OBJECTIVE: Product Enhancement

Engineering reported at last meeting that this process is being held up due to chamber eccentricity issues. Bulk of problem appears to rest with current CF heading process at llion.

Action: Engineering to advise on progress of implementing this process on CF rifles. Have eccentricity and processing concerns been corrected? Are we still on track to implement in February of 2004?

Implementing on a gradual basis now. Will continue to monitor at subsequent meetings.

Ilion Quality Issues - Rifles

 Bolt-Action Rifle "Lays Left" Issue OBJECTIVE: Quality Issue

Action: Engineering & Quality to discuss progress since last meeting.

Scott Weese addressed team with findings by the "barrel lays left" team. Findings were very encouraging with the product benefiting from the results of the finding near term.

ACTION: Engineering to continue to work together with Quality and Production to implement corrective actions. Will continue to review at subsequent meetings.

 Model 700/Seven Trigger Pull Weights OBJECTIVE: Quality Issue

Sales and Marketing are receiving a great deal of feed back from customers and consumers that we are losing sales at a devastating level to the Savage Accutrigger offerings.

Action: Ilion and R&D to collectively advise of test status of the fluted firing pin design, ISS removal, and how and when we can expect to see trigger pull weights to return to a reasonable level. Today, they are excessive. Also review Mayfield's ability to address this issue on the M710 and how that could translate into an improvement for the M700. Also review status of bolt-action maintenance review program.

Ongoing discussion on how to improve processes. Will continue to review at subsequent meetings.

Model 40-X Triggers in Varmint/Police Rifles

OBJECTIVE: Product enhancement

Action: Test rifles are on hand at E-Town. R&D to advise of status of testing on this topic. Testing was scheduled to be complete in December.

Test results indicate that results of using the M40-X trigger does not yield results significantly different than current fire control.

 Centerfire Riffle Chamber Specs – Ilion reamers as compared to SAAMI OBJECTIVE: Quality issue

Action: Perniciaro/Diaz to advise if proposals will be made to SAAMI to add freebore to cartridge drawings determined to be an issue from last meeting.

No discussion at this meeting.

ACTION: Will review at next PTM prior to SAAMI Meeting.

Model 7400 improvement Project

OBJECTIVE: Quality Issue

Findlay reviewed plan for M7400 improvement process to gas system, action bars, barrel lag; action bar sleeve, and barrel extension. Current testing showed significant improvement in performance on 22" and 20" barrel lengths. 18" Barrel testing will take place in January, with endurance testing in February. Team discussed perhaps giving the new iteration a new Model designation.

C:\Program Files\cdi\CrackerLoaderREM\REMEdocs\rawbiob\20050103162319A00049157.docPage 5

6/5/2006