release and upon bolt closing as, at that point, there is no sear engagement. This is why we adjust this screw to safe Remington specifications and lock it in place with the two distributive compounds.

Degreasing the screw is important for grease, to some extent, will nullify proper locking charasteristics of even a correct application of the two locking compounds.

Proper application of the two compounds is important for the screw wants to adjust itself inward upon live and dry firing.

Therefore, degreasing the screw and proper application of the locking compounds over the head and threads of most of the screw is critical in preventing movement of this trigger adjustment screw.

These two operations are called for in the process records but are absent from the Standard Operating Procedures.

Due to the many job changes and bumping, which has been a constant occurence here in Ilian, production lost instruction control for these two operations. At an early to mid 1987 point, two new men assigned to the operation were not properly in-

structed by their predecessors and began to fail to degrease the screw and neglect to properly distribute the locking compounds, thus, introducing the potential gun safety problem.

On September 14, 1988, Creekside Gun Shop, a Remington warrantee gunsmith, reported to Product Service that a customer's Model XP-100 fired upon safety release and fired upon bolt closing causing property damage to a gun club. The gunsmith, Bob Noraker, stated the incident was due to insufficient locking compound on the front trigger housing screw. Allegedly, the screw turned itself in to where there was no sear engagement. Mr. Noraker said he also had another XP-100 with the same condition. Creekside subsequently sent Product Service a third gun, from Creekside inventory, with the same problem.

A Remington test program was commensurately instituted. A number of 1988 production guns were taken from the Ilion and Syracuse warehouses and evidence was found that subject adjustment screw would turn clockwise toward the unsafe condition. A worst case 1988 gun was shot in the gallery and failed on the

81st round. (K.D. Green's 1987 consignment gun also had the same condition but was not shot.)

Production then talked to past and current operators of the subject compound application jobs who substantiated that in approximately mid 1987, these operations initiated no decreasing of the screw and only partial application of the Vibra-Tite (1/2 way down screw) and Du Co cement.

However, to be on the safe side, it was determined to recall all XP-100's shipped since January 1, 1987.

We have recailed some 1986 vintage consignment guns just to ascertain their non-involvement.

MAGNITUDE OF THE PROBLEM

A total of 5,599 Model XP-100 pistois, encompassing all Ramacs, shipped between January 1, 1987 - Ocother 4, 1988 could be affected by this situation. Actual quantities involved are as follows:

M GUNS

Shipments

Warehouse Product

In-Process Inventory

Triggers Sold to Gunsmiths

Triggers Used in Repairs

TOTAL POTENTIAL IMPACT

Because of the length of time between first distribution of the suspect guns and discovery of the problem, along with the specialty nature of the firearms, distribution of the vast majority of the affected pistols has reached the dealer and consumer levels. As an example, the first 19 wholesalers contacted represented 2,612 guns. However, these accounts, when contacted, had a total inventory of 488 guns.

Distribution of the product to Remington's invoiced customers is as follows:

Distributor

Key Dealer

Dealer

Consumer

-5-

Again, it is felt likely that most of these pistels are no longer physically at the above locations.

ACTIONS TAKEN TO DATE

As soon as the problem was known (on September , 1988) all Remington XP-100 shipments were halted and inventories isolated. As soon as the test results were in hand (on , 1988), the problem was communicated to Remington management. As soon as customer shipping information was obtained and digested (on October 13, 1988), our field force was informed, and we began contacting all affected direct customers, by phone, asking that all XP-100 sales be terminated and inventories isolated pending further instructions. As soon as direct customer notification letters were written and approved (on October 14, 1988), our first direct customer mailing was initated. All these customers are in the process of receiving a letter which details, by serial number, all guns shipped to them which could have been impacted.

-6-

to feed back sold-through information.

The following actions have been taken to handle the XP-100

trigger correction program:

- . Roger Potter has been placed on special assignment to coordinate the correction program. His existing Product Service duties will be covered by a retiree/consultant, Dick St John, who is now in place.
- Task teams have been established representing all plant and service functions involved in processing returned pistols.
- All guns involved have been identified by serial number by customer.
- . 800 phone lines are in place and the recall area is fully staffed to handle the effort.
- . Ilion Systems has prepared the recall programming, and this project is now on line.
- . Public Affairs and Marketing Communications groups have been contacted to prepare standby press releases and ad copy.
- . A comprehensive approved list of questions and answers has been prepared for Remington/DuPont Management use.
- Initial cost estimates have been prepared and are attached.

TRIGGER ASSEMBLY CORRECTION PROGRAM - PATH FORWARD

A path forward is already in progress to institute a general

trigger assembly correction program for those pistols that could potentially be impacted. Major elements of that program follow:

- 1. All direct dealers, mass merchant, hardware and wholesale phones are being contacted by Ilion informing them of Remington's trigger assembly correction program and basic logistics:
 - a. Each customer will receive a letter in the mail during the week of October 16th that addresses the nature of the program and details, by serial number, each potentially impacted gun shipped to that account.
 - b. Each customer will, again, be asked to halt sales of impacted pistols still in inventory.
 - c. Each customer will be asked to provide information on any gun already sold through.
 - d. Each customer will be asked to mail that information to
- 2. All phone calls and guns returned to Ilion will be handled by a separate group that will be coordinated by Roger Potter.

 Mr. Potter will direct our in-house capability to deal full time with customer relations and coordination efforts. (Due to the nature of the specialty pistol involved, all recalled XP-100s must necessarily be returned to Ilion.) Roger will also focus on internal communications and logistics.
- 3. Follow-up activity with consumers and dealers served by Remington and Remington wholesalers will be handled by the dedicated [fion group. This effort will continue on an on-going basis estimated to span a period of 1-2 years based upon experience.
- 4. A national advertising recall campaign is in progress to compliment the serial number screening effort.

- 5. Priorities for planning the correction of these trigger assemblies at 11ion will be:
 - a. New Guns Off Line
 - b. Arms Serivce Routine Repair
 - c. Returns From Consumers
 - d. Returns From Direct Dealers
 - e. Returns From Retailers
 - f. Returns From Wholesalers
 - g. Warehoused Guns

These priorities become effective in the event of conflict.

- 6. Repair and turnaround time for the guns should be very good. It is expected that 90% of the guns will be handled within two weeks at the Hion Repair Site.
- 7. A review of the program status will be held monthly with the Firearms Business Team by Product Services group to ensure the project is getting proper support and that customer concerns are being adequately addressed.