



## Quality Claims Policy

### For Claim Consideration:

- Material subject to claim MUST be retained for review and may not be disposed of until final disposition has been provided by SteelSummit Holdings/Magic Steel, hereafter referred to as “The Company”.
- For physical defects, a photo or sample of the condition MUST be provided.
- The customer MUST have traceability of the claimed material back to the original shipped serial number (tag number).
- Claims for physical damage to the material (handling or transit damage, rust, etc.) MUST be documented on the bill of lading and must be notified within 10 days of receipt.
- Claims for "failure to meet specification" must be made within 60 days of receipt.
- Claim quantity MUST exceed 2% of the shipped quantity.

### No Consideration Will Be Given To:

- Claims consisting of an accumulation of steel from unknown coils.
- Claims based on "assumed" defects in material from the same batch (heat, work order, anneal cycle, etc.)
- Claims for physical characteristics or product suitability of any material sold as secondary or "As Is."

### General Policies:

- The Company guarantees a prime, top surface, and does not guarantee the bottom surface for prime application.
- The Company guarantees material meets agreed upon requirements of the order and as stated on the material certification.
- No guarantee is given or implied for the fitness of use in the customer's processes or products.
- Claims will not be accepted with additional costs (admin fees, down time, line time, sorting, supply interruptions, etc.),
- The Company will not accept claims for cosmetic defects unless the customer has stated "surface critical" on the Purchase Order.
- For exposed or specially prepared Stainless-Steel surfaces, cosmetic claims will not be honored unless an appropriate interleaf is re-applied if additional processing is required after slitting.
- For HDG/GA coil or sheet orders: tolerances and requirements used for claim evaluation will be per ASTM A653, ASTM A924, or as agreed to on the contract PO.



- For CR/HRPO/EG Coil or sheet orders: tolerances and requirements used for claim evaluation will be per ASTM A568, ASTM A1008, ASTM A1011, or as agreed to on the contract PO.
- For Stainless Steel coil or sheet orders: tolerances and requirements used for claim evaluation will be per ASTM A240, ASTM A480, ASTM A666, or as agreed to on the contract PO.
- For Aluminum coil or sheet orders: tolerances and requirements used for claim evaluation will be per ANSI H35.2, or as agreed to on the contract PO.

#### **Documentation Requests:**

- PPAP requests after a Purchase Order is placed may be subject to additional fees if outside testing is required.
- Certification requests after a Purchase Order is placed may be subject to additional fees if outside testing is required. No guarantee is given or implied that such information will be available after the material has shipped.

#### **Weight:**

- 1% shall be considered an allowable variation between our scaled quantity and the customer's quantity.
- The allowable over-shipment for an order quantity is 10% or 5,000 lbs., whichever is greater.

#### **Material Chemistry and Properties:**

- Certified results represent the chemistry or property at a specific tested location and may vary from customer tests per ASTM A568 and ASTM E34.
- A minimum of 15 points is required for Rockwell hardness ranges.

#### **Rust:**

- Material **MUST** be ordered with oil or an appropriate chemtreat to be considered for claim. Material ordered dry will not be considered.
- Orders that do not allow for The Company's standard packaging will not be considered for claim.
- No guarantee is given or implied for material stored at customer facilities (moisture, sudden temperature changes, etc.).
- No rust claims will be considered beyond 120 days after the final production process date.
- No rust claims will be considered beyond 45 days from mill manufacture for ROHS compliant chemtreat dry material. This limitation does not apply for ROHS Chemtreat Oiled product.



- The Company selects the rust preventative oil and application rates in order to allow for the above stated rust warranties. When a customer's order specifies a specific lubricant (rust preventative, dry-lube or drawing compound) or application rate, the rust warrantee will revert to the guarantee offered by the product manufacturers and/or applicators rust policy.

#### **Flatness / Shape:**

- Material MUST be ordered with a flatness tolerance specified on the Purchase Order and acknowledged by the Company. Otherwise, flatness / shape tolerance default to the product specific Industry Standard referenced above.
- Claims for out-of-flat condition only apply to material pre-process condition. Material that has run through a customer's process void flatness claims.
- All flatness claims require the following evidence:
  - Wave height of the off flat condition (inches) measured with a step gauge or scale.
  - Peak-to-peak (inches)
  - Or I-Unit which are found by measuring the height of the off flat condition and the interval between each peak. I-Unit charts can be found online.
- For coil stock, flatness measurements must be made with the sheet resting bottom side down on a flat surface with the ends of the sample pinned down to eliminate the effects of coil set. Coil set and related crossbow shall not constitute grounds for rejection.
- For sheets and blanks, flatness measurements must be made with the sheet resting bottom side down on a flat surface. No consideration will be made for measurements taken with the sheet flipped upside down.
- Unless sheets or blanks are ordered stretcher leveled, no claim will be accepted for spring back, bowing or out-of-flat conditions following laser cutting, water jet cutting or punching operations, only for flatness issues in the unprocessed sheets.

#### **Coil Breaks/ Reel Kinks / Strain:**

- No coil break, reel, kink or strain claims will be considered for hot-rolled product that is not temper passed, skin passed, or tension leveled.

#### **Thickness:**

- Head/tail material out of thickness tolerance will not be considered for claim when ordered directly from the hot mill, pickler, or cold mill.
- Thickness of the strip is not guaranteed to be within ordered tolerance 1" from each hot band mill edge.



**Camber:**

- Camber tolerances and requirements used for claim evaluation will be based on strip width unless specified on the contract PO acknowledged by The Company, or per the most current versions of following standards:
  - CR/HRPO/EG/ HDG/GA - ASTM A568, A653, ASTM A480
  - Aluminum Standards - ANSI H35.2
  - Stainless Steel - ASTM A240, ASTM A480, ASTM A666
- ASTM exceptions will be required for HRPO products not specifically stated as being camber sensitive as specific routings may be required to meet a given tolerance.
- ASTM exceptions will be required for slit cuts under 1.5” in width, or less than a 12:1 width-to-thickness ratio; additional processing is required to meet specific camber limits in these instances.