

EXHIBIT IV

**ESTIMATED COSTS AND ECONOMICS
PROPOSED MODEL 580TC (COMMERCIAL) SINGLE SHOT
BOLT ACTION TARGET RIFLE**

FACTORY COSTS

	<u>M/513TR</u> <u>W/SIGHTS</u>	<u>M/513TX</u> <u>W/O SIGHTS</u>	<u>M/521T</u>	<u>M/580TC</u> <u>W/SIGHTS</u>	<u>M/580TC</u> <u>W/O SIGHTS</u>
VOLUME	1000	300	1200	900	1600
RETAIL SELLING PRICE	\$99.95	\$79.95	\$69.95	\$104.95	\$79.95
NET SELLING	\$53.93	\$43.13	\$40.26	\$ 60.36	\$45.98
FACTORY COST	\$49.86	\$37.63	\$31.99	\$ 46.75	\$33.44
SELLING & ADMIN. RESEARCH	\$ 5.72	\$ 4.66	\$ 4.35	\$ 6.52	\$ 4.97
TOTAL COST	\$55.58	\$42.29	\$36.34	\$ 53.27	\$38.41 ⁸³
OPER. EARNINGS	(\$ 1.65)	\$.84	\$ 3.92	\$ 7.09	\$ 7.57
% NET SELLING	(3.1%)	1.9%	9.7%	11.7%	16.5%

TOTAL CASH BASIS

	<u>Total Cash</u> <u>(Before)</u>	<u>Total Cash</u> <u>(After)</u>	<u>Cash</u> <u>Results</u>
VOLUME	2500	2500	0
NET SELLING	\$115,180	\$127,890	\$ 12,710
TOTAL COST	\$ 78,110	\$ 77,130	(\$ 980)
OPERATIVE EARNINGS	\$ 37,070	\$ 50,760	\$ 13,690
LESS 5.8% & 48%	\$ 18,910	\$ 25,900	\$ 6,990
NET EARNINGS	\$ 18,160	\$ 24,860	\$ 6,700

INVESTMENT

CONSTRUCTION	\$101,500
WORKING CAPITAL	700

RETURN ON INVESTMENT

POSITION A	6.6%
POSITION C	3.6%

PROJECT COSTS

DEVELOPMENT	\$ 13,470
CAPITAL	\$101,500
OPERATIONS	<u>\$151,430</u>
TOTAL	\$266,400

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