company with the potential to earn in excess of the median total cash compensation of the peer group. The Committee believes this methodology is appropriate because it directly aligns the CEO and NEOs' pay with the Company's performance.

Risk Considerations

The Company does not believe that any of its compensation programs involve a material level of risk. The 2014 Incentive Plan contains safety requirements. It also excludes inventory profits from the incentive calculation so no one executive has an incentive to increase raw material purchases with the intention of speculating on price increases, which, if not realized, could result in significant losses for the Company, particularly if prices instead collapsed.

Section VI: Employment and Termination Agreements

The only NEO with an employment agreement is the Company's CEO, Craig Bram. The Company entered into a written employment agreement with Mr. Bram in connection with his appointment as Chief Executive Officer on January 24, 2011. The initial term of the agreement was for a period of one year, and the agreement provided for automatic renewal for an additional year on each subsequent anniversary date, unless either party gives notice of intent to cancel 90 days prior to the end of the term. Mr. Bram's agreement was amended and renewed effective January 24, 2013, with the material terms remaining essentially the same. Effective June 1, 2013, Mr. Bram's agreement was amended and renewed; material changes included increased benefits in the event of termination without cause or a change in control (as those terms are defined in the agreement). Effective May 1, 2014, Mr. Bram's agreement was amended and renewed to reflect the performance measurement (Adjusted EBITDA) used in the cash incentive program.

Mr. Bram's amended agreement provides for an annual salary which will be reviewed annually and may be increased by the Committee at its discretion. Mr. Bram's annual salary for fiscal year 2014 was \$325,000, and was increased to \$350,000 effective with the start of fiscal year 2015. In addition to the base salary for each fiscal year during which he serves as CEO, and provided Mr. Bram is employed by the Company on the last day of such fiscal year, he will be entitled to a cash incentive award if the Company meets designated Adjusted EBITDA target ranges. For 2014, he was entitled to a cash incentive award equal to 1.25% of Adjusted EBITDA if Adjusted EBITDA was between \$24.18 million and \$26.72 million; 1.75% of Adjusted EBITDA if Adjusted EBITDA exceeded \$26.72 million; .625% of Adjusted EBITDA if Adjusted EBITDA was between \$20.36 million and \$24.17 million; and no cash incentive if Adjusted EBITDA was below \$20.36 million. For 2015, Mr. Bram's cash incentive award will be based on three factors: (1) 70% weighting to achieving Adjusted EBITDA target ranges; (2) 10% weighting to achieving the Company's cash flow budget; and (3) 20% weighting to the completion of key project goals. He will be entitled to a cash incentive award equal to 100% of his annual salary if Adjusted EBITDA exceeds \$33.34 million; 85% of his annual salary if Adjusted EBITDA is between \$30.01 million and \$33.34 million; 70% of his annual salary if Adjusted EBITDA is between \$27.34 million and \$29.68 million; 50% of his annual salary if Adjusted EBITDA is between \$25.01 million and \$27.01 million; and no cash incentive award if Adjusted EBITDA is below \$25.01 million.

Under the Company's Long-term Equity Incentive component of our executive compensation program, Mr. Bram is eligible to receive stock option grants that are tied directly to achieving the target range. For 2014, Mr. Bram was entitled to stock options with a value equal to 25% of base salary if Adjusted EBITDA was within the target range (\$24.18 million to \$26.72 million), 37.5% of base salary if Adjusted EBITDA was above the target range (\$26.72 million), and no stock options if Adjusted EBITDA was below the target range (\$24.17 million). For 2014, Mr. Bram received stock options equal to 25% of his base salary.

The agreement also provides that Mr. Bram will be entitled to participate in all employee benefit plans in accordance with the terms of those plans. In the event of Mr. Bram's permanent disability or death while employed by the

Company, he will be entitled to a payment equal to his current base salary at the date of death or disability until the next anniversary date of the agreement, which will in no event be less than three months, together with his cash incentive compensation for the fiscal year pro-rated to the date of termination of his employment as a result of permanent disability or death.

Voluntary resignation by Mr. Bram constitutes a release of the Company's financial obligations. The Company may also terminate Mr. Bram for cause. Cause is defined as fraud, dishonesty, gross negligence, willful misconduct, misappropriation, embezzlement, material violation of any code of conduct adopted by the Board, excessive absences from work, entry of any order by the SEC, or any act or omission deemed by the Board to have been disloyal to the Company.

In the event of termination without cause or failure to renew agreement, the agreement provides for 1.5 times base salary; one times cash incentive; two years of health care reimbursement and immediate vesting of stock options and restricted stock. In the event of a change in control, wherein within one year after the occurrence of such event Mr. Bram is not retained in substantially the same or better role and at substantially the same or better compensation level as prior to the change in control, the agreement provides for two times base salary; two times cash incentive (as defined in the agreement); two years of health care reimbursement; and, immediate vesting of all stock options and restricted stock.

The agreement also includes Mr. Bram's covenant not to engage, directly or indirectly, in competition with the Company with respect to the businesses in which it is engaged on the date his employment is terminated for a period of one year after termination of his employment. In addition, the agreement stipulates that Mr. Bram may not be employed for a period of one year after his termination of employment with any businesses that were identified as potential acquisition targets during his tenure with the Company. Mr. Bram also agrees not to disclose, at any time during his employment with the Company or thereafter, any of the Company's confidential information.

Compensation of Executive Officers

The following table sets forth information about compensation paid or accrued by the Company and/or its subsidiaries to or for the account of the Chief Executive Officer, the Chief Financial Officer and the other executive officers of the Company whose compensation for the fiscal year ended January 3, 2015 exceeded \$100,000.

2014 Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total (\$)
(a)	(b)	(c)	(e)	(f)	(g)	(i)	(j)
Craig C. Bram	2014	308,750	487,490	—	249,108	10,400	1,055,748
President and CEO	2013	260,000	—	93,750	47,371	10,200	411,321
	2012	250,000	—	93,755	333,661	10,000	687,416
Richard D. Sieradzki	2014	188,100	—	—	158,536	8,721	355,357
CFO and Vice President, Finance	2013	180,000	—	51,000	15,000	10,200	256,200
	2012	170,000	—	45,006	175,947	10,000	400,953
J. Kyle Pennington	2014	205,000	—	—	180,282	8,343	393,625
President, Synalloy Metals, Inc.	2013	200,000	—	55,500	—	10,200	265,700
	2012	185,000	—	55,500	235,368	10,000	485,868
Cheryl C. Carter	2014	130,625	—	—	79,072	6,763	216,460
Corporate Secretary and	2013	125,000	—	26,550	12,435	9,633	173,618
Director of Human Resources	2012	118,000	—	25,878	88,399	9,178	241,455

Stock Awards - In October 2014, the Committee awarded Mr. Bram a supplemental discretionary stock award of 31,080 shares under the 2005 Stock Awards Plan in recognition of several major accomplishments during the year, including Mr. Bram's leadership in significantly improving the Company's operating results in 2014. The amount in this column represents the dollar amount of the aggregate grant date fair value computed in accordance with FASB ASC Topic 718. Based on FASB ASC Topic 718, the dollar value of the stock award is the fair value on the grant date calculated using the average of the high and low sales price of the Company's Common Stock on the day prior to the grant date. For 2014, the grant date fair value was \$15.685 per share for Mr. Bram's stock award. See Note 7 to the Company's consolidated financial statements for the year ended January 3, 2015, which are included in the Company's 2014 Annual Report on Form 10-K, for additional disclosure of all assumptions made with respect to the valuation of both stock and option awards.

Option Awards - The information in this column for 2013 and 2012 relates to stock options granted pursuant to the 2011 Option Plan. The amounts in this column represent the dollar amounts of the aggregate grant date fair value computed in accordance with FASB ASC Topic 718. Based on FASB ASC Topic 718, the dollar value of the stock options is the grant date fair value, calculated using the average of the high and low sales price of the Company's stock on the day prior to grant date. All NEOs were granted options on February 9, 2012 at a per share grant date fair value of \$11.345 for 2011 performance, and on February 7, 2013 at a per share grant date fair value of \$13.70 for 2012 performance. No options were granted to NEOs in 2014 for 2013 performance. All NEOs were granted stock options on February 10, 2015 at a per share grant date fair value of \$16.01 for 2014 performance. See Note 7 to the Company's consolidated financial statements for the year ended January 3, 2015, which are included in the Company's 2014 Annual Report on Form 10-K, for additional disclosure of all assumptions made with respect to valuation of both stock and option awards.

Non-Equity Incentive Compensation - For 2014, the short-term cash component of the 2014 Incentive Plan used a baseline Adjusted EBITDA target range based on the Board approved budget for each business unit and the Company as a whole. Inventory profits and losses were excluded from those target range calculations. Other performance metrics included penalties for lost-time accidents. For 2013 and 2012, the short-term cash component of the 2013 and 2012 Incentive Plans used a baseline pre-tax income target range based on the Board approved budget for each business unit and the Company as a whole. Inventory profits and losses were excluded from those target range

calculations. Other performance metrics included penalties for inventory turnover goals and lost-time accidents. All NEOs received compensation pursuant to the terms of the program as described in the CD&A.
All Other Compensation - The amounts shown in this column represent the Company's contributions pursuant to the 401(k)/ESOP Plan for the named executives.

2014 Grants of Plan-Based Awards

Name	Grant Date	All Other	Exercise or	Grant Date Fair
		Option Awards:	Base Price	Value of Stock
(a)	(b)	Number of Securities Underlying Options ⁽¹⁾	of Option Awards	and Option Awards ⁽²⁾
		(#)	(\$/Sh)	(\$)
		(j)	(k)	(l)
Craig C. Bram	10/16/2014	31,080	15.685	487,490
Richard D. Sieradzki		—		
J. Kyle Pennington		—		
Cheryl C. Carter		—		

⁽¹⁾ No options were granted to NEOs in 2014 under the 2011 Option Plan pursuant to the 2013 Incentive Plan for 2013 performance. On February 10, 2015, options were granted under the 2011 Option Plan pursuant to the 2014 Incentive Plan for 2014 performance as follows: Mr. Bram - 5,075 shares; Mr. Sieradzki - 2,350 shares; Mr. Pennington - 2,623 shares and Ms. Carter - 1,224 shares, at a grant price of \$16.01 per share.

⁽²⁾ Computed in accordance with FASB ASC Topic 718.

Outstanding Equity Awards at Fiscal Year End 2014

The following table sets forth information about stock options and restricted stock awards outstanding at the end of 2014 for each of our named executive officers. No other stock awards were outstanding at the end of 2014.

Name	Option Awards				Stock Awards	
	Number of Securities Underlying Unexercised Options (#)/ Exercisable ⁽¹⁾	Number of Securities Underlying Unexercised Options (#)/ Unexercisable ⁽¹⁾	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested ⁽²⁾ (#)	Market Value of Shares or Units of Stock That Have Not Vested ⁽³⁾ (\$)
(a)	(b)	(c)	(e)	(f)	(g)	(h)
Craig C. Bram	1,369	5474	13.700	2/7/2023	36,448	634,924
	3306	4958	11.345	2/9/2022		
	42,342	40,000	11.550	1/24/2021		
Richard D. Sieradzki	745	2978	13.700	2/7/2023	1,500	26,130
	794	2,380	11.345	2/9/2022		
J. Kyle Pennington	810	3241	13.700	2/7/2023	480	8,362
	979	2,935	11.345	2/9/2022		
Cheryl C. Carter	388	1550	13.700	2/7/2013	2,050	35,711
	912	1,369	11.345	2/9/2022		

⁽¹⁾ Includes stock options granted January 24, 2011 of which 20% vest annually beginning January 24, 2012; stock options granted February 9, 2012 of which 20% vest annually beginning February 9, 2013; and stock options granted February 7, 2013 of which 20% vest annually beginning February 7, 2014.

⁽²⁾ Includes restricted stock awards granted February 12, 2009 of which 20% vest annually beginning February 12, 2010; restricted stock awards granted January 24, 2011, of which 20% vest annually beginning January 24, 2012; stock awards granted February 9, 2011, of which 20% vest annually beginning February 9, 2012; and stock awards granted to Mr. Bram on October 16, 2014 of which 20% vest annually beginning October 16, 2015. Stock awards are subject to the recipients continuing to be employed by the Company and other conditions described under "Equity Plans - Stock Awards Plan."

⁽³⁾ Based on the December 31, 2014 closing stock price of \$17.42 per share.

2014 Option Exercises and Stock Vested

The following table sets forth information about options exercised and restricted stock awards that vested in 2014.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)
(a)	(b)	(c)	(d)	(e)
Craig C. Bram	8,658	46,104	2,684	41,307
Richard D. Sieradzki	—	—	1,000	14,828
J. Kyle Pennington	—	—	240	3,566
Cheryl C. Carter	5,000	28,750	1,750	25,920

⁽¹⁾ Based on the market value of the shares on the exercise or vesting date.

Employment Contracts

Craig C. Bram - The Company entered into a written employment agreement with Mr. Bram in connection with his appointment as President and CEO effective January 24, 2011. Effective January 24, 2012, the Company entered into an amended employment agreement with Mr. Bram. The agreement provided for a base salary of \$250,000 during 2012 and as amended in January 2013 provided for a base salary of \$260,000 in 2013. In addition to the base salary for each fiscal year during which he serves as CEO, and provided Mr. Bram is employed by the Company on the last day of such fiscal year, he will be entitled to a cash incentive award if the Company meets designated earnings target ranges. For 2013, he was entitled to a cash incentive award equal to 2% of pre-tax income if pre-tax income was between \$18,890,000 and \$20,990,000; 1% of pre-tax income if pre-tax income was below \$18,890,000 and 2.75% of pre-tax income if pre-tax income was above \$20,990,000. Pre-tax income as reflected on the Company's financial statements was adjusted by an amount to eliminate the effect of inventory profits and losses applicable to BRISMET. The agreement states that the cash incentive award would be reduced 5% for each lost-time accident occurring at the division with the most lost-time accidents during the year. The cash incentive award would be further reduced by an amount to reflect any failure to reach targeted inventory turnover goals. If the inventory turnovers were below the target range for either of the operating divisions, Mr. Bram's cash incentive award would be reduced 10%. Mr. Bram was entitled to stock options under the 2011 Option Plan that were equal in value to 25% percent of his base salary if pre-tax income was within target range and 37.5% percent of base salary if pre-tax income was above the target range. No options were to be granted if pre-tax income was below target range. The exercise price of the options is the average of the high and low sales prices of the Company's Common Stock on the day prior to the grant set by the Committee. For more information on this plan, see "Discussion of Executive Compensation - Equity Plans - Stock Option Plans."

Effective May 1, 2014, Mr. Bram's employment agreement was amended and renewed. For more discussion, please see the "Discussion of Executive Compensation - Compensation Discussion and Analysis - Section VI: Employment and Termination Agreements."

If Mr. Bram's employment with the Company had terminated on December 31, 2014, as a result of his permanent disability or death, he or his beneficiaries would have been entitled to a payment of \$108,333 with respect to his base salary, and he or his beneficiaries would have received 100% of his cash incentive for the 2014 fiscal year. Mr. Bram would have also been entitled to stock awards consisting of 44,500 shares, representing 100% of the vested stock awards granted to him on January 24, 2011 and October 16, 2014. He or his beneficiaries also would have been permitted to exercise the remaining stock options with respect to 47,016 shares granted to him on January 24, 2011, February 9, 2012 and February 7, 2013. In the event of his permanent disability, Mr. Bram would be entitled to exercise stock options for an additional 23,021 shares that vest between January 24, 2015 and February 9, 2015.

Equity Plans

Stock Option Plans

The Company currently has one stock option plan, the 2011 Option Plan, approved at the 2011 Annual Meeting. Options may be exercised beginning one year after the date granted at the rate of 20% annually on a cumulative basis; however, in no event shall an option be exercisable more than ten years after the date of grant. In the event that (a) all or substantially all of the assets or Common Stock of the Company (or a subsidiary or division of the Company in which employee is employed) are sold to an entity

not affiliated with the Company, (b) a merger or share exchange with an unaffiliated party occurs in which the Company is not the surviving entity, or (c) a similar sale or exchange transaction occurs, which in the Committee's sole discretion justifies an exercise right, an option holder may exercise, in addition to the above, 100% of the options not otherwise exercisable because of the holding period requirement, subject to the limitation that in no event shall incentive stock options under this and all other option plans of the Company having an aggregate fair market value in excess of \$100,000 at the dates of grant become exercisable by an optionee for the first time during a calendar year. The exercise price for options granted under the 2011 Option Plan is equal to 100% of the fair market value on the date the option is granted. The option grant price is determined by averaging the high and low sales prices for the Company's Common Stock for the day prior to the option grant date as reported by the NASDAQ Global Market. If one of the events described in (a), (b) or (c) above had occurred as of December 31, 2014, all of the stock options shown in the "Number of Securities Underlying Unexercised Options/Unexercisable" column of the Outstanding Equity Awards at Fiscal Year End 2014 table would have vested immediately.

On February 10, 2015, the Board amended the 2011 Option Plan to allow former employees who cease to be employees of the Company as a result of normal retirement, early retirement or disability retirement, to exercise any outstanding options at any time after the date on which he or she ceased to be an employee, but not later than the end of the fixed term of the option and no earlier than one year from the date the option was granted. In the case of death, the option may be exercised by his or her estate, a person who acquired the right to exercise the option by bequest or inheritance, or his or her attorney-in-fact, as appropriate, at any time after his or her death, but not later than the end of the fixed term of the option. Otherwise, options can only be exercised by an employee who has been in the continuous employment of the Company since the date the option was granted. Options granted under the 2011 Options Plan to an employee shall not be transferable by him except by will or the laws of descent and distribution.

At March 16, 2015, there were a total of 188,695 shares underlying outstanding options and 92,034 shares underlying exercisable options under all option plans. There were 137,984 shares available for grant under the 2011 Option Plan as of March 16, 2015.

Stock Awards Plan

The 2005 Stock Awards Plan, approved by shareholders at the 2005 Annual Meeting, and amended by the Board of Directors effective at its February 2008 and November 2014 meetings, authorizes the issuance of up to 300,000 shares which could be awarded for a period of ten years from the effective date of the plan. Stock awards vest in 20% increments annually on a cumulative basis, beginning one year after the date of grant. In order for the awards to vest, the employee must be in the continuous employment of the Company or a subsidiary since the date of the awards, except as the result of an employee's retirement (minimum age of 62), death or permanent disability, in which case any portion of a stock award that has not vested with the Company will become 100% vested. Otherwise, any portion of a stock award that has not vested prior to the termination of an employee's employment with the Company for any other reason shall be automatically cancelled. Vesting of up to 100% of the total number of unvested shares will occur in the event that there is either (i) the acquisition of more than 50% of the outstanding voting securities of the Company or a subsidiary or division of the Company in which the employee is employed (calculated on a fully diluted basis) by any person during any consecutive 12-month period of time; or (ii) the sale of more than 50% in value of the assets of the Company over any consecutive 12-month period of time. The Company may also terminate any portion of an award that has not vested upon an employee's failure to comply with all conditions of the award or the plan. If one of the events described in (i) or (ii) above had occurred as of December 31, 2014, 100% of the restricted shares shown in the "Number of Shares or Units That Have Not Vested" column of the Outstanding Equity Awards at Fiscal Year End 2014 table would have vested immediately.

Shares relating to awards that have not yet vested are held in escrow by the Company and an employee is not entitled to any voting or dividend rights with respect to any such shares. Share awards that have not vested are not transferable.

The 2005 Stock Awards Plan expired on February 3, 2015. The Board is requesting shareholder approval of the Synalloy Corporation 2015 Stock Awards Plan so that the Company can continue making stock award grants to its executive officers. See Proposal 4 for additional information.

Retirement Plans

401(k)/ESOP Plan

The Company sponsors a 401(k)/ESOP Plan. All employees (except those employees who are entitled to participate in union-sponsored plans) who are 21 years or older are automatically enrolled at a pre-determined percentage following 60 days of full-time employment with the Company or any subsidiary. Employees may choose to opt out or elect to change the default deferral rate. Employees are eligible to receive a matching contribution in the month following their one-year anniversary.

Employees are permitted to contribute up to 100% of earnings not to exceed a dollar amount set by the Internal Revenue Service through payroll deduction on a pre-tax basis or after-tax basis through the Roth 401(k). Employees are permitted to change the election daily and can revoke the election at any time. Employee contributions are 100% vested at all times. The employee can

invest his deferred contribution in any of the investment funds offered; however, employee contributions cannot be invested in Company's Common Stock.

Contributions by the Company are made in the form of Company Common Stock. For each plan year, the Company contributes on behalf of each eligible participant a discretionary matching contribution equal to a percentage determined annually by the Board of Directors. For 2014 and 2015, the maximum matching contribution was 4%. The matching contribution is allocated within 15 days of each pay period. In addition to the matching contribution, the Company may make a discretionary contribution which shall be distributed to all eligible participants regardless of whether they contribute to the 401(k)/ESOP Plan. No discretionary contributions have been made to the 401(k)/ESOP Plan.

Distributions are not permitted before age 59 1/2 except in the event of death, disability, termination of employment or reason of proven financial hardship as defined according to Internal Revenue Service guidelines. The 401(k)/ESOP Plan provides for payment of the participant's account balance upon death, disability or retirement in the form of cash or shares of the Company's Common Stock or both. If employment terminates for reasons other than retirement, disability or death (e.g. resignation or termination by the Company), any discretionary portion of a participant's account balance will vest as follows: less than three years' service - 0% vested; three or more years - 100% vested. Unvested amounts are forfeited and allocated to participants eligible to participate for a plan year. The 401(k)/ESOP Plan permits rollovers from qualified plans at the discretion of the Company. The 401(k)/ESOP Plan is permitted to borrow money to purchase shares of the Company's Common Stock. All shares of the Company's Common Stock acquired by the 401(k)/ESOP Plan with the proceeds of a loan are maintained in a suspense account and is withdrawn and allocated to participant's accounts as the loan is paid. As a participant in the 401(k)/ESOP Plan, any employee may direct the trustee to vote shares allocated to his or her account in accordance with the employee's wishes.

All 401(k)/ESOP Plan assets are held by an independent trustee. The trustee invests all assets and makes payment of 401(k)/ESOP Plan benefits. The 401(k)/ESOP Plan is managed and administered by an independent administrator and a Pension Committee comprised of the corporate officers of the Company. Expenses incurred for the administration of the 401(k)/ESOP Plan are paid by the Company. The 401(k)/ESOP Plan reserves to the Board of Directors of the Company the right to amend the 401(k)/ESOP Plan in any manner or terminate the 401(k)/ESOP Plan at any time. The 401(k)/ESOP Plan may be amended to preserve the qualification of the 401(k)/ESOP Plan under the applicable provisions of the Internal Revenue Code of 1986, as amended from time to time. For 2014, the Company's total matching contribution was \$537,718.

COMPENSATION COMMITTEE REPORT

The Compensation & Long-Term Incentive Committee has reviewed and discussed with management the Compensation Discussion and Analysis included in this Proxy Statement. Further, the Compensation & Long-Term Incentive Committee considered and took into account the 2014 shareholder vote on executive compensation. Based on the review and discussion and the 2014 shareholder vote on executive compensation, the Compensation & Long-Term Incentive Committee recommended to our Board of Directors that the "Compensation Discussion and Analysis" be included in our 2014 Annual Report on Form 10-K and in this Proxy Statement.

The Compensation & Long-Term Incentive Committee

Henry L. Guy, Chair

Amy J. Michtich

James W. Terry, Jr.

PROPOSAL 2 - APPROVAL TO AMEND THE COMPANY'S CERTIFICATE OF INCORPORATION TO INCREASE THE NUMBER OF AUTHORIZED SHARES FROM 12,000,000 TO 24,000,000 SHARES

The Board of Directors has unanimously approved and recommends to its shareholders an amendment (the "Proposed Authorized Shares Amendment") to ARTICLE IV of the Company's Certificate of Incorporation increasing the number of shares of Common Stock, \$1.00 par value, which the Company has the authority to issue from 12,000,000 to 24,000,000 shares. The Proposed Authorized Shares Amendment, if approved by the Shareholders, would become effective upon the filing of a Certificate of Amendment with the Secretary of State of the State of Delaware. Upon the effectiveness of the Proposed Authorized Shares Amendment, the first sentence of ARTICLE IV of the Company's Certificate of Incorporation would read as follows:

"The aggregate number of shares of all classes of stock which the Corporation shall have authority to issue is twenty-four million (24,000,000) shares of Common Stock, par value One Dollar (\$1.00) per share." (emphasis added) As of March 16, 2015, there were 10,300,000 shares of Common Stock issued and outstanding, of which 1,582,744 shares are owned by the Company and held as "treasury shares." There are no more shares to be issued under the 2005 Stock Awards Plan that expired February 5, 2015. There are a total of 386,128 shares available to be issued under existing options and stock awards plans.

The Board of Directors believes it is important for the Company to have a sufficient reserve of shares of Common Stock available for potential future needs of the Company. Increasing the number of authorized shares of Common Stock makes more shares available for general corporate purposes, including any future issuance of Common Stock for public or private offerings, the payment of stock dividends and the subdivision of outstanding shares through stock splits, the acquisition of other companies, issuance of restricted stock awards and upon the exercise of stock options, and any other desirable corporate purpose. Having such additional authorized shares of Common Stock available for issuance in the future will allow shares to be issued in many instances by the Board of Directors without the expense and delay of a special shareholders' meeting or shareholders' vote. As of the date of this Proxy Statement, the Company does not have any plans, agreements, understandings or arrangements that could or will result in the issuance of Common Stock except with respect to its 2011 Options Plan, the 2005 Stock Awards Plan and the directors' option to receive compensation of Board fees in restricted stock in lieu of cash. However, in certain circumstances, the issuance of additional shares could substantially dilute existing shareholders.

Under certain circumstances, the shares available for additional issuance could be used to create voting impediments or to frustrate persons seeking to effect a merger or otherwise gain control of the Company. Also, any of such additional shares of Common Stock could be privately placed with purchasers who might side with the management of the Company in opposing any tender offer of a third party. However, the Proposed Authorized Shares Amendment is not being sought in order to frustrate any attempt to acquire control of the Company, and the Company is not aware of any such intent. The Company does not have any other charter provision which could be considered an "anti-takeover" measure.

Vote Required

A majority of the outstanding shares of the Company's Common Stock entitled to vote at the Annual Meeting of Shareholders must vote "FOR" Proposal 2 to approve and adopt the Proposed Authorized Shares Amendment. The enclosed form of proxy provides a means for you to vote "For," "Against" or to "Abstain" on this proposal. Each properly executed proxy received in time for the Annual Meeting will be voted as specified therein. Abstentions will have the same effect as a vote against this proposal.

Board Recommendation

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" APPROVAL TO AMEND THE COMPANY'S CERTIFICATE OF INCORPORATION TO INCREASE THE NUMBER OF AUTHORIZED SHARES FROM 12,000,000 TO 24,000,000 SHARES.

PROPOSAL 3 - APPROVAL TO AMEND THE COMPANY'S CERTIFICATE OF INCORPORATION TO NULLIFY CUMULATIVE VOTING IN THE ELECTION OF DIRECTORS

The Board of Directors has unanimously approved and recommends to its shareholders an amendment (the "Proposed Cumulative Voting Amendment") to ARTICLE IV of the Company's Certificate of Incorporation nullifying the shareholders' ability to vote their shares cumulatively in the election of directors. The Proposed Cumulative Voting Amendment, if approved by the shareholders, would become effective upon the filing of a Certificate of Amendment with the Secretary of State of the State of Delaware. Upon the effectiveness of the Proposed Cumulative Voting Amendment, the third sentence of ARTICLE IV of the Company's Certificate of Incorporation would read as follows: "The holders of the Common Stock shall be entitled to one (1) vote per share and shall not be permitted to vote such shares cumulatively at any election of directors of the Corporation." (emphasis added)

The Board of Directors believes that cumulative voting no longer serves its originally intended purpose and should be removed from the Company's Certificate of Incorporation. Cumulative voting is a tool whose primary use is to ensure that a minority faction of investors has the ability to place its representatives on the board of directors. Over the last decade, activist investors have increasingly utilized cumulative voting to gain undue influence with a company's board of directors. These activist investors typically act in their own self-interest with little regard to the interests of the company's other shareholders, including the minority shareholders that cumulative voting was originally intended to protect. The Board of Directors believes that each director should represent the interests of all shareholders, rather than the interests of a minority shareholder or special constituency that can "cumulate" its votes. Further, the Board of Directors believes the Company has strong governance provisions and practices in place. In fact, Institutional Shareholder Services Inc.'s 2014 proxy report on the Company generally scored the Company's corporate governance practices positively.

Finally, the nullification of cumulative voting is consistent with the practice at most other public companies, as fewer than 5% of S&P 500 companies currently provide for cumulative voting, trending toward complete elimination.

Vote Required

A majority of the outstanding shares of the Company's Common Stock entitled to vote at the Annual Meeting of Shareholders must vote "FOR" Proposal 3 to approve and adopt the Proposed Cumulative Voting Amendment. The enclosed form of proxy provides a means for you to vote "For," "Against" or to "Abstain" on this proposal. Each properly executed proxy received in time for the Annual Meeting will be voted as specified therein. Abstentions will have the same effect as a vote against this proposal.

Board Recommendation

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" APPROVAL TO AMEND THE COMPANY'S CERTIFICATE OF INCORPORATION TO NULLIFY CUMULATIVE VOTING IN THE ELECTION OF DIRECTORS.

PROPOSAL 4 - APPROVE THE SYNALLOY CORPORATION 2015 STOCK AWARDS PLAN

The Board of Directors is seeking shareholder approval of the Synalloy Corporation 2015 Stock Awards Plan (the "2015 Stock Awards Plan"). A copy of the proposed 2015 Stock Awards Plan is included with this Proxy Statement as Appendix A and incorporated herein by reference. The following is a summary of the 2015 Stock Awards Plan and is qualified in its entirety by reference to the plan. This summary does not create any rights separate from the plan.

On February 3, 2015, the 2005 Stock Awards Plan, approved by shareholders at the 2005 Annual Meeting, expired.

On February 10, 2015, the Board of Directors of the Company adopted and recommends to shareholders the 2015 Stock Awards Plan, which authorizes issuance of up to 250,000 shares of the Company's Common Stock pursuant to the plan. The plan will be administered by the Committee. The Committee will designate senior management and key employees to whom stock is to be awarded and will specify the number of shares awarded. The Committee shall have the discretion to determine to what extent, if any, persons employed on a part-time or consulting basis will be eligible to participate in the plan. The material items of the 2015 Stock Awards Plan are virtually identical to the material terms of the expired 2005 Stock Awards Plan.

The purpose of the 2015 Stock Awards Plan is to further the long-term stability and financial success of the Company by attracting and retaining senior management and key employees through the use of stock incentives. The Company believes that ownership of its Common Stock will stimulate the efforts of those persons upon whose judgment,

interest and efforts the Company is and will be largely dependent for the successful conduct of its business, and will further the identification of those persons' interests

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with the interest of the Company's shareholders. For these reason, the Company is asking shareholders to approve the Synalloy Corporation 2015 Stock Awards Plan.

Stock awards under the 2015 Stock Awards Plan will vest in 20% increments each year, beginning one year after the date of grant. Awards will vest, however, only if the eligible employee has been in the continuous employment of the Company or a subsidiary since the date of the award, except in certain events. Any portion of a stock award under the plan that has not vested prior to the termination of an eligible employee's employment with the Company as the result of retirement (minimum age of 62), death or disability, shall become 100% vested; otherwise, any portion of a stock award that has not vested prior to the termination of an eligible employee's employment with the Company for any other reason, shall be automatically cancelled. In the event of death, the eligible employee's estate would receive the balance of the vested shares.

Upon the occurrence of change in control event, 100% of the total number of unvested shares will vest under the plan. Such event would occur if either (i) the acquisition of more than fifty percent (50%) of the outstanding voting securities of the Company or a subsidiary in which the eligible employee is employed (calculated on a fully diluted basis) by any person during any consecutive 12-month period of time; or (ii) the sale of more than fifty percent (50%) in value of the assets of the Company over any consecutive 12-month period of time.

In the event of a reorganization, merger, consolidation, reclassification, recapitalization, combination or exchange of shares, stock split, stock dividend, rights offering or other event affecting shares of the Company, the number of shares subject to unvested stock awards and the number of shares reserved for issuance under the 2015 Stock Awards Plan will be equitably adjusted by the Committee to reflect the change.

The 2015 Stock Awards Plan may be amended or terminated by the Board of Directors at any time. However, any such action will not be effective to change or modify the plan, unless approved by a majority of the outstanding shares of the Company, to the extent shareholder approval is required by applicable law or applicable requirements of any securities exchange or quotation system on which the Company's Common Stock is listed or quoted.

The 2015 Stock Awards Plan will terminate ten years from the effective date of the plan, and no share awards will be made under the plan after that date.

Equity Compensation Plan Information. The following table sets forth aggregated information as of January 3, 2015 about all of the Company's equity compensation plans.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ⁽¹⁾ (c)
Equity compensation plans approved by security holders	157,295	\$ 12.25	346,120
Equity compensation plans not approved by security holders	—	—	—
Total	157,295	\$ 12.25	346,120

⁽¹⁾ Represents shares remaining available for issuance under the 2005 Stock Awards Plan and the 2011 Plan.

Non-employee directors are paid an annual retainer of \$45,000, and each director has the opportunity to elect to receive 100% of the retainer in restricted stock. For 2014, non-employee directors received an aggregate of \$111,000 of the annual retainer in restricted stock. The number of restricted shares is determined by the average of the high and low sale price of the Company's stock on the day prior to the Annual Meeting of Shareholders. For 2014, four non-employee directors each received an aggregate of 7,088 shares. Issuance of the shares granted to the directors is not registered under the Securities Act of 1933 and the shares are subject to forfeiture in whole or in part upon the

occurrence of certain events. The above table does not reflect these shares issued to non-employee directors.

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Vote Required

A majority of the votes cast at the Annual Meeting of Shareholders must vote "FOR" Proposal 4 to approve and adopt the 2015 Stock Awards Plan. The enclosed form of proxy provides a means for you to vote "For," "Against" or to "Abstain" on this proposal. Each properly executed proxy received in time for the Annual Meeting will be voted as specified therein. Abstentions will have no effect on the outcome of the vote on this proposal.

Board Recommendation

THE BOARD OF DIRECTORS BELIEVES THAT ADOPTION OF THE 2015 STOCK AWARDS PLAN IS IN THE BEST INTEREST OF SHAREHOLDERS AND RECOMMENDS A VOTE "FOR" APPROVAL OF THE 2015 STOCK AWARDS PLAN.

PROPOSAL 5 - ADVISORY VOTE ON THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

Our Board is committed to a compensation philosophy and program that promotes our ability to attract, retain and motivate individuals who can achieve superior financial results. As part of that commitment, and in accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"), our shareholders are being asked to approve, in an advisory non-binding resolution, the compensation of our named executive officers as disclosed in this Proxy Statement. This proposal is our "say on pay" proposal. It gives you the opportunity to let us know how you view the overall compensation of our named executive officers and the policies and practices described in this Proxy Statement. It is not intended to address any specific item of compensation. In considering how to vote on this proposal, we encourage you to review all the relevant information in this Proxy Statement - our Compensation Discussion and Analysis (including its executive summary), the compensation tables, and the rest of the narrative disclosures regarding our executive compensation program. Your vote will not directly affect or otherwise limit any existing compensation or award arrangement of any of the named executive officers.

Because your vote is advisory, it is non-binding on our Board; however, our Board will take into account the outcome of the vote on the say on pay proposal when considering future compensation arrangements. We invite shareholders who wish to communicate with our Board on executive compensation or any other matters to contact us as provided under "Corporate Governance - Shareholder Communications with Directors."

Accordingly, in compliance with the Dodd-Frank Act, we ask you to approve the following resolution:

"RESOLVED, that the shareholders of Synalloy Corporation approve, on an advisory basis, the compensation of the Company's named executive officers as disclosed pursuant to the compensation disclosure rules of the SEC, including the Compensation Discussion and Analysis, the compensation tables and narrative discussion in the Company's 2015 Proxy Statement."

Vote Required

A majority of the votes cast at the Annual Meeting of Shareholders must vote "FOR" Proposal 5 to approve, on an advisory non-binding basis, the compensation of our named executive officers. The enclosed form of proxy provides a means for you to vote "For," "Against" or to "Abstain" on this proposal. Each properly executed proxy received in time for the Annual Meeting will be voted as specified therein. Abstentions will have no effect on the outcome of the vote on this proposal.

Board Recommendation

OUR BOARD RECOMMENDS THAT SHAREHOLDERS VOTE "FOR" THE APPROVAL, ON AN ADVISORY BASIS, OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS.

Fees Paid to Independent Registered Public Accounting Firm

The following table sets forth the aggregate fees billed by Dixon Hughes Goodman LLP for audit services rendered in connection with the consolidated financial statements and reports for the fiscal years ended January 3, 2015 ("referred to as "fiscal 2014") and December 28, 2013 (referred to as "fiscal 2013") and for other services rendered during fiscal years 2014 and 2013, on behalf of the Company and its subsidiaries, which have been billed or will be billed to the Company.

Fee Category	Fiscal 2014	% of Total	Fiscal 2013	% of Total
Audit Fees				
Audit Fees	\$508,250	62 %	\$396,950	70 %
Audit Related Fees	231,604	31 %	46,000	8 %
Tax Fees				
Tax Compliance/Preparation	35,000	5 %	104,500	18 %
Other Tax Services	13,720	2 %	22,500	4 %
All Other Fees	—	— %	—	— %
Total Fees	\$788,574	100 %	\$569,950	100 %

Audit Fees: Audit fees include fees and out-of-pocket expenses billed for professional services rendered for the audit of the Company's consolidated financial statements and review of the interim condensed consolidated financial statements included in quarterly reports and services that are normally provided by the Company's independent auditor in connection with statutory and regulatory filings or engagements, and attest services, except those not required by statute or regulation. Audit Fees also include fees for Dixon Hughes Goodman LLP's audit of the Company's internal controls related to Sarbanes-Oxley Section 404 compliance based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). For 2014, audit fees include fees and out-of-pocket expenses for incremental audit work related to the disposals and discontinued operations accounting for BristolFab and Ram-Fab in addition to audit work related to the Specialty acquisition. For 2013, audit fees include fees and out-of-pocket expenses for incremental audit work related to the CRI acquisition in addition to fees associated with issuing a comfort letter on the prospectus which was issued for the 2013 stock offering as well as fees associated with issuing consents for registration statement filings with the SEC.

Audit Related Fees: Audit related fees include fees and out-of-pocket expenses for the audit of the Company's 401(k)/ESOP, fees associated with the required audits of pre-acquisition financial results of Specialty Pipe & Tube, Inc. and Color Resources, LLC in 2014 and 2013, respectively.

Tax Fees: Tax fees include fees for tax compliance/preparation and other tax services. In 2014, tax compliance/preparation includes fees billed for professional services related to federal and state tax compliance, assistance with tax audits and appeals, expatriate tax services, and assistance related to the impact of mergers, acquisitions and divestitures on tax return preparation. In 2013, tax fees include the fees associated with the preparation of income and sales tax Voluntary Disclosure Agreements to eliminate any and all of Palmer's tax exposure for the years prior to their acquisition by the Company. Other tax services include fees billed for other miscellaneous tax consulting and planning.

In making its decision to appoint Dixon Hughes Goodman LLP as the Company's independent registered public accounting firm for the fiscal year ending January 3, 2015, the Audit Committee considered whether services other than audit and audit-related services provided by that firm are compatible with maintaining the independence of Dixon Hughes Goodman LLP.

Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm

The Audit Committee pre-approves all audit and permitted non-audit services (including the fees and terms thereof) provided by the independent registered public accounting firm, subject to limited exceptions for non-audit services described in Section 10A of the Securities Exchange Act of 1934, which are approved by the Audit Committee prior to completion of the audit. The committee may delegate to one or more designated members of the Audit Committee the authority to pre-approve audit and permissible non-audit services, provided such pre-approval decision is presented to the full committee at its next scheduled meeting. During fiscal 2014, all audit and permitted non-audit services were pre-approved by the Audit Committee.

AUDIT COMMITTEE REPORT

The Audit Committee of the Board of Directors has reviewed and discussed with management the Company's audited consolidated financial statements for the year ended January 3, 2015. The Audit Committee has discussed with the Company's independent auditors, Dixon Hughes Goodman LLP, the matters required to be discussed by Auditing Standard No. 16, Communicating with Audit Committees, as adopted by the Public Company Accounting Oversight Board. The Audit Committee has also received the written disclosures and the letter from Dixon Hughes Goodman LLP required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence, and has discussed with Dixon Hughes Goodman LLP, their independence. Based on the review and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company's Annual Report on Form 10-K for the year ended January 3, 2015 for filing with the SEC.

The Audit Committee

Anthony A. Callander, Chair

Henry L. Guy

James W. Terry, Jr.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Our Audit Committee has selected Dixon Hughes Goodman LLP as our independent registered public accounting firm to conduct our audits for the fiscal year ending January 2, 2016.

We have engaged Dixon Hughes Goodman LLP to serve as our independent registered public accounting firm and to audit our consolidated financial statements each year since the fiscal year 2003.

Our Audit Committee has reviewed and discussed the audited consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended January 3, 2015, and has recommended, and our Board has approved, their inclusion therein. For additional information, see "Audit Committee Report."

PROPOSAL 6 - RATIFICATION OF THE APPOINTMENT OF OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Although Delaware law does not require shareholder ratification to proceed with the appointment, our Audit Committee and our Board are requesting that our shareholders ratify the appointment of Dixon Hughes Goodman LLP as our independent registered public accounting firm for fiscal year 2015. Our Audit Committee is not required to take any action as a result of the outcome of the vote on this proposal. However, if our shareholders do not ratify the appointment, our Audit Committee may investigate the reasons for shareholder rejection and may consider whether to retain Dixon Hughes Goodman LLP or to appoint another independent registered public accounting firm.

Furthermore, even if the appointment is ratified, our Audit Committee in its discretion may direct the appointment of a different independent registered public accounting firm at any time during the year if it determines that such a change would be in the best interests of our shareholders or the Company. Representatives of Dixon Hughes Goodman LLP are expected to be present at the Annual Meeting with an opportunity to make a statement, if they so desire, and to respond to appropriate questions with respect to that firm's audit of the Company's consolidated financial statements for the fiscal year ended January 3, 2015.

Vote Required

A majority of the votes cast at the Annual Meeting of Shareholders must vote "FOR" Proposal 6 to ratify our Audit Committee's appointment of Dixon Hughes Goodman LLP as our independent registered public accounting firm for the fiscal year ended January 2, 2016. The enclosed form of proxy provides a means for you to vote "For," "Against" or to "Abstain" on this proposal. Each properly executed proxy received in time for the Annual Meeting will be voted as specified therein. Abstentions will have no effect on the outcome of the vote on this proposal.

Board Recommendation

OUR BOARD RECOMMENDS THAT SHAREHOLDERS VOTE "FOR" RATIFICATION OF THE APPOINTMENT OF DIXON HUGHES GOODMAN LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL YEAR 2015.

SHAREHOLDER PROPOSALS FOR THE 2016 ANNUAL MEETING OF SHAREHOLDERS

Any shareholder proposal to be included in the proxy materials for the 2016 Annual Meeting of Shareholders must be submitted in accordance with applicable regulations of the SEC and received by the Company at its principal executive offices, 775 Spartan Boulevard, Suite 102, Spartanburg, South Carolina 29301 or Post Office Box 5627, Spartanburg, SC 29304, no later than December 15, 2015. In order for a shareholder to bring any business or nominations before the 2016 Annual Meeting of Shareholders, certain conditions set forth in the Company's Bylaws must be complied with, including but not limited to, the delivery of a notice to the Secretary of the Company not less than 30 nor more than 60 days in advance of the 2016 Annual Meeting which is tentatively scheduled on April 29, 2016. With respect to any shareholder proposal not received by the Company by February 28, 2016, the designated proxy agents will vote on the proposal in their discretion.

REFERENCES TO OUR WEBSITE ADDRESS

References to our website address throughout this Proxy Statement and the accompanying materials are for informational purposes only, or to fulfill specific disclosure requirements of the SEC's rules or the NASDAQ Rules. These references are not intended to, and do not, incorporate the contents of our website by reference into this Proxy Statement or the accompanying materials.

INCORPORATION BY REFERENCE

The "Audit Committee Report" is not deemed to be filed with the SEC and shall not be deemed incorporated by reference into any prior or future filings made by the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent the Company specifically incorporates such information by reference.

OTHER MATTERS TO COME BEFORE THE MEETING

The Board of Directors does not know of any other matters which may come before the meeting. However, if any other matters do properly come before the meeting, it is the intention of the persons named as proxies to vote upon them in accordance with their best judgment.

BY ORDER OF THE BOARD OF DIRECTORS

Cheryl C. Carter
Secretary

APPENDIX A

SYNALLOY CORPORATION

2015 Stock Awards Plan

1 Purpose. This 2015 Stock Awards Plan (the "Plan") is intended to provide key executive employees of Synalloy Corporation or any of its Subsidiaries (together, the "Company") with the opportunity to participate in the Company's future prosperity and growth by awarding them stock of the Company. The purpose of the Plan is to provide key executive employees long-term incentive for gain as a result of outstanding service to the Company and its shareholders, and to assist in attracting and retaining executives of ability and initiative. For purposes of this Plan, "Subsidiary" means any corporation or business organization in which the Company owns, directly or indirectly, twenty percent (20%) or more of the voting stock or capital or profits interest at the time of granting of an award under this Plan.

2 Administration. The Plan shall be administered by a committee consisting of two or more members of the Compensation and Long Term Incentive Committee of the Board (the "Committee"), each of whom shall be (i) a "non-employee director" within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934 (the "Exchange Act"), and (ii) an "outside director" as defined under Internal Revenue Code (the "Code") Section 162(m), unless the action taken pursuant to the Plan is not required to be taken by "outside directors" in order to qualify for tax deductibility under Code Section 162(m).

The Committee shall have complete authority and discretion to interpret all provisions of this Plan consistent with law, to prescribe the form of agreement evidencing the award of stock under the Plan, to adopt, amend, and rescind general and special rules and regulations for its administration, and to make all other determinations necessary or advisable for the administration of the Plan. No member of the Committee shall be liable for any action or determination in respect thereto, if made in good faith, and each member of the Committee shall be entitled to indemnification by the Company with respect to all matters arising from his service on the Committee to the fullest extent allowable under the Company's Certificate of Incorporation, Bylaws and applicable law.

3 Eligibility. Any salaried employee of the Company who, in the judgment of the Committee, occupies a management position in which his or her efforts contribute to the profit and growth of the Company may be awarded stock under the Plan. The Committee will designate employees to whom stock is to be awarded and will specify the number of shares awarded. The Committee shall have the discretion to determine to what extent, if any, persons employed on a part-time or consulting basis will be eligible to participate in the Plan.

4 Stock. The stock available for awards under the Plan shall be shares of the Company's \$1.00 par value common stock (the "common stock"), and may be either authorized and unissued or held in the treasury of the Company. The total amount of stock that may be awarded under the Plan shall not exceed 250,000 shares, subject to adjustment to reflect any change in the capitalization of the Company, as more fully provided in Section 8 hereof. The Committee will maintain records showing the cumulative total of all shares awarded/vested under this Plan.

If any shares previously awarded do not vest, in whole or in part, for any reason, such shares shall again become available for award under this Plan.

5 Award of Stock. The Committee, at any time, during the duration of the Plan, may authorize the award of stock to those eligible under Section 3 hereof, subject to the limitations provided herein. The date on which stock shall be deemed awarded shall be the date the Committee authorizes such award or such later date as may be determined by the Committee at the time such award is authorized. The Committee also may impose on any award of stock under the Plan such additional terms and conditions, not inconsistent with the provisions of the Plan, as the Committee shall determine.

6 Terms and Conditions of Awards. Each stock award pursuant to the Plan shall be evidenced by a written agreement, executed by the Company and the participant, which states the number of shares granted thereby and certain other terms, in such form as the Committee shall from time to time approve. Each award of stock pursuant to the Plan shall comply with and be subject to the following terms and conditions:

A. Vesting during Continuous Employment. Stock awarded pursuant to the Plan shall vest according to the following schedule:

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Time from Award Date	Percentages of Shares Awarded that are Vested (including those previously vested)
After One Year	20%
After Two Years	40%
After Three Years	60%
After Four Years	80%
After Five Years	100%

Share awards will only vest if, at the time of vesting, the employee has been in the continuous employment of the Company since the date the stock was awarded. The Committee may decide in each case to what extent leaves of absence for government or military service, illness, temporary disability, or other reasons shall not for this purpose be deemed interruptions of continuous employment.

B. Cancellation of Unvested Stock Awards on Termination of Employment. Notwithstanding the vesting schedule set forth in Section 6.A above, any portion of a stock award that has not vested prior to the termination of an employee's employment with the Company as the result of retirement (minimum age of 62), death or disability, shall become 100% vested; otherwise, any portion of a stock award that has not vested prior to the termination of an employee's employment with the Company for any other reason, shall be automatically cancelled. In the event of death, the employee's estate would receive the balance of the shares.

C. Cancellation of Unvested Stock Awards on Failure to Comply with Certain Conditions. Unless the award agreement specifies otherwise, the Committee may cancel any awards which have not vested at any time if the employee is not in compliance with all applicable provisions of the award agreement and the Plan including the following conditions:

- (i) Noncompetition. An employee shall not render services for any organization or engage directly or indirectly in any business which, in the judgment of the Chief Executive Officer of the Company or other senior officer designated by the Committee, is or becomes competitive with the Company.
- (ii) Confidentiality. An employee shall not, without prior written authorization from the Company, disclose to anyone outside the Company, or use in other than the Company's business, any confidential information or material relating to the business of the Company that is acquired by the employee during or after employment with the Company.
- (iii) Intellectual Property. An employee shall not fail to disclose promptly and assign to the Company all right, title, and interest in any invention or idea, patent-able or not, made or conceived by the employee during employment by the Company in accordance with the Company's then existing policies.

D. Sale or Merger. Notwithstanding the vesting schedule set forth in Section 6.A above, 100% of the total number of unvested shares will vest in the event that there is either (i) the acquisition of more than fifty percent (50%) of the outstanding voting securities of the Company or a Subsidiary in which the employee is employed (calculated on a fully diluted basis) by any person during any consecutive 12-month period of time; or (ii) the sale of more than fifty percent (50%) in value of the assets of the Company over any consecutive 12-month period of time.

E. Voting Rights and Escrow. An employee shall not be entitled to voting rights with respect to any portion of a stock award that has not vested. Each share of stock awarded pursuant to the Plan shall be held in escrow by the Company (together with any distributions in respect of such shares) until such shares have vested. Upon vesting of any portion of a stock award, certificates evidencing the vested shares shall be delivered to the employee. In addition, in the event that, following the grant of the stock award to an employee, the Company has made any distribution to shareholders of the Company in connection with their ownership of the stock, such employee shall be paid, upon vesting of any portion of a stock award, a sum equal to the cumulative distribution(s) associated with the vested stock from the date of the grant of the stock award through the date of vesting of any portion of the stock award. Upon issuance, the shares awarded pursuant to the Plan will be fully paid and non-assessable.

F. Fair Market Value. Upon the vesting of shares pursuant to this stock award, the Committee shall determine, in good faith and in its best judgment, the value of each share currently vested, which under no circumstance shall be less than fair market value. For such purposes, if the shares are listed on a national securities exchange at the time of the granting of the stock award, then the fair market value per share shall be not less than the average of the highest and lowest selling price on such exchange as of the date that such stock award is vested, or if there were no sales on said

date, then the price shall not be less than the mean between the bid and the ask price on such date. If the shares are traded otherwise than on a national securities exchange at the time of the vesting of the stock award, then the price per share shall not be less than the mean between the bid and the asked price on the date of the vesting of the stock award, or if there is no such bid and asked price on said date, then on the next

A - 2

prior business day on which there was a bid and asked price. If no such bid and asked price is available, then the price per share shall be determined by the Committee.

7. Assignability. Share awards that have not vested under the Plan shall not be transferable by the employee.

Adjustment upon Change of Shares. In the event of a reorganization, merger, consolidation, reclassification, recapitalization, combination or exchange of shares, stock split, stock dividend, rights offering or other event
8. affecting shares of the Company, the number of shares subject to unvested stock awards and the number of shares reserved for issuance under this Plan shall be equitably adjusted by the Committee to reflect the change.

Compliance with Law and Approval of Regulatory Bodies. No shares shall be delivered under the Plan except in compliance with all applicable federal and state laws and regulations including, without limitation, compliance with applicable withholding tax requirements, and with the rules of all domestic stock exchanges on which the Company's shares may be listed. Any share certificate issued to evidence shares may be listed on any domestic stock exchange
9. authorized by the Company. Any share certificate issued to evidence shares may bear legends and statements, and be subject to such restrictions, as the Company shall deem advisable to assure compliance with federal and state laws and regulations. No shares will be delivered under the Plan until the Company has obtained such consents or approvals from regulatory bodies, federal or state, having jurisdiction over such matters as the Company may deem advisable.

It is the intent of the Company that the grant of any awards under the Plan to or other transactions by a participant who is subject to Section 16 of the Exchange Act shall be exempt under Rule 16b-3 (except for transactions acknowledged in writing to be non-exempt by such Participant). Accordingly, if any provision of this Plan or any award agreement does not comply with the requirements of Rule 16b-3 as then applicable to any such transaction, unless the participant shall have acknowledged in writing that a transaction pursuant to such provision is to be non-exempt, such provision shall be construed or deemed amended to the extent necessary to conform to the applicable requirements of Rule 16b-3 so that such participant shall avoid liability under Section 16(b) of the Exchange Act.

General Provisions. Neither the adoption of the Plan nor its operation, nor any document describing or referring to the Plan, or any part thereof, shall confer upon any employee any right to continue in the employ of the Company
10. or any subsidiary, or shall in any way affect the right and power of the Company to terminate the employment of any employee at any time with or without assigning a reason therefor to the same extent as the Company might have done if the Plan had not been adopted.

Effective Date of the 2015 Plan. This Plan was adopted by the Board of Directors of the Company effective February 10, 2015, which will be the effective date of the Plan if and when approved by shareholders holding a
11. majority of the Company's outstanding shares of common stock entitled to vote on the Plan at the Annual Meeting of Shareholders on May 13, 2015.

Amendment to the Plan. The Board of Directors of the Company may alter, amend, or terminate the Plan at any time. However, no amendment shall be effective unless approved by the shareholders holding a majority of the
12. Company's outstanding shares of common stock to the extent shareholder approval is required by applicable law or applicable requirements of any securities exchange or quotation system on which the common stock of the Company is listed or quoted.

Duration of the Plan. Unless previously terminated by the Board of Directors, the Plan shall be effective for a
13. period of ten years from the effective date of the Plan, and no award shall be made after such date. Unvested shares awarded before that date shall remain valid thereafter in accordance with their terms.

Governing Law. The Plan shall be governed by and construed in accordance with the laws of the State of
14. Delaware, except to the extent that federal law shall be deemed to apply.

Arbitration. Any dispute that arises among (i) the Company and/or the Board and (ii) any employee arising in connection with the Plan shall be resolved by binding arbitration by a single arbitrator held in Richmond, Virginia,
15. pursuant to the federal Arbitration Act (or if the federal Arbitration Act is deemed not to apply, the Virginia Uniform Arbitration Act) and applying the rules of the American Arbitration Association as in effect from time to time.

16. Taxes. The Company is authorized to withhold from any stock award granted, any payment relating to an award under the Plan, including from a distribution of stock, or any payroll or other payment to an employee, amounts of

withholding and other taxes due or potentially payable in connection with any transaction involving an award, and to take such other action as the Committee may deem advisable to enable the Company and employee to satisfy obligations for the payment of withholding taxes and other tax obligations relating to any award. However, this authority shall not include withholding of taxes above the statutorily required withholding amounts where such excess withholding would result in an earnings charge to the Company under U. S. Generally Accepted Accounting Principles.

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SYNALLOY CORPORATION
 POST OFFICE BOX 5627
 SPARTANBURG, SC 29304

VOTE BY INTERNET - www.proxyvote.com

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time the day before the meeting date or the plan cut-off date for the 401(k)/ESOP Plan. 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 up until 11:59 P.M. Eastern Time the day before the meeting date or the plan cut-off date for the 401(k)/ESOP Plan. 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.

TO VOTE, MARK BELOW IN BLUE OR BLACK INK AS FOLLOWS:

To withhold authority to vote for any individual nominee(s), mark "For All Except" and write the number(s) of the nominee(s) on the line below.

	For	Withhold	For All Except		To withhold authority to vote for any individual
	All	All	_____		nominee(s), mark "For All Except" and write the
1. Election of Directors	_____	_____	_____		number(s) of the nominee(s) on the line below.
	_____	_____	_____		_____

Nominees

01) Craig C. Bram 02) Anthony A. Callander 03) Henry L. Guy 04) Amy J. Michtich 05) James W. Terry, Jr. 06) Vincent W. White
 07) Murray H. Wright

The Board of Directors recommends you vote FOR election of all Nominees

2. Approval to amend the Certificate of Incorporation to increase the number of authorized shares of Common Stock of the Company from 12,000,000 to 24,000,000 shares	For	Against	Abstain
	_____	_____	_____
The Board of Directors recommends you vote FOR the approval of the increase in authorized shares			
3. Approval to amend the Certificate of Incorporation to nullify cumulative voting at any election of directors	For	Against	Abstain
	_____	_____	_____
The Board of Directors recommends you vote FOR the approval to nullify cumulative voting			
4. Approval of the Synalloy Corporation 2015 Stock Awards Plan	For	Against	Abstain
	_____	_____	_____

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The Board of Directors recommends you vote FOR the approval of the Synalloy Corporation 2015 Stock Awards Plan

5. Advisory vote on the compensation of our named executive officers For Against Abstain

The Board of Directors recommends you vote FOR the approval, on an advisory basis, of the compensation of our named executive officers

6. The ratification of the appointment of Dixon Hughes Goodman LLP as our independent registered public accounting firm for 2015 For Against Abstain

The Board of Directors recommends you vote FOR the ratification of our independent registered public accounting firm

NOTE: And in the discretion of such proxy agents, upon such other business as may properly come before the meeting or any adjournment thereof, and matters incidental to the conduct of the meeting.

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name, by authorized officer.

Signature [PLEASE SIGN WITHIN BOX]

Date

Signature (Joint Owners)

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:
The Notice & Proxy Statement and Annual Report are available at www.proxyvote.com

SYNALLOY CORPORATION
Annual Meeting of Shareholders
May 13, 2015 10:00 AM
This proxy is solicited by the Board of Directors

The undersigned hereby appoints Richard D. Sieradzki and Cheryl C. Carter, or either of them, each with power of substitution, as lawful proxy, to vote all the shares of Common Stock of Synalloy Corporation which the undersigned would be entitled to vote if personally present at the Annual Shareholders' Meeting of Synalloy Corporation to be held at the Hilton Richmond Hotel and Spa/Short Pump in James River Salon AB, 12042 West Broad Street, Richmond, VA 23233, on Wednesday, May 13, 2015 at 10:00 a.m. local time, and at any adjournment thereof, upon such business as may properly come before the meeting.

The proxies will vote on the items set forth in the Notice of Annual Meeting and Proxy Statement (receipt of which is hereby acknowledged) as specified on this card, and are authorized to vote in their discretion when a vote is not specified. If no specification is made, it is the intention of said proxies to vote the shares represented by the proxy in favor of the proposal.

This proxy when properly executed will be voted in the manner directed herein by the undersigned stockholder. If no direction is made, this Proxy will be voted FOR the election of all the director nominees in Proposal 1; FOR Proposal 2 - approval to amend the Certificate of Incorporation to increase the number of authorized shares of Common Stock of the Company from 12,000,000 to 24,000,000 shares; FOR Proposal 3 - approval to amend the Certificate of Incorporation to nullify cumulative voting at any election of directors; FOR Proposal 4 - approval of the Synalloy Corporation 2015 Stock Awards Plan; FOR Proposal 5 - approval, on an advisory basis, of the compensation of our named executive officers; and FOR Proposal 6 - the ratification of our independent registered public accounting firm.

Continued and to be signed on reverse side