

TARP BUDGET NOV-DEC 1988

FOR JAN-DEC-1989

EXHIBIT BTRIGGER ASSEMBLY REPLACEMENT PROGRAMFINANCIAL IMPACT

A Reserve is being established in 1987 to accommodate the financial impact of this program on 1987 performance, and will encompass the following estimated expenses:

NOTIFICATION

100 letters / lineables
based on last 2 mos
 Mailing (20M @ \$2)
 Telephone (6 lines for 1 year @ \$20M) \$200
 Telephone Switching
 Telephone Operators (2,000 Hours/Line @ \$8)
 Long-Distance Calls
 Advertising Campaign
 TOTAL NOTIFICATION

FOR 2 MO
\$8(1) 2
1.6 3.3

(1.3) 2.6

(2.5) 5

41.6

FOR 12 MO.

1989

X 646

12 (6)

19.8 (9.9)

15.6 (7.8)

30 (15)

249.6

SHIPPING

based on last 2 mos
 Freight (15M Guns 2 ways @ \$5)
 Packing Material (10M @ \$1.25)
 TOTAL SHIPPING

TOTAL → (48)

54.5

2

.3

TOTAL → 2.3

13.8

REPAIRS IN THE FIELD

based on last 2 mos
 Replacement Parts (10 @ \$9)
 Warranty Repairs (12.5 @ \$22) 50
 Field Repairs (3.7 @ \$50) 22
 ? Reconditioning (8.7 @ \$10)
 Factory Repairs (3 @ \$30) WARRANTED?
 Customer Units to Obtain Records (50 man weeks)
 TOTAL REPAIR

4.3

10.7

13.5

6.4

32.4

25.8

64.2

81

32.4

TOTAL

INHOUSE COSTS

Sorting Connectors—
 Reconditioning—(18M @ \$9)
 Engineering, Supervision
 Management Consultant & Office Help
 Programming/Systems Support
 Rearrangement
 TOTAL INHOUSE COSTS

(7.05) 14.1 84.6 (42.3)

(1.25) 2.5 15 (3)

.5 1 6 (3)

TOTAL COSTS

(8.8) 17.6 105.6 481

ALTERNATIVES

At the present time, we see none.

PLUS OVERHEAD FOR 2 MOS — 24M
OTHER—NONE OF REPAIRS
SPECIAL 1 DAY 5000T 1 GIVE-IN AMMO → 2M 1.2