

SYNALLOY AUDIT COMMITTEE CHARTER

Membership

The Audit Committee shall be appointed by the Board of Directors and shall be comprised of at least three directors. All members of the Audit Committee shall be independent as defined by the rules and listing standards applicable to the Company and shall meet any other requirements for Audit Committee membership imposed by such rules and standards.

General Standards for Members of the Committee

Members of the Committee shall discharge their duties as members of the Committee in accordance with the standards of Section 141 of the Delaware General Corporation Law, as amended, and subject to the provisions of the Company's Certificate of Incorporation.

Purpose

The Audit Committee shall oversee the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company.

Responsibilities

The primary responsibility of the Audit Committee is to oversee the Company's accounting and financial reporting processes in a manner which is consistent with the members' duties as directors exercising their business judgment and to report the results of its activities to the board. Management is responsible for preparing the Company's financial statements, and the registered public accountants are responsible for auditing those financial statements. The Company recognizes that the members of the financial management of the Company, as well as the registered public accountants, have more knowledge and more detailed information about the Company than do the members of the Committee; consequently, in carrying out its oversight responsibilities, the Audit Committee is not providing any expert or special assurance as to the Company's financial statements or any professional certification as to the registered public accountants' work.

In carrying out its responsibilities, the Audit Committee believes its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances.

The following shall be the principal recurring processes of the Audit Committee in carrying out its oversight responsibilities. The processes are set forth as a guide with the understanding that the Committee may diverge from this guide as it deems appropriate given the circumstances. The processes are to:

- Select and appoint the registered public accountants to be engaged to audit the financial statements of the company and its divisions and subsidiaries or to perform other audit review or attest services, set the terms of the engagement and compensation, oversee the work of and, where appropriate, replace the registered public accountants. The registered public accountants shall report directly to the Audit Committee.
- Be responsible for the oversight of the work of the registered public accountants, including resolution of disagreements between management and the registered public accountants regarding financial reporting.

- Pre-approve all audit and non-audit services, including the terms thereof, provided by the registered public accountants. The Committee shall not engage the registered public accountants to perform any non-audit services proscribed by law or regulation. The Committee may delegate pre-approval authority to a member of the Audit Committee. The decisions of any Audit Committee member to whom pre-approval authority is delegated must be presented to the full Audit Committee at its next scheduled meeting.
- Review with the registered public accountants and financial management of the Company the scope of the proposed audit and quarterly reviews for the current year and the procedures to be used, and the adequacy of the registered public accountants' staffing and compensation.
- Make or cause to be made such other reviews or examinations as the Committee may deem advisable with respect to the adequacy and effectiveness of the accounting and financial controls of the Company, and take such action with respect thereto as the Committee deems appropriate.
- Review reports received from governmental authorities and other legal and regulatory matters that come to its attention and that may have a material effect on the financial statements or related company compliance policies.
- Inquire of management and the registered public accountants about significant risks or exposures and assess the steps management has taken to manage such risks.
- Review and discuss earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies.
- Review the quarterly financial statements with financial management and the registered public accountants prior to the filing of the Form 10-Q (or prior to the press release of results, if possible) and discuss any other matters required to be communicated to the Committee by the registered public accountants. The chair of the Committee may represent the entire Committee for purposes of this review.
- Receive a report from the registered public accountants, prior to the Company's filing of the audit report with the SEC, on all critical accounting policies and practices of the Company, all material alternative treatments of financial information within the scope of generally accepted accounting principles that have been discussed with management, including the ramifications of the use of such alternative treatments and disclosures and the treatment preferred by the registered public accountants, and receive other material written communications between the registered public accountants and management.
- Review with management and the registered public accountants the financial statements to be contained in the Annual Report on Form 10-K, including their judgments about the quality, not just acceptability, of accounting principles and the clarity of the financial disclosures used or proposed to be used. Review with financial management and the registered public accountants significant financial reporting issues and practices, including changes in, or adoptions of, accounting principles and disclosure practices, and discuss any other matters required to be communicated to the Committee by the registered public accountants.
- Meet separately with the registered public accountants without members of management present to discuss the registered public accountants' evaluation of the company's financial accounting and personnel, the cooperation that the registered public accountants received during the course of audit, and to discuss issues and

concerns warranting Committee attention. The Committee shall provide sufficient opportunity for the registered public accountants to meet privately with the members of the Committee. The Committee shall also 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., Company's Code of Conduct).

- Establish procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- Set clear hiring policies for employees or former employees of the registered public accountants that meet SEC and Nasdaq regulations.
- Receive reports of evidence of material violations of securities laws or breaches of fiduciary duty from corporate attorneys or others.
- On an annual basis, obtain from the registered public accountants a written communication delineating all their relationships with and professional services to the Company consistent with Independence Standards Board Standard No. 1 or other applicable standards. In addition, review with the registered public accountants any disclosed relationships or professional services that may affect their objectivity and independence and take, or recommend that the Board of Directors take, appropriate action to oversee the continuing independence of the registered public accountants.
- At least annually, obtain and review a report by the registered public accountants describing:
 - (a) The registered public accountants' internal quality control procedures; and
 - (b) Any material issues raised by the most recent internal quality control review, or peer review, of the registered public accountants, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the registered public accountants, and any steps taken to deal with any such issues.
- Annually review and reassess the adequacy of this Charter.
- Prepare any report of the Committee required by the regulations of the Securities and Exchange Commission, to be included in the Company's proxy statement for its annual meeting of shareholders as required by the SEC.

Other Authority

The Committee shall have authority to investigate, as it deems appropriate, any matter brought to its attention within the scope of its duties. The Committee may retain outside counsel and consultants to assist it in performing its duties as it sees fit.

The Company shall promptly pay all fees and expenses of registered public accountants, counsel and consultants retained by the Committee and other expenditures authorized by the Committee.