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REUNION INDUSTRIES INC  
Form DEF 14A  
June 02, 2006

SCHEDULE 14A INFORMATION

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

Filed by the Registrant  [X]

Filed by a Party other than the Registrant  [ ]

Check the appropriate box:

- [ ] Preliminary Proxy Statement  [ ] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(3) (2))
- [X] Definitive Proxy Statement
- [ ] Definitive Additional Materials
- [ ] Soliciting Material Pursuant to (S) 240.14a-11(c) or (S) 240.14a-12

Reunion Industries, Inc.

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- [X] No fee required.
- [ ] Fee computer on table below per Exchange Act Rules 14a-6(i) (4) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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

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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

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- [ ] Fee paid previously with preliminary materials.
- [ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a) (2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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REUNION INDUSTRIES, INC.  
11 Stanwix Street - Suite 1400  
Pittsburgh, Pennsylvania 15222

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To be Held July 18, 2006

Notice is hereby given that the Annual Meeting of the Stockholders of Reunion Industries, Inc., a Delaware corporation ("the Company"), will be held at the Company's offices, 11 Stanwix Street, Pittsburgh, Pennsylvania 15222 on July 18, 2006, at 10:00 A.M., local time, for the following purposes:

1. To elect a board of seven directors to serve until the next Annual Meeting of stockholders or until their successors are elected; and
2. To consider and act upon such other business as may properly be presented to the meeting.

Your Board of Directors recommends that you vote for all director nominees. The Board is not aware of any other proposals for the Annual Meeting.

A record of stockholders has been taken as of the close of business on May 22, 2006, and only those stockholders of record on that date will be entitled to notice of and to vote at the meeting. A stockholders' list will be available at, and may be inspected during, the meeting.

Whether or not you expect to be present at the meeting, please sign and date the enclosed proxy and return it promptly in the enclosed envelope which has been provided for your convenience.

By Order of the Board of Directors

/s/ John M. Froehlich

-----  
John M. Froehlich  
Secretary

June 6, 2006

REUNION INDUSTRIES, INC.  
PROXY STATEMENT

General

This proxy statement is being mailed to stockholders commencing on or about June 5, 2006 in connection with the solicitation by the Board of Directors of Reunion Industries, Inc., a Delaware corporation (the "Company"), of proxies to be voted at its Annual Meeting of Stockholders to be held at the Company's offices, 11 Stanwix Street, Pittsburgh, Pennsylvania

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15222 at 10:00 a.m., local time, on Tuesday, July 18, 2006 (the "Annual Meeting"), and at any adjournment thereof, for the purposes set forth in the accompanying Notice. Proxies will be voted in accordance with the directions specified thereon and otherwise in accordance with the judgment of the persons designated as proxies. Any signed proxy on which no direction is specified will be voted for the election of the nominees named herein to the board of directors. Any proxy may be revoked at any time before its exercise by delivery to the corporate Secretary of a written revocation of the proxy or a duly executed proxy bearing a later date.

The Company will pay the costs of soliciting proxies pursuant to this Proxy Statement. The Company will also reimburse brokerage firms and other custodians, nominees, and fiduciaries for their reasonable out-of-pocket expenses for sending management's proxy materials to stockholders and obtaining their proxies.

As of May 22, 2006, the record date for the determination of stockholders entitled to vote at the Annual Meeting, there were 17,419,019 outstanding shares of common stock of the Company. Each share of common stock entitles the holder to one vote on all matters presented at the annual meeting.

### Voting Procedures

As a stockholder of the Company, you have a right to vote on certain business matters affecting the Company. The proposal that will be presented at the Annual Meeting and upon which you are being asked to vote is the election of directors, which is discussed below under the section entitled "Proposal: Election of Directors." The Company is not aware of any other matters to be presented to and voted upon at the Annual Meeting. Each share of Reunion's common stock you own entitles you to one vote on each matter properly presented at the Annual Meeting.

### Methods of Voting

You may vote by mail or in person at the Annual Meeting.

**Voting by Mail.** By signing and returning the proxy card in the enclosed prepaid and addressed envelope, you are authorizing the individuals named on the proxy card (known as "proxies") to vote your shares at the Annual Meeting in the manner you indicate. We encourage you to sign and return the proxy card even if you plan to attend the meeting. In this way, your shares will be voted if you are unable to attend the meeting. If you received more than one proxy card, it is an indication that your shares are held in multiple accounts. Please sign and return all proxy cards to ensure that all of your shares are voted.

**Voting in Person at the Meeting.** If you plan to attend the Annual Meeting and vote in person, we will provide you with a ballot at the meeting. If your shares are registered directly in your name, you are considered the stockholder of record and you have the right to vote in person at the meeting. If your shares are held in the name of your broker or other nominee, you are considered the beneficial owner of shares held in street name. As a beneficial owner, if you wish to vote at the meeting, you will need to bring with you to the meeting a legal proxy from your broker or other nominee authorizing you to vote such shares.

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Your shares will be voted in accordance with the instructions you provide. If you sign and return your proxy card without providing your voting instructions, your shares will be voted "for" the seven named nominees for

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directors and in the discretion of the proxies as to other matters that may properly come before the meeting.

### Revoking Your Proxy

You may revoke your proxy at any time before it is voted at the meeting. To do this, you must:

- enter a new vote by signing, dating and returning another proxy card at a later date;
- provide written notice of the revocation to the Company's Secretary;
- or attend the meeting and vote in person.

### Quorum Requirement

A quorum, which is a majority of the outstanding shares entitled to vote as of the record date, May 22, 2006, must be present in order to hold the meeting and to conduct business. Shares are counted as being present at the meeting if you appear in person at the meeting or if you vote your shares by submitting a properly executed proxy card. Both abstentions and broker non-votes are counted as present for the purpose of determining a quorum.

### Votes Required for the Election of Directors

The seven nominees receiving the highest number of votes, in person or by proxy, will be elected as directors. You may vote "for" the nominees for election as directors or you may "withhold" your vote with respect to one or more nominees. There is no cumulative voting with respect to the election of directors. If you return a proxy card that withholds your vote from the election of all directors, your shares will be counted as present for the purpose of determining a quorum, but will not be counted in the vote on the proposal.

### Broker Non-Votes

For the proposal to elect seven directors, if your shares are held in street name and you do not instruct your broker on how to vote your shares, your brokerage firm may either leave your shares unvoted or vote your shares on this matter. To the extent your brokerage firm votes your shares on your behalf on this proposal, your shares will be counted as present for the purpose of determining a quorum.

### Voting Confidentiality

Proxies, ballots and voting tabulations are handled on a confidential basis to protect your voting privacy. This information will not be disclosed, except as required by law.

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### Voting Results

Votes will be tabulated by Registrar and Transfer Company, the transfer

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agent and registrar for the Company's common stock, and the results will be certified by an election inspector who is required to resolve impartially any interpretive questions as to the conduct of the vote. Results will be published in the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2006. You also may request the voting results by written request to Reunion's Secretary.

### PROPOSAL: ELECTION OF DIRECTORS

At the Annual Meeting, the Company's stockholders will be asked to vote for the election of seven directors to its Board of Directors. The candidates proposed for election at the Annual Meeting are Thomas N. Amonett, Charles E. Bradley, Sr., Kimball J. Bradley, Thomas L. Cassidy, David E. Jackson, Joseph C. Lawyer, and John G. Poole. If elected, the proposed candidates would comprise the entire Board of Directors of the Company, and would hold office until their successors are duly elected and qualified at the Company's next annual meeting of stockholders or until they earlier die, resign or are removed from office in accordance with the Company's By-Laws and applicable law.

#### Nominees

All persons nominated for election at the annual meeting currently are directors of the Company and have previously been elected by the stockholders.

Mr. Charles E. Bradley, Sr. is the father of Mr. Kimball J. Bradley. The Company knows of no other family relationships between any director, executive officer or nominee and any other director, executive officer or nominee. There are no arrangements or understandings between any nominee for director and any other person pursuant to which such person was selected as a nominee.

Name	Principal Position with Reunion Industries, Inc.	Age	Director Since
Thomas N. Amonett (1) (2)	Director	62	1992
Charles E. Bradley, Sr.	Director,	76	1995
Kimball J. Bradley	Director, Chairman & CEO	40	2000
Thomas L. Cassidy (1) (2)	Director	77	1995
David E. Jackson (1) (2)	Director	47	2003
Joseph C. Lawyer	Director and Vice Chairman	61	2000
John G. Poole	Director	63	1996

(1) Member, Compensation Committee of the Board of Directors

(2) Member, Audit Committee of the Board of Directors

THOMAS N. AMONETT has served as a director of the Company since July 1, 1992 and served as its President and Chief Executive Officer from July 1, 1992 until October 26, 1995. He also served as the President of Reunion Energy Company, then a wholly-owned subsidiary of the Company in the oil and gas operating business, from July 1, 1992 until May 24, 1996. Mr. Amonett is President and Chief Executive Officer of Champion Technologies, Inc., a manufacturer and distributor of specialty chemicals and related services, primarily to the oil and gas industry. He is also Chairman of the Board of TODCO, a provider of contract oil and gas drilling services, and serves on the Board of Directors and is a member of the Audit Committee of Bristow Group, Inc., a global provider of helicopter services. Both TODCO and Bristow are listed on the New York Stock Exchange.

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CHARLES E. BRADLEY, SR. became a director of the Company on June 20, 1995 and was appointed its President and Chief Executive Officer on October 26, 1995. He became Chairman effective March 16, 2000 and served in that capacity until March 2, 2006 when he resigned his officership as Chairman and CEO. He continues to serve as a director of the Company. Mr. Bradley, Sr. was a co-founder of Stanwich Consulting Corp., formerly known as Stanwich Partners, Inc. ("SPI"), in 1982 and has served as its President since that time. SPI is a private investment company. He was a director of Chatwins Group, Inc. ("Chatwins Group") from 1986 until its merger with the Company on March 16, 2000 and was Chairman of the Board of Chatwins Group from 1988 until the merger. Mr. Bradley, Sr. is currently the President and a director of Sanitas, Inc. and Texon Energy Corporation, both inactive companies. Since May 1997, he has been President and sole director of Stanwich Financial Services Corp. ("SFSC"), which, on June 25, 2001, filed a voluntary petition in the United States Bankruptcy Court for the District of Connecticut for reorganization under Chapter 11 of the United States Bankruptcy Code. SFSC was in the structured settlement business.

KIMBALL J. BRADLEY became President and Chief Operating Officer of the Company effective May 1, 2000. Effective March 2, 2006, the Board of Directors elected him Chairman of the Board and Chief Executive Officer. Mr. Bradley continues to serve as President of the Company. He was Executive Vice President of Operations of the Company following the Chatwins Group merger and was a Senior Vice President of Chatwins Group from August 1998 until the merger. Mr. Bradley is the son of Charles E. Bradley, Sr.

THOMAS L. CASSIDY became a director of the Company on June 20, 1995. He was a Managing Director of Trust Company of the West, an investment management firm, from 1984 until his retirement in 1999. Mr. Cassidy is a Partner of TCW Capital, an affiliate of Trust Company of the West.

DAVID E. JACKSON became a director of the Company on June 26, 2003. He is the CEO of Bingo Country Holdings, Ltd. in Toronto, Canada. He has over fifteen years experience as a portfolio manager investing in distressed securities, having worked as a portfolio manager with Avenue Capital Management, Oppenheimer & Co. Inc., EBF & Associates and Cargill, Inc.

JOSEPH C. LAWYER became Vice Chairman of the Company effective May 1, 2000. He was President and Chief Operating Officer of the Company following the Chatwins Group merger and was President, Chief Executive Officer and a director of Chatwins Group from 1988 until the merger. Mr. Lawyer is a director of Respironics, Inc., a company engaged in design, manufacture and sale of home and hospital respiratory medical products.

JOHN G. POOLE became a director of the Company on April 19, 1996. Mr. Poole is a private investor. He was a co-founder of SPI with Charles E. Bradley, Sr. in 1982 and served as its Vice President until 2001. Mr. Poole is also a director of Consumer Portfolio Services, Inc., engaged in the business of purchasing, selling and servicing retail automobile installment sales contracts.

The Board of Directors recommends a vote for all nominees for the board of directors.

### Board and Committee Activity

During 2005, the Board held three regularly scheduled meetings, its Audit Committee held four meetings and its Compensation Committee held two meetings. Each of the directors attended all of the meetings of the Board and of each committee on which he served during 2005, except that Mr. Amonett and Mr. Cassidy each missed one meeting of the Audit Committee, although not the same

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meeting. The Company expects the directors to attend its annual meetings of stockholders. All directors attended the last meeting, held on June 21, 2005.

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The Company's operations are managed under the general supervision and direction of the Board of Directors, which has the ultimate responsibility for the establishment and implementation of the Company's general operating philosophy, objectives, goals and policies. Pursuant to delegated authority, certain Board functions may be discharged by one or more standing committees of the board.

The Compensation Committee, comprised of Messrs. Amonett (chairman), Cassidy and Jackson, is responsible for the formulation and adoption of all executive compensation, benefit and insurance programs, subject to full Board approval where legally required or in those instances where the underlying benefit philosophy might be at variance with preexisting Board policies. The Compensation Committee also supervises the administration of all executive compensation and benefit programs, including the establishment of any specific criteria against which all annual performance based benefits are to be measured.

The Audit Committee, comprised of Messrs. Jackson (chairman), Amonett and Cassidy assists the Board in assuring that the Company's accounting and reporting practices are in accordance with all applicable requirements. Each member of the Audit Committee meets the independence and financial experience requirements under the rules of both the Securities and Exchange Commission ("SEC") and American Stock Exchange ("AMEX"), where the Company's stock is listed. In addition, the Board has determined that David E. Jackson is an "audit committee financial expert" as defined by SEC rules. Mr. Jackson's business experience is described above under the caption "PROPOSAL: ELECTION OF DIRECTORS". The Audit Committee reviews with the auditors the scope of the proposed audit work and meets with the auditors to discuss matters relating to the audit and any other matter which the committee or the auditors may wish to discuss. In addition, the audit committee recommends the appointment of auditors to the Board of Directors each year and would recommend the appointment of new auditors if future circumstances were to indicate that such action is desirable. The Board of Directors has adopted a written charter for the Audit Committee.

The Board of Directors does not maintain executive or nominating committees. Nominations for directorships are considered by the entire Board. The Board believes that, in view of the small number of directors (7) and the desirability of all directors, including "independent directors", participating in the process, it is unnecessary to have a separate nominating committee. The Company does not have a formal written policy or charter concerning nominations. However, in evaluating a potential nominee, including a nominee recommended by a stockholder, the Board will consider the benefits to the Company of such nomination, based on the nominee's skills and experience related to managing a significant business, the willingness of the person to serve and such person's character and reputation. Stockholders who wish to suggest individuals for possible future consideration for Board positions or otherwise to communicate with the Board or individual directors should direct recommendations and other communications to the Board of Directors or individual director, as applicable, at the Company's principal offices.

### Director Compensation

Directors not otherwise compensated by the Company receive annual retainers of \$18,000 for service on the Board and \$500 for each Board or committee meeting attended. Compensation paid to non-employee directors during 2005 for service in all Board capacities aggregated \$86,000. Directors are reimbursed for the actual cost of any travel expenses incurred. In addition to his director's fees, Mr. Poole received \$42,000 for consulting

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services during 2005.

The Company's non-employee directors are eligible for awards under the 1998 and 2004 Stock Option Plans. During the year ended December 31, 2005, the Company granted options to purchase 40,000 shares of the Company's common stock to non-employee directors.

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### Key Person Insurance

The Company has split-dollar life insurance arrangements with directors Charles E. Bradley, Sr., Joseph C. Lawyer and John G. Poole. Under such arrangements, the Company maintains three universal type life insurance policies on Mr. Bradley, Sr. and his wife, two such policies on Mr. Poole and one such policy on Mr. Lawyer. The Company is entitled to be reimbursed for the premiums it pays on such policies from either the death benefits under the policies or from their cash surrender values. If the proceeds from the policies are insufficient to reimburse the Company in full, each of the insured director is obligated to pay to the Company the amount of the shortfall with respect to the policies on his life. The Company did not pay any premiums on such policies in 2005.

### Compensation Committee Interlocks and Insider Participation

Messrs. Amonett, Cassidy and Jackson are members of the Compensation Committee. Mr. Amonett served as the Company's President and Chief Executive Officer from July 1, 1992 until October 26, 1995. He also served as the President of Reunion Energy Company, then a wholly-owned subsidiary of the Company in the oil and gas operating business, from July 1, 1992 until May 24, 1996.

## MANAGEMENT INFORMATION

### Executive Officers

Currently, the following individuals serve as our executive officers:

Name	Age	Position
-----	---	-----
Kimball J. Bradley	40	Director, Chairman, Chief Executive Officer President and Chief Operating Officer
John M. Froehlich	63	Executive Vice President, Chief Financial Officer and Secretary
Jack T. Croushore	61	President, CP Industries Division

The business experience of Kimball J. Bradley is described above in the section entitled "PROPOSAL: ELECTION OF DIRECTORS."

JOHN M. FROEHLICH became Executive Vice President of Finance and Chief Financial Officer of the Company on March 16, 2000. He became Secretary on June 12, 2002. He was a Vice President of Chatwins Group from 1989 until its merger into the Company on March 16, 2000 and served as its Chief Financial Officer and Treasurer from 1988 until the merger.

JACK T. CROUSHORE became Division President of the CP Industries division during 1988. He was also a Vice President of Chatwins Group from 1988 to 2000.



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## Executive Compensation

The following table reflects all forms of compensation for services to the Company by our executive officers for the last three completed fiscal years. There was no other annual compensation for any executive officer of the Company in the last three completed fiscal years.

Name and Position as of December 31, 2005	Year	Annual Compensation		Long-Term Compensation	
		Salary	Bonus (1)	Shares Underlying Stock Option	All Other Compensation
Charles E. Bradley, Sr. Chairman and Chief Executive Officer	2005 2004 2003	\$308,352 \$377,107 \$400,024	\$ 0 \$ 0 0	100,000 0 100,000	\$ 900 (2) \$ 930 (2) 1,020 (2)
Joseph C. Lawyer Vice Chairman	2005 2004 2003	77,083 143,750 200,000	0 0 0	0 0 0	900 (3) 930 (3) 1,020 (3)
Kimball J. Bradley President and Chief Operating Officer	2005 2004 2003	371,349 372,884 366,819	0 0 0	300,000 0 400,000	30,201 (4) 30,147 (4) 25,285 (4)
John M. Froehlich Executive Vice President of Finance and Chief Financial Officer	2005 2004 2003	219,064 219,064 210,001	0 0 0	100,000 0 0	11,275 (5) 11,305 (5) 8,801 (5)
Jack T. Croushore President, CPI Division	2005 2004 2003	209,000 209,000 209,000	0 0 0	100,000 0 50,000	6,900 (6) 7,020 (6) 7,020 (6)

(1) There have been no bonuses awarded in the periods presented.

(2) Consists solely of healthcare benefit credits.

(3) Consists solely of healthcare benefit credits.

(4) Includes payments of life insurance premiums of \$19,496, \$19,412 and \$14,460 in 2005, 2004 and 2003, respectively, car allowances of \$9,805 in each of those same years and healthcare benefit credits of \$900, \$930 and \$1,020 in those same years, respectively.

(5) Includes payments of life insurance premiums of \$10,375, \$10,375 and \$7,781 in 2005, 2004 and 2003, respectively, and healthcare benefit credits of \$900, \$930 and \$1,020 in those same years, respectively.

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(6) Includes a car allowance of \$6,000 in 2005, 2004 and 2003 and healthcare benefit credits of \$900 in 2005, \$930 in 2004 and \$1,020 in 2003.

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### Option Grants

During the year ended December 31, 2005, the Company granted options to employees to purchase 760,000 shares of the Company's common stock and options to non-employee directors to purchase 40,000 such shares. The Company did not grant any options in the year ended December 31, 2004. During the year ended December 31, 2003, the Company granted options to employees to purchase 550,000 shares of the Company's common stock and an option to a non-employee director to purchase 20,000 such shares. The following table shows all options to acquire shares of the Company's common stock granted to the named executive officers during the fiscal year ended December 31, 2005.

Name	Individual Grants(1)				Projected Realizable Value at Rates of Stock Price Appreciation for Option Term(2)	
	Number of Shares Underlying Options Granted	% of Total Options Granted to Employees in Fiscal Year	Exercise Price Per Share	Expires	5%	10%
Charles Bradley, Sr.	100,000 (3)	13.16%	\$0.200	6/21/10	\$ 3,000	\$ 9,000
Kimball J Bradley	300,000 (3)	39.47%	\$0.200	6/21/10	\$ 9,000	\$27,000
John M. Froehlich	100,000 (4)	13.16%	\$0.180	6/21/15	\$11,300	\$28,700
Jack T. Croushore	50,000 (4)	13.16%	\$0.180	6/21/15	\$11,300	\$28,700

(1) Options granted to Charles E. Bradley, Sr. and Kimball J. Bradley have an exercise price equal to 110% of the fair market value of the Company's common stock on the grant date. The remaining options have an exercise price of 100% of the fair market value on the grant date. The Company has not issued any stock appreciation rights.

(2) As required by SEC rules, these columns show potential gains that may exist for the respective options, assuming that the market price for the Company's common stock appreciated from the grant date to the end of the option terms at rates of 5% and 10%, respectively. The amounts are not estimates of the Company's future stock price performance and are not necessarily indicative of the Company's future stock performance. If the price of the Company's common stock does not increase above the exercise price, no value will be realized from these options.

(3) These options were granted on June 21, 2005. Assuming continued employment with the Company, these options have a 5-year term. These options vest one-third at grant date and in one-third increments on the first and second anniversary dates of their issuance.

(4) These options were granted on June 21, 2005. Assuming continued

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employment with the Company, these options have a 10-year term. These options vest one-third at grant date and in one-third increments on the first and second anniversary dates of their issuance.

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### Option Exercises and Year-End Values

There were no options exercised in the year ended December 31, 2005.

### Equity Compensation Plan Information

The following table summarizes information with respect to options under the Company's equity compensation plans on December 31, 2005:

	Equity Compensation Plans	
	Approved by Security Holders	Not Approved by Security Holders
Number of common stock shares to be issued Upon exercise of outstanding options	1,370,000 =====	- =====
Weighted-average exercise price per share of outstanding options	\$0.25 =====	- =====
Number of common stock shares remaining available for future issuance under equity compensation plans (excluding outstanding options)	354,600 =====	- =====

### Long-Term Incentive Plan or Defined Benefit Plan

The Company has no long-term incentive plan and has no defined benefit plan applicable to any of its executive officers.

### Compensation Committee Report

The Compensation Committee is responsible for the formulation and adoption of all executive compensation, benefit and insurance programs, subject to full board approval where legally required or in those instances where the underlying benefit philosophy might be at variance with preexisting Board policies. The Compensation Committee also supervises the administration of all executive compensation and benefit programs, including the establishment of any specific criteria against which all annual performance based benefits are to be measured.

Each year the Compensation Committee reviews the compensation levels of

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the Company's executive officers and other key employees as deemed appropriate by the committee. The compensation level of the CEO is determined based on a variety of factors that, due to the financial difficulties that the Company has experienced, are more skewed toward qualitative and not quantitative results. Such qualitative factors included, but were not limited to, relationships with independent sources in the financial arena, knowledge and experience in the acquisition and divestiture of companies and debt restructurings and overall tax and accounting expertise. Compensation levels paid to executive officers in the year 2005 were deemed to be appropriate for the circumstances in which the Company operates.

### Members of the Compensation Committee

Thomas N. Amonett, Chairman  
 Thomas L. Cassidy,  
 David E. Jackson

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### OWNERSHIP INFORMATION

#### Security Ownership of Certain Beneficial Owners and Management

The Company had 17,419,019 shares of common stock outstanding as of May 22, 2006. The following table sets forth information regarding the beneficial ownership of our common stock by (i) each stockholder known to us to own 5% or more of our common stock, (ii) each director of the Company, (iii) each of the chief executive officer and the other named executives, and (iv) all current directors and executive officers as a group. Except as set forth in the footnotes to the following table, each stockholder has sole dispositive and voting power with respect to the shares of our common stock shown as owned by such stockholder.

Beneficial Owner and Address	Shares Owned	% of Outstanding Shares
Kimball J. Bradley c/o Reunion Industries, Inc. 11 Stanwix Street, suite 1400 Pittsburgh, PA 15222	6,629,802 (1)	37.0%
The Charles E. Bradley, Sr. Family Limited Partnership c/o Stanwich Consulting Corp. 62 Southfield Ave. One Stamford Landing Stamford, CT 06902	4,310,813 (2)	24.7%
Stanwich Financial Services Corp. c/o Melissa Neier, Esq. Ivey, Barnum & O'Mara 170 Mason Street Greenwich, CT 06830	1,651,697 (3)	9.5%
The John Grier Poole Family Limited Partnership One Rye Road Portchester, NY 10573	1,499,747 (2) (4)	8.6%
Amanda Poole, David Poole and Jesse Poole c/o John G. Poole One Rye Road Portchester, NY 10573	1,499,747 (4)	8.6%
LCC Capital Master Fund, Ltd. c/o Lampe Conway 7 Co., LLC 730 Fifth Avenue	1,714,093 (5)	9.0%

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New York, NY 10019		
John G. Poole	839,428 (6)	4.8%
Charles E. Bradley, Sr.	478,810 (7) (8) (9)	2.7%
Joseph C. Lawyer	712,131 (10)	4.1%
Thomas N. Amonett	88,000 (11)	