REVISION: 4

MAY 11, 2021

JOLICO / J-B TOOL INC.

QUALITY MANUAL – ISO 9001:2015

JOLICO / J-B TOOL, INC.

4325 22 MILE ROAD

UTICA, MICHIGAN 48317

Quality Policy

Jolico/J-B Tool, Inc. is committed to delivering products and services, which conform to customer needs and expectations in a timely and cost-effective manner.

Management's goal is to involve every employee in the continuous improvement of all our systems by providing the means and processes that encourage full participation and a spirit of innovation in our total quality effort.

Approval

Date

Jolico / J-B Tool, Inc.

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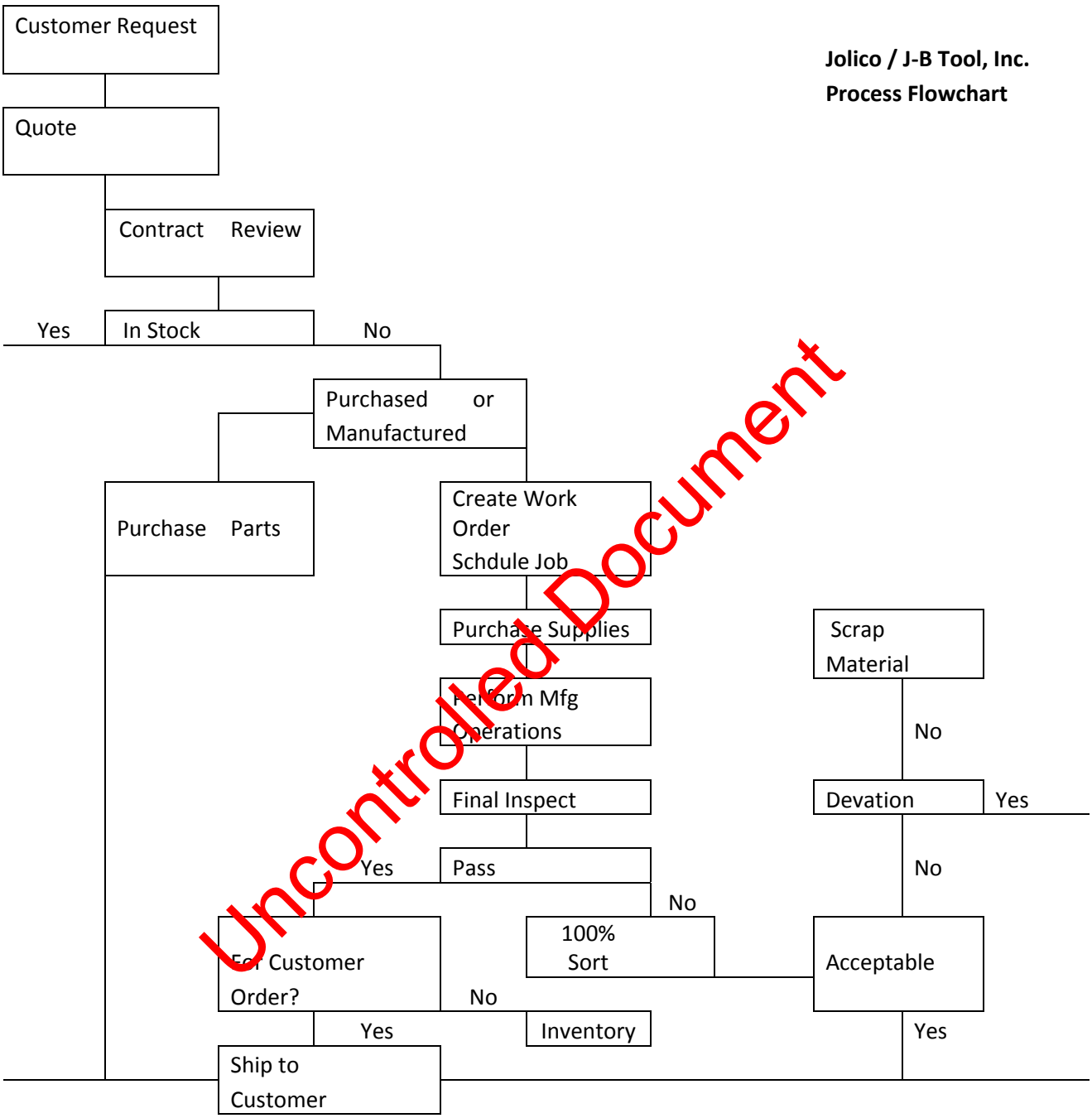
Jolico / J-B Tool, Inc.

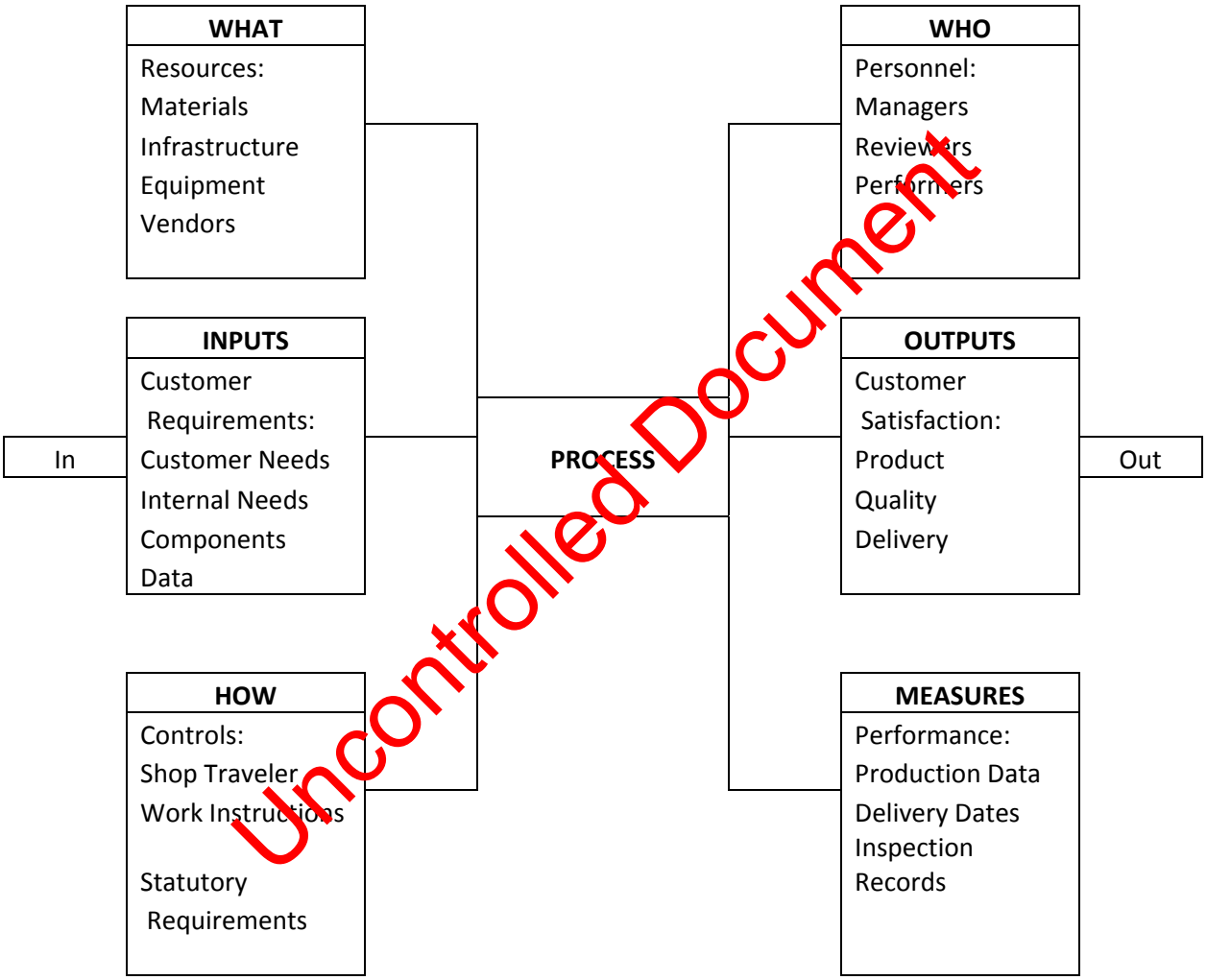
General Document Revisions

Date	Revision	Revision Number
03-26-2018	New Quality Manual Approved and Released	0
04-26-2019	Sections 5.2b, 8.6a, 10.3 wording were clarified	1
05-07-2019	Section 7.4a additional information added	2
06-01-2020	Section 4.4.4j 5.1e, 6.2k, 8.1b clarified text	3
05-11-2021	Section 8.5.1 clarified text	4

Jolico / J-B Tool, Inc.
Process Flowchart



Jolico / J-B Tool Inc.
Process Diagram



4. Context of Jolico / J-B Tool, Inc.

4.1 Context

The organization will supply its customers with products manufactured to the required specifications on a timely basis utilizing the organizations management and employees' knowledge, plant equipment and supplier's products and services. These operations will be performed in accordance with all state and federal regulations. The organization will monitor its Quality Management System with internal and external audits which will be reviewed at the Management Review Meetings.

4.2 The organization has determined that customer satisfaction is a key element within its quality management system. The president has overall responsibility for the quality management system. All employees are responsible for working in accordance with the documented quality management system and for contributing to the system by submitting Continuous Improvement Forms. Suppliers will be encouraged to make improvement recommendations. Internal and external audits will be used. Interested parties would include but not limited to:

a. Customers
    1. End user of the product.
    2. Product designers / engineers
    3. Commodity Managers
b. Vendors/Sub-contractors
    1. Customers
    2. Product designers / engineers
c. Federal / State / Local Regulators
d. All employees

4.3 All products manufactured or sold by the organization will be covered within the scope of this quality management system. The design activity is not included within the scope of this Quality Management System as this organization does not perform this function.

4.4 Quality Management System Processes

a. The Process Flow diagram identifies the quality management processes. A key component of our quality system is the Shop Traveler, which is created for individual items and becomes the traveler that follows the lot during the manufacturing process.
b. The Process Flow diagram outlines the sequence and interaction of the processes of the organization while the Shop Travelers details each sequence of steps required during the manufacturing process. The Process Diagram indicates the related inputs, outputs, resources, controls, measures and personnel.
c. An incomplete Shop Traveler found to be missing a sequence or other pertinent information will be entered into the CIF system and forwarded to the Plant Manager for correction.

d. Each Shop Traveler created has been defined by the President, Plant Manager and or Purchasing Agent based on personal expertise of processes and procedures and is continually improved through the use of the Continuous Improvement Form. All items manufactured are measured and checked to ensure tolerances and measurements are as prescribed on the drawing(s) and work instruction(s).
e. Scheduling and hiring practices are conducted by the President who assesses need.
f. The Quality Management System is monitored, measured and analyzed via the Management Review Meetings and Internal Audits to reduce and/or eliminate the risk of customer satisfaction and product quality.
g. Continuous Improvement Forms are initiated for customer complaints, employee suggestions, nonconforming products, subcontractor concerns, document changes, preventive actions, maintenance matters and safety concerns.
h. Outsourcing processes are controlled using the Continuous Improvement Forms, drawings, specifications or acceptance criteria shown on Purchase Orders.
i. Corrective actions for the Quality Management System are addressed through internal and external audit Continuous Improvement Forms, as appropriate.
j. Employees requesting a change to the traveler will notify management verbally and the manager will then create a CIF to follow up the change.

5. Leadership

5.1 General

a. The President is responsible for the effectiveness of the Quality Management System.
b. The basis of our Quality Management System and objectives consists of: 1) our Quality Policy, 2) our Quality Manual along with its review process and 3) on-going training of our personnel.
c. The President along with the Plant Manager will review the Quality Management System during the annual Management Review Meetings to ensure that the requirements of the system are effective.
d. Encouraging all employees to utilize the Continuous Improvement Forms to promote process revisions and changes to improve the manufacturing process and quality.
e. All pertinent reference material, documentation and standards required for effective planning, operations and control are made available to those individual(s) responsible.
f. Communicating the importance of the Quality Management System through the Newsletter and billboard postings along with verbal conversations to maintain its effectiveness.
g. The systems goals along with results will be shown in the Newsletter.
h. All pertinent reference material, documentation and standards required for effective planning, operations and control are made available to all employees in their respected areas to support creativity and operations.

5.1.2 Customer Focus

a. The President is responsible for reviewing the terms and conditions of agreements, consultant agreements, confidentiality documents along with statutory and regulatory requirements to ensure that those conditions are met.
b. The President is responsible determining any risks or opportunities that may affect the ability to produce products that meet or exceed the customer requirements. All employees are encouraged to contribute suggestions to improve customer satisfaction.
c. To measure customer satisfaction the organization maintains a survey on the organizations web-site. Periodically customers are also surveyed by telephone. Delivery reports to measure and ensure on time deliveries are run monthly and reviewed at the Management Review Meetings.
d. Product quality is measured by inspection records and customer complaints and addressed through the Continuous Improvement Forms (CIF) system. Unfavorable risks or trends associated with these records will be addressed by management immediately.
e. If product quality, customer satisfaction or delivery reports indicate a trend of deterioration a management meeting will be called for by the President or Plant Manager to review and resolve the cause of decline.

5.2 Quality Policy

The President is responsible for defining, establishing and authorizing any changes to the quality policy. The policy defines the goals and direction of the organization.

a. The quality policy is the benchmark which the entire quality system is based. Quality objectives are compiled and reviewed for suitability at the Management Review Meetings. New employees receive training on the Quality Policy during their initial orientation. The Quality Policy is also published and circulated to employees at all levels of the organization.
b. The Quality Policy is reviewed for continuing suitability at the Management Review Meetings. The policy is published on the corporation's website for review and consideration by all employees, customers, suppliers and any other interested parties. A copy can also be requested to be mailed. The printed Quality Policy Manuals can be found in the office and at the information center.

5.3 Organizational Roles, Responsibilities and Authorities

a. The President is responsible for establishing the requirements of the Quality Management System and ensuring that these requirements are communicated throughout the organization. All employees are responsible for working in accordance with the documented Quality Management System in their area of activity at all times.
b. All employees are responsible for documenting their specific activity on the Shop Traveler and also for reporting any concerns or suggestions for improving the quality of activity performed within their area of production. Reporting can be submitted using the Continuous Improvement Form or communicated verbally directly to the President or Plant Supervisor.
c. Customer satisfaction is the main focus of our Quality Management System and will be communicated to all employees by the President and Plant Manager.
d. The Quality Management System is reviewed for suitability at the Management Review Meetings. Changes to the Quality Management System are communicated directly to all employees through additional training for major revisions or verbally by the President or Plant Supervisor for minor changes.

6. Planning

6.1.1 Risks and Opportunities

The risk of not maintaining the quality objectives consistent with the Quality Policy and the continual improvement to meet those objectives may result is inconsistent product and reduced customer satisfaction.

6.1.2 The assurance of quality is a fundamental requirement for all duties performed and products supplied by this organization. All employees within the organization are responsible for the quality of their work. The objectives as stated in the Quality Management System are measured and submitted at the Management Review Meetings for analysis and improvement.

6.2 Quality Objectives and Planning

k. The President has the overall responsibility for Quality Objectives and Planning.
l. During the quality planning process, consideration is given to resources needed, production processes, inspection and testing documentation, development of new instrumentation, product verification, quality standards, quality records and any updates to quality control, inspection and testing techniques for the Quality Management System and Quality Objectives. Objectives and Planning will be reviewed by a minimum of two individuals prior to releasing any new processes.
m. Quality planning will also include both our and the customers regulatory and statutory requirements along with any specific measurement and process documentation.
n. The requirements of any given process will be communicated through the Shop Traveler and updated with any revisions as needed.
o. Process planning will determine the raw material required, the area, the equipment, the vendor (when outside processing is required) and the personnel needed, as well as the production quantity, due dates and inspection criteria. This will all be indicated on the Shop Traveler.
p. Final inspection as indicated on the Shop Traveler will determine if the quality objectives have been met and if any changes or revisions are required.

6.3.1 Changes

a. Changes to the Quality Management System or to the Quality Policy, if necessary, are determined at the Management Review Meetings.
b. Any changes will take into consideration the impact it will have both on the consequence and integrity of the system. These considerations will be documented in the meeting minutes.

c. Full resources must be made available to support any change. This would include any in authority or responsibility.

Support

7. Resources

7.1.1 General

The President has overall responsibility for determining competency of employees performing work affecting quality and for ensuring that employees are aware of their role in meeting quality objectives and is also responsible to provide the resources necessary to maintain and improve the Quality Management System as well as determining external resources.

7.1.2 People

a. All new employees receive initial organization training which would include the organizations Quality Management System and local, state and federal regulatory requirements. Any additional training that the employees may require is provided in house or by an outside source as deemed necessary.
b. The need for employee training is continually assessed on an on-going basis throughout the organization. Any new training will be documented within the employee training record.
c. An orientation checklist is used to insure all orientation items have been addressed for new employees. A training matrix is completed for each new employee and is filed in the training record. These records are reviewed at the Management Review Meetings and are updated as employees receive in house training or external training.
d. All employees receive training on the Quality Management System.

7.1.3 Infrastructure

a. The organization identifies infrastructure needs as buildings, workspaces, utilities, process equipment as well as local and federal regulatory requirements.
b. The President assesses all infrastructure needs and requirements and is responsible for making any necessary changes, maintenance or additions as deemed necessary, including plant equipment.
c. The CFO assesses all the hardware and software needs of the organization and is responsible for any necessary changes, additions or maintenance as necessary.
d. All employees within the management staff are responsible for assessing supporting services to maintain an effective communication and delivery system.
e. Preventative Maintenance are performed by specific technicians according to the equipment manufacturer's reference manuals, appropriate plant Work Instructions and the Preventative Maintenance schedule, as appropriate.
f. All employees are responsible to report problems with their equipment to the Plant Manager via the Continuous Improve Form so that the equipment can be evaluated and repaired. Verbal communication is allowed in the case of any emergency.

7.1.4 Environment

a. The President has overall responsibility for the work environment needed to achieve conformity to product requirements.
b. Each type of product is manufactured in a clean, orderly and dedicated area by employees dedicated to that type of product using specific equipment and tooling.
c. All employees are responsible for maintaining their area and for utilizing the recycling program whenever possible.

7.1.5 Monitoring and Measuring Resources

a. The President has overall responsibility for the Inspection, Measuring and Test Equipment (IMTE)
b. The Plant Manager has the responsibility to identify the IMTE that are critical to the manufacturing process and to implement a calibration system for critical IMTE. They are also responsible for assuring that the environmental conditions are appropriate for performing calibrations, inspections and tests.
c. The Plant Manager is responsible to evaluating customer specification and their effect upon the IMTE as appropriate.
d. Quality personnel are responsible for reducing the risk of inaccurate measurements by performing the required calibrations and for maintaining the calibration system. Calibrations that require an outside vendor/subcontractor will be selected by their expertise and certifications in the equipment being calibrated. Their findings/records will be entered into our system.
e. All employees are responsible for only using calibrated IMTE when performing required inspections and tests and for handling and storing IMTE in a manner that maintains its accuracy and fitness for use.
f. Critical IMTE is selected based on the necessary accuracy and precision of the measurements performed.
g. Critical IMTE is uniquely identified by a sticker or is permanently etched and an individual calibration record is established. The status of calibration is either on a sticker attached to the IMTE or is found in the appropriate calibration record. The calibration record is retained by either electronic or hard copy means. Any IMTE that is not identified with a sticker or permanently etched will be used for reference only.
h. The frequency of calibration is determined based on the calibration history, testing or inspection method, severity of environment, frequency of usage, manufacturers recommendations and the required accuracy of the measurement as appropriate.
i. When calibrations are due, the individual performing the calibration locates the IMTE, performs the calibration per the required Work Instruction with equipment which is traceable to known national or international standards and records the as-found measurements and condition and any adjustments which are made. Calibration records are provided to the customer, when required.
j. If the as-found condition exceeds the acceptable criteria listed in the appropriate Work Instruction, the individual performing the calibration notifies the Plant Manager and reports the findings. The Plant Manager analyzes the severity of the as-found condition and its effect on previously inspected and tested product since the last acceptable calibration. If it

is determined that suspect material has been shipped the sales staff notifies the customer so that the suspect material can be returned. Suspect material not shipped will be re-inspected 100 percent to assure its quality.

k. After calibration, the IMTE is protected from adjustments which would invalidate the calibration if required.

7.1.6 Organizational Knowledge

a. The President has the overall responsibility for the knowledge required to maintain and improve the organizations effectiveness and ensuring the quality of its products.
b. Knowledge that is acquired during the manufacturing process is recorded on the Shop Traveler. Information that is relayed by eternal means in reference to the products is recorded on the production drawings or in the electronic files related to the product as necessary for reference.
c. Changes to the Quality Management System will be based on the knowledge acquired through both internal and external sources that would benefit the organization. These changes would be first addressed at the Management Review Meetings and documented and approved only after a well-informed investigation.

7.2 Competence

a. The President has overall responsibility for the competence of the organizations staff, subcontracted employees and suppliers where necessary.
b. All employees will be evaluated on a continuing basis for their competency and skills to perform the duties of their position by the President and Plant Manager. Those found to be under performing or require additional training will interviewed independently to resolve the situation. These interviews, when required, will be documented.
c. Those employees that require special licensing will provide those license(s) to be noted in their personnel files.

7.3 Awareness

a. All employees receive training on the Quality Management System which will be noted in their training matrix.
b. Those individuals who fail to meet the requirements of the Quality Management System will first be retrained and if necessary removed from the staff of the organization.

7.4 Communication

a. In addition to the quality training performed during orientation all employees receive additional information on the Quality Management System via the newsletter published annually and informational postings on the bulletin board.
b. All interested parties can view the Quality Manual online via the organizations website. Specific quality changes are communicated to outside sources via purchase orders, emails or written documentation.

7.5 Documented Information

a. The scope of our Quality Management System shall be in accordance with ISO 9001-2015. Element 8.3.3 Design and Development of ISO 9001-2015 shall not be addressed within the scope of this Quality Management System as it is not a function of this organization.
b. The Quality Management System procedures are documented as shown throughout the quality manual and work instructions. These procedures have been established to maintain an accountable audit trail, when required.
c. Documents of the Quality Management System are approved or reapproved by the issuer's initials, stamp or by means identifiable to that individual.
d. All Quality Management Systems documents are reviewed and approved prior to release.
e. The revision status of all controlled documents is reflected in the Master Document List. The revision number of all controlled documents are identified by either a revision number or date printed on the document.
f. All Quality Management System documents are readily available to all employees at specific designated areas.
g. Periodic visual inspection of all Quality Management System documents ensure that they are legible and identifiable. Questionable documents will be replaced when necessary.
h. The Plant Manager maintains a Master Systems List that describes the location and owner of each controlled document in the Quality Management System. This list is posted at the information center.
i. All documents referenced on the customer's drawings and specifications are maintained in our facility and are kept at the latest release revision indicated on the business computer system (BCS) as referenced our customers purchase orders. Any new or revised drawings are sent to our suppliers when necessary.
j. All controlled documents are identified either with the words "Controlled Document" stamped on the front or title page, signed by either the President, Plant Manager or are printed on watermarked paper. Obsolete controlled documents, if retained, are identified with the words "Obsolete" stamped in red or blue ink.
k. Quality records at a minimum are those called out in our Quality Management System. The applicable quality records are defined in the Quality Records Index where the collection, access, filing, storage, maintenance, retention and disposition or quality records are defined. Records must remain legible and identifiable. The retention times provided on the index are the minimum required.

8. Operation

8.1 Planning and Control

The President has overall responsibility for product planning and control.

a. Quality objectives and requirements for the product shall be determined by the President and/or the Plant Manager before production of the product.
b. The processes needed to produce the product have been determined based on prior manufacturing processes and are spelled out on the Shop Traveler. When a new product is introduced or a made-to-order part is manufactured, the processes will be reviewed by the President and/or Plant Manager. The specifications for the product are either spelled out on the drawing or purchase order and are reviewed by the President and/or Plant Manager and entered onto the Shop Traveler. This would include any outsourced product or processes.
c. Quality personnel inspect during and/or after completion of the manufacturing process to ensure that it meets the stated quality requirements. Acceptance is noted with the inspector's initials along with evidence as shown on the inspection report.
d. Products that fail inspection will be referred back to the President and /or Plant Manager for further investigation and the related changes required to eliminate failure will be made to the Shop Traveler. This would include unintended changes occurring during the manufacturing process that would be noted on the Shop Traveler.
e. The Shop Traveler and corresponding inspection data will serve and the record to provide evidence that all necessary processes have been completed.

8.2 Determination of Requirements for Products and Services

8.2.1 Customer Communication

The President has overall responsibility for customer communication.

a. Product information and specification can be found in our catalogs on the organizations website.
b. The sales staff handles all inquiries such as quotation requests, stock status and order entry. The CFO manages all blanket orders and contracts.
   The sales staff, after verifying all specifications and requirements enters and prints the quotation and/or order acknowledgement which is sent to the customer. As required the quotation is converted to and order and the sales staff prints the order along with the production tickets. The sales order form and production tickets are then distributed to the appropriate personnel for packaging or manufacturing.
   If there is a change to an existing order, the sales staff verifies the change by mail, fax or email with the customer. Necessary changes are made to the order and the President

and/or Plant Manager is informed of the changes so that manufacturing or purchasing schedules can be modified, if necessary.

c. General customer feedback is welcomed through surveys or comments located on our website and through customer telephone inquiries conducted every two years which are documented. Informal inquires via telephone and emails are also encouraged to verify customer satisfaction along with customer perceptions, which will be documented.
d. Customer complaints are processed through our Continuous Improvement Forms.

8.2.2 Determination of Requirements Related to Products and Services

The President and/or the CFO has overall responsibility for the determination and review of requirements related to products and services.

a. Both the request of quotations and new orders are reviewed by the sales staff for requirements specified by the customer, including but not limited to, delivery and pricing.
b. The sales staff consults with either the President of Plant manager to determine which item will meet the specific requirements for the customer, including new items, when required.
c. All Federal, State and local statutory and regulatory requirements will be met on all products shipped from our organization.
d. The sales staff will take into consideration any and all special or additional requirements prior to quoting or entering any new orders.
e. All employees shall refrain from any and all claims other than the intended use of the products manufactured and sold.

8.2.3 Review of Requirements Related to Products and Services

a. When reviewing a request for quotation or a new order, all customer defined requirements will be addressed prior to submitting a quote or entering an order. Verbal telephone orders are allowed on standard catalog items only and will be confirmed when the order acknowledgement is sent. All mailed, faxed, emailed or customer web based orders will be confirmed by an order acknowledgement sent to the specified customer contact.
b. When converting a quotation to an order all requirements and specifications will be compared for any discrepancies that may have occurred. If conflicting information is found the sales staff reviews this information with the President and/or CFO and if necessary, contacts the customer to resolve the discrepancy. Amendments to the original quotation or the customer's order must be acknowledged by mail, fax or email.
c. Upon entering a new order the sales staff verifies the ability of the organization to meet the defined requirements of the products required. If conflicts are found, the customer is notified and a resolution acceptable to both parties is negotiated. Any changes must be acknowledged by mail, fax or email.

d. When reviewing the requirements of the related products all interested parties must be considered.

e. Customers
    4. End user of the product.
    5. Product designers / engineers
    6. Commodity Managers
f. Vendors/Sub-contractors
    3. Customers
    4. Product designers / engineers
g. Federal / State / Local Regulators
h. All employees

8.3 Design and Development of Products and services

Design and development of products and services is not a function of the organization. If it becomes a function, the element will be addressed.

8.4.1 Control of Externally Provided Processes, Products and Services

The President and/or Purchasing agents have overall responsibility for control of externally provided processes, products and services.

a. All quality related vendor/subcontractors are evaluated per their ability to meet the requirements for our Quality Management System and their ability to deliver products and services per the order.
b. A one-time buy is allowed for vendors/subcontractors not on the Approved Suppliers List (ASL)
c. One or more of the following approves new vendors/subcontractors:
    1. Proof of current ISO-9001 Registration (I)
    2. A current vendor/subcontractor as of August 1, 1998 of quality related material and/or services. (QA)
    3. A vendor/subcontractor that only supplies industry standard components (SC)
    4. A vendor/subcontractor that is specified by the customer. (CS)
    5. A completed and approved vendor/subcontractor Self-Assessment Survey with approved follow up. (SA)
    6. A vendor/subcontractor that only supplies non-quality related material/services. (A)
    7. A vendor/subcontractor that is approved after trial use. Trial use is defined as three separate purchase orders issued within a three-month period. The material/service supplied must be without defects and delivered within the stated purchase order requirements. (TU)

d. Approved vendors/subcontractors are entered and maintained on the Business Computer System (BCS) by the Purchasing Agent or Buyer. This database is considered the Approved Subcontractor List (ASL). All vendors/subcontractors are deemed to have 100 points and lose points based on the following scale. If a vendor/subcontractor falls below 85 points, they will be removed from the ASL.
    1. Quality: When material or service does not meet the requirements stated on the purchase order this will result in a 3-point deduction.
    2. Delivery: When material or service does not meet the requirements stated on the purchase order this will result in a 2-point deduction.
    3. Price and Quantity: When material or service does not meet the requirements stated on the purchase order this will have a 1-point deduction.

    All points are accumulated based on vendor/subcontractor points matrix. For minor issues the points are deducted from the vendor/subcontractor and for major issues a Continuous Improvement Forms (CIF) is issued. The matrix is reviewed and updated on a monthly basis by the Purchasing Agent or designated employee. Points that are deducted against a vendor/subcontractor are dropped after one year from the date of issue.

    Exceptions to this process are vendors/subcontractors who are the sole producer of the item or vendors/subcontractors that are customer specified.

8.4.2 Type and Extent of Control

Purchasing Process – General Information

a. Acknowledgements, if received, from vendors/subcontractors agreeing to the order requirements are reviewed and attached to the purchase order.
b. Amendments to purchase orders are processed for an open order when there is a change or addition in the items, quantities, price or delivery. Amendments go through the same review and approval process as the original order.
c. Due care and diligence is required in selecting vendors to assure the quality requirements of our products can be met or exceeded.
d. Follow-up is performed when the vendor/subcontractor is not meeting the purchase order requirements. The vendor/subcontractor is contacted by the Purchasing Agent or Buyer to ascertain when the order requirements are to be met, and the purchase order is amended, if required.
e. Receiving is performed on the BCS when the packing list or shipper is turned into the appropriate individual.
f. Purchase orders or Requisitions are not required for non-quality related purchases.
g. Purchase orders are approved by the Purchasing Agent/Buyers signature/initials.

Purchasing Process – Tools and Equipment

a. External requisitions are provided to the Purchasing Agent/Buyer. The Purchasing Agent/Buyer reviews each requisition for accuracy, references to the associated specification, drawings, specific instructions, relevant technical data, and quantity.

b. If the external requisitions are complete, the Purchasing Agent/Buyer approves it by signature/initials, indicates a vendor from the ASL and processes an order on the BCS. If the requisitions are not complete, the Purchasing Agent/Buyer sends the requisition back to the issuer or the Plant Manager for completion before processing.

Purchasing Process – Services

a. For outside services such as heat-treating, plating, painting, etc., and Outside Processing Order is issued in lieu of a purchase order. The Shop Traveler will indicate the process required and the approved vendor/subcontractor. When the outside processing order is issued, the number, date quantity and issuer's initials are recorded on the Shop Traveler.

Purchasing Process – Distributed Items

a. Production tickets for distribution items are provided to the Purchasing Agent/Buyer. The Purchasing Agent/Buyer reviews each ticket for accuracy, references to the associated specifications, drawings, contractual conditions, specific instructions, relevant technical data, quantity and price. The Purchasing Agent/Buyer then selects the associated vendor/subcontractor from the ASL and processes the order on the BCS. If the requirements are not complete, the Purchasing Agent/Buyer sends the ticket back to the issuer for completion before processing.

Purchasing Process – Component Items

a. Production tickets that are created for kit or assembly parts are sent to the Purchasing Agent/Process Agent. The Purchasing Agent/Process Agent checks the stock availability for all the required components for that assembly. If any components are not in stock, a requisition is filled out and sent to the Purchasing Agent/Buyer. The Purchasing Agent/Buyer then selects a vendor/subcontractor from the ASL and processes an order.

Purchasing Process – Raw Material

a. When the Shop Traveler is released to the plant for production, qualified personnel check the material availability specified. If adequate material is not available, then the Traveler is annotated with the word "No", signed and returned to the Purchasing Agent/Process Agent. The Agent verified that the material is not in stock and places a Purchase Order on the BCS. The Agent approves the order by signing it.

8.4.3 All Purchase Orders are uniquely identified and have clearly stated references to associated specifications, drawings and specific quality and contractual conditions. Purchase Orders are reviewed and approved before issue.

All Purchase Orders and their associated receiving documentation will be reviewed for accuracy to the specified requirements. Vendor/Subcontractors failing to meet the required purchase order specification will we issued a Continuous Improvement Form (CIF) for explanation and correction.

If the customer's contract requires verification at the vendor/subcontractor's premises, this requirement will be specified in the Purchase Order. The Purchase Agent/Buyer will then arrange the date and time between the customer and vendor/subcontractor for verification.

Evidence may be required to assure that the processes or personnel are qualified to perform the requirements of the purchase order. Ex: Welder certification from vendor.

8.5 Production and Service Provision

8.5.1 Control of Production and Service Provision

The President has overall responsibility for control of production and service provision.

Plant production is determined (driven) by customer requirements and stock replacement.

Customer requirements begin with the order entry process in which a production ticket is created for each order line. Production tickets are reviewed by the Purchasing Agent/Process Agent for current stock status and accuracy. Production tickets with missing requirements are sent back to the issuer for completion.

a. Production tickets for items currently in stock are sent to the shipping department for packaging and shipment.
b. Production tickets for items currently not in stock but are in production and have surplus quantities available for the production ticket the ticket will be placed with the Shop Traveler in the current production run.
c. If a new production run is required to fulfill the production ticket a new Shop Traveler will be created to satisfy the demand.

Stock replacement is determined by one or more of the following conditions:

a. Visual stock status.
b. Current market trends.
c. Prior sales history.
d. Surplus raw material.

If any of these conditions warrant a stock production run, the Purchasing Agent/Process Agent issues a new Shop Traveler for that item.

Manufacturing process instructions are as indicated in a step-by-step manner on the Shop Traveler. The Shop Traveler contains all necessary information deemed necessary to complete the product, and can be changed or altered verbally or via the Continuous Improvement Form (CIF). Alterations or specials by customer request are printed on orange paper.

Shop Travelers, when issued, contain an expected completion date. These dates may be altered due to raw material availabilities, equipment availabilities, increased customer demand or special requests. If the completion date is altered it will be noted on the Shop Traveler.

Any process not verifiable by later inspection or test is qualified and continually monitored by competent operators qualified to perform the operation/process.

Processes to be performed at vendors/subcontractors are defined on the Shop Traveler.

Key manufacturing equipment is of known process capability and is monitored by a preventive maintenance system.

Products produced in the organization on Shop Travelers, that require inspection, are inspected via the CMM equipment and/or corporate calibrated gages. Inspection reports created become a permeant record that is stored electronically on the BCS.

8.5.2 Identification and Traceability

The President has overall responsibility for control of identification and traceability.

The Plant Manager is responsible for the product identification and traceability throughout the manufacturing cycle.

Raw material is identified by a color coding or part number. The Shop Traveler follows with each lot for traceability throughout the manufacturing process. Parts requiring rework are assigned a new Shop Traveler for traceability during the balance of the process. Work-in-process is identified with a part number that travels with the items.

All products are marked with the organizations part number, the corporation's name along with the month and year of manufacture. This will allow for future lot traceability to a specific Shop Traveler production run, if necessary.

8.5.3 Property Belonging to Customers or External Providers

The President has overall responsibility for control of external providers or customer's property.

Customer or externally supplied property is defined as any and all customer supplied material, components or equipment.

a. When customer-supplied property is received a Customer-Supplied Product Sheet is completed to verify quantity and list any discrepancies between the packing list and the material received. Any discrepancies are noted and reported to the customer via this form.
b. This form will be attached to the Shop Traveler until production is complete. It will become a permeant record of the manufacturing process.
c. Customer-supplied property will be stored is a manner as to protect it from undo harm.
d. Externally supplied property from others is to be clearly identified and stored in a manner to protect it from undo harm.

8.5.4 Preservation

Handling

a. To prevent damage or deterioration, all products are placed in bins, trays, skid boxes or other suitable containers while being transported.
b. Only authorized employees move material requiring a lift truck or other special equipment.

Storage

a. Raw materials are stored in their original containers or transferred to our containers and placed in specified locations until their release to production. Periodic visual inspection is performed for any deterioration or damage.

b. All products, while in process, are stored and stacked in bins, trays, skid boxes, or other suitable containers prior to use or delivery.
c. Finished parts are packaged and sent to the customer or stocked in the finished inventory area until a demand for that product is received.

8.5.5 This organization does not provide post-delivery activities.

8.5.6 Control of Changes

The President has overall responsibility for control of changes to meet product requirements.

Special Processes

a. When a need is determined for new processes, defined criteria is set and capability studies are performed by the approved vendor/subcontractors. This information is then compared to the customer specifications or requirements and results are reviewed with the customer, if required. Changes to the current process follow the same review capability studies.
b. When changes are made to the current processes they are documented within the CIF program and reviewed at the Management Review Meetings.
c. Equipment is evaluated on an on-going basis to determine usefulness, obsolescence, and current capabilities on an informal basis. The President is responsible for new or replacement equipment and is also responsible to evaluating the suitability of all personnel.
d. Revalidation of processes occurs when deficiencies become apparent. Approved vendor/subcontractors are used when the scope of the process exceeds the technical expertise of in-house personnel.

8.6 Release of Products and Services

Packaging

a. Shipping personnel are responsible for verifying the final quantity received and for entering that Shop Traveler number along with the quantity into the BCS. If the quantity received is not the same as shown on the Shop Traveler the Plant Manager is notified to change the Shop Traveler and note the reason for the change, if known.
b. Products are then placed in finished inventory or prepared for shipment to the customer.
c. Products are packaged to accepted general commercial requirements that will prevent damage during delivery.
d. After packaging shipping containers are labeled according to both customer and internal requirements found on the Shop Order Form.
e. The Shop Order Form is completed indicating quantities shipped along with any other necessary information and turned into the sales staff for completion of the shipping documents.

Preservation

a. All products are protected and segregated by the appropriate means to prevent damage or deterioration throughout all operations. Special requirements, if necessary, are indicated on the Shop Traveler.

Delivery

a. All products are shipped in conformance to customer requirements, adhering to customer specified transportation routings, stored in the BCS, and printed on the Shop Order Form.

8.7 Control of Nonconforming Outputs

The President has overall responsibility for the control of nonconforming products and action is taken as appropriate.

a. Nonconforming raw material or product has a Reject Tag attached to the material from the time it is identified until it is released and placed in a nonconforming holding area.
b. Nonconforming material or product is released by one or more of the following:
    1. Reworked or adjusted to meet the customer requirements
    2. Scrapped
    3. Accepted with or without rework by written deviation by the customer.
    4. Returned to the vendor/subcontractor.

Nonconforming product that is ready for shipment.

a. The President or Plant Manager notifies the customer with a Concession Request Form for written approval to ship the material as is, if acceptable. Upon receipt of approval the material is sent to the customer.
b. The President or Plant Manager notifies the customer with a Concession Request Form for written approval to rework the material in a manner acceptable to the customer. Upon receipt of the approval a new Shop Traveler is created to make the required modifications and sent to the plant for production.
c. Nonconforming product that is not acceptable as is or is incapable of being reworked to the satisfaction of the customer is destroyed.

Nonconforming product sent to the customer.

a. When nonconforming product is detected after delivery the entire production lot manufactured on that individual traveler is recalled from the customer(s) for repair or replacement as necessary.
b. A review of that products nonconformance's will be documented and a review of past and current production, if any, will be checked for similar traits.

Reworked or adjusted material is re-inspected according to the original Shop Traveler.

The Plant Manager maintains a Rejected Material Log of the nonconforming raw material and product. The Plant Manager also initiates a corrective action for vendor/subcontractors nonconforming products, as required.

Records for all nonconforming material are maintained and reviewed at the Management Review Meetings.

Performance Evaluation

9.1 Monitoring, Measurement, Analysis and Evaluation

General

The President has the overall responsibility for ensuring that the product, customer satisfaction and the Quality Management System conform to the stated requirements.

a. Conformity of product is demonstrated through the volume of nonconforming product found on the Shop Travelers during production then entered on the Shop Traveler Scrap Matrix and customer complaints found through the Continuous Improvement Forms (CIF) system.
b. The corporation is dedicated to ensuring that customer satisfaction is met by offering customers a format to express their opinions through the organizations website and biennially telephone/fax surveys. Monthly, the CFO collects the surveys and enters the data into the BCS. A delivery report is also run monthly showing the on time versus the late deliveries.
c. Effectiveness of the Quality Management System is improved through the evaluation of nonconforming product production improvement, customer satisfaction surveys and the analyses of the monthly delivery reports to improve trends in production.

These results will be analyzed at Management Review Meetings to determine applicable methods up to and including statistical techniques to improve the organizations ability to supply a consistent product on an on-time basis and to exceed the customer's satisfaction.

If conditions or trends show an underlying problem at any given time, immediate action will be taken to improve or eliminate the problem.

9.2 Internal Audit

The President have overall responsibility of internal audits. The CFO/Plant Manager are responsible for scheduling, coordination, effective implementation and maintenance of the internal quality audit process.

Internal Quality Auditors are trained individuals responsible to carrying out internal quality audits in a timely and effective manner.

All employees are responsible for taking timely and effective corrective action to eliminate any audit non-conformances and to cooperate with the auditors.

The organization's Quality Management System is audited annually, more frequently if required. Any non-conformances found in an area are discussed with the appropriate employee who arranges for a timely and effective corrective action to be taken, reducing or completely preventing any reoccurrence.

The Plant Manager/CFO prepares an audit schedule to cover all sections of the Quality Management System. This schedule identifies audits to be conducted during the year.

Qualified trained auditors carry out the audits. Auditors are selected by the Plant Manager/CFO and is assigned the responsibility for conducting the scheduled audits. The selection is based on experience of the auditor and their independence from the department/area under audit.

In order to prepare for the audit the Plant Manager/CFO makes available the necessary audit documentation for use by the auditors. This information, which is controlled, is selected by the auditor from the following:

a. ISO-9002-2015 Standard
b. Work Instructions (normally made available in the appropriate department)
c. Quality Manual
d. Copies of previous audits and outstanding corrective actions (if any)
e. Blank Internal Audit Question Forms
f. Continuous Improvement Forms (CIF)

The appropriate information is released to the assigned auditor in advance of the scheduled audit date for review and reference purposes and to prepare for the audit. The auditor carries out the audit in accordance with established audit plan using the prepared audit checklists and taking notes, as appropriate. Objective evidence is sought and noted whenever possible.

Periodically, the President reviews the Continuous Improve Forms (CIF) and the audit summaries to ensure that the audits were conducted correctly and appropriate action is taken if necessary.

Management attends the opening and closing meetings with the audit team on external audits. Management is also responsible to assign resources for any corrective action raised. A guide/escort who is familiar with the organizations operation and facility will also be provided.

Audit Non-Conformance(s)

a. The Continuous Improvement Form (CIF) is used to record details of any nonconformance found during the audit. The auditor then completes the audit summary form, which together with the CIF are returned to the Plant Manager. The written nonconformance's are discussed with the Department Head to obtain agreement and commitment to timely and effective corrective action.

b. The corrective actions will then be performed, without undue delay, by the Department or employee to whom the CIF is assigned. The Plant Manager will follow-up on the actions performed.
c. A tracking system is used by the Plant Manager who ensures the effective closing out of any reported nonconformance's. The Plant Manager assesses the effective closing out of the corrective actions, taking one or more of the following review actions:
    1. A brief follow up audit by the Plant Manager
    2. A follow up audit by the auditor
    3. A complete re-audit of the department
    4. Rescheduling the dates of the next audit of the department
d. External audit nonconformance's are also entered into our CIF system and follow the same format.

9.3 Management Review

The President have overall responsibility for the Management Review process. The President chairs meetings to review the effectiveness of the Quality Management System, insures appropriate actions are taken to continuously improve the system.

A management team made up of the President, CFO, Plant Manager, Purchasing Agent and designated plant representative(s) attend review meetings and are responsible for reporting status and progress, and to initiate any required action plans.

The CFO maintains and Employee Reference Listing defining the roles of individual employees.

Procedure

a. The management team have developed both a formal quality training for all employees and an ongoing informal training to meet our quality objectives. This team is also responsible for meeting customer, statutory and regulatory requirements which are assessed at the Management Review Meetings.
b. The Quality Policy is reviewed for accuracy at each Management Review Meeting. The entire Quality Management System is monitored, measured and analyzed the Management Review Meetings.
c. The Plant Manager develops the Quality Objectives and communicates to employees, on a formal and informal basis, these objectives:
    1. The organization is committed to producing quality products. Product quality is measured by using rejected product CIF's compared monthly to sales.
    2. The organization strives to ensure customer satisfaction. Customer satisfaction is calculated using the Customer Survey from the website, by fax survey requests, by email requests and by verbal surveying on the telephone.
    3. Products will be delivered in a timely fashion. Delivery times are calculated on the monthly Delivery Report by means of an average of dates both early and late.
d. At a minimum, an annual review of all elements of the Quality Management System is chaired by the President who monitors the suitability and effectiveness of the Quality

Management System and establishes future objectives to ensure its continuing effectiveness. Documentation of the reviews are maintained.
The President specifies the attendees for the Management Review Meetings, including, as appropriate, management and other personnel as the agenda demands.
The agenda includes, but is not limited to, the results of all internal Quality Management System audits, any external quality audits and the results of corrective and preventive actions.
The Plant Manager or designee writes the meeting minutes, and distributes them to the appropriate personnel. The minutes include action items, individuals assigned actions, and target or planned completion dates. The minutes are approved by the President by their initials prior to distribution and are retained as quality documentation.

e. Management is responsible for identifying and providing adequate resources and assigning trained personnel to all activities for which they are responsible. Verification activities are carried out by trained personnel directly responsible for that activity. Trained personnel carry out internal audits in areas over which they have not direct responsibility.

10 Improvement

10.1 General

The President has the overall responsibility for improvement opportunities.

The Plant Manager has overall responsibility to ensure that the Continuous Improvement Forms (CIF's) are closed out, that quality trends are analyzed and that effective preventive action is implemented.

All employees are responsible not only for the quality of their work, but also for initiating CIF's to improve the production system and request changes to improve the overall Quality Management System.

The quality objectives are to remain consistent with the Quality Policy and the Quality Management System to support continual improvement and meet those objectives needed for our products. These improvements utilizing the Continuous Improvement Forms (CIF) can include, but are not limited to:

a. Requesting a change to the steps on the production Shop Traveler.
b. Requesting a change on the tooling or fixtures utilized during production.
c. Requesting additional inspections at various stages.
d. Requesting a change in bill of material components.
e. Requesting a change in vendors/subcontractors for quality or delivery reasons.
f. Requesting a document change.
g. Requesting equipment maintenance.
h. Indicating a safety concern.

When a quality trend in shown to reoccur a Preventive Action is established to reduce or eliminate that trend of nonconformance from repeating. Sources of information used to initiate preventive actions are generally, but not limited to, the outcome from reviewing the CIF information during the Management Review Meetings. CIF information reviewed would be:

a. Audit results.
b. Customer complaints
c. Vendor quality or deliveries.
d. Repeating product inspection concerns.

After verifying that there is a need to initiate a preventive action, it will be written up on a CIF, routed and monitored in the same manner as a corrective action. Because these actions tend to remain open for longer periods of time they will be kept separate from the normal CIF forms.

10.2 Nonconformity and Correction Action

CIF's are used for both corrective actions and preventive actions. CIF's generated internally are filled out in accordance with instructions on the form.

Evidence is obtained to support the CIF, and the employee records immediate action to be taken, if any, and implements that action. The CIF is then forwarded to the Plant Manager to be logged in the BCS and is assigned to the appropriate department manager or manager for permanent corrective action.
The individual initiating the CIF fills out Section 1 and returns the form to the Plant Manager. The Plant Manager determines who is responsible and assigned it by completing Section 2. The assigned individual answers the CIF by completing Section 3 explaining how they will resolve the problem or issue and selects a target date for those changes to take effect or for the problem to be resolved. After the target date has passed the Plant Manager follows up to verify that the actions have been completed and signs and dates Section 4. The CIF is then closed out on the BCS and all documents are filed.
If a CIF completion target date is exceeded the Plant Manager will first follow up with the assigned individual responsible. If a resolution is not found a copy of the CIF is forwarded to management to be resolved.

Individuals dissatisfied with the results of any CIF may request a meeting with the Plant Manager for clarification and resolution. Should such review fail to resolve is issue the matter will be sent to management for review.

CIF's are initiated for customer complaints, employee suggestions, nonconforming products, vendor/subcontractor concerns, document changes, preventive actions, maintenance matters and safety concerns.

Customer complaints/discrepancies are addressed in the customer-prescribed format using their form, if required.

Corrective actions for the Quality Management System are generally addressed through internal and external audits, but can also be initiated by any personnel.

10.3 Continual Improvement

The Plant Manager, to detect any unfavorable trends, analyzes all CIF's, at a minimum, on a semi-annual basis, unless unfavorable trends are noticed which will be acted upon immediately. The results may be used to initiate additional corrective actions or preventive actions, as warranted. In addition, open and closed CIF's , Shop Traveler Scrap Matrix, Inspection Matrix, Vendor Point Matrix and trends are reviewed at the Management Review Meetings.

Appendix

Quality Records Index

Record Name	Collection	Access	Filing	Storage	Maintenance	Disposition	Retention
Quality Manual Master	As Created	All Employees	Electronic	Electronic - Business Computer System (BCS)	Plant Manager (PM)	Dispose	As Superseded
Shop Travelers	As Created	All Employees	Electronic	BCS	Purchasing Agent	Dispose	Current Year + 1
Management Review Minutes	As Created	All Employees	Manual	File Cabinet	PM	Dispose	Current Year + 2
Continuous Improvement Forms	As Created	All Employees	Manual	Binder	PM	Dispose	Current Year + 2
Process Flow Diagram	As Created	CFO	Electronic	BCS	CFO	Dispose	As Superseded
Master Forms List	As Created	All Employees	Manual	Form Binder	CFO	Dispose	As Superseded
Drawing Master Database	As Created	All Employees	Electronic	BCS	CFO	Archive	As Superseded
Reject Material Log	As Created	Plant Manager	Electronic	BCS	PM	Dispose	As Superseded
Concession Request Form	As Created	Office Staff	Electronic	BCS	Office Staff	Dispose	7 Years
Audit Schedule	As Created	All Employees	Manual	Electronic	PM	Dispose	Current Year + 2
Calibration Records	As Created	All Employees	Manual + Electronic	Binder + BCS	PM	Archive	Current Year + 1
Quote Forms	As Created	All Employees	Manual	File Cabinet	Sales Staff	Dispose	Until Expired
Employee Reference List	As Created	All Employees	Manual	File Cabinet	CFO	Dispose	As Superseded
Customer Prints	As Received	All Employees	Manual + Electronic	File Cabinet + BCS	CFO	Dispose	As Superseded
Internal Audit Reports	As Created	All Employees	Manual	File Cabinet	PM	Dispose	Current Year + 2
Reserved for Future Use							

Record Name	Collection	Access	Filing	Storage	Maintenance	Disposition	Retention
Customer Surveys	As Created	Sales Staff	Manual	File Cabinet	CFO	Dispose	Current Year + 2
Delivery Report	As Created	CFO	Electronic	BCS	CFO	Dispose	As Superseded
Employee ISO Training	As Created	CFO	Manual	File Cabinet	CFO	Dispose	Employment Length + 1 Year
Quality Manual Training Requirements	As Created	All Employees	Manual + Electronic	File Cabinet + BCS	CFO	Dispose	Employment Length + 1 Year
Individual Training Matrix	As Created	CFO	Manual	Filing Cabinet	CFO	Dispose	Employment Length + 1 Year
Orientation Checklist	As Created	CFO	Manual	Filing Cabinet	CFO	Dispose	Employment Length + 1 Year
Welding Certifications	As Received	CFO	Manual	Filing Cabinet	CFO	Dispose	Employment Length + 1 Year
Preventive Maintenance Records	Per Schedule	All Employees	Manual	Filing Cabinet	PM	Dispose	Equipment Life
Shop Orders	As Created	All Employees	Electronic	BCS	CFO	Dispose	7 Years
Production Tickets	As Created	All Employees	Manual	Shop Traveler	CFO	Dispose	Until Shipped
Part Drawings	As Created	All Employees	Manual + Electronic	File Cabinet + BCS	CFO	Archive	Until Discontinued + 1 Year
Purchase Orders	As Created	Office Staff	Electronic	BCS	Purchasing Agent	Dispose	Current Year + 1
Final Inspection Reports	As Created	All Employees	Electronic	BCS	CFO	Dispose	Last Run + 1 Year
Reject Tag	As Created	All Employees	Manual	Box	PM	Dispose	Until Disposed
Customer Purchase Order	As Created	All Employees	Manual	File Cabinet	Sales Staff	Dispose	7 Years
Sales Order Form	As Created	All Employees	Electronic	BCS	Sales Staff	Dispose	7 Years
Receiving Shippers	As Received	All Employees	Manual	File Cabinet	Office Staff	Dispose	Until Verified
Reserved for Future Use							

Record Name	Collection	Access	Filing	Storage	Maintenance	Disposition	Retention
Shipping Manifest	As Created	All Employees	Electronic	BCS	Office Staff	Dispose	7 Years
Approved Supplier List	As Created	Office Staff	Electronic	BCS	Purchasing Agent	Dispose	As Superseded
Vendor Evaluation Database	As Created	Office Staff	Electronic	BCS	Purchasing Agent	Dispose	1 Year
Supplier Self Survey	As Created	Office Staff	Manual	File Cabinet	Purchasing Agent	Dispose	1 Year
Material Certifications	As Received	All Employees	Electronic	BCS	Purchasing Agent	Dispose	Current Year + 1
Color Code Chart	As Created	Office Staff	Electronic	Steel Receiving Wall	PM	Dispose	As Superseded
Material Certifications	As Received	All Employees	Electronic	BCS	Purchasing Agent	Dispose	Current Year + 1
Customer Supplied Product Sheet	As Created	All Employees	Electronic	BCS	Office Staff	Dispose	1 Year