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hti - Business **System Manual**

Revision date 1/24/2018



Introduction

HTI, a commercial heat treat and deburr operation in Logansport, IN., is one of the leading specialists in continuous belt austempering in this hemisphere.

Since 1976, HTI specialist has provided quality heat treat services to our customers and has become one of the largest austempering heat-treating companies in the country. This has been accomplished by providing quality heat-treating with on-time delivery. In 2012, we have added deburring and tumbling to our operations to continue to serve our customers' needs.

The early vision and plan of having a well-managed, financially strong, customer driven organization exists today and continues to be the vision for tomorrow. HTI has four continuous belt driven Austemper heat treat furnaces. Each furnace has been modified to include an automatic loading system. The furnaces are computer monitored and controlled for complete traceability of customer orders. HTI's Deburr capability includes 8 horizontal barrels and 3 vibratory bowls.

Quality Management System Integration

HTI, has a strategically planned quality management system that conforms to ISO 9001:2015. We have integrated our Quality Management System (QMS) as part of our business, where management is the cornerstone and bears the responsibility, accountability and required leadership in maintaining the QMS. We are committed to excellence in quality and strive to effectively mitigate risks and take advantage of opportunities. Focus on customer satisfaction as a foundation of our business. This Manual, our Quality Policy, operating procedures, process turtles, documents & forms are written in an easy-to-use manner to be a useful and provide a relevant guide to our process integrated approach to conducting our business. These documents in their relevant sections are maintained to give more detail, definition, and clarify responsibilities for a process or procedure.

Throughout this manual, as well as other documents, the QMS is termed as a business management system, BMS, or business system to encourage the integration of our QMS into day-to-day life of the business with no notable separation of the systems. Using our strategic direction to set our company objectives. This matured system provides the foundation to address our customer's expectations. However, we understand that it takes more than a foundation to demonstrate an ability to provide a level of excellence and consistent results that lead to overall customer satisfaction. That is why everyone at HTI is committed to skillful execution and continual improvement of our manufacturing processes, including product, customer, corporate, statutory and regulatory requirements. This business policy manual including the Quality Policy is available to and gives our employees, customers, suppliers, subcontractors, and any other relevant interested parties an overview and outline of our business, QMS and the framework for the requirements, as discussed mentioned above and described in Table 1 below. The management review process will determine what information to communicate and how to communicate based on the concern.

Table 1: Relevant Interested Parties

Interested Party	Needs and expectations	Internal/ External
Customers	Receive quality products/services that meet their specifications. Consistency of quality & delivery.	External
Employees	Good work environment, job security, health & safety. Recognition and reward.	Internal
Suppliers	Mutual benefit and continuity	External
Owners/Shareholders	Sustained profitability, Transparency	Internal
Public/Community	Environmental protection, Ethical behavior, Compliance with statutory & regulatory requirements	External
Certification bodies	Assess needs of the company against ISO 9001 & IATF 16949 and must be notified of changes in the QMS.	External
Management	Leadership, direction, resources, involvement, motivation, etc.	Internal
Competitors	Provide challenges to our ability to provide products/services to customers.	External
Regulators	Dictate controlling regulations that have impact on the management system and our products	External
Contractors	Compliance with statutory & regulatory requirements. Safe work environment.	External



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The quality system conforms to the requirements of the international standard ISO 9001:2015, but with the following which are non-applicable; Product design & development and post-delivery.

HTI does not design or develop products. All product characteristics are specified by customers. However, we are committed and are focused on using best, industry standard, practices of our manufacturing processes. In addition, HTI does not have any customers that require any post-delivery activities.

Scope – Facilities Processing Capabilities

Austemper heat treating, stress relieving and deburring of customer supplied metal components.

Our Vision

Through the development and application of our core values of *Safety, Integrity, Excellence, and Service*, HTI will strive to be a leader in our market, providing superior value in our relationship with our customers, employees, owners and others.

What do our values mean to our customers?

Safety

- Doing what's right for our employees

Integrity

- Doing the right thing

Excellence

- Doing things right

Service

- Do things with the right attitude

Business Management System Documentation Structure

The Quality Management System (QMS) is documented and maintained. The systems are comprised of four levels as follows:

- Level I Quality Manual
- Level II Procedures
- Level III Work Instructions & Forms
- Level IV Records

Any changes to the Business Management System (BMS) are planned and take into consideration the purpose and associated impact, risk to and integrity of the BMS, required resources and corresponding responsibilities and authorities. Changes are communicated and documented as part of management review process. The BMS has established procedures located in the below location, which is backed-up multiple times daily.



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Procedures:

- Corrective Action Procedure
- Preventive Action Procedure
- Internal Audit Procedure
- Document & Data Control Procedure (*incl. Control of Records*)
- Resources, Training & Safety Procedure
- Control of Nonconforming Product Procedure
- Customer satisfaction continuous improvement procedure
- Validation and production procedure
- Contract review procedure
- Sales Procedure
- Quality Procedure
- Purchasing procedure
- Production procedure
- Management review procedure
- Identification and traceability procedure
- Gage calibration procedure

Location: G:\Shared\HTI\Quality\Controlled Documents\Procedures



HTI - Org Chart

Jan 10,2018

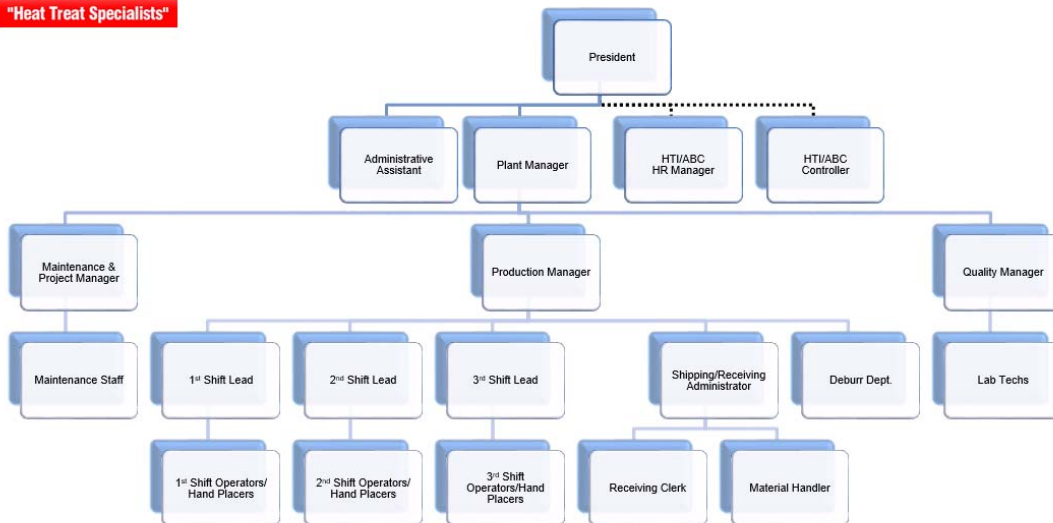
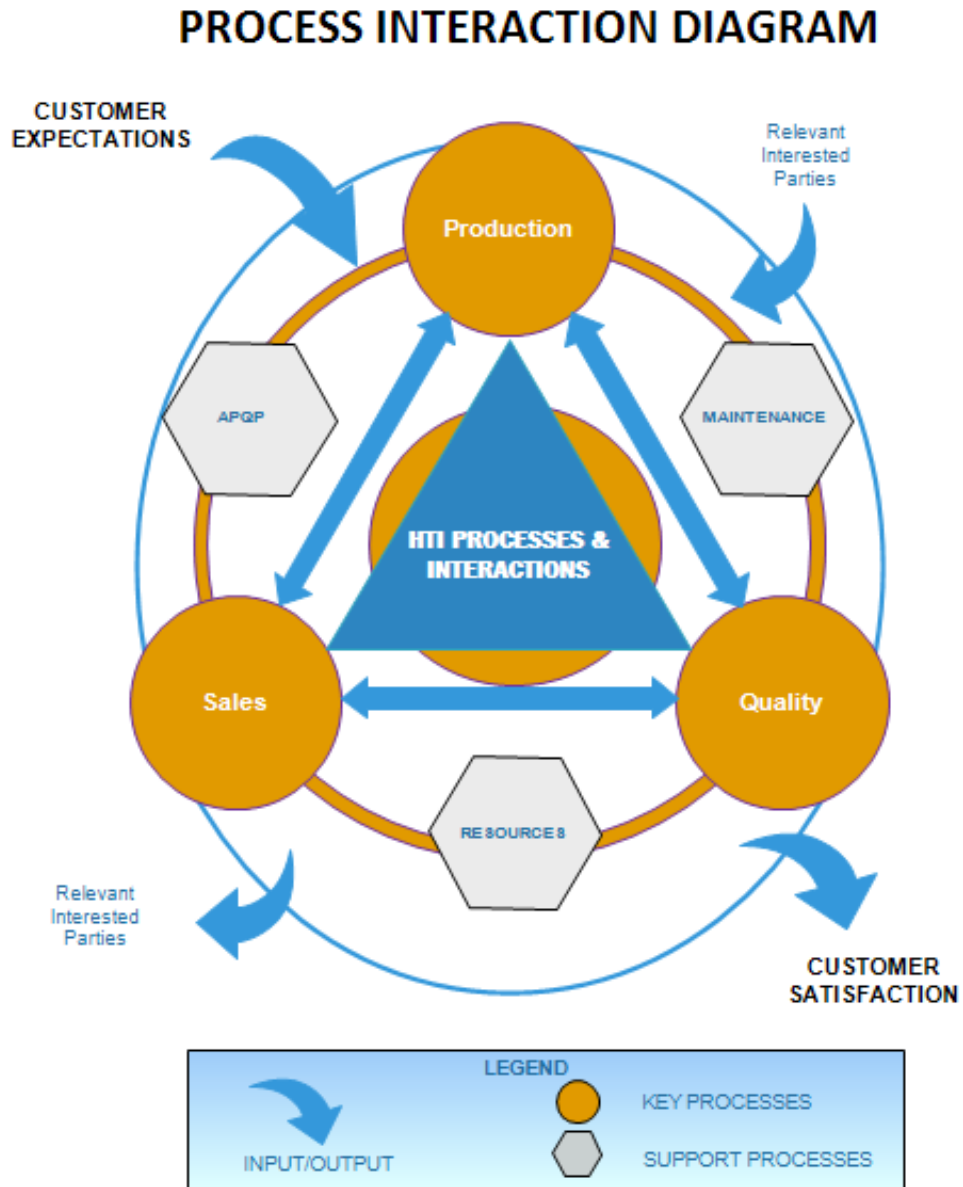


Figure 1:





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Quality Policy

HTI is committed to exceeding customer requirements by providing a quality product at a competitive price by utilizing continuous improvement methods to: mitigate customer risk, increase equipment uptime, and reduce PPM.

Management Commitment

Management is committed to the continual improvement of the Quality Management System (as evidenced through the following)

- Communication of the Quality Policy and company objectives
- Continual improvement in quality objectives
- Conducting of Management Reviews
- Resource allocation
- Satisfying customer requirements
- Meeting regulatory and statutory requirements

Management assures adequate resources during the management review and the contract review processes.

The Quality Manager is the identified Contact for updating and maintaining the BMS.

The Quality Manager is the identified Customer Representative.

Company Objectives

- Reduce unplanned downtime on the Furnaces by 3% annually
- Improve customer satisfaction by 3% annually
- Improve productivity by 3% annually

Other Support

APQP

HTI accomplishes and meets the requirements for Advanced Product Quality Planning through the use and interaction of the Product Realization Process and Process Interaction Diagram. Timing for all programs and individual products are set during the contract review procedure. Product and process safety is also addressed to minimize any potential risks to employees.

HTI assumes responsibility for all internal processes and those that are outsourced.

Preventive actions that are used but not limited to include the following;

- Management Review
- Failure Mode Effects Analysis (*PFMEA*)
- Error-proofing
- 5 Why Analysis
- Review of data (trend analysis)

External Customer communications that are used, but not limited to include the following;



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*Customer Scorecards
Regular Customer Communication*

Internal Communications that are used, but not limited to include the following:

- Employee meetings
- Weekly meetings
- Data board postings (Beacon)

Objective evidence for measurement analysis and improvement is accomplished through, but not limited to the following:

- Management Reviews
- Internal Audits
- Capability Studies
- Continual Improvement and Measures

Date	Change
12/3/2015	First Release
1/6/16	Updated adding clarity to exclusions, references to procedures and their locations.
1/15/16	Revised Fig 2
2/15/16	Removed Fig 2 and Revised Fig 1 (Eliminating 3 Support Processes)
6/24/17	Review and updated multiples areas and re-released
1/10/2018	Review and updated multiples areas and re-released, updated procedures and location, added Org chart
1/19/2018	Updated Quality Policy and Company Objectives MJG
1/24/2018	Added post-delivery to non-applicable, change name from QMS to BMS, removed Quality manager as Management rep, to responsible for updating and maintaining BMS, added title page MJG