

EXHIBIT 3

Layouts

M/721 Production

1. Temporary flow layout for 46-1 and 48-1 completed and reviewed.

Layout for flow approved by Plant. R & M and Plant Methods & Standards coordinating on machine layout to utilize operation efficiency.

In studying the Barrel Shop layout, it was found that the Cincinnati #5 Grinder requires a filter for quality work. The manufacturer had not included this in the quote, so had been omitted. Technical arranging to purchase. This caused a rearrangement of layout.

Machine times included in Temporary Process, on which machine groupings were made, will require review on basis of actual performance which will effect machine grouping. While definite information is not available, it appears from the study of the Cincinnati #5 Grinder, Lipe Carbo lathes and J & L Turret lathe that the output will be less than anticipated by Technical.

2. Stock layout was completed and flow chart given Plant for their information.
3. Polish, Heat Treat and Browning requirements seem adequate except for fixtures being designed by Technical and additional Tocco Unit with possible Lindberg additions for drawing Receiver and Bolt after hardening.

Plant Accounting questioned charging of Browning and Heat Treat fixtures to M/721 tooling project FI-123. These items cannot be charged to FI-123. It will be necessary to include an amount for these items in Project FI-180.

4. Assembly temporarily laid out as part of 46-1 layout and flow approved by Plant.
5. A revised layout of the Toolroom and Tool Inspection will be required to accommodate tool and gage equipment ordered on FTI-5 and specified in FI-172.