

4/27/56
24,900
25,000

Change #1 involves an expenditure of approximately two hundred dollars (\$200) plus a scrap cost of approximately fourteen hundred dollars (\$1,400). Change #2 involves an expenditure of sixty-four hundred dollars (\$6,400) for which a project has been issued plus a scrap cost of approximately eighteen hundred dollars (\$1,800). Change #3 requires an expenditure of eighteen thousand five hundred dollars (\$18,500). By proper matching of parts by Planning and Production, there should be little scrap lost.

The present program provides for pilot assembly and testing in July. Orders have been placed for initial quantities of purchased parts.

Proposed schedule for changes to the Model 740:

#1. Breech Ring and related parts - As of April 2, 1956 change scheduled after approximately 20,000 guns have been assembled or according to the #2 revised forecast late August 1956.

#2. Fore End and related parts - As of April 2, 1956 change scheduled after approximately 30,000 guns have been assembled or according to the #2 revised forecast, November 1956. (#1 change must be in effect before #2 can be made.)

#3. Breech Bolt and related parts - Production schedules make it advisable to change tooling for the Breech Bolt and Barrel Extension