

SUPPLIER QUALIFICATION/SUPPLIER EVALUATION

Date: 03/18/10

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1.0 SCOPE

To provide a procedure for qualifying and evaluating suppliers who supply material or services to Olin Brass.

1.1 APPLICATION

Applies to suppliers who provide key critical supplies or services to Olin Brass.

1.2 DEFINITIONS

1.2.1 Critical to Quality Supplies - A key critical product that is supplied to Olin Brass that either goes into our product (raw materials) or aids in the manufacturing of our product by directly affecting the quality of the product. The determination of a "Key Critical Item" is made jointly by Purchasing, Quality, Manufacturing, Engineering, and other related departments.

1.2.2 Supplier - A company that provides materials or services to Olin Brass.

1.2.3 Subcontractor - a company that receives our product and performs additional work to that product, i.e., tin plating, dry rolling.

2.0 REFERENCE MATERIAL

2.1 Supplier Quality Assurance Manual

2.2 Performance Rating Information

3.0 PROCEDURE

3.1 Suppliers are to be assessed by Purchasing, Process Engineering and/or the Quality department. This assessment may take the form of a trial lot evaluation, an on-site assessment or a Supplier self-assessment. Delivery, price, and service will also be a major consideration in selecting supplier but will not override quality considerations. If a supplier is ISO certified, they can be automatically approved to begin supplying product.

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3.2 After the assessment takes place and the supplier is approved, they will be added to the Purchasing database to supply a specific product(s).

4.0 SUPPLIER EVALUATION

4.1 Performance points will be maintained by the Purchasing Department for each specified supplier.

4.2 Site assessments, if required, will be conducted on suppliers as prioritized by the Purchasing Department and/or Quality department. Assessments will be carried out by Quality Assurance, Process Engineering, or Purchasing personnel.

4.3 On a yearly basis, performance points will be calculated and the results will be mailed to the appropriate suppliers.

4.3.1 Point Value

Quality	40 points
Price	20 points
Delivery	20 points
Service	20 points

4.3.2 An automatic deduction of 10 points will occur if the Supplier is not certified to the ISO standard.

4.3.2.1 If a Supplier can submit evidence that they are working towards certification to the ISO standard with a target date for certification, only 5 points will be deducted.

4.3.2.2 If an on-site audit of a supplier is conducted and the supplier is deemed to be approved, the ISO related deduction will not apply.

4.3.2.3 For those suppliers that are not ISO certified, an on-site audit shall be conducted, at a maximum, every three years to re-qualify them as an approved supplier.

4.3.2.4 The point deduction if not certified to the ISO standard will not apply to distributors, although we will request that the product be purchased from an organization that is ISO certified.

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4.4 Suppliers will be evaluated and controlled based on performance points with consideration given to assessments or assessment evaluations.

4.5 Performance points will be comprised of quality performance, delivery, service, and pricing.

4.5.1 Vendors that **are not** ISO or TS certified are required to have a supplier rating of a minimum of 80 points. If the Supplier falls below an 80 point rating, they will have to submit a corrective action plan to bring their point value back above 80.

4.5.2 Vendors that **are** ISO or TS certified are required to have a supplier rating of a minimum of 90 points. If the Supplier falls below an 90 point rating, they will have to submit a corrective action plan to bring their point value back above 90.