

**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM S-8**  
**REGISTRATION STATEMENT**  
*Under*  
**THE SECURITIES ACT OF 1933**

**SYNALLOY CORPORATION**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**57-0426694**  
(I.R.S. Employer  
Identification No.)

775 Spartan Blvd., Suite 102  
P.O. Box 5627  
Spartanburg, South Carolina 29304  
(864) 585-3605

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Synalloy Corporation  
1998 Long-Term Incentive Stock Plan  
(Full title of plan)

Craig C. Bram  
President and Chief Executive Officer  
Synalloy Corporation  
775 Spartan Blvd., Suite 102  
P.O. Box 5627  
Spartanburg, South Carolina 29304  
(864) 585-3605

(Name, address, including zip code, and telephone number, including area code, of agent for service)

*Copies to:*

Scott H. Richter, Esq.  
John C. Selbach, Esq.  
LeClairRyan, A Professional Corporation  
Riverfront Plaza, East Tower  
951 East Byrd Street  
Richmond, Virginia 23219  
(804) 783-2003

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer   
Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

**CALCULATION OF REGISTRATION FEE**

Title of securities to be registered	Amount to be registered (1)	Proposed maximum offering price per share (2)	Proposed maximum aggregate offering price (2)	Amount of registration fee
Common Stock, \$1.00 par value	50,000 shares	\$14.11	\$705,500	\$96

- (1) This registration statement covers only the stated number of shares in this table and not the entire number of shares authorized under the registrant's 1998 Long-Term Stock Incentive Plan. This registration statement also covers such additional and indeterminate number of shares of common stock of the registrant as may be issuable as a result of a stock dividend, stock split, split-up, recapitalization or similar event.
- (2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) and Rule 457(h) under the Securities Act of 1933, as amended, based on the average of the high and low prices of the registrant's common stock on May 24, 2013, as reported on the NASDAQ Global Market.

**PART I**

**INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS**

The documents containing the information specified in Part I will be sent or given to participants as specified by Rule 428 under the Securities Act of 1933, as amended (the "Securities Act"). Such documents are not being filed with the Securities and Exchange Commission (the "Commission") either as part of this Registration Statement or as prospectuses or prospectus supplements pursuant to Rule 424 under the Securities Act. Such documents and the documents incorporated by reference in this Registration Statement pursuant to Item 3 of Part II of this Form, taken together, constitute a prospectus that meets the requirements of Section 10(a) of the Securities Act.

**PART II**

**INFORMATION REQUIRED IN THE REGISTRATION STATEMENT**

**Item 3. Incorporation of Documents by Reference.**

The following documents, which have been filed with the Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), are hereby incorporated by reference in, and shall be deemed to be a part of, this Registration Statement:

- (a) The Annual Report on Form 10-K for the year ended December 29, 2012 of Sinalloy Corporation (the "Company").
- (b) The Company's Quarterly Report on Form 10-Q for the quarter ended March 30, 2013.
- (c) All other reports filed by the Company pursuant to Section 13(a) or 15(d) of the Exchange Act since the end of the fiscal year covered by the Annual Report referred to in (a) above.
- (d) The description of the Company's common stock contained in its Registration Statement on Form 8-A, filed with the Commission on November 26, 1991, including any amendment or report filed with the Commission for the purpose of updating such description.

All documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated herein by reference and shall be deemed a part hereof from the date of filing of such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein and to be a part hereof shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

**Item 4. Description of Securities.**

Not applicable.

**Item 5. Interests of Named Experts and Counsel.**

Not applicable.

**Item 6. Indemnification of Directors and Officers.**

Section 145 of the Delaware General Corporation Law (the "DGCL") permits indemnification of any person who is or was a director, officer, employee or agent of a corporation or enterprise, against expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with any threatened, pending or completed action, suit or proceeding other than an action by or in the right of the corporation, by reason of being or having been in any such capacity, if he or she acted in good faith in a manner reasonably believed to be in, or not opposed to, the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Section 102(b)(7) of the DGCL enables a corporation in its certificate of incorporation to eliminate or limit the personal liability of a director to the corporation or its stockholders of monetary damages for violations of the directors' fiduciary duty of care, except (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the DGCL (providing for liability of directors for unlawful payment of dividends or unlawful stock purchases or redemptions) or (iv) for any transaction from which a director derived an improper personal benefit.

The Company's Restated Certificate of Incorporation and Bylaws, each as amended, provide that the Company shall indemnify its directors, officers, employees, and agents to the fullest extent permitted by the DGCL.

The Company has a policy of directors' and officers' liability insurance that insures its directors and officers against the cost of defense, settlement or payment of a judgment under certain circumstances.

**Item 7. Exemption from Registration Claimed.**

Not applicable.

**Item 8. Exhibits.**

<u>Exhibit Number</u>	<u>Description of the Exhibit</u>
4.1	Restated Certificate of Incorporation of Sinalloy Corporation, as amended (incorporated by reference to Exhibit 3.1 to the Quarterly Report on Form 10-Q filed May 17, 2005).
4.2	Bylaws of Sinalloy Corporation, as amended (incorporated by reference to Exhibit 3.2 to the Quarterly Report on Form 10-Q filed May 15, 2001).
4.3	Form of Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Quarterly Report on Form 10-Q filed May 15, 2001).
5.0	Opinion of LeClairRyan, A Professional Corporation.
23.1	Consent of Dixon Hughes Goodman LLP.
23.2	Consent of LeClairRyan, A Professional Corporation (included in Exhibit 5.0).
24.0	Power of Attorney (included on signature page).
99.1	1998 Long-Term Incentive Stock Plan.

**Item 9. Undertakings.**

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

- (i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;
- (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and
- (iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

*Provided, however, that:*

- (B) Paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) of this section do not apply if the registration statement is on Form S-3 or Form F-3 and the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(h) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to applicable law, the registrant's Articles of Incorporation, as it may be amended from time to time, the registrant's Bylaws or the registrant's indemnification agreements, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses

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incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Spartanburg, State of South Carolina, on May 30, 2013.

**SYNALLOY CORPORATION**

By: /s/ Craig C. Bram  
Craig C. Bram  
President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated. Each person whose signature appears below constitutes and appoints Craig C. Bram, Carroll D. Vinson and Richard D. Sieradzki, and each of them singly, as his true and lawful attorneys-in-fact and agents, with full power of substitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments or post-effective amendments to this registration statement, hereby ratifying and confirming such person's signature as it may be signed by said attorneys to any and all amendments.

<u>Signature</u>	<u>Capacity</u>	<u>Date</u>
<u>/s/ Craig C. Bram</u> Craig C. Bram	President, Chief Executive Officer and Director (principal executive officer)	May 30, 2013
<u>/s/ Richard D. Sieradzki</u> Richard D. Sieradzki	Vice President – Finance and Chief Financial Officer (principal financial and accounting officer)	May 30, 2013
<u>/s/ Carroll D. Vinson</u> Carroll D. Vinson	Chairman of the Board and Director	May 30, 2013
<u>/s/ Murray H. Wright</u> Murray H. Wright	Director	May 30, 2013
<u>/s/ James W. Terry, Jr.</u> James W. Terry, Jr.	Director	May 30, 2013
<u>/s/ Henry L. Guy</u> Henry L. Guy	Director	May 30, 2013
<u>/s/ Anthony A. Callander</u> Anthony A. Callander	Director	May 30, 2013

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## EXHIBIT INDEX

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May 30, 2013

Board of Directors  
Synalloy Corporation  
775 Spartan Boulevard  
Suite 102  
Spartanburg, South Carolina 29304

Gentlemen:

We have acted as counsel to Synalloy Corporation, a Delaware corporation (the "Company"), in connection with the preparation and filing of a Registration Statement on Form S-8 (the "Registration Statement") with the Securities and Exchange Commission. The Registration Statement registers 50,000 shares of common stock, par value \$1.00 per share, which have been reserved for issuance under the Synalloy Corporation 1998 Long-Term Incentive Stock Plan (the "Plan").

We have examined the Registration Statement and such corporate records, certificates and other documents as we deemed necessary for the purpose of this opinion. Furthermore, we have made such factual inquiries and reviewed such laws as we determined to be relevant for this opinion.

Based upon and subject to the foregoing, it is our opinion that the 50,000 shares of common stock which are authorized for issuance under the Plan, when issued and sold in accordance with the terms and provisions of the Plan, will be legally issued, fully paid and non-assessable.

We consent to the filing of this opinion as an exhibit to the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act of 1933.

Very truly yours,

/s/ LeClairRyan, A Professional Corporation

951 East Byrd Street, Eighth Floor  
Richmond, Virginia 23219  
Phone: 804.783.2003 \ Fax: 804.783.2294

CALIFORNIA \ CONNECTICUT \ MASSACHUSETTS \ MICHIGAN \ NEW JERSEY \ NEW YORK \ PENNSYLVANIA \ VIRGINIA \ WASHINGTON, D.C.





**DIXON HUGHES GOODMAN** LLP  
Certified Public Accountants and Advisors

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Shareholders  
Synalloy Corporation

We consent to the incorporation by reference in the registration statement on Form S-8 of our reports dated March 12, 2013, with respect to the consolidated financial statements of Synalloy Corporation and subsidiaries as of December 29, 2012 and December 31, 2011, and for each of the years in the three-year period ended December 29, 2012, and the effectiveness of internal control over financial reporting as of December 29, 2012, incorporated herein by reference.

/s/ Dixon Hughes Goodman LLP

Charlotte, North Carolina  
May 30, 2013

**SYNALLOY CORPORATION, INC.**  
**1998 Long-Term Incentive Stock Plan**

1. **Purpose.** This 1998 Long-Term Incentive Stock Plan (the "Plan") is intended to provide key executive employees of Synalloy Corporation (the "Company", which term shall include Synalloy Corporation and any of its affiliates or subsidiaries) with the opportunity to participate in the Company's future prosperity and growth by purchasing stock of the Company. The purpose of the Plan is to provide long-term incentive for gain through outstanding service to the Company and its shareholders and to assist in attracting and retaining executives of ability and initiative.
2. **Administration.** The Plan shall be administered by the Compensation and Long Term Incentive Committee (the "Committee") which shall consist of three members of the Company's Board of Directors who are Non-Employee Directors. Members of the Committee are not eligible to participate in the Plan (or any other option or incentive plan of the Company) while serving on the Committee, nor shall they have been so eligible for the twelve (12) months immediately preceding such appointment. A Non-Employee Director shall mean a director who (1) is not currently an officer of the Company (as defined in 17 CFR § 240.16a-1(f)) or a parent or subsidiary of the Company, or otherwise currently employed by the Company or a parent or subsidiary of the Company; (2) does not receive compensation, either directly or indirectly, from the Company or a parent or subsidiary of the Company, for services rendered as a consultant or in any capacity other than as a director, except for an amount that does not exceed the dollar amount for which disclosure would be required pursuant to 17 CFR § 229.404(a); (3) does not possess an interest in any other transaction for which disclosure would be required pursuant to 17 CFR § 229.404(a); and (4) is not engaged in a business relationship for which disclosure would be required pursuant to 17 CFR § 229.404(b).  
  
The Committee shall have complete authority and discretion to interpret all provisions of this Plan consistent with law, to prescribe the form of instruments evidencing the stock options granted 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 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 applicable law.
3. **Eligibility.** Any salaried employee of the Company who in the judgment of the Committee occupies a management position in which his efforts contribute to the profit and growth of the Company may be granted one or more options under the Plan. The Committee will designate employees to whom options are to be granted and will specify the number of shares subject to each option. 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; provided however, that an employee who, immediately before an option is granted, owns more than 10% of the combined voting power of the Company, shall not be eligible for an option grant.
4. **Stock.** The stock to be subject to options under the Plan shall be shares of the Company's common stock of the par value of \$1.00 per share (the "common stock"), and may be either authorized and unissued or held in the treasury of the Company. The total amount of stock on which options may be granted under the Plan shall not exceed 350,000 shares, subject to adjustment to reflect any change in the capitalization of the Company, as more fully provided in Section 10 hereof. The Committee will maintain records showing the cumulative total of all shares subject to options outstanding under this Plan.  
  
If any option is terminated, in whole or in part, for any reason other than the exercise thereof, the shares allocated to the option or portion thereof so terminated may be reallocated to another option or options to be granted under this Plan.

5. **Option Price.** The price per share for shares purchased upon the exercise of any option granted under the Plan will be one hundred percent (100%) of the fair market value per share of such shares on the date of grant of the option. Payment shall be made to the Company either (i) in cash or, at the discretion of the Committee; (ii) by delivery to the Company of shares of common stock owned by the option holder and having a fair market value on the date of exercise equal to the fair market value of the shares covered by the option on the date of the grant of the option, or (iii) a combination of cash and the value of such shares mentioned in (ii) above. As used in this Plan “fair market value” per share of the common stock shall mean the average of the bid and ask prices at the closing of the common stock on the day before the date of the grant as reported on NASDAQ National Market System (or such other exchange or market on which such value is being determined) or, if the Exchange shall be closed on that date, then on the last preceding date on which the Exchange was open for trading. In determining fair market value, the Committee may rely upon sales information reported on the consolidated tape or other consolidated reporting system and, in the absence of any sale or sales on the dates referred to in the preceding sentence, or a recognized market for the Company’s common stock, the Committee may determine fair market value by whatever recognized method it deems appropriate.
6. **Grant of Options.** The Committee, at any time, during the duration of the Plan, may authorize the granting of options to employees of the Company eligible under Section 3 hereof, subject to the limitations provided herein. The date on which an option shall be granted shall be the date the Committee authorizes such grant or such later date as may be determined by the Committee at the time such grant is authorized. Any employee may hold more than one option.
7. **Exercise of Options.** Options granted under the Plan shall be exercisable only in the following manner; provided, however, that in no event shall an option be exercisable more than ten years of the date of grant as set forth in paragraph 6 above.
  - A. **By an Employee During Continuous Employment.** The aggregate fair market value of the shares of the Company’s common stock, as determined at the time of grant, as to which options are exercisable for the first time by an employee during any calendar year shall not exceed \$100,000.00. Subject to this limitation, an employee may exercise any option during the applicable Exercise Periods in accordance with the following schedule:

<u>Time from Grant Date (Exercise Period)</u>	<u>Percentages of Options Granted Which may be Exercisable in that Exercise Period (including those previously exercised)</u>
Up to One Year	0%
One to Two Years	20%
Two to Three Years	40%
Three to Four Years	60%
Four to Five Years	80%
Five to Ten Years	100%

An employee may not exercise any part of an option granted under this Plan unless, at the time of such exercise, he has been in the continuous employment of the Company since the date the option was granted. 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. **By a Former Employee.** No person may exercise an option after he ceases to be an employee of the Company unless he ceases to be an employee of the Company as a result of normal retirement, early retirement, or disability retirement, either physical or mental, or on account of physical or mental disability.

In these instances, the option may be exercised by him, his attorney-in-fact, or his guardian, as appropriate, at any time after the date on which he ceased to be an employee, but not later than the end of the fixed term of the option and no earlier (except in the event of a cessation of employment by reason of disability) than one year from the date the option was granted.

- C. In Case of Death. If any employee or former employee who was granted an option dies, and at the time of death was entitled to exercise any option granted under this Plan, pursuant to Sub-Sections A and B above, the option may be exercised within six (6) months after the death of the employee or former employee (but no later than the end of the fixed term of the option) by his estate, or by a person who acquired the right to exercise the option by bequest or inheritance.
- D. Sale or Merger. Notwithstanding the limitation on the Exercise Period set forth in Section 7A above, (except as pertains to the \$100,000 per year limitation), an employee may exercise all options then exercisable by him as provided for in Section 7A above plus fifty percent (50%) of the options granted to him but which are not then exercisable because the requisite time from the date of grant has not lapsed in the event that either (i) all or substantially all of the assets or common stock of the Company (or a subsidiary or division of the Company in which he is employed) is sold to an entity not affiliated with the Company, (ii) a merger or share exchange with an unaffiliated party occurs in which the Company is not the surviving entity or (iii) a similar sale or exchange transaction occurs which in the Committee's sole discretion justifies such exercise right.
8. Method of Exercise. Each option granted under the Plan shall be deemed exercised when the holder shall so notify the Company in writing, addressed to the Company's secretary, together with payment in full for the shares for which the option is exercised, and tender of any related agreements or instruments, as required by the Committee, and shall comply with such other reasonable requirements as the Committee may establish pursuant to Section 12 of the Plan. However, this provision shall not preclude exercise of, or payment for, an option by any other proper method specifically approved by the Committee. No person, estate, or other entity shall have or exercise any of the rights of a shareholder with reference to shares subject to an option until a certificate or certificates for the shares has been duly issued and delivered.
- An option granted under this Plan may be exercised for any lesser number of shares than the full amount for which it could be exercised. Such a partial exercise of an option shall not affect the right to exercise the option from time to time in accordance with the Plan for the remaining shares subject to the option.
9. Assignability. Options granted under the Plan to an employee shall not be transferable by him except by will or the laws of descent and distribution.
10. 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 affecting shares of the Company, the number and class of shares for which options may thereafter be granted, the number and class of shares then subject to options previously granted, and the price per share payable upon exercise of such options shall be equitably adjusted by the Committee to reflect the change.
11. Compliance with Law and Approval of Regulatory Bodies. No option shall be exercisable and 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 authorized by the Company. Any share certificate issued to evidence shares for which an option is exercised 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 options shall be exercisable, and 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.

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In the case of the exercise of an option by a person or estate acquiring the right to exercise the option by bequest or inheritance, the Committee may require reasonable evidence as to the ownership of the option and may require consents and releases of taxing authorities that it may deem advisable.

12. 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 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.
13. Effective Date of the 1998 Plan. This Plan was adopted by the Board of Directors of the Company effective March 5, 1998, which will be the effective date of the Plan if and when approved by shareholders holding a majority of the Company's outstanding shares of common stock entitled to vote on the Plan at the Annual Meeting of Shareholders in 1998.
14. Amendment to the Plan. The Board of Directors of the Company may alter, amend, or terminate the Plan from time to time. Such action by the Board of Directors, however, will not be effective to change or modify the Plan, unless approved by shareholders holding a majority of the Company's outstanding shares of common stock, if such changes or modifications in the Plan would:
  - A. Increase the total number of shares of stock on which options may be granted under the Plan, except as contemplated in Section 10;
  - B. Change the manner of determining the option price;
  - C. Assign the administration of the Plan otherwise than to a committee of the Board of Directors;
  - D. Permit any person while a member of the Committee or any other committee of the Board of Directors administering the Plan to be eligible to receive or hold an option under the Plan or permit a person who is not a key employee of the Company at the time of grant to be granted an option; or
  - E. Extend the term of this Plan.
15. Duration of the Plan. Unless previously terminated by the Board of Directors, the Plan shall be effective for a period of ten years from the effective date of the Plan, and no option shall be granted after such date. Options granted before that date shall remain valid thereafter in accordance with their terms.