



QUALITY CONTROL MANUAL

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GENERAL INFORMATION

This manual outlines the Quality Control Program established by Ranger Steel, a steel distributor and non-producer of steel.

It is the intention of Ranger Steel, as material supplier of carbon and alloy steel to assure that those products requiring specifications covered in this QC Manual comply with applicable specifications and customer requirements.

STATEMENT OF POLICY AND AUTHORITY

This manual outlines a complete Quality Control Program which will serve as a working document to guide all personnel in complying with the provisions set forth herein.

The Quality Control Manager shall report directly to the Vice President - Operations and shall have the responsibility and authority to (1) identify quality problems; (2) initiate, recommend, or provide solutions to quality problems through designated channels; (3) verify implementation of solutions; and (4) control or stop further processing or shipments until proper disposition of a nonconformity, deficiency, or unsatisfactory condition has occurred.

Any matter requiring decisions regarding specifications must be referred to the customer for review. No change in specifications will be made without customer authorization.

Management has reviewed and endorses the Quality Program as stated in the manual.

Should there be occasions when conflicts occur, the Vice President - Operations has the responsibility and authority to resolve these differences.

Vice President - Operations

Date

Quality Control Manager

Date

SECTION I

CONTROL OF THE QUALITY CONTROL MANUAL

The Quality Control Manual shall be the document for demonstrating compliance to the ASTM/ASME Code and/or customer specifications.

Copies of the manual (uncontrolled) shall be distributed by the Quality Control Department. Copies will not be serialized. They are also available online at www.rangersteel.com.

The Quality Control Manual shall be reviewed by qualified personnel designated by management as required for compliance to current standards.

SECTION II

RESPONSIBILITY OF KEY PERSONNEL

- 1) Vice President - Operations.
- 2) Quality Control Manager - responsible for traceability of material from purchasing through and including shipping and invoicing.
- 3) Purchasing - responsible for ordering material to designated specifications and obtaining best price and delivery.
- 4) Warehouse Supervisor - operation of warehouse including incoming and outgoing shipments, cutting and processing of material with extreme attention to details for sizes, grades and quantities.
- 5) Sales Force - responsible for sales, estimating and turning in orders.
- 6) Credit Analyst - responsible for establishing and maintaining credit controls and collections according to terms.
- 7) Accounting Department - responsible for standard accounting procedures including accounts payable, accounts receivable, and general ledger statements.

SECTION III

QUALIFICATIONS OF INSPECTION PERSONNEL

Inspection personnel shall be assigned at the direction of management, depending on their experience and/or training pertaining to the difficulty of the job assignments.

Specific training of employees for inspection will be at the discretion of management dependent on the capabilities of the individuals and the needs of each department. Training and qualifications are noted in personnel files.

SECTION IV

QUALIFICATIONS OF NON-DESTRUCTIVE EXAMINATIONS PERSONNEL

The quality control manager and the warehouse supervisor are approved for testing material for contamination by saltwater. Ranger Steel has no other nondestructive testing personnel employed. All other nondestructive tests will be performed by and approved outside independent laboratory.

Personnel performing non-destructive examination (NDE) *ie. radiographic (RT), magnetic particle (MT), ultrasonic testing (UT)” shall be qualified to the appropriate level as required by the material specifications and/or customer requirements.

Qualifications of nondestructive examination personnel shall be in accordance with the latest approved edition of American Society of Nondestructive Testing Recommended Practice No. ASNT-TC-1A.

SECTION V

PURCHASE ORDER CONTROL

The purchasing department shall be responsible for issuing purchase orders and for transmitting documents, standards, specifications, and procedures to the appropriate approved vendors.

Material and services shall be purchased only from approved vendors.

Vendor approval shall be based on past performance and final approval will rest with the head of the purchasing department.

SECTION VI

CONTROL OF DOCUMENTS, STANDARDS, SPECIFICATIONS AND PROCEDURES

Customer requirements and revisions are the responsibility of the salesman. All revisions shall be maintained and kept current in the Customer Order Files.

It shall be the responsibility of the salesman or his designated representative to review the applicable specification for each order, to obtain the specification if not available in the files, and to issue instructions for the necessary requirements to meet the referenced specifications.

Changes or revisions to a customer's Purchase Order must be reviewed and accepted by the appropriate departments prior to initiating a change in the Sales Order.

It shall be the responsibility of the salesman to have a "HOLD" put on the customer's order while the change or revision is being reviewed.

It shall be the salesman's responsibility to assure that all orders and other documents are replaced or corrected to reflect all acceptable changes or revisions.

It shall be the responsibility of the Quality Control Manager to verify that all orders and other documents reflect latest approved changes or revisions prior to being shipped.

SECTION VII

SALES ORDER CONTROL

Sales Orders and Customer Purchase Orders shall be reviewed to assure compliance to material specifications and customer requirements. Acceptability shall be the responsibility of the salesman.

Additions and/or changes on specifications or procedures shall require permission from the customer prior to implementation.

When required by customer specification or Purchase Order, "Right of Access" shall be granted to the purchaser or designated representative for the purpose of inspection, or quality control survey.

SECTION VIII

IDENTIFICATION OF MATERIAL

All material shall be identified by the following as a minimum requirement:

1. Grade of material.
2. Heat number of Heat code of the material
3. Any additional marking required by the applicable specification customer requirement, and as necessary to facilitate traceability or test results.

The identification marking shall be transferred to all pieces prior to material being cut or divided.

Material shall be marked by any method acceptable to the purchaser which will not result in harmful, contamination or sharp discontinuities and will identify the material in accordance with the material specification. Material markings are certified by their manufacturer and documented in the Quality Control files. Stamping, when used, shall be done with "low stress" die stamps.

All material shall have Certified Material Test Reports from the manufacturer. These test reports shall be reviewed and approved by the Quality Control Department prior the passing the material into stock.

With agreement between Ranger Steel and the customer, some material not ordered to any set specification shall be shipped without any mill test reports.

SECTION IX

NON-DESTRUCTIVE EXAMINATION

Non-Destructive Examination (NDE) such as radiographic examination (RT), magnetic particle (MT), ultrasonic testing (UT) shall be performed per ASTM/ASME code per A370, A578, A435, A6 or A20 and/or customer requirements.

Names and SNT-TC-1A levels (I1 or III) of NDE operators shall be required on **all** NDE reports.

SECTION X

RECEIVING INSPECTION

Receiving inspection shall assure that those items covered under the QC Manual are received in compliance with the purchase requirements by verifying material to our receiving reports.

Certified test reports for material shall be reviewed by the Quality Control Department and approved prior to release for filing by vessel and vendor name.

Items which are found to be nonconforming shall be noted on the receiving report, and material stored in a special holding area until proper disposition, this disposition being the responsibility of the quality personnel.

SECTION XI

CONTROL OF MEASURING AND TEST EQUIPMENT

Tapes, rulers, and micrometers and similar devices shall be purchased from reliable vendors using reliable brands. These items shall be manufactured using traceable measurement standards and are regarded as satisfactory for use within normal tolerance.

Accuracy of micrometers shall be checked and calibrated on a periodic basis to insure reliability.

Should any of the above items become damaged in any way that affects their accuracy, they shall be replaced.

Responsibility for maintaining this program shall be assigned to the QC Manager.

SECTION XII

CONTROL OF STOCK MATERIALS AND ITEMS

All stock material and items shall be identified and documented from date of purchase, through receiving, storage, processing and shipping to insure traceability.

Storage of stock material and items shall be accomplished in a manner that will insure proper protection from contamination and damage.

Marking and loading for shipment shall be per customer requirements.

Marking of material if requested by customer, shall be in accordance with the purchase order as specified in the purchase order.

When processing an order under the qualifications of the QC Manual, any "drops" created will be marked and identified and stored for further use.

SECTION XIII

QUALITY CONTROL RECORD RETENTION AND STORAGE

Quality Control Records shall be permanent records and consist of the original copies of the documents but not limited to these:

- 1) Test Reports
- 2) Sales Orders
- 3) Bills of lading
- 4) Customer purchase orders, documents, standards, specifications and procedures.

Responsibility for records retention, maintenance and control shall lie with the Quality Control Department under the general supervision of the Quality Control Manager.

These records shall be stored to prevent damage for a period of as least five (5) years, or as dictated by customer order requirements as agreed upon at the time of order acceptance.

SECTION XIV

SIGNIFICANT CONDITION CORRECTIVE ACTION

When a significant condition adverse to Quality is found to exist, the following steps shall be taken:

- A. Corrective action requests shall identify the adverse condition, its cause and recommend action. The recommended corrective action shall be recorded and reported to appropriate levels of Management.
- B. Corrective action shall be required of vendors when appropriate and the Quality Control Department shall monitor responses and disposition.

SECTION XV

APPENDIX INDEX

Exhibit # 1	–	Purchase Order Form
Exhibit # 2–		Sales Order Form
Exhibit # 3–		Common Carrier Detail Sheet
Exhibit # 4–		Stock Cutting Acknowledgement
Exhibit # 5–		Copy of Liability Insurance Certificate
Exhibit # 6–		Rail Receiving Report
Exhibit # 7–		Cutting Report Form
Exhibit # 8–		Gate Pass
Exhibit # 9–		Shipping Order / Bill of Lading
Exhibit # 10	–	Organization Chart