

SECTION 0

DISTRIBUTION/INDEX and REVISION STATUS OF MANUAL

1. Distribution of the Quality Manual

The distribution of the quality manual is maintained by the Quality Manager/ Management Representative.

The manual is distributed to the following individuals:

- President
- Vice President/General Manager
- Quality Manager
- Warehouse Manager
- Production Manager

2. Index and Revision Status of Manual

Section	Title of Section	Revision
<i>Section 0</i>	<i>Distribution, Index, and Revision Status</i>	<i>I</i>
Section 1	Scope	B
Section 2	Introduction	A
Section 3	Quality Policy	A
Section 4.1	Quality Management System Requirements /General Requirements	A
<i>Section 4.2</i>	<i>Documentation Requirements</i>	<i>A</i>
Section 5.1	Management Commitment	C
Section 5.2	Customer Focus	B
Section 5.3	Quality Policy	Original

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SECTION 1

SCOPE

1. General

1.1 The Steel Supply Company's quality management system is designed to achieve customer satisfaction by meeting customer requirements through the application of the system defined in this quality manual and supporting procedures. The system is continuously improved through the management review process as well as internal audits and through a variety of key performance indicators. The Steel Supply Company's quality management system is designed to comply with the requirements of ISO 9001:2008.

2. Scope and Scope Reduction

2.1 The scope of the quality management system:

"The manufacture and distribution of and processing of carbon, carbon-alloy, and stainless steel bar and tubular products."-excluding element 7.3 Design and Development.

2.2 Element 7.3 Design and Development is excluded in the quality management system. Metal Service Centers, SIC 5051, do not have design functions or requirements by their customers to have an internal design activity.

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SECTION 2

INTRODUCTION

The Steel Supply Company has developed a quality management system to better satisfy the needs of its customers and to improve productivity and profitability of the company. The system is designed to comply with the ISO 9001 standard.

The manual is divided into 26 Sections. The first five sections are administrative/general in nature. All sections following the first five sections starts with a policy statement expressing the general principles and commitment to implement specific actions pertaining to the requirements of the standard(s) relative to the element of the standard. The policy statement is followed by a general and brief procedure outlining how these activities are carried out and referencing the operating procedures that provide more detailed descriptions.

The purpose of this manual is to document the company's quality management system, to instruct and guide employees whose actions affect quality, and to inform the company's customers what controls are implemented to assure quality and performance.

Vice President – General Manager
The Steel Supply Company

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SECTION 3

QUALITY POLICY AND QUALITY OBJECTIVES

Quality Policy

It is the policy of The Steel Supply Company to provide products and services of the highest quality. *The Steel Supply's Quality Management System is based on the current ISO 9001 standard. The Steel Supply Company is committed to comply with the requirements of the standard and take appropriate actions to improve its effectiveness.* Our policy will be attained through:

- Customer satisfaction
- Personal responsibility
- Employee well being
- Continuous improvement
- Focus on performance excellence
- A systematic approach to quality assurance and management

The processes used to support customer satisfaction and business performance will be continuously monitored and improved to achieve Performance Excellence.

The quality policy has been presented to all employees through general orientation and is displayed in various areas throughout the company.

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Corporate Quality Objectives

The Steel Supply Company monitors its performance and assesses the effectiveness of the quality management system using Key Performance Indicators (KPIs). The Corporate Quality Objectives are used to establish the KPIs. The Corporate Quality Objectives are:

- On-Time Delivery
- Product Availability (Stock outs)
- Internal Rejects (Product Quality)
- Customer Returns and Allowances
- Productivity
- Customer Satisfaction
- Gross Profit

Vice-President / General Manager
The Steel Supply Company

SECTION 4.1

QUALITY MANAGEMENT SYSTEM

GENERAL POLICY

The Steel Supply Company shall implement and maintain its quality management system supported by documentation and reinforcement by management. The system shall be periodically evaluated to assess the effectiveness and suitability of the system. The system shall comply with the international ISO 9001 standard and shall be continuously improved to support customer satisfaction and the attainment of quality objectives.

PROCEDURAL POLICIES

1. General Requirements

- 1.1 The Steel Supply Company has established a quality management system to meet the requirements of its customers. The system is designed to comply with the requirements of ISO 9001. The system is routinely audited to verify implementation, maintenance and improvement of the system. The effectiveness of the systems is reviewed through the examination of Key Performance Indicators and Quality Objectives.
- 1.2 In addition to this manual, the system is supported by a variety of Standard Operating Procedures. A complete list of the procedures is available through the Quality Manager. The purpose of the procedures is to support the requirements described in the quality manual. Most sections of the quality manual are supported by procedures. If there is adequate description of the activities required to implement within a section of the manual, a procedure is not necessarily required.
- 1.3 The organization has identified the key processes needed to support the Quality Management System. These are described in Section 7.1 of this quality manual. These processes are flow charted to define and describe the interrelationship of activities affecting each key business process. Control Plans, Procedures, and Work Orders define the criteria and methods required to ensure the effective operation and control of the key business processes.
- 1.4 The quality management system's key processes shall define the criteria and methods needed to ensure that both the operation and control of the processes are effective. The

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use of Key Performance Indicators shall be the primary vehicle to measure effectiveness.

- 1.5 The Vice President/General Manager shall ensure the availability of resources and information necessary to support the various operations and monitoring of the processes. The development of Quality Objectives, Management Reviews, and the Business Plan supports his decision making process.
 - 1.5.1 Refer to Quality Manual Sections 7.1, 6.1 and 8.4. Refer to SOP-8.2-03 and SOP-8.2-04.
- 1.6 Products as well as processes shall be measured, monitored, and analyzed to determine effectiveness as well as drive customer satisfaction.
- 1.7 The organization shall employ a “bias for action” to attain the business/quality objectives of the company. Management shall encourage innovation and continuous improvement as part of regularly scheduled meetings with staff and operations personnel.
- 1.8 When a supplier is used that could affect product conformity requirements, The Steel Supply Company shall ensure control over the key support processes. The extent of control is defined in QM Section 7.4, Purchasing and its related procedure SOP 7.4-01.

2. Associated Documents

QM Section 5.4	Quality Planning
QM Section 6.1	Resource Management
QM Section 7.1	Planning of Product Realization
QM Section 8.4	Analysis of Data
SOP 8.2-03	Monitoring and Measurement of Processes
SOP 8.2-04	Monitoring and Measurement of Product
QM Section 5.6	Management Review

SECTION 4.2

DOCUMENT MANAGEMENT AND CONTROL

GENERAL POLICY

The purpose and scope of quality system documents are defined. All documents are reviewed and approved prior to issue. The Quality Manual and Operational Procedures are issued by the Quality Department. Quality Systems documents are issued by the Management Representative. Appropriate documents are available at locations where they are used. Obsolete documents are removed from points of use. The Quality Manager is responsible for coordinating and enforcing the document control-related activities. A Document Control Specialist is appointed to assist the Quality Manager in the coordination, printing and distribution of new and revised documents as well as withdrawing and destroying obsolete documents.

PROCEDURAL POLICIES

1. Quality System Documentation

1.1 The Steel Supply Company's quality system documentation comprises the following types of documents:

- Quality Manual
- Operational Procedures
- Work Instructions
- Control Plans
- Standards and other reference material

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- Customer drawings and specifications
- Forms Manual
- Packaging Manual

2. Quality Manual

- 2.1 Procedure SOP 4.2-01, Quality Management System Documentation defines the purpose, contents, and format of the quality management systems documentation. The manual further defines those elements of the standards that do not apply, thereby reducing the scope of the system.
- 2.2 The Quality Manual has an appendix outlining all procedures supporting the quality management system. As appropriate, specific sections of the quality manual refer to supporting SOP's.
- 2.3 The Quality Manual defines the interaction of processes supporting the quality management system.

3. Document Approval and Issue

- 3.1 Rules governing document preparation, review, approval, and issue of documents are defined in procedures SOP-4.2-01, Quality System Documentation, and SOP-4.2-02, Document Control. All documents identified in paragraph 1.1 are reviewed and approved prior to issue.

4. Document Placement

- 4.1 Documents are distributed to personnel and locations where they are used. When appropriate and relevant, documents display a distribution list or may refer to a distribution matrix maintained by the Document Control Specialist. Document placement is regulated by Procedure SOP-4.2-02.

5. Document Changes

5.1 Document changes are reviewed and authorized by the same authority that issued the original document. Revised portions of documents are distributed with a change brief, and obsolete documents are removed. The Document Control Specialist maintains a master list specifying the latest issues and revisions of the documents.

5.2 The Quality Manual, Standard Operating Procedures and other quality systems documentation outlined in paragraph 1.1 are distributed by the Management Representative to the personnel listed in the distribution. Superseded copies are to be collected by the Document Control Specialist and destroyed. One superseded copy of the Quality Manual or Section is to be retained for three years. Superseded copies of procedures will be retained for three years. The Document Control Specialist maintains a record showing the most current issue of the Quality Manual and Procedures. Changes from the superseded copy of the Quality Manual or Procedure are indicated by italicized print.

5.3 Changes to quality system documentation is recorded and maintained by the appropriate department defined in SOP 4.2-03, Control of Records and SOP-4.2-02, Document and Data Control

6. Control of Records

6.1 Quality records demonstrate achievement of the required quality and effective operation of the quality system. The records are identified and stored in a suitable environment to minimize deterioration.

7. Establishment of Records

7.1 Records are usually established by the personnel directly involved with the task, operation, or activity whose results need to be recorded.

7.2 Records identify the product, person, or event to which they pertain; provide the relevant facts and data; and may be signed and dated by the person who established the record when required by procedure or instruction.

7.3 Specific record formats are usually prescribed by the procedures that call for their establishment. These can be forms, reports, minutes of meetings, sign-offs or stamps placed on other documents, and so forth. Records can also be established and maintained in electronic media (computer files or databases).

8. Indexing and Storage

8.1 Records are indexed and grouped to facilitate their retrieval. Binders, drawers, cabinets, etc., containing records are clearly labeled with identification of their content. Records may not be stored in private desk drawers or other obscure locations that are not generally known.

8.2 The activities of identification, collection, indexing, filing, storage, maintenance and disposition of quality records are governed by Procedure SOP-4.2-03, Control of Records.

9. Storage Location and Retention Periods

9.1 Records are usually stored and maintained by the same department that initially established the record. Procedure SOP-4.2-03, Control of Records, defines the management of records and storage locations for all types of records required by the quality system.

9.2 Retention period for records is determined by the department that establishes and maintains the records. The retention period is determined on the basis of contractual obligations, useful life of products, legal considerations, etc. Procedure SOP-4.2-03, Control of Records, stipulates the retention periods for all types of records required by the quality system.

10. Storage of Electronic Media

10.1 Storage of electronic media is routinely backed up.

10.2 *Back up, is store in secure fire proof storage area.*

11. Availability of Records

11.1 Customers/Regulatory Agencies are permitted to review quality system records of The Steel Supply Company as it pertains to the general quality system and to the records, which pertain specifically to their products.

12. Associated Documents

12.1 SOP- 4.2-01 – Quality System Documentation

12.2 SOP- 4.2-02 - Document and Data Control

12.3 SOP- 4.2-03 – Control of Records

12.4 SOP- 8.2-02 – Internal Quality Auditing

SECTION 5.1

MANAGEMENT COMMITMENT

GENERAL POLICY

The Executive Management is ultimately responsible for establishing, implementing, and maintaining the quality management system. Specific responsibilities comprise:

- a) creating and maintaining awareness of the importance to fulfill customer as well as regulatory and legal requirements;
- b) formulating the quality policy and quality objectives;
- c) performing management reviews;
- d) Deploying resources to facilitate the attainment of customer and organizational requirements.

PROCEDURAL POLICIES

1. Key Actions of Management

1.1 Management is responsible to provide direction and execute policies and procedures that are defined in the organization's Quality Management System. Actions include development and execution of the quality plans of the organization; deployment of appropriate resources to facilitate attainment of the business objectives of the organization; review business/quality management systems performance, and directing efforts towards continual improvements of the Quality Management System.

2. Allocation of Resources and Responsibilities

2.1 The Steel Supply Company appoints as the Management Representative the Quality Manager. The Quality Manager has the authority and responsibility to ensure that the quality management system is maintained and its effectiveness is continuously improved, and that the system complies with the requirements of ISO 9001.

2.2 Specific responsibilities related to maintenance and improvements of the quality

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management system are defined in SOP 5.5 Quality Management System-Administration.

- 2.3 The Vice President-General Manager is responsible for assuring there are adequate resources available to meet customer requirements and support/maintain the quality management system.
- 2.4 Management is responsible for establishing quality objectives. As part of this process they establish Key Performance Indicators, which include annually established objectives/goals.

3. Identification of Legal/Regulatory Requirements

- 3.1 The Steel Supply Company as part of its on-going business practices identifies the legal and regulatory requirements associated with the products produced and the business itself. It is the policy of the company to perform all activities in an ethical manner.
- 3.2 The facility will maintain or have access to binding legal or regulatory requirements affecting the business.
- 3.3 The Vice President has the ultimate responsibility to ensure the organization complies with legal, regulatory and ethical practices
- 3.4 Resources to legal counsel are available to the President and Vice President to provide guidance and direction. Legal counsel should be capable of informing the President of new regulatory requirements impacting the business and the products produced.

4. Safety and Environmental Practices

- 4.1 Refer to Quality Manual Section 6.4 regarding Safety and Environmental (Work Environment) responsibilities and methods.

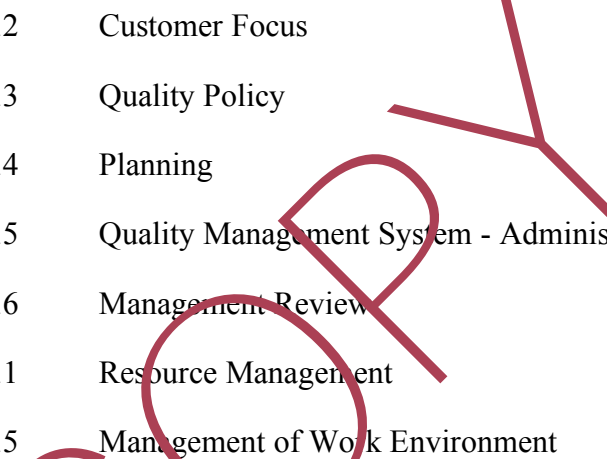
5. Creating Awareness of Customer Requirements

- 5.1 *At least monthly, management will conduct meetings, or present written information to all employees to discuss company performance, key issues, company objectives, and discuss the importance of fulfilling customer requirements. As part of the meetings employees are encouraged to provide input and suggestions to improve performance and customer satisfaction.*

6. Management Reviews

6.1 Management Reviews are conducted quarterly to assess the effectiveness and suitability of the quality management system. Management is committed to using this process to drive continuous improvement as well as higher levels of customer satisfaction.

7. Associated Documents

- QM Section 5.2 Customer Focus
 - QM Section 5.3 Quality Policy
 - QM Section 5.4 Planning
 - QM Section 5.5 Quality Management System - Administration
 - QM Section 5.6 Management Review
 - QM Section 6.1 Resource Management
 - QM Section 6.5 Management of Work Environment
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SECTION 5.2

CUSTOMER FOCUS

GENERAL POLICY

It is the responsibility of the Management Team to ensure that customer needs and expectations are determined and converted into precise requirements with the aim of achieving and maintaining customer confidence and satisfaction. The Management Team shall use the performance reporting system (Key Performance Indicators) to determine if customer requirements have been fully met.

PROCEDURAL POLICIES

- 1. Identification of Customer Requirements**
 - 1.1 Refer to SOP-7.2-01 for a complete description of the methods used to identify customer requirements.
 - 1.2 *Sales are responsible for on-going assessment of immediate needs and requirements of customers, subject to input from customers.*
 - 1.3 Consideration is given to conformity requirements, product quality, availability, delivery, and costs.
- 2. Sales Management**
 - 2.1 Customers are supported by Inside Sales and in some territories by Outside Sales personnel.
 - 2.2 The Customer Service Master file includes the basic information for each customer as well as order history and special requirements.
 - 2.3 As part of the Customer Satisfaction Survey, a market analysis is performed to assess buying criteria, the relative importance of satisfaction drivers and competitive comparisons.

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3. Customer Perceived Value

3.1 As part of the assessment of customer satisfaction customer value analysis is determined. Gaps are identified and plans are developed to address deficiencies. Satisfaction survey results include: competitive analysis, price/value relationship, and relative importance of drivers of customer satisfaction.

4. Associated Documents

- 4.1 SOP-7.2-01 Identification of Customer Requirements
- 4.2 SOP-7.2-02 Review of Customer Requirements
- 4.3 SOP-5.4-01 Business Planning
- 4.4 QM Section 8.4 Analysis of Data
- 4.5 SOP-8.2-01 Measurement and Monitoring of Customer Satisfaction

SECTION 5.3

QUALITY POLICY

GENERAL POLICY

The President with input from the Vice President-General Manager has established a quality policy and shall ensure that it is effectively communicated and reinforced.

PROCEDURAL POLICIES

1. Creating and Maintaining Awareness

- 1.1 The Quality Policy is posted throughout the company.
- 1.2 As part of new employee orientation all new employees are trained on the company quality policy as well as specific policies and procedures related to their job.

2. Business Use of the Quality Policy

- 2.1 The Quality Policy is an integral component of the Quality Plan.
- 2.2 The Quality Objectives and Key Performance Indicators are established to ensure they are compatible and reinforce the Quality Policy.
- 2.3 As part of the Annual Quality Planning Process the Quality Policy is reevaluated for adequacy and continued suitability.

3. Key Components of the Quality Policy

- 3.1 The quality policy emphasizes:
 - Commitment to customer satisfaction
 - Continuous improvement of systems and processes
 - Performance management and review

4. On-going Reinforcement

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- 4.1 As part of formal quality management training the quality policy is reviewed.
- 4.2 The policy is distributed and posted throughout the company.
- 4.3 Verification of understanding and compliance is achieved through internal audit, assessment of customer satisfaction and review of key performance indicators.

5. The Steel Supply Company Quality Policy

It is the policy of The Steel Supply Company to provide products and services of the highest quality. Our policy will be attained through:

- Customer Satisfaction
- Personal responsibility
- Employee well being
- Continuous improvement
- Focus on performance excellence
- A systematic approach to quality assurance and management

The processes used to support customer satisfaction and business performance will be continuously monitored and improved to achieve Performance Excellence.

6. Quality Objectives

The Steel Supply Company monitors its performance and assesses the effectiveness of the quality management system using Key Performance Indicators (KPIs). The Corporate Quality Objectives are used to establish the KPIs. The Corporate Quality Objectives are:

- On-Time Delivery
- Product Availability (Stock outs)
- Internal Rejects (Product Quality)
- Customer Returns and Allowances
- Productivity
- Customer Satisfaction
- Gross Profit

7. Associated Documents

- None