Earle M. Jorgensen Company

QUALITY

ASSURANCE

MANUAL

Revision 3, December 31, 2013

NOT CONTROLLED

EMJ

Quality Policy

The Earle M. Jorgensen Company is a provider of high quality, cost-effective products and services.

The Company is committed to maintaining processes and systems based on the guidelines of ISO 9001:2008 to assure traceability of its products and performance of services dedicated to quality and to the needs of the customer.

Our Strategic Direction is based on the Quality process, and the Earle M. Jorgensen Company encourages the creative participation of all employees. Customer satisfaction is our Mission, which compels us to continuously improve quality, productivity, efficiency, and reliability.

We want everyone to understand and implement this policy throughout the Company.

"At EMJ, *Quality* is the *Way We Work*"

Jim Desmond
President & COO

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Jim Rohn
Technical Director

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Technical Director

Michael Bosch
Technical Director

1.0 Scope

This Quality Assurance Manual and the Earle M Jorgensen (EMJ) Quality Management System are in accordance with ANSI/ISO/ASQ Q9001: 2008. The Earle M Jorgensen Company distributes and processes ferrous and non-ferrous metals. The Earle M. Jorgensen Company performs no design functions or servicing as defined by the International Standard and thus is not within the scope of this manual.

When used in this manual the term product can apply to a product or service required by a customer or the output resulting from the product realization process

2.0 Normative References

This manual is based on the International Standard ISO 9001:2008.

3.0 Terms and Definitions

For the purpose of this manual, the terms and definitions of ISO 9001:2008 apply.

The term “product” when used in this manual can also mean “service”.

4.0 Quality Management System

4.1 General

The objective of the Earle M. Jorgensen Quality System is to ensure that its products and services conform to requirements. The system employed is based on ANSI/ASQ Q9001-2008, ISO 9001:2008 and associated supplementary documents. The Quality Management System is described in the Procedure Manual.

4.2 Documentation

4.2.1 General

The system includes:

* **Quality Policy and Quality Objectives** - The Quality Policy and Quality Objectives will be defined by the **President / COO**. They will be maintained as relevant to the mission and goals of EMJ.

Quality Assurance Manual (QA) - This manual describes in detail the Quality Management System, Quality Policy and the Quality Organization.

Quality Procedures Manual (QP) - This manual describes the standard methods of operation to achieve the desired product and service quality.

Work Instructions (WI) - Work Instructions provide information relating to a specific task carried out by an individual at a particular branch.

Records, Data and Reference Material – Supporting documentation of the quality system and the records of quality system activities.

Key processes and procedures of EMJ are found in the Appendix of this manual.

4.2.2 Quality Manual

The Quality Assurance Manual establishes the scope of the QMS. EMJ does not perform design and servicing functions as defined by the International Standard.

Procedures referred to in this document are contained in the EMJ Quality Procedure Manual and or Work Instructions (if applicable).

4.2.3 Control of Documents

The EMJ Procedure Manual establishes procedures to insure:

a) Documents are approved for adequacy prior to use
b) Documents are reviewed, updated and re-approved as necessary
c) Changes and the current revision status are identified
d) Relevant versions of documents are available at points of use
e) Documents remain legible and readily identifiable
f) Documents of external origin determined by the organization to be necessary for the planning and operation of the QMS are identified and their distribution is controlled
g) Unintended use of obsolete documents is prevented and suitably identified as obsolete if retained for any purpose

4.2.4 Control of Records

The EMJ Procedure Manual establishes procedures for control of records to assure that records are legible, readily retrievable and readily identifiable. Records provide evidence of conformance to requirements and of effective operation of the QMS. Procedures identify controls for identification, storage, protection, retrieval, retention time and disposition of records.

5.0 Management Responsibility

The EMJ Procedure Manual documents procedures for management responsibility.

5.1 Management Commitment

The Management of EMJ is committed to an effective QMS. EMJ establishes procedures to assure effectiveness and continuous improvement by:

a) Communicating the importance of customer, statutory and regulatory requirements to the organization
b) Establishment of the quality policy
c) Ensuring relevant quality objectives
d) Conducting management reviews
e) Ensuring the availability of resources

5.2 Customer Focus

The Management of EMJ is committed to enhancing customer satisfaction. The EMJ QMS is reviewed during the Management Review process to assure that customer requirements are met and that customer satisfaction is enhanced.

5.3 Quality Policy

* The **President / COO** establish the Quality Policy and ensure that it:

a) Is appropriate to EMJ
b) Includes a commitment to comply with requirements and to continually improve the QMS
c) Provides a framework for establishment and review of quality objectives
d) Is communicated and understood within the organization
e) Is reviewed for continuing suitability

5.4 Planning

5.4.1 Quality Objectives

* The **President / COO** establishes measurable Quality Objectives consistent with the Quality Policy. These Objectives are established at relevant levels and functions within the organization.

5.4.2 QMS Planning

* The **President / COO** has established a QMS that includes:

a) Planning of the QMS to assure that the Quality Objectives and requirements of ISO 9001:2008, section 4.1 are met.

b) Assurance that the integrity of the QMS is maintained when changes are planned and implemented.

5.5 Responsibility, Authority and Communication

5.5.1 Responsibility and Authority

Responsibility and authority within the EMJ QMS is documented in the
* **QMS organization chart (Appendix Page 19)** and Job Descriptions. They are communicated within the organization by posting and training.

5.5.2 Management Representative

EMJ appoints a Management Representative from the organization as described in the QMS organization chart, which irrespective of other responsibilities will:

a) Ensure the QMS is established, implemented and maintained
b) Report to top management on the performance of the QMS and any need for improvement
c) Promote awareness of customer requirements throughout the organization

5.5.3 Internal Communication

EMJ communicates data indicating the effectiveness of the QMS within the organization. Methods of communication may be electronic distribution such as email, video presentation, or posting to bulletin boards.

5.6 Management Review

5.6.1 General

The EMJ Procedure Manual documents procedures for Management Review. Planning and review occur annually and are monitored quarterly. The review will ensure the continuing suitability, adequacy and effectiveness of the QMS. Evaluation will include assessment of opportunities for improvement and changes in the QMS, quality policy and quality objectives. Records will be maintained.

5.6.2 Review Inputs

Inputs to Management Review will include:

a) Results of audits
b) Customer feedback
c) Process performance and product conformity

d) Status of preventive and corrective actions
e) Actions from previous management reviews
f) Changes that could affect the QMS
g) Recommendations for improvement

5.6.3 Review Outputs

Output from Management Review will include decisions and actions related to:

a) Improvement of the effectiveness of the QMS or its processes
b) Improvement of product relative to customer requirements
c) Resource needs

6.0 Resource Management

6.1 Provision of Resources

EMJ provides resources required to:

a) Maintain the QMS and continually improve its effectiveness
b) Enhance customer satisfaction by meeting customer requirements

6.2 Human Resources

6.2.1 General

Personnel performing work affecting conformity to product requirements are qualified as competent on the basis of appropriate education, training, skills and experience. Procedures for training and evaluation are documented in the EMJ Procedure Manual.

6.2.2 Competence, Training and Awareness

For all personnel performing work affecting conformance to product requirements, EMJ:

a) Determines the necessary competence required for personnel,
b) Where required provide training or other actions to achieve the necessary competence,
c) Evaluates the effectiveness of the actions taken,
d) Ensures that personnel are aware of the relevance and importance of their activities and how they contribute to the achievement of the quality objectives and,
e) Maintains appropriate records of education, training, skills and experience.

6.3 Infrastructure

EMJ determines, provides and maintains the infrastructure needed to achieve conformity to product requirements. Infrastructure includes:

a) Buildings, workspace and associated utilities
b) Process equipment including both hardware and software
c) Supporting services including transport, communication or information systems

6.4 Work Environment

EMJ determines and manages the work environment needed to assure that product requirements are met and that work is performed safely. EMJ complies with safety and environmental regulations and guidelines.

7.0 Product Realization

7.1 Planning of Product Realization

EMJ plans and develops processes for product realization consistent with the requirements of the QMS

Planning determines:

a) Quality objectives and requirements for the product
b) The need to establish processes and documents and to provide resources specific to the product
c) Required verification, validation, monitoring, measurement, inspection and test activities specific to the product and acceptance criteria
d) Records needed to provide evidence that the process and product meet the established requirements

7.2 Customer Related Processes

Customer related processes are the responsibility of the EMJ sales department and procedures are documented in the EMJ procedure Manual.

7.2.1 Determination of Requirements Related to the Product

Product requirements are determined by:

a) Requirements specified by the customer, including delivery and post delivery activities
b) Requirements not stated by the customer but necessary for the specified or intended use, where known
c) Statutory and regulatory requirements applicable to the product
d) Any additional requirements considered necessary by EMJ

7.2.2 Review of Requirements Related to the Product

EMJ reviews the requirements related to the product prior to making a commitment to supply the product to the customer (e.g. quotation or tender, acceptance of contracts or orders, acceptance of changes to contracts or orders) to ensure that:

a) Product requirements are defined
b) Contract or order requirements differing from those previously expressed are resolved
c) EMJ has the ability to meet the defined requirements

EMJ maintains a record of the review and actions arising from the review.

EMJ provides confirmation of orders where the customer provides no documented statement of requirement (e.g. verbal orders or verbal quotation).

Where product requirements are changed, EMJ reviews, amends and communicates the changed requirement in the same manner as the original requirement.

7.2.3 Customer Communication

The EMJ sales department is responsible for communicating with customers in relation to:

a) Product information
b) Inquiries, contracts or order handling, including amendments
c) Customer feedback, including complaints

7.3 Design and Development

EMJ does not perform design and development of product as defined by ISO 9001:2008 and is not within the scope of the QMS.

7.4 Purchasing

7.4.1 Purchasing Process

The EMJ Procedure Manual establishes procedures to ensure that purchased product conforms to specified requirements. The type and extent of control applied to the supplier and the purchased product is dependent on the product or the effect on subsequent product realization.

Suppliers are evaluated and selected based on their ability to supply product in accordance with EMJ requirements. Criteria for selection, evaluation and re-evaluation are established. Records of supplier evaluation and actions arising from evaluation are maintained.

7.4.2 Purchasing Information

Purchasing information describes the product to be purchased, including where appropriate:

a) Requirements for approval of product, procedures, processes and equipment
b) Requirements for qualification of personnel
c) Quality management system requirements

EMJ assures that purchase requirements are adequately specified prior to communication with the supplier

7.4.3 Verification of Purchased Product

EMJ verifies purchased products as described in QPM 7.4.3 to assure that purchased product meets specified purchase requirements.

Where EMJ or its customer intends to perform verification activities at the supplier's premises, EMJ states the verification arrangements and method of release in the purchasing information.

7.5 Production and Service Provision

EMJ does not provide service as defined by ISO 9001:2008 and is not within the scope of the QMS. EMJ provides value added processing services to the products it provides to customer and these are provided within the QMS.

7.5.1 Control of Production

EMJ plans and carries out production under controlled conditions which include:

a) Availability of information that describes the required characteristics of the product
b) Availability of any required work instructions as necessary
c) Use of suitable equipment
d) Availability and use of monitoring and measuring equipment
e) Implementation of monitoring and measurement
f) Release and delivery of product

7.5.2 Validation of Production Processes

EMJ validates any processes for production where the resulting output cannot be verified by subsequent monitoring or measurement. Validation demonstrates capability of these processes to achieve planned results.

Processes have, as applicable:

a) Defined criteria for review and approval of the processes
b) Approval of equipment and qualification of personnel
c) Use of specific methods and procedures
d) Requirements for records
e) Requirements for revalidation

7.5.3 Identification and Traceability

The EMJ Procedure Manual establishes procedures for identification and traceability of product from receipt from supplier through delivery to customer. During product realization, product status with regard to monitoring and measurement requirements is identified. EMJ controls traceability of all products and maintains records.

7.5.4 Customer Property

The EMJ Procedure Manual establishes procedures for customer-supplied property. EMJ identifies, verifies, protects and safeguards customer property in the same manner as EMJ property. Customer property may include material, packaging supplies or containers, tooling, intellectual property and personal data. If any customer property is lost, damaged or otherwise determined to be unsuitable for use, the customer is advised and records maintained of the notification and any applicable response or disposition of the property.

7.5.5 Preservation of Product

The EMJ Procedure Manual establishes procedures used by EMJ for the preservation of product from receipt through delivery to customer.

7.6 Control of Monitoring and Measuring Equipment

The EMJ Procedure Manual establishes procedures for control of monitoring and measuring equipment to assure that product requirements are met. EMJ determines the monitoring and measuring equipment needed to provide evidence of product conformance.

EMJ procedures ensure that monitoring and measurement activities are carried out in a manner consistent with requirements. Where necessary to ensure valid results, measuring equipment is

a) Calibrated at specified intervals or prior to use, against measurement standards traceable to NIST or equivalent international standard. Where no standard exists, the basis used for calibration or verification is recorded.
b) Adjusted or re-adjusted as necessary
c) Have identification in order to determine its calibration status
d) Safeguarded from adjustments that would invalidate the measurement result
e) Protected from damage and deterioration during handling, maintenance and storage

Records of the results of calibration and verification are maintained. When equipment is found that does not conform to requirements, EMJ assesses the validity of previous measurement results. Appropriate action is then taken on the equipment and any product affected. Records of the assessment and any actions taken are maintained. If computer software is used in monitoring and measuring activities it is validated to assure it will satisfy the intended application.

8.0 Measurement, Analysis and Improvement

8.1 General

EMJ plans and implements the monitoring, measurement, analysis and improvement processes needed to

a) Demonstrate conformity to the product requirements
b) Ensure conformity of the QMS
c) Continually improve the effectiveness of the QMS

8.2 Monitoring and Measurement

8.2.1 Customer Satisfaction

As one measure of the performance of the QMS, EMJ monitors information relating to customer perception in meeting requirements. Method and evaluation of this information is described in the EMJ Procedure Manual.

8.2.2 Internal Audit

EMJ conducts internal audits at planned intervals to determine whether the QMS

a) Conforms to planned product and process requirements, ISO 9001:2008 and the EMJ QMS
b) Is effectively implemented and maintained

The audit program is planned, taking into consideration the status and importance of the processes and areas to be audited, as well as results of previous audits. Audit criteria, scope, frequency and methods are defined. Selection of auditors and conduct of audits is managed to ensure objectivity and impartiality of the audit process. Auditors do not audit their own work.

The responsibilities and requirements for planning, conducting, reporting results and maintaining records are defined in the EMJ Procedure Manual.

Management responsible for the area audited ensures that any necessary corrections and corrective actions are taken without undue delay to eliminate detected nonconformities and their causes.

Follow-up activities include verification of actions taken and the reporting of verification of results.

8.2.3 Monitoring and Measurement of Processes

EMJ applies suitable methods of monitoring and, where applicable, measurement of the QMS processes. These methods demonstrate the ability of the processes to achieve planned results. When planned results are not achieved, correction and corrective action are taken, as appropriate.

8.2.4 Monitoring and Measurement of Product

EMJ monitors and measures product characteristics to verify that requirements have been met. These verification activities are carried out at appropriate stages of the product realization process in accordance with planned arrangements.

Evidence of product conformity with the acceptance criteria is maintained. Records indicate the person(s) authorizing release of product for delivery to the customer.

The release of product and delivery of product does not proceed until planned arrangements have been satisfactorily completed, unless approved by a relevant authority and, where applicable, by the customer.

8.3 Control of Nonconforming Product

EMJ identifies and controls product, which does not conform to requirements to prevent unintended use or delivery. The controls and related responsibilities and authorities for disposition of nonconforming product are documented in the EMJ Procedure Manual.

Nonconforming product is resolved in one or more of the following ways:

a) By taking action to eliminate the detected nonconformity
b) By authorizing its use, release and acceptance under concession by a relevant authority and, where applicable, by the customer
c) By taking action to preclude its original intended use or application
d) By taking action appropriate to the effects or potential effects of the non conformity when nonconforming product is detected after delivery or use has started

Records of the nonconformities and subsequent actions taken, including concessions obtained, are maintained.

When nonconforming product is corrected, it is re-verified to demonstrate conformity to requirements.

8.4 Analysis of Data

EMJ determines, collects, and performs analysis of appropriate data to demonstrate the suitability and effectiveness of the QMS. Evaluation of the effectiveness and continuous improvement of the QMS is made. Data generated from monitoring and measurement is included with data from other relevant sources.

Data analysis provides information relating to

a) Customer satisfaction
b) Conformity to product requirements
c) Characteristics and trends of processes and products including opportunities for preventive action
d) Suppliers

8.5 Improvement

8.5.1 Continual Improvement

EMJ continually improves the effectiveness of the QMS through the use of the quality policy, quality objectives, audit results, analysis of data, corrective and preventive actions and management review.

8.5.2 Corrective Action

EMJ takes corrective action to eliminate the causes of nonconformities in order to prevent recurrence. Corrective actions are appropriate to the effects of the nonconformities.

The EMJ Procedure Manual establishes the procedure for:

a) Reviewing nonconformities (including customer complaints)
b) Determining the causes of nonconformities
c) Evaluating the need for action to ensure that nonconformities do not recur
d) Determining and implementing action needed
e) Records of results of actions taken
f) Reviewing the effectiveness of the corrective action taken

8.5.3 Preventive Action

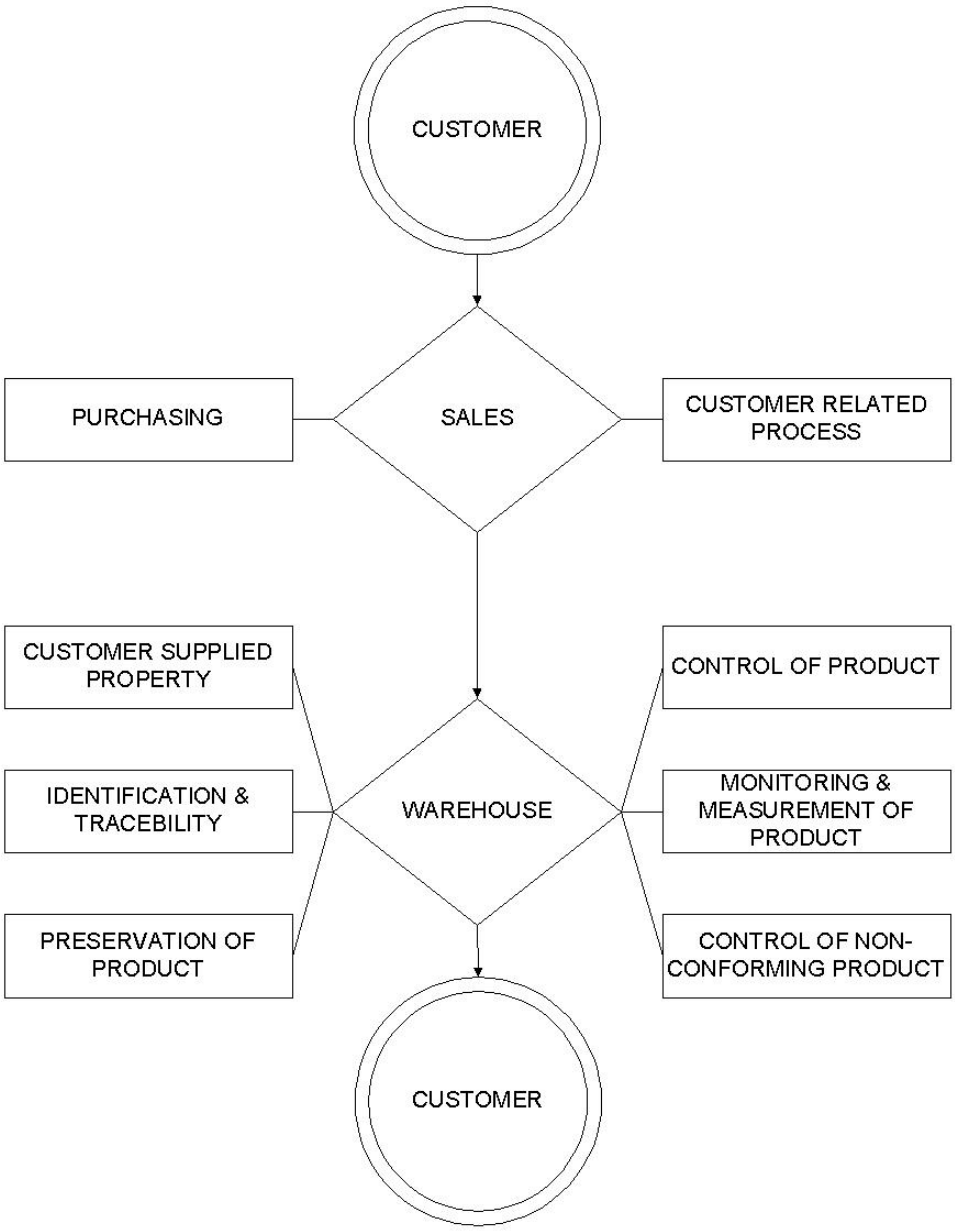
EMJ determines action to eliminate the causes of potential nonconformities in order to prevent their occurrence. Preventive actions are appropriate to the effects of the potential problem.

The EMJ Procedure Manual establishes the procedure for:

a) Determining potential nonconformities and their causes
b) Evaluating the need for action to prevent occurrence of the nonconformities
c) Determining and implementing action needed
d) Records of results of action taken
e) Reviewing the effectiveness of the preventive action taken

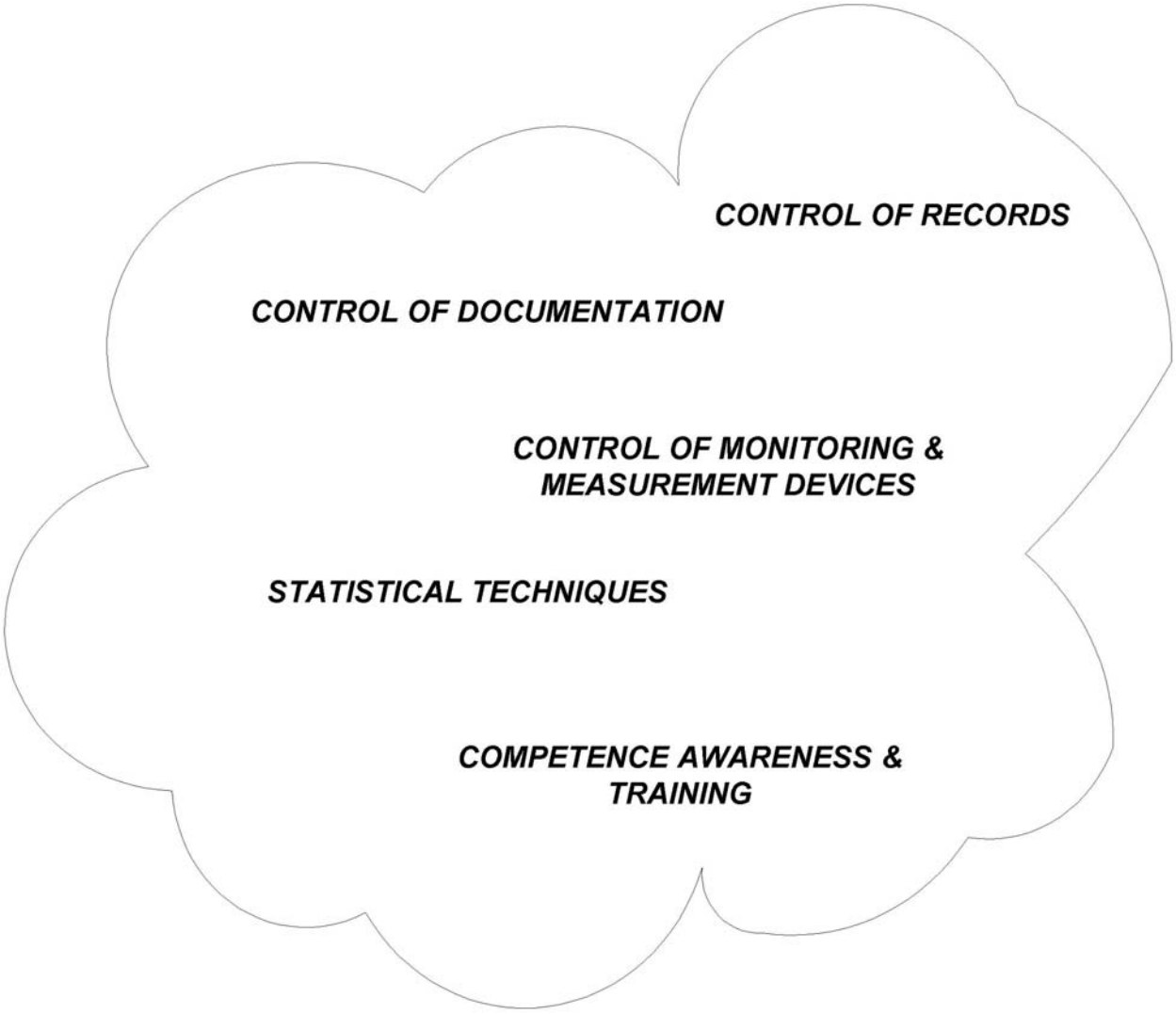
APPENDIX

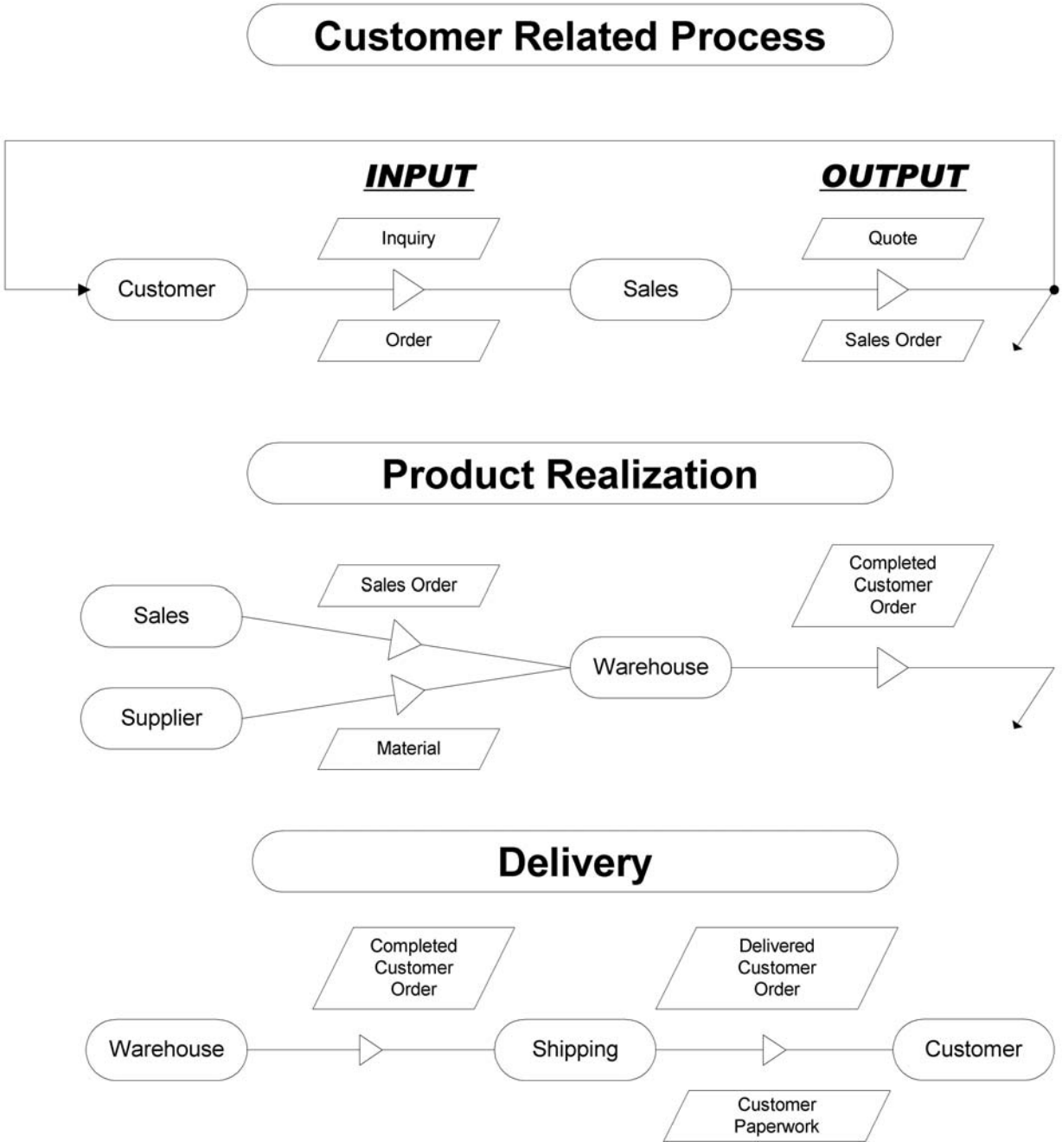
Key Processes & Procedures



EMJ QMS Processes & Procedures

SUPPORT PROCEDURES




Customer Related Process
INPUT
OUTPUT
Inquiry
Quote
Customer
Sales
Order
Sales Order
Product Realization
Sales Order
Completed Customer Order
Sales
Warehouse
Supplier
Material
Delivery
Completed Customer Order
Delivered Customer Order
Warehouse
Shipping
Customer
Customer Paperwork

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