ESTIMATED FACTORY COST OF PRODUCING AN UPDATED, FIELD GRADE, M/32 OVER & UNDER SHOTGUN

In accordance with the meeting held at Bridgeport, Conn., on November 15, 1967, between Marketing and Ilion R&D, a cost estimate of producing an updated, field grade, M/32 has been prepared.

The updated M/32 would be manufactured along the lines of our present shotguns with press checkering, roll marked frame, and standard walnut stock.

The cost estimate was based on the following parameters

- 1. A volume of 10,000 units per year
- 2. A proposed retail price of \$309 per unit.
- 3. The overland under shotguns would be of the same quality as our present shotgun lines.
- The shotgun would be manufactured in 12 gauge only.
- The parrel cost estimate was calculated for a vent rib barrel.
- The cost estimate was based on the last M/32 design. (Single trigger with selector.)
- 7. The standard discounts were used to arrive at the net selling price.

EXHIBIT 2