

CONFIDENTIAL

Remington Arms Company Inc.
RESEARCH & DEVELOPMENT TECHNICAL CENTER
315 WEST RING ROAD
ELIZABETHTOWN, KY 42701

Demerit Classifications have been established as follows:

ONE DEMERIT: Next step above "comment" stage. A one-demerit classification would allow the firearm to continue to the warehouse. This level of demerit would not prevent the customer from buying the firearm but would require review with both front line and supervisor for corrective action.

Examples of one demerit classification:

- * Fingerprints on pack box (minimal amount)
- * Stock fit to receiver
- * Dark mar on firearm
- * Grease on Styrofoam insert
- * Slight variances in checkering
- * Minor imperfections in stock finish
- * Minor bright mars

FIVE DEMERITS: A five-demerit classification would, under normal conditions, allow the firearm to continue to the warehouse. This level of demerit signifies that there has been a deviation from standard or the observation borders on customer rejection. More than one five-demerit classification on the same firearm could constitute the firearm returning to production for repairs. Supervision would need to assign someone to review demerit and report on follow up.

Examples of Five Demerit classification:

- * Irregular steel / wood margins
- * Wood match between stock & fore end
- * Dents in stock or fore end
- * Mis-packed accessories
- * Some bright mars on firearm

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Page 6 of 52

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Subject to Protective Order - Williams v. Remington