



ABC Metals, Inc.

NONFERROUS METALS – PRECISION SLITTING

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Business Policy Manual

Revision Date: February 2nd, 2018

Introduction

ABC Metals, Inc. is a service center specializing in distribution of catalog and custom precision slitting of ferrous & nonferrous metals. It is our mission to demonstrate our commitment to integrity and service in every relationship. With over 32 years in the metals industry, ABC Metals, Inc. is committed to providing consistent product that meets our customer's needs. ABC Metals Inc. consists of facilities in Logansport, In. Pharr and EL Paso Texas.

Purpose – Quality Management Systems Integration

ABC Metals Inc. , has a strategically planned quality management system that conforms to ISO 9001:2015. ABC Metals, Inc. provides slitting, cut-to-length, tension leveling, traverse winding, strip welding, decambering, tinning and warehousing of ferrous and nonferrous metal strip of various thicknesses, alloys and tempers. We have integrated our Quality Management System (QMS) as part of our business, where top management is the cornerstone and bears the responsibility, accountability and required leadership in maintaining the QMS. Top management is responsible for reviewing processes for effectiveness and efficiency through management review. When the organization determines the need for changes to the QMS, the changes are carried out in a planned manner. We are committed to excellence in quality and strive to maintain customer satisfaction as a foundation of our business. Our Quality Policy, Quality Manual, operating procedures, process turtles, documents & forms are written in an easy-to-use manner to be a useful and relevant guide to our process integrated approach to conducting our business. Operating procedures and work instructions 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 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. 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 ABC Metals, Inc. is committed to skillful execution and continual improvement of our manufacturing processes including product, customer, corporate, statutory and regulatory requirements.

This business policy manual gives our employees, customers, suppliers, subcontractors, and any other relevant interested parties, an overview and outline of our business and the framework for the requirements, as mentioned above and described in Table 1. Our senior management team is dedicated to communicating the importance of meeting these requirements, as well as regulatory and legal requirements. Throughout this manual and our procedures, the terms *Senior Management* and *Top Management* are used interchangeably. We define our Senior /Top Management team from the President and C.O.O., to managers whom are responsible for all aspects of ABC Metals, Inc. including finance, quality, & production (Figure 2)

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 & and must be notified of changes in the QMS. | External |
| Management | Leadership, direction, resources, involvement, motivation, etc. | Internal |
| 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 |

Scope – Facilities Processing Capabilities

Logansport, IN - "Slitting, tension leveling, traverse winding, strip welding, tinning and warehousing of non-ferrous and ferrous metal strip of various thickness, alloys and tempers."

El Paso, TX - "Slitting, traverse winding and warehousing of non-ferrous and ferrous metal strip of various thicknesses, alloys, and tempers."

Pharr, TX - "Slitting, cut-to-length and warehousing of non-ferrous and ferrous metal strip of various thicknesses, alloys, and tempers."

Non-Applicable – Product Design & Development Activities

While ABC Metals, Inc. is focused on customer expectations, needs, and strives to excel beyond average service and provide exceptional products, we do not design or develop products. All product characteristics are specified by customers. We are committed to comprehension and delivering product that meets our customer requirements and understanding that our expertise and engineering activities are focused on best practices of the design and development of our manufacturing processes.

Process Approach - Flow & Interactions

Our system is defined in terms of a “process approach”, flowing from the primary processes, or those that impact our customers: Sales, Purchasing, Production, Corporate Quality and Warehousing to those activities and processes that support or are used to manage effectively. For simplicity, the inter-relationships of our system are illustrated in Figure 1.

Figure 1 - Business Process Flow / Interaction Overview

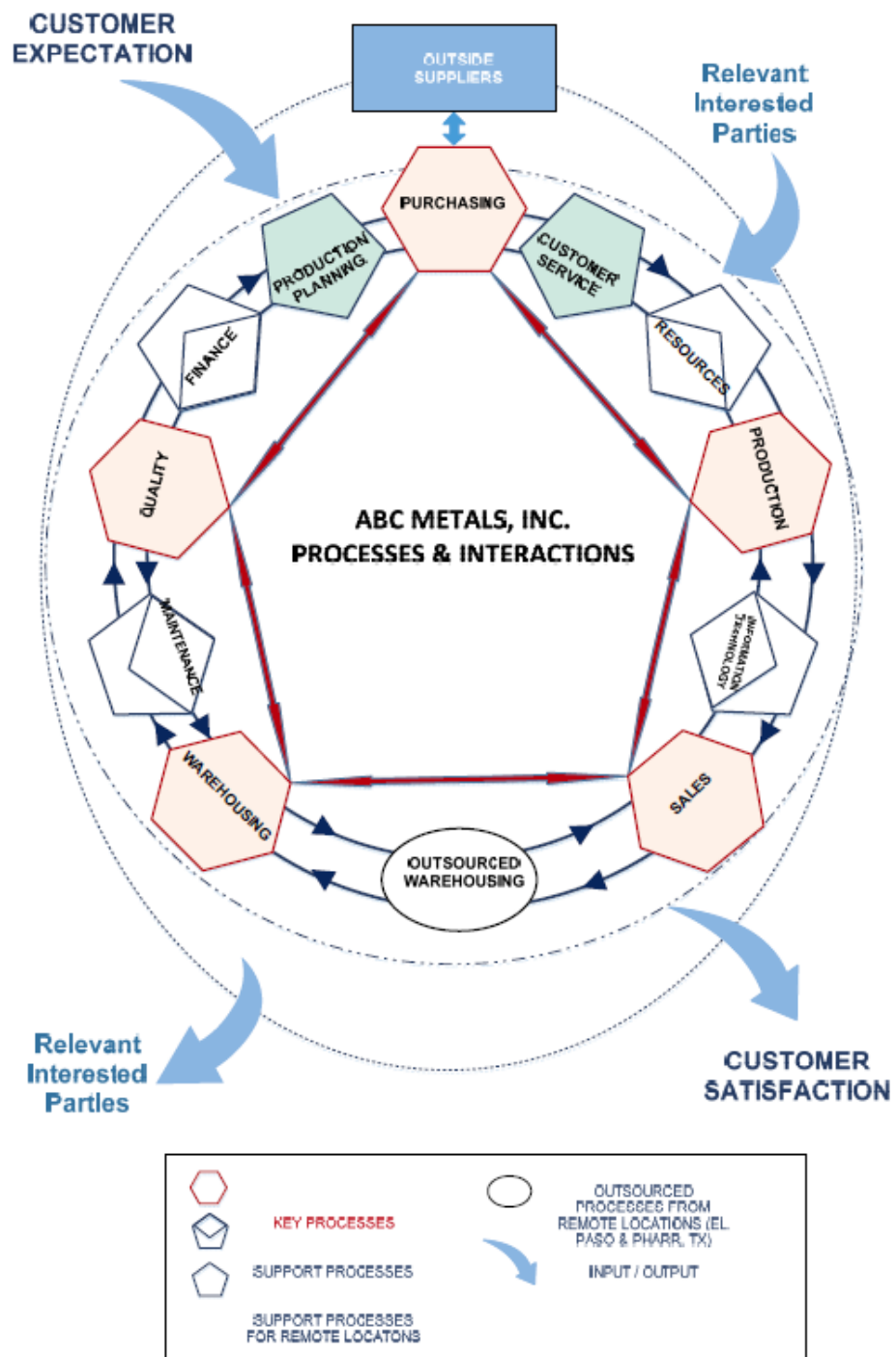
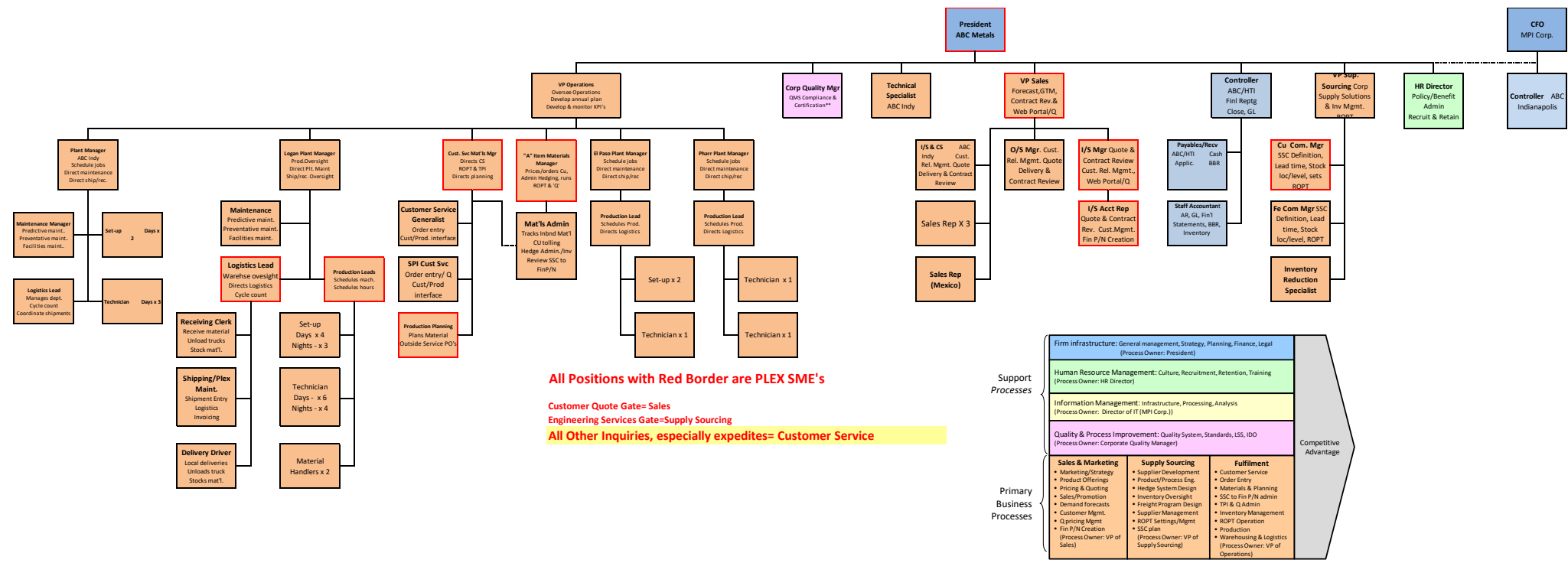


Figure 2 - Organizational Structure



** Quality Management System Representative

Our Commitment to Excellence: Business Policy & Objectives

Meeting or surpassing customer, statutory, and regulatory requirements 100% of the time.

Our objectives are to continually improve our products, processes, services, and business management system.

The main role of our business policy is to define the principal goal for our business in our pursuit of excellence. Senior management communicates the company's commitment and dedication to delivering a quality product to its customers. The policy is posted throughout the company, posted on the internet, explained during orientation training provided to all employees, and communicated to customers, suppliers, and other interested parties. In order to achieve our policy, ABC Metals, Inc. has established specific objectives.

Key indicators to continually monitor the company's stability & trends on meeting our objectives to enhance our customer's satisfaction include, but are not limited to:

- Results from Internal Audit program
- Customer Feedback
- Process & Product Conformity
- Status of Preventive & Corrective Actions
- Continual Improvement activities
- Delivery Performance
- Supplier Performance

Additional information on our procedures for planning and detailed indicators are outlined and maintained as part of the management review process. Senior management reviews the continued suitability of our policy statement, objectives, as well as the key indicators during our management review process.

Our Vision

Through the development and application of our core values of *integrity, excellence, and service*, ABC Metals, Inc. will be the preeminent service center in our market, providing superior value in our relationships with our customers, employees, owners and others.

What do our values mean to our customers?

Integrity

- doing the right thing

Excellence

- doing things right

Service

- doing things with the right attitude

ABC Metals, Inc. Operating Procedures Reference

Document and Data Control Procedure
Resources, Training and Safety Procedure
Internal Audit Procedure
Control of Nonconforming Product Procedure
Corrective Action Procedure
Preventive Action Procedure
ABC Quotation and Order Entry Procedure
Management Review Procedure
Gage Calibration Procedure
ROPT Demand Forecast Procedure
TPI Process Procedure

Revision Track

Figure 1: Added “**(Supports El Paso & Pharr TX Locations)**” to Sales and Purchasing.

Figure 2: Changed Logansport Plant Mgr. to VP of Operations

Figure 1: Revised format and incorporated Support Processes

Figure 2: Added VP of Sales & Marketing, Dir. Quality/Supplier Development, Manager – Replenishment & Customer Service, and change VP of Purchasing to Dir. of Supply Sourcing, plus reporting structure changes.

Figure 2: Added VP of Operations, changed Dir. of Supply Sourcing to VP of Purchasing/Supply Sourcing, change reporting structure of Customer Service and Scheduling from Replenishment to VP of Operations

Figure 1: Revised Business Process and Interaction Overview, made Corp. Quality a Key Process and moved Finance to a Support Process. Added definition of Scope for each facility location.

Figure 1: Added Warehousing as a Key Process

Figure 1: Revised Business Process and Interaction Diagram changing Quality to Quality Systems Mgmt. (Corp. Quality), Changed scope for Logansport

Figure 2: Revised Organizational Chart with new structure and Updated ABC logo and header

Updated referenced procedures to match current documentation

Figure 1: Revised Business Process and Interaction Diagram – Figure 1

Any additional revisions see PLEX Document Control module revision history – 7/18/17

**See PLEX revision history for any revisions after 7/18/17