FREEDOM GROUP, INC.

(Exact name of company as specified in its charter)

Delaware	**26-0174491**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

870 Remington Drive
P.O. Box 1776
Madison, North Carolina 27025-1776
(Address of principal executive offices) (Zip Code)

(336) 548-8700
(Company's telephone number, including area code)

CURRENT REPORT
December 3, 2010

This Current Report has 3 pages.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(d) *Election of New Directors*

On August 11, 2010, the board of directors (the "Board") of Freedom Group, Inc. ("Freedom Group" or the "Company"), appointed John B. Blystone to the Board. In connection with the appointment, Mr. Blystone entered into a Director Agreement with Freedom Group (the "Blystone Director Agreement"), effective as of August 11, 2010, pursuant to which he will serve as Chairman of the Board. Mr. Blystone served as Chairman, President and CEO of SPX Corporation in Charlotte, NC from 1995 to 2004. From 1978 to 1988 and again from 1992 to 1995, he served in various positions at General Electric Corporation in Fairfield, Connecticut. From 1988 to 1992, he served in various positions at J.J. Case Company in Racine, Wisconsin.

Pursuant to the Blystone Director Agreement, Mr. Blystone is entitled to receive an annual retainer (the "Blystone Director Retainer") of $505,000 for (i) serving on the Board, (ii) serving as the Chairman of the Board, (iii) serving as chairman of the Executive Committee, (iv) serving as chairman of the Remington Investment and Benefits Committee, (v) serving on all other Committees of which he becomes a member and (vi) serving on any and all Subsidiary Boards and Subsidiary Board Committees. The Board reserves the right to increase the Blystone Director Retainer from time to time, but may not reduce the Blystone Director below the amounts stated herein. The Blystone Director Retainer will be prorated on a per diem basis as appropriate to reflect the portion of the year during which services were rendered. In addition, Freedom Group will reimburse Mr. Blystone for all reasonable, out-of-pocket expenses incurred in connection with the performance of his duties.

Additionally, Mr. Blystone received a grant of 94,876 shares of restricted stock (the "Award") pursuant to the Company's 2008 Stock Incentive Plan (the "Plan"). The Award will vest in four equal annual installments of twenty-five percent (25%) commencing on the first anniversary of the grant date and thereafter on each of the second, third and fourth anniversaries, subject to the following: (i) if Mr. Blystone is removed from the Board without Cause or due to his death or disability, the next tranche will immediately vest, but any other unvested grants will not vest and will be forfeited, and (ii) if the Company experiences a Change in Control (as defined in the Plan), the Award will fully vest (pursuant to the provision of the Director Agreement that provides for accelerated vesting upon a Change in Control to the extent other members of the Board are entitled to acceleration of vesting of any restricted stock or options). The Board may from time to time authorize additional compensation and benefits for Mr. Blystone, including additional stock options or restricted stock.

Additionally, on August 11, 2010, the Board appointed Walter McLallen to serve as Vice-Chairman of the Board. In connection with the appointment, Mr. McLallen entered into a Director Agreement with Freedom Group (the "McLallen Director Agreement"), effective as of August 11, 2010. Mr. McLallen has served as a director of the Board since May 31, 2007 and has served as Chairman of the Board since September 3, 2009. Mr. McLallen has also served as a Managing Director of Meritage Capital Advisors, LLC ("Meritage") since 2005. Prior to 2005, Mr. McLallen was a Managing Director at CIBC World Markets. Mr. McLallen also serves on the board of directors of Tier 1 Group and Alpha Media Group.

Pursuant to the McLallen Director Agreement, Mr. McLallen is entitled to receive an annual retainer (the "McLallen Director Retainer") of $235,000 for (i) serving on the Board, (ii) serving as the Vice-Chairman of the Board, (iii) serving as vice-chairman of the Executive Committee, (iv) serving on all other Committees of which he becomes a member and (v) serving on any and all Subsidiary Boards and Subsidiary Board Committees. The Board reserves the right to increase the McLallen Director Retainer from time to time, but may not reduce the McLallen Director Retainer below the amounts stated herein. The McLallen Director Retainer will be prorated on a per diem basis as appropriate to reflect the portion of the year during which services were rendered. In addition to the McLallen Director Retainer, Freedom Group will reimburse Mr. McLallen for all reasonable, out-of-pocket expenses incurred in connection with the performance of his duties.

In addition to the McLallen Director Agreement, Freedom Group entered into a Consulting Agreement with Meritage (the "Consulting Agreement"), effective as of August 1, 2010, as well as a Financial Advisory Engagement Letter Agreement (the "M&A Agreement") with Meritage, dated as of November 30, 2010. Walter McLallen is a

managing director of Meritage. The Consulting Agreement has a two year term, and the M&A Agreement has a three year term. Both agreements have automatic annual renewals if 90 days notice is not given.

Pursuant to the Consulting Agreement, Meritage will receive a retainer in the amount of $405,000 (the "Consulting Retainer"), payable within five days of the execution of the Consulting Agreement, a monthly fee of $15,670 (the "Monthly Fee"), and reimbursement for non-routine expenses. In the event the Company terminates the Consulting Agreement during the initial two year term, the Company shall pay Meritage the sum of $105,750 per quarter, less any amounts paid to Meritage or Mr. McLallen by any of the Protected Parties as defined in the Consulting Agreement, for the balance of the term (the "Termination Fee."). The Termination Fee is conditioned on both Meritage and Mr. McLallen signing general releases in favor of Freedom Group and its employees, stockholders, officers, directors, affiliates and agents. However, no Termination Fee will be paid if the Company elects not to renew the Consulting Agreement at the end of the initial term or any renewal terms. Nor will the Termination Fee be payable in the event of certain enumerated acts or omissions by Meritage (referred to in the Consulting Agreement as "Termination Fee Exclusions"). The Consulting Agreement contains customary Company protections (the "Company Protections"), including avoidance of conflict of interest, non-disclosure, non-competition, non-solicitation of customers and employees and non-disparagement during the term of the Consulting Agreement and during certain post-termination periods ranging from the period during which the Termination Fee is paid, to the 12 month period following termination if no Termination Fee is paid, and in some instances, such as non-disclosure, without limitation in time. Damages for breach of the Company Protections include injunctive relief and repayment of the Termination Fee.

Pursuant to the M&A Agreement, Meritage agrees to serve as a consultant and financial advisor with respect to various potential transactions, including (i) the transfer of 50% or more of the ownership or control of Freedom Group (a "Merger Transaction"), (ii) any equity acquisition or investment greater than $20 million (an "Acquisition Transaction"), (iii) the issuance of new debt securities or certain material amendments to outstanding debt securities (a "Debt Issuance"), (iv) the private placement of equity securities (a "Private Placement"), and (v) a public offering of common equity securities (a "Public Offering"). Meritage is entitled to receive (i) 0.50% of transaction value for a Merger Transaction, (ii) 0.50% of the transaction value for an Acquisition Transaction, (iii) a range of 0.375% to 0.75% of face value of debt securities issued with respect to different types of Debt Issuances, (iv) 1.00% of the gross proceeds for a Private Placement, (v) 0.50% of the gross proceeds of common equity issued in a Public Offering and (vi) reimbursement of up to $25,000 in expenses without prior approval for any of the transactions described therein.

Item 9.01 Financial Statements and Exhibits.

Exhibit 10.1 Director Agreement between John Blystone and Freedom Group

Exhibit 10.2 Director Agreement between Walter McLallen and Freedom Group

Exhibit 10.3 Consulting Agreement between Walter McLallen and Freedom Group

Exhibit 10.4 Letter Agreement between Walter McLallen and Freedom Group

Exhibit 10.1

DIRECTOR AGREEMENT

THIS DIRECTOR AGREEMENT is made effective as of August 11, 2010 ("***Agreement***") between Freedom Group, Inc., a Delaware corporation ("***Company***"), and John Blystone ("***Director***").

WHEREAS, it is essential to the Company to retain and attract as directors the most capable persons available to serve on the board of directors of the Company (the "***Board***"); and

WHEREAS, the Company believes that Director possesses the necessary qualifications and abilities to serve as a director of the Company and to perform the functions and meet the Company's needs related to its Board.

NOW, THEREFORE, the parties agree as follows:

1. **Service as Director.**

(a) Subject to the Company's By-laws, Director will serve as a director of the Company, and upon election by the Board, Director will serve as the Chairman of the Board, and perform all duties as a director of the Company and in such office on the Board, including, without limitation, (i) attending and chairing meetings of the Board, (ii) serving on, and chairing, one or more committees of the Board (each, a "***Committee***") and attending meetings of each Committee of which Director is a member and (iii) using reasonable efforts to promote the business of the Company.

(b) Director will also serve on the boards of directors of any subsidiaries of the Company (each, a "***Subsidiary***" and each board, a "***Subsidiary Board***"), as the Company may request, and subject to such Subsidiary's By-laws, and will perform all duties as a director of such Subsidiary Board, including, without limitation, (i) attending meetings of the Subsidiary Board, (ii) serving on one or more committees of the Subsidiary Board (each, a "***Subsidiary Board Committee***") and attending meetings of each Subsidiary Board Committee of which Director is a member and (iii) using reasonable efforts to promote the business of the Subsidiary.

(c) Except as set forth in Attachment A, Director will not engage in any activity that creates an apparent or actual conflict of interest with the Company or any Subsidiary.

2. **Compensation and Expenses.**

(a) *Retainer.* The Company will pay to Director an annual retainer (the "***Retainer***") comprised of (i) $90,000 for serving on the Board, plus (ii) $300,000 for serving as the Chairman of the Board, plus (iii) $50,000 for serving as chairman of the Executive Committee, plus (iv) $35,000 for serving as chairman of the Investment Committee, plus (v) the aggregate sum of $15,000 for serving on all other Committees of which Director is a member, plus (vi) $15,000 for serving on any and all Subsidiary Boards and Subsidiary Board Committees. The Board reserves the right to increase the Retainer from time to time, but may not reduce the Retainer below the amounts stated herein. If Director's service on the Board (and any Subsidiary Board) or as Chairman of the Board, or any Committee (and any Subsidiary Board Committee), does not begin

or end at the beginning of a calendar year, the Retainer for that year will be prorated on a per diem basis as appropriate to reflect the portion of the year during which services were rendered. For the avoidance of doubt, Director's service on any Subsidiary Board, including any Subsidiary Board Committee, shall not entitle him to additional compensation pursuant to this Section 2.

(b) *Expenses*. The Company will reimburse Director for all reasonable, out-of-pocket expenses incurred in connection with the performance of Director's duties under this Agreement ("***Expenses***") in a timely manner and in accordance with Company policy.

(c) *Other Benefits*. Director shall receive a grant of 94,876 shares of restricted stock (the "***Award***") pursuant to the Company's 2008 Stock Incentive Plan (the "***Plan***") and a restricted stock award agreement (the "***Award Agreement***"), both of which are attached hereto collectively as Attachment B, and subject to Director's execution of the "Instrument of Accession" attached hereto as Attachment C). The Award shall vest in four (4) equal annual installments of twenty-five percent (25%) commencing on the first anniversary of the grant date and thereafter on each of the second, third and fourth anniversaries, subject to the following: (i) if Director is removed from the Board for any reason other than Cause (as that term is defined the Award Agreement), the next tranche will immediately vest, but any other unvested grants will not vest and will be forfeited, and (ii) if the Company experiences a Change in Control (as defined in the Plan) pursuant to which the other members of the Board are entitled to acceleration of vesting of any restricted stock or options, Director shall be entitled to the same accelerated vesting. The Board may from time to time authorize additional compensation and benefits for Director, including additional stock options or restricted stock.

(d) *Payments*. The Company will pay the Retainer in accordance with the policies of the Company as in effect from time to time. The Company will reimburse Expenses as incurred upon Director's submission of receipts and a request for payment in accordance with the policies of the Company as in effect from time to time. The Company may report any and all payments to the Internal Revenue Service or any similar federal, state or local agency on such forms as the Company deems appropriate and may withhold from any payment any amount of withholding required by law.

3. **Indemnity.** The Company agrees that it shall indemnify, defend and hold harmless Director to the fullest extent permitted by law from and against any and all liabilities, costs, claims and expenses, including without limitation all costs and expenses incurred in defense of any litigation, including attorneys' fees, arising out of the engagement of Director hereunder, except to the extent arising out of or based upon the gross negligence or willful misconduct of Director. Costs and expenses incurred by Director in defense of any litigation, including attorneys' fees, shall be paid by the Company in advance of the final disposition of such litigation upon receipt of an undertaking by or on behalf of Director to repay such amount if it shall ultimately be determined that Director is not entitled to be indemnified by the Company under this Agreement. Nothing in this Section 3 shall limit the indemnity obligations of the Company that are otherwise required pursuant to the organizational documents of, or any other agreement with, the Company. The Company shall maintain insurance coverage in amounts it determines are reasonable to ensure performance of its obligations under this Section 3.

4. **Amendments and Waiver.** No supplement, modification or amendment of this Agreement will be binding unless executed in writing by both parties. No waiver of any provision of this Agreement on a particular occasion will be deemed or will constitute a waiver of that provision on a subsequent occasion or a waiver of any other provision of this Agreement.

5. **Binding Effect.** This Agreement will be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

6. **Severability.** The provisions of this Agreement are severable, and any provision of this Agreement that is held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable in any respect will not affect the validity or enforceability of any other provision of this Agreement.

7. **Governing Law.** This Agreement will be governed by and construed and enforced in accordance with the laws of the State of Delaware applicable to contracts made and to be performed in that state without giving effect to the principles of conflict of laws.

[Signatures on following page.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date shown above.

FREEDOM GROUP, INC.

By: /s/ Theodore H. Torbeck_____

Name: Theodore H. Torbeck
Title: Chief Executive Officer

JOHN BLYSTONE

/s/ John Blystone

ATTACHMENT A

AUTHORIZED ACTIVITIES OF JOHN BLYSTONE

Director serves and may continue to serve as (and holds and/or may hold equity interests in):

1. Lead Director — Worthington Industries, Columbus Ohio
2. Investor/Consultant — Corduse, Orlando, Florida
3. Board Member — Patriot Group, Warrenton, VA 20186
4. Equity Member — Integrated Conveyor, Spring Lake, Michigan
5. Loan Holder & Investor — Hooters Restaurants
6. Alternative Investment Portfolio at J.P. Morgan Chase High Net Worth Group
7. Alternative Investment at Barclays High Net Work Group

None of the above have any conflict with Freedom Group Business that I am aware of.

ATTACHMENT B

RESTRICTED STOCK AWARD AGREEMENT

American Heritage Arms, Inc. (now, Freedom Group, Inc.)
2008 Stock Incentive Plan

This RESTRICTED STOCK AWARD AGREEMENT (this "Agreement") made as of this 11th day of August, 2010, between Freedom Group, Inc., a Delaware corporation (formerly, American Heritage Arms, Inc.) (the "Company"), and John Blystone (the "Grantee"), is made pursuant to the terms of the American Heritage Arms, Inc. 2008 Stock Incentive Plan (the "Plan"). The Grantee shall be a Participant for purposes of the Plan. Capitalized terms used herein but not defined shall have the meanings set forth in the Plan.

Section 1. Restricted Stock Award. The Company grants to the Grantee, on the terms and conditions hereinafter set forth, a Restricted Stock Award with respect to 94,876 shares of Common Stock (the "Restricted Shares"), effective as of the date hereof (the "Date of Grant").

Section 2. Vesting of Award. Subject to the provisions of Section 3 hereof, the Restricted Shares shall become vested and nonforfeitable in four (4) equal annual installments of twenty five percent (25%), commencing on the first anniversary of the Date of Grant and, thereafter, on each of the second, third and fourth anniversaries of the Date of Grant, in each case, subject to the Grantee's continued Service as of the applicable vesting date. Except as otherwise provided in Section 3 hereof, in the event of a termination of the Grantee's Service prior to the date that any portion of the Restricted Shares become vested in accordance with this Section 2, such portion of the Restricted Shares shall be immediately cancelled and forfeited by the Grantee.

Section 3. Acceleration Events.

(a) Termination without Cause. If, prior to the occurrence of any otherwise applicable vesting date provided in Section 2 hereof, the Grantee's Service is terminated by the Company without Cause (as defined below), the number of Restricted Shares that are scheduled to vest at the next scheduled vesting date after the date of termination shall immediately become vested and nonforfeitable. For the avoidance of doubt, a termination of the Grantee's Service by reason of death or disability shall not result in the accelerated vesting of any portion of the Restricted Shares pursuant to this Section 3(a). For the purposes hereof, "Cause" shall mean (i) the failure of the Grantee to substantially perform his duties, or the Grantee's breach of his obligations, under his Director Agreement with the Company, on or about the Date of Grant, after a demand for substantial performance or demand for cure of such breach is delivered, and a reasonable opportunity to cure is given, to the Grantee by the Company, which demand identifies the manner in which the Company believes that the Grantee has not substantially performed his duties or breached his obligations, (ii) the Grantee's gross negligence or serious misconduct that has caused or would reasonably be expected to result in material injury to the Company or any of its affiliates, (iii) the Grantee's conviction of, or entering a plea of nolo contendere to, a crime that constitutes a felony, or (iv) the Grantee's violation of any provision of the business ethics policy of the Company or of any subsidiary that has resulted or would reasonably be expected to result in material injury to the Company or any of its affiliates, but only after a demand for cure

of such violation is delivered, and a reasonable opportunity to cure is given, to the Grantee by the Company, which demand identifies the manner in which the Company believes that the Grantee has violated a material provision of the Company's business ethics policy.

(b) Change in Control. If, prior to the occurrence of any otherwise applicable vesting date provided in Section 2 hereof, a Change in Control occurs, the Restricted Shares shall become immediately and fully vested upon such Change in Control.

Section 4. Rights as a Stockholder. Subject to the otherwise applicable provisions of this Agreement, the Grantee will have all rights of a stockholder with respect to the Restricted Shares both prior to and following the vesting of such shares, including the right to vote the shares and receive all dividends and other distributions paid or made with respect thereto. Notwithstanding the foregoing, all such dividends and other distributions paid or made prior to the vesting of Restricted Shares, shall be subject to the same vesting requirements that apply to the Restricted Shares from which the dividends are derived, and shall be paid out subject to, and immediately upon, the vesting of the Restricted Shares.

Section 5. Restrictions on Transfer. Neither this Agreement nor any Restricted Shares covered hereby may be sold, assigned, transferred, encumbered, hypothecated or pledged by the Grantee, other than to the Company, unless as of the date of any such sale, assignment, transfer, encumbrance, hypothecation or pledge, such Restricted Shares to be thus disposed of have become vested in accordance with Section 2 or Section 3 hereof. The certificate or certificates representing shares delivered pursuant to this Agreement shall bear a legend referring to the nontransferability or assignability of such shares pursuant to this Section 5, and a stop-transfer order against such certificate or certificates will be placed by the Company with its transfer agents and registrars. At the discretion of the Committee, in lieu of issuing a stock certificate to the Grantee, the Company may hold the Restricted Shares in escrow during the period such shares remain subject to the vesting restrictions and other restrictions provided hereunder.

Section 6. Investment Representation. Upon acquisition of the Restricted Shares at a time when there is not in effect a registration statement under the Securities Act of 1933 relating to the Common Stock, the Grantee hereby represents and warrants, and by virtue of such acquisition shall be deemed to represent and warrant, to the Company that the Restricted Shares shall be acquired for investment and not with a view to the distribution thereof, and not with any present intention of distributing the same, and the Grantee shall provide the Company with such further representations and warranties as the Company may require in order to ensure compliance with applicable federal and state securities, blue sky and other laws. No Restricted Shares shall be acquired unless and until the Company and/or the Grantee shall have complied with all applicable federal or state registration, listing and/or qualification requirements and all other requirements of law or of any regulatory agencies having jurisdiction, unless the Committee has received evidence satisfactory to it that the Grantee may acquire such shares pursuant to an exemption from registration under the applicable securities laws. Any determination in this connection by the Committee shall be final, binding and conclusive. The Company reserves the right to legend any certificate for shares of Common Stock, conditioning sales of such shares upon compliance with applicable federal and state securities laws and regulations.

Section 7. Adjustments. The Restricted Shares hereunder shall be subject to the provisions of Section 4.2 of the Plan relating to adjustments for recapitalizations, reclassifications and other changes in the Company's corporate structure.

Section 8. No Right of Continued Service. Nothing in this Agreement shall confer upon the Grantee any right to continue in the service of the Company or any Subsidiary or to interfere in any way with any right of the Company to terminate the Grantee's service with the Company at any time.

Section 9. Section 83(b) Election. The Grantee may make an election under Section 83(b) of the Code, in accordance with the terms of Section 8.5 of the Plan.

Section 10. Notices. Any notice hereunder by the Grantee shall be given to the Company in writing, and such notice shall be deemed duly given only upon receipt thereof by the General Counsel of the Company. Any notice hereunder by the Company shall be given to the Grantee in writing, and such notice shall be deemed duly given only upon receipt thereof at such address as the Grantee may have on file with the Company.

Section 11. Construction. This Agreement and the Restricted Shares hereunder are granted by the Company pursuant to the Plan and are in all respects subject to the terms and conditions of the Plan. The Grantee hereby acknowledges that a copy of the Plan has been delivered to the Grantee and accepts the Restricted Shares hereunder subject to all terms and provisions of the Plan, which is incorporated herein by reference. In the event of a conflict or ambiguity between any term or provision contained herein and a term or provision of the Plan, the Plan will govern and prevail. The construction of and decisions under the Plan and this Agreement are vested in the Committee, whose determinations shall be final, conclusive and binding upon the Grantee.

Section 12. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, excluding the choice of law rules thereof.

Section 13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original but both of which together shall constitute one and the same instrument.

Section 14. Binding Effect. Without diminishing Section 5 hereof, this Agreement shall be binding upon and inure to the benefit of the legatees, distributees, and personal representatives of the Grantee and the successors of the Company.

Section 15. Entire Agreement. This Agreement and the Plan constitute the entire agreement between the parties with respect to the subject matter hereof and thereof, merging any and all prior agreements.

Section 16. Stockholders Agreement. In accordance with Section 11.11 of the Plan, as a condition to the effectiveness of the grant of the Restricted Shares hereunder, the Grantee shall become a party to the Stockholders Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date first above written.

FREEDOM GROUP, INC.

By: Theodore H. Torbeck
Name: Theodore H. Torbeck
Date: August 11, 2010

GRANTEE

/s/ John Blystone

John Blystone

Date: August 11, 2010

ATTACHMENT C

INSTRUMENT OF ACCESSION

The undersigned, John Blystone, as a condition precedent to becoming the owner or holder of record of 94,876 shares of Common Stock of Freedom Group, Inc., a Delaware corporation (the "Company"), hereby agrees to become party to and bound by that certain Stockholders' Agreement dated as of December 11, 2007 (the "Stockholders' Agreement") by and among the Company and the Stockholders specified therein. This Instrument of Accession shall take effect and shall become an integral part of the Stockholders' Agreement immediately upon executive and deliver to the Company of this Instrument.

IN WITNESS WHEREOF, the undersigned has caused this INSTRUMENT OF ACCESSION to be signed as of the date below written.

Signature: /s/ John B. Blystone
Address: 3220 Seven Eagles Road, Charlotte, NC 28210

Date: August 11, 2010

Accepted:

By: /s/ Theodore H. Torbeck

Date: August 11, 2010

Exhibit 10.2

DIRECTOR AGREEMENT

THIS DIRECTOR AGREEMENT is made effective as of August 11, 2010 ("***Agreement***") between Freedom Group, Inc., a Delaware corporation ("***Company***"), and Walter McLallen ("***Director***").

WHEREAS, it is essential to the Company to retain and attract as directors the most capable persons available to serve on the board of directors of the Company (the "***Board***"); and

WHEREAS, the Company believes that Director possesses the necessary qualifications and abilities to serve as a director of the Company and to perform the functions and meet the Company's needs related to its Board.

NOW, THEREFORE, the parties agree as follows:

8. Service as Director.

(a) Subject to the Company's By-laws, Director will serve as a director of the Company, and upon election by the Board, Director will serve as the Vice Chairman of the Board, and perform all duties as a director of the Company and in such office on the Board, including, without limitation, (i) attending and, in the absence of the Chairman, chairing meetings of the Board, (ii) serving on one or more committees of the Board (each, a "***Committee***") and attending meetings of each Committee of which Director is a member and (iii) using reasonable efforts to promote the business of the Company.

(b) Director will also serve on the boards of directors of any subsidiaries of the Company (each, a "***Subsidiary***" and each board, a "***Subsidiary Board***"), as the Company may request, and subject to such Subsidiary's By-laws, and will perform all duties as a director of such Subsidiary Board, including, without limitation, (i) attending meetings of the Subsidiary Board, (ii) serving on one or more committees of the Subsidiary Board (each, a "***Subsidiary Board Committee***") and attending meetings of each Subsidiary Board Committee of which Director is a member and (iii) using reasonable efforts to promote the business of the Subsidiary.

(c) Except as set forth in Attachment A, Director will not engage in any activity that creates an apparent or actual conflict of interest with the Company or any Subsidiary.

9. **Compensation and Expenses.**

(a) *Retainer*. The Company will pay to Director an annual retainer (the "***Retainer***") comprised of (i) $90,000 for serving on the Board, plus (ii) $100,000 for serving as the Vice Chairman of the Board, plus (iii) $15,000 for serving as vice chairman of the Executive Committee, plus (iv) the aggregate sum of $15,000 for serving on all other Committees of which Director is a member, plus (v) $15,000 for serving on any and all Subsidiary Boards and Subsidiary Board Committees. The Board reserves the right to increase the Retainer from time to time, but may not reduce the Retainer below the amounts stated herein. If Director's service on the Board (and any Subsidiary Board) or as Vice Chairman of the Board, or any Committee (and any Subsidiary Board Committee) does not begin or end at the beginning of a calendar year, the Retainer for that year will be prorated on a per diem basis as appropriate to reflect the portion of

the year during which services were rendered. For the avoidance of doubt, Director's service on any Subsidiary Board, including any Subsidiary Board Committee, shall not entitle him to additional compensation pursuant to this Section 2 beyond that described in Section 2(a)(v), and Director shall be entitled to the amounts described in Section 2(a)(v) even if the Company does not request that Director serve on any of the Subsidiary Boards or Subsidiary Board Committees.

(b) *Expenses*. The Company will reimburse Director for all reasonable, out-of-pocket expenses incurred in connection with the performance of Director's duties under this Agreement ("***Expenses***"). in a timely manner and in accordance with Company policy

(c) *Other Benefits*. The Board may from time to time authorize additional compensation and benefits for Director, including stock options or restricted stock.

(d) *Payments*. The Company will pay the Retainer in accordance with the policies of the Company as in effect from time to time. The Company will reimburse Expenses as incurred upon Director's submission of receipts and a request for payment in accordance with the policies of the Company as in effect from time to time. The Company may report any and all payments to the Internal Revenue Service or any similar federal, state or local agency on such forms as the Company deems appropriate and may withhold from any payment any amount of withholding required by law.

10. **Indemnity.** The Company agrees that it shall indemnify, defend and hold harmless Director to the fullest extent permitted by law from and against any and all liabilities, costs, claims and expenses, including without limitation all costs and expenses incurred in defense of any litigation, including attorneys' fees, arising out of the engagement of Director hereunder, except to the extent arising out of or based upon the gross negligence or willful misconduct of Director. Costs and expenses incurred by Director in defense of any litigation, including attorneys' fees, shall be paid by the Company in advance of the final disposition of such litigation upon receipt of an undertaking by or on behalf of Director to repay such amount if it shall ultimately be determined that Director is not entitled to be indemnified by the Company under this Agreement. Nothing in this Section 3 shall limit the indemnity obligations of the Company that are otherwise required pursuant to the organizational documents of, or any other agreement with, the Company. The Company shall maintain insurance coverage in amounts it determines are reasonable to ensure performance of its obligations under this Section 3.

11. **Amendments and Waiver.** No supplement, modification or amendment of this Agreement will be binding unless executed in writing by both parties. No waiver of any provision of this Agreement on a particular occasion will be deemed or will constitute a waiver of that provision on a subsequent occasion or a waiver of any other provision of this Agreement.

12. **Binding Effect.** This Agreement will be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

13. **Severability.** The provisions of this Agreement are severable, and any provision of this Agreement that is held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable in any respect will not affect the validity or enforceability of any other provision of this Agreement.

14. **Governing Law.** This Agreement will be governed by and construed and enforced in accordance with the laws of the State of Delaware applicable to contracts made and to be performed in that state without giving effect to the principles of conflict of laws.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date shown above.

FREEDOM GROUP, INC.

By: /s/ John Blystone

Name: John Blystone
Title: Chairman of the Board

WALTER MCLALLEN

/s/ Walter McLallen

Attachment A

AUTHORIZED ACTIVITIES OF WALTER McLALLEN

Director serves and may continue to serve as (and holds and/or may hold equity interests in):

- Meritage Capital Advisors (serves as a Managing Director)
- Tier 1 Group (serves as a member of the board of directors);
- Alpha Media Group (serves as a member of the board of directors); and
- Velocity Capital Advisors (serves as a Managing Director).

#4842-5045-3510

Exhibit 10.3

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (this "Agreement"), effective as of August 1, 2010 (the "Effective Date"), is entered into by and between Freedom Group, Inc. (the "Company") and Meritage Capital Advisors ("Consultant") (the Company and Consultant, together, the "Parties").

RECITALS:

WHEREAS, the Company is engaged in the business of designing, manufacturing, marketing, and selling, on a global basis: (a) firearms, ammunition, and related accessories and licensed products, including, by way of illustration, sporting goods products, hunting and gun care and cleaning products and accessories, and (b) products with law enforcement, military and government applications. The foregoing, together with any other businesses in which the Company and any of its subsidiaries (including, without limitation, Remington Arms Company, Inc. and/or Bushmaster Firearms International, LLC) may engage during the term of this Agreement, are referred to herein as the "Business".

WHEREAS, Consultant has experience providing certain strategic advisory services, including experience with leveraged finance and private equity transactions, which are applicable to the Business; and

WHEREAS, the Company desires to avail itself of Consultant's services, as described below, and Consultant is willing to provide such services on the terms and for the consideration set out below; and

WHEREAS, Consultant and the Company desire to embody in this Agreement the terms and conditions of Consultant's engagement by the Company.

NOW, THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and intending to be legally bound hereby, the Parties hereto agree as follows:

1. Services. Consultant hereby agrees to provide strategic consulting services to the Company and the Company's affiliates, including those services described on Attachment A (collectively, the "Services"). Consultant hereby agrees to use reasonable efforts to provide the Services. Consultant shall comply with the statutes, rules, regulations and orders of any governmental or quasi-governmental authority, which are applicable to the performance of the Services, and the Company's rules, regulations, and practices as they may from time-to-time be adopted or modified; provided that in the event of any conflict between the terms of this Agreement and any of the Company's rules, regulations or practices as they may from time-to-time be adopted or modified, the terms of this Agreement shall control.

2. Term. Subject to earlier termination pursuant to Section 5, this Agreement shall commence as of August 1, 2010 (the "Effective Date") and continue until the second (2^{nd}) anniversary of the Effective Date and thereafter shall automatically renew for additional twelve (12) month periods, unless either Party gives the other written notice of its intention not to renew

this Agreement at least ninety (90) days prior to any such renewal (any and all such periods referred to herein as the "Term").

3. Fees and Expenses. In consideration for the Services provided by Consultant hereunder, the Company shall provide Consultant with the following during the Term:

3.1 In exchange for Consultant's agreement to the Company Protections (as described in Section 14 below), within five (5) business days of the date this Agreement has been executed by both Parties, the Company shall pay Consultant a retainer in the amount of four hundred and five thousand dollars ($405,000) (the "Retainer").

3.2 Consultant shall be paid a monthly fee of fifteen thousand six hundred seventy dollars ($15,670.00) (the "Fee").

3.3 Consultant shall be responsible for all routine costs and expenses incurred in the ordinary course of business without contribution from the Company. Reasonable non-routine and non-ordinary course expenses (e.g. travel expenses for business trips required by the Company) incurred in connection with the Services will be reimbursed in accordance with Section 3.4 below and in compliance with Company policy, provided that any expenses which are reasonably anticipated to exceed five thousand dollars ($5,000) on a per occurrence basis must be approved in writing in advance by the Company.

3.4 The Fee will be paid and expenses reimbursed in accordance with monthly invoices provided to the Company. All invoices must be presented within the month following the month in which the Services were rendered (provided that a failure to present an invoice within such time period shall not operate as a waiver of payment of the Fee or reimbursement of expenses, subject to the later delivery of the applicable invoice, as long as no invoice is submitted later than the sixtieth (60^{th}) day following the end of the applicable fiscal year) and shall include: (a) a concise description of the Services provided in the billing period, and (b) an itemized account of expenses incurred in accordance with Section 3.3 above, with supporting receipts and other appropriate documentation. All payments will be made within thirty (30) days following the Company's receipt of any invoice submitted in accordance with this Section 3.4.

4. Relationship of Parties.

4.1 All Services provided by Consultant shall be performed by Consultant directly and independently and not as an agent, employee or representative of the Company. This Agreement is not intended to and does not constitute, create, or otherwise give rise to a joint venture, partnership or other type of business association or organization of any kind by or between the Company and Consultant. The rights and obligations of the Company and Consultant under this Agreement shall be limited to the express provisions hereof, including all attachments hereto.

4.2 Consultant agrees to appoint its employee, Walter McLallen, to provide the Services hereunder, and the Services provided hereunder shall be provided by Mr. McLallen. Any other persons employed or utilized by Consultant in the performance of Consultant's obligations under this Agreement must be approved in writing in advance by the Company. All such persons shall be and remain the employees of Consultant and shall not be the employees,

general, special or otherwise, of the Company, and Consultant alone shall be obligated to pay for and to provide any and all employee compensation and benefits owed to said employees, including without limitation, salaries, wages, bonuses, retirement contributions, Federal, state and local withholdings, and workers' compensation, disability and unemployment insurance, and Consultant will provide the Company with suitable evidence of payment upon the Company's request.

4.3 Consultant is an independent contractor and is not an agent or employee of the Company. Consultant shall not be entitled to make any agreements or commitments or incur any obligations which bind the Company. Consultant shall not hold itself out, nor shall any employee of Consultant hold himself or herself out, as having the authority to bind the Company in any way.

5. Termination.

5.1 In the event the Company terminates this Agreement during the initial two (2) year Term, the Company shall pay Consultant the sum of $105,750 per quarter, minus any amounts paid to Consultant and/or to Mr. McLallen by any of the Protected Parties (as that term is defined in Section 6.2, below, but subject to the provisions of Section 5.1(b)), for any reason during the applicable quarter, payable in arrears at the end of each quarter and pro-rated for any partial quarter for the balance of the initial Term (a "Termination Fee"), plus any unpaid Fees in respect of Services rendered prior to the termination date, subject to the following:

(a) No Termination Fee will be payable if the termination is due to one or more of the following by Consultant (including by anyone acting on its behalf) (each, a "Termination Fee Exclusion"):

(i) the material failure of Consultant to provide the Services for any reason without the prior written consent of the Company or any other material breach of any obligations hereunder by Consultant, including, without limitation (A) Mr. McLallen's ceasing to provide the Services pursuant to Section 4.2 (except due to a temporary illness), and (B) any material breach of the Company Protections (as that term is defined in Section 14 below), in each instance after a written demand for performance or written demand for cure of such breach is delivered in accordance with Section 17.5 below, and a reasonable opportunity to cure is given, to Consultant by the Company, which demand identifies the manner in which the Company believes Consultant has materially failed to provide the Services hereunder or has materially breached any obligations hereunder,

(ii) Consultant's gross negligence or willful misconduct that has caused or would reasonably be expected to result in material injury to any Protected Party (as that term is defined in Section 6 below),

(iii) Consultant's conviction of, or entering a plea of nolo contendere to, a crime that constitutes a felony, or

(iv) Consultant's violation of any provision of the business ethics policies of any Protected Party that has resulted or would reasonably be expected to result in material injury to such Protected Party, but only after a written demand for cure of such violation is delivered in accordance with Section 17.5 below, and a reasonable opportunity to cure is given, to Consultant by the Company, which demand identifies the manner in which the Company believes that Consultant has violated a material provision of the applicable business ethics policy.

(b) For purposes of this Section 5.1, the set off payments described in the first sentence of Section 5.1 shall not include (i) any indemnification payments made to or on behalf of Consultant or Mr. McLallen, (ii) any payments made after the termination of this Agreement, but covering any periods prior to such termination, pursuant to a determination that any of the Protected Parties breached any agreement with Consultant and/or Mr. McLallen, or (iii) any payments made pursuant to the letter agreement dated as of August 1, 2010, between Consultant and the Company (the "Engagement Letter"). In addition, for purposes of Section 5.1, "Protected Parties" shall mean the Company, Remington Arms Company, Inc. and Bushmaster Firearms International, LLC and any of their subsidiaries and any other affiliates of the Company, including, for the avoidance of doubt, Cerberus Capital Management, L.P. ("Cerberus"), regardless of whether Consultant and/or Mr. McLallen have provided Services for any such entity hereunder.

(c) No Termination Fee will be payable if the Company gives Consultant notice of its intent not to renew the initial Term or any renewal Term in accordance with Section 2, above.

(d) No Termination Fee will be payable unless Consultant and Mr. McLallen each execute a general release in a form substantially similar to the forms attached hereto as Attachment C-1 and Attachment C-2, that releases the Protected Parties, and their employees, stockholders, officers, directors, affiliates and agents.

5.2 In the event Consultant terminates this Agreement prior to the end of the initial two (2) year Term, Consultant shall give written notice to the Company of not less than thirty (30) days. Upon receipt of such notice, the Company will have the option of paying one (1) month's Fee and immediately terminating this Agreement. Notwithstanding the foregoing, in the event Consultant's written notice of termination is due to the failure of the Company to pay any Fee that is due and owing or any expense that is properly reimbursable, in either instance in accordance with Section 3, after a written demand for cure is delivered in accordance with Section 17.5 below, and a reasonable opportunity to cure is given, Consultant shall be entitled to terminate this Agreement and to receive the Termination Fee in accordance with Section 5.1.

6. Avoidance of Conflicts of Interest.

6.1 Consultant (including Mr. McLallen, individually) may serve on other boards of directors and may engage in other business activity (whether or not pursued for pecuniary advantage), as long as such outside activities do not violate Consultant's obligations under this Agreement. The ownership of less than a five percent (5%) interest in a public company, by

itself, shall not constitute a violation of this covenant. Except as set forth in Attachment B (with respect to Mr. McLallen), Consultant represents that it has no outstanding agreement or obligation that is in conflict with any of the provisions of this Agreement, and Consultant agrees to use reasonable efforts to avoid or minimize any such conflict and agrees not to enter into any agreement or obligation that could create such a conflict, without the written approval of a majority of the members the Board of Directors of the Company (the "Board"), which shall not be unreasonably withheld, conditioned or delayed. If, at any time, Consultant is required to make any material disclosure or take any action that may conflict with any of the provisions of this Agreement, Consultant will promptly notify the Board in writing of such obligation, prior to making such disclosure or taking such action.

6.2 Except as set forth in Section 6.1 and Attachment B (with respect to Mr. McLallen), Consultant will not engage in any activity that creates an apparent or actual conflict of interest with the Company, Remington Arms Company, Inc. and/or Bushmaster Firearms International, LLC and/or any of their subsidiaries and/or any other affiliates of the Company for whom Consultant provides Services hereunder (each, a "Protected Party" and collectively, the "Protected Parties"), regardless of whether such activity is prohibited by the conflict of interest guidelines of any of the foregoing or this Agreement, and Consultant agrees to notify the Board in writing before engaging in any activity that creates a potential conflict of interest with any of them. Specifically, and except as set forth in Section 6.1 and Attachment B, Consultant shall not engage in any activity that is in direct competition with any of the Protected Parties, or serve in any capacity (including, but not limited to, as a consultant or advisor, or, with respect to Mr. McLallen, individually, as an employee or director) in any company or entity that competes directly with any of the Protected Parties, as reasonably determined by a majority of the disinterested members of the Board, without the approval of the Board.

6.3 Consultant warrants that neither it nor any of its employees (including Mr. McLallen), agents or associates (if any) will directly or indirectly, or through third parties, make or offer to make any payment, gift or promise of anything of value to any person in the service of any government or to any political party or candidate for political office in connection with the solicitation, receipt, negotiation or implementation of orders for the sale or distribution of any products of any Protected Party or in the performance of Services hereunder. The term "government" shall mean the government of any country or any subdivision, agency or instrumentality thereof, including the military. In addition to other remedies the Company may have, in the event of a violation of this covenant, the Company shall have the right to immediately terminate this Agreement and any others with respect to which such violation occurred, without liability to any Protected Party.

7. Unauthorized Disclosure.

7.1 Without the prior written consent of the Board or its authorized representative, except to the extent required by an order of a court having competent jurisdiction or under subpoena from an appropriate government agency, in which event, Consultant will use its reasonable efforts to consult with the Company's General Counsel prior to responding to any such order or subpoena, and except as required in the course of providing the Services hereunder, Consultant shall not disclose any confidential or proprietary information or trade secrets, customer lists, drawings, designs, information regarding product development, marketing plans,

sales plans, manufacturing plans, any information covered by the Uniform Trade Secrets Act of Delaware or any other similar legal protections that may be applicable (or any successor thereto), management organization information (including data and other information relating to members of the boards and management of any of the Protected Parties), operating policies or manuals, business plans, financial records, packaging design or other financial, commercial, business or technical information relating to any of the Protected Parties and that any of the Protected Parties may receive belonging to suppliers, customers or others who do business with any of the Protected Parties (collectively, "Confidential Information") to any third person unless such Confidential Information has been previously disclosed to the public or is in the public domain (other than by reason of Consultant's breach of this Section 7). The Parties expressly agree that Confidential Information does not exist in written form only.

7.2 The Parties acknowledge and agree that Consultant will have broad access to Confidential Information, that Confidential Information will in fact be developed by Consultant in the course of Consultant's providing Services hereunder, and that Confidential Information furnishes a competitive advantage in many situations and constitutes, separately and in the aggregate, a valuable, special and unique asset of the Protected Parties. Consultant shall use its reasonable efforts to prevent the disclosure or removal of any Confidential Information from the premises of any of the Protected Parties, except as required in connection with providing the Services hereunder. Consultant agrees that all Confidential Information (whether now or hereafter existing) conceived, discovered or developed by Mr. McLallen during the Term belongs exclusively to the Protected Parties and not to Consultant or Mr. McLallen.

8. Non-Competition.

8.1 During the Term and thereafter during the Restriction Period (as defined in this Section 8), Consultant shall not, and shall cause Mr. McLallen not to, directly or indirectly (including individually or through another entity), engage in, become employed by, serve as an agent or consultant to, or become a partner, principal or stockholder (other than as a holder of less than five percent (5%) of the outstanding voting shares of any publicly held company) of, or otherwise support, any business which engages in the Business (as defined in the first Recital) or which is competitive with the Business.

8.2 For purposes of this Agreement,

(a) "Restriction Period" shall be the period on which any Termination Fee is based, subject to the following:

(i) in the event that this Agreement is terminated by the Company for any of the reasons specified in Section 5.1(a), the Restriction Period shall mean the twelve (12) month period following the effective date of termination;

(ii) in the event this Agreement is terminated by either Party giving the other notice of its intent not to renew the initial Term or any renewal Term in accordance with Section 2, the Restriction Period shall be any period following termination during which the Company elects to pay a monthly

fee in the amount of $35,250, subject to the following: (A) any such election shall be made by the Company no later than two (2) weeks following the last day of the then current Term, (B) the elective Restriction Period shall not be greater than twelve (12) months, and (C) the elective Restriction Period shall not extend beyond the last day of the term of the Engagement Letter as it may be renewed from time to time; and

(iii) in any event the Restriction Period shall immediately terminate in the event that Cerberus and its affiliates cease to beneficially own at least ten percent (10%) of the outstanding capital stock of the Company (on an as-if-converted to common stock basis).

(b) Consultant acknowledges that the Protected Parties are engaged in the Business and sell and distribute their products throughout the United States and other jurisdictions throughout the world, and that it would not be reasonable to limit the geographic scope of this covenant to any particular geographic location.

9. Non-Solicitation of Employees. During the Term and thereafter during the Restriction Period, Consultant shall not, directly or indirectly, for its own account or for the account of any other person or entity with which Consultant is or becomes associated in any capacity: (a) solicit for employment, employ or otherwise interfere with the relationship between any of the Protected Parties and any person who at any time during the twelve (12) months preceding such solicitation, employment or interference is or was employed by or otherwise engaged to perform services for any of the Protected Parties, other than any such solicitation or employment during the Term on behalf of any of the Protected Parties, or (b) induce or attempt to induce any employee of any of the Protected Parties who is a member of management to engage in any activity of the nature that is prohibited by the Company Protections or to terminate his or her employment with any of the Protected Parties; provided that (i) these provisions shall not prohibit any general solicitation in publications of mass circulation or the hiring of such persons or entities in response to any such general solicitation, and (ii) the restrictions set forth in this Section 9 as they relate to the Company's affiliates shall only apply to persons with whom Consultant has had contact during the Term in connection with providing the Services under this Agreement.

10. Non-Solicitation of Customers.

10.1 During the Term and thereafter during the Restriction Period, Consultant shall not, directly or indirectly, solicit, divert or otherwise attempt to establish for itself or any other person, firm or entity (other than any of the Protected Parties):

(a) any business relationship of a nature that is competitive with the Business, or

(b) any business relationship with any person, firm or entity who: (i) was a customer, client or distributor of any of the Protected Parties during the Term, or (ii) was a customer, client or distributor of any affiliate of any of the Protected Parties if

Consultant had contact during the Term with such customer, client or distributor in connection with providing the Services under this Agreement; provided, that in each case (clause (i) or (ii)) during the Restriction Period, such person, firm or entity was a customer, client or distributor of any of the Protected Parties during the twelve (12) month period preceding the prohibited conduct.

10.2 The restrictions set forth in Section 10.1(b) may be waived by the Company if and to the extent set forth in a written agreement signed by the Company's General Counsel.

11. Return of Property. In the event of the termination of this Agreement for any reason, or such earlier time as the Company may request, Consultant will deliver to the Company all of the property and documents and data of any nature and in whatever medium belonging to any of the Protected Parties, and Consultant will not take with Consultant any such property, documents or data of any description or any reproduction thereof, or any documents containing or pertaining to any Confidential Information.

12. Non-Disparagement.

12.1 During the Term and thereafter, Consultant will not make any statement, written or oral, whether expressed as a fact, opinion or otherwise, to any person (or induce any third party to make any such statement) which disparages, impugns, maligns, defames, libels, slanders or otherwise casts in an unfavorable light any of the Protected Parties, or any officer, director, shareholder or employee of any of them. Similarly, the Protected Parties shall not, and shall direct their respective officers and directors (or equivalent), not to, make any statement, written or oral, whether expressed as a fact, opinion or otherwise, to any person (or induce any third party to make any such statement) which disparages, impugns, maligns, defames, libels, slanders or otherwise casts Consultant (including Mr. McLallen individually) in an unfavorable light.

12.2 The provisions of Section 12.1 shall not prohibit any truthful statements contained in and relevant to any claim or defense contained in a pleading filed in connection with a court proceeding between the Parties to enforce or judicially construe this Agreement.

13. Intellectual Property. During the Term, Consultant will disclose to the Company all ideas, inventions and business plans developed by Consultant during such period which relate directly or indirectly to the Business, including without limitation, any process, operation, product or improvement which may be proprietary, patentable or copyrightable. Consultant agrees that all of the foregoing will be the property of the Company and/or any of the other Protected Parties, as applicable, and that Consultant will at the request of and cost to the Company and/or such other Protected Party do whatever is necessary to secure the rights thereto by patent, copyright or otherwise for the Company and/or such other Protected Party.

14. Compliance with Covenants.

14.1 Sections 6 through 14 of this Agreement shall be referred to as the "Company Protections") and shall apply equally to Consultant and to Mr. McLallen and any other employee of Consultant approved to provide Services pursuant to this Agreement, and all references to "Consultant" and to pronouns referring to Consultant in the Company Protections shall be deemed to apply to all of the foregoing even in absence of any express reference thereto.

14.2 Without limiting the damages available to the Protected Parties, in the event Consultant fails to comply with any of the Company Protections during the Term and/or following the termination of this Agreement, and such failure continues following delivery of notice thereof by the Company to Consultant, all rights of Consultant and any person claiming under or through Consultant to any portion of the Termination Fee shall terminate, and no person shall be entitled thereafter to receive any portion thereof. In the event any portion of the Termination Fee has already been paid, Consultant shall be obligated to repay that portion thereof that covers any period in which Consultant was in violation of the Company Protections. Notwithstanding anything herein to the contrary, Consultant shall not have the option of repaying and/or forgoing the Termination Fee in order to be relieved of compliance with the Company Protections.

14.3 Consultant acknowledges and agrees that the Company Protections relate to special, unique and extraordinary matters and that a violation of any provision thereof will cause the Protected Parties irreparable injury for which adequate remedies are not available at law. Therefore, Consultant agrees that the Protected Parties shall be entitled to an injunction, restraining order or such other equitable relief (without the requirement to post bond) as a court of competent jurisdiction may deem necessary or appropriate to restrain Consultant from committing any violation of the Company Protections. These injunctive remedies are cumulative and in addition to any other rights and remedies the Protected Parties may have at law or in equity. If any of the Protected Parties do not prevail in obtaining any such injunctive relief, the appropriate Protected Party shall reimburse Consultant for any legal expenses incurred by Consultant in defending against the imposition of such injunctive relief.

14.4 Notwithstanding any other provision of this Agreement to the contrary, none of the Company Protections shall restrict: (a) Consultant's or Mr. McLallen's providing services to any affiliate or portfolio company of Cerberus, or any other entity to which Cerberus consents, or (b) any of the activities described on Attachment B hereto.

15. Assignability; Change in Control; Assumption of Agreement.

15.1 The obligations of Consultant hereunder may not be delegated, and Consultant may not, without the Company's written consent, assign, transfer, convey, pledge, encumber, hypothecate or otherwise dispose of this Agreement or any interest herein. Any such attempted delegation or disposition shall be null and void and without effect.

15.2 The Company and Consultant agree that this Agreement and all of the Company's rights and obligations hereunder may be assigned or transferred by the Company.

16. Indemnification.

16.1 The Company shall indemnify, defend and hold harmless Consultant and Mr. McLallen individually (collectively, the "Indemnified Parties"), to the fullest extent permitted by law and the Company's charter and by-laws from and against any and all liabilities, costs, claims and expenses, including without limitation all costs and expenses incurred in defense of any litigation, including attorneys' fees, arising out of the engagement of Consultant

hereunder, except for any act or omission by an Indemnified Party that constitutes gross negligence, bad faith or willful misconduct.

16.2 Consultant shall defend, indemnify and hold harmless the Company from and against any and all liabilities, costs, claims and expenses, including without limitation all costs and expenses incurred in defense of any litigation, including attorneys' fees, resulting from any act or omission by an Indemnified Party that constitutes gross negligence, bad faith or willful misconduct.

17. Miscellaneous.

17.1 Entire Agreement. Except as otherwise expressly provided herein, this Agreement (including the Attachments hereto) constitutes the entire agreement among the Parties hereto with respect to the subject matter hereof, and all promises, representations, understandings, arrangements and prior agreements relating to such subject matter (including, those between Consultant and any other person or Protected Party) are merged into and superseded by this Agreement, and the terms of any prior agreement or arrangement shall, from and after the Effective Date, be of no further force or effect. Excluded from the foregoing are the financial advisory engagement letter agreement between Consultant and the Company dated as of August 1, 2010 (the "Engagement Letter") and the Director Agreement dated as of August 11, 2010 (the "Director Agreement"), each of which shall continue according to its terms.

17.2 Governing Law; Consent to Jurisdiction.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware (without regard to conflict of law principles thereof) applicable to contracts made and to be performed therein, and in any action or other proceeding that may be brought arising out of, in connection with or by reason of this Agreement, the laws of the State of Delaware shall be applicable and shall govern to the exclusion of the laws of any other forum.

(b) Any action to enforce any of the provisions of this Agreement shall be brought exclusively in a court of the State of Delaware or in a Federal court located within the State of Delaware, and by execution and delivery of this Agreement, Consultant and the Company irrevocably consent to the exclusive jurisdiction of those courts. Consultant and the Company irrevocably waive any objection, including any objection based on lack of jurisdiction, improper venue or forum non conveniens, which either may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect to this Agreement or any transaction related hereto. Consultant and the Company acknowledge and agree that any service of legal process by mail in the manner provided for notices under this Agreement constitutes proper legal service of process under applicable law in any action or proceeding under or in respect to this Agreement.

(c) In the event of any dispute between the Parties arising out of this Agreement, including the termination thereof, the Parties acknowledge that they are knowingly and voluntarily waiving any right either of them may have to a jury trial, including any right to a jury trial under any local, municipal, state or federal law.

17.3 Amendments. No provision of this Agreement may be modified, waived or discharged unless such modification, waiver or discharge is approved by Consultant and the Board or a duly authorized committee thereof. No waiver by any Party hereto at any time of any breach by any other Party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No waiver of any provision of this Agreement shall be implied from any course of dealing between the Parties hereto or from any failure or delay by any Party hereto to assert its rights hereunder on any occasion or series of occasions.

17.4 Severability. In the event that any one or more of the provisions of this Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be affected thereby. Specifically, in the event any part of the Company Protections is held to be invalid or unenforceable, the remaining parts thereof shall nevertheless continue to be valid and enforceable as though the invalid or unenforceable parts had not been included therein. In the event that any provision of Company Protections is declared by a court of competent jurisdiction to be overbroad as written, Consultant and the Company each specifically agrees that the court should modify such provision in order to make it enforceable, and that a court should view each such provision as severable and enforce those severable provisions deemed reasonable by such court.

17.5 Notices. Any notice or other communication required or permitted to be delivered under this Agreement shall be (a) in writing, (b) delivered personally, by courier service or by certified or registered mail, first-class postage prepaid and return receipt requested, (c) deemed to have been received on the date of delivery or on the third business day after the mailing thereof, and (d) addressed as follows (or to such other address as the Party entitled to notice shall hereafter designate in accordance with the terms hereof):

(i) If to the Company, to:

Freedom Group, Inc.
870 Remington Drive
Madison, North Carolina 27025
Attention: General Counsel

(ii) If to Consultant, to:

Meritage Capital Advisors

461 Fifth Avenue, 25th Floor
New York, New York 10017

17.6 Survival. The Company Protections and Sections 15, 16, and 17.2 and, if Consultant's Services terminate in a manner giving rise to a payment under Section 5, Section 5 shall survive the termination of this Agreement.

17.7 No Conflicts. Consultant and the Company each represent that they are entering into this Agreement voluntarily and that Consultant's engagement hereunder and each Party's compliance with the terms and conditions of this Agreement will not conflict with or result in the breach by such Party of any agreement to which it is a party or by which it may be bound. Both Parties represent that the execution, delivery and performance of this Agreement has been duly authorized by all necessary corporate action.

17.8 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and both of which together shall constitute one and the same instrument.

17.9 Headings. The sections and other headings contained in this Agreement are for the convenience of the Parties only and are not intended to be a part hereof or to affect the meaning or interpretation hereof.

17.10 Recitals. The Recitals to this Agreement are incorporated herein and shall constitute an integral part of this Agreement.

18. Section 409A.

18.1 This Agreement is intended to comply with, or otherwise be exempt from, Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and any regulations and Treasury guidance promulgated thereunder.

18.2 If the Company determines in good faith that any provision of this Agreement would cause the Consultant to incur an additional tax, penalty, or interest under Section 409A of the Code, the Company and the Consultant shall use reasonable efforts to reform such provision, if possible, in a mutually agreeable fashion to maintain to the maximum extent practicable the original intent of the applicable provision without violating the provisions of Section 409A of the Code or causing the imposition of such additional tax, penalty, or interest under Section 409A of the Code.

18.3 The preceding provisions, however, shall not be construed as a guarantee by the Company of any particular tax effect to Consultant under this Agreement. The Company shall not be liable to Consultant for any tax, penalty, or interest imposed on any amount paid or payable hereunder by reason of Section 409A of the Code, nor for reporting in good faith any payment made under this Agreement as an amount includible in gross income under Section 409A of the Code.

18.4 For purposes of Section 409A of the Code, the right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments.

18.5 With respect to any reimbursement of expenses of, or any provision of in-kind benefits to, the Consultant, as specified under this Agreement, such reimbursement of expenses or provision of in-kind benefits shall be subject to the following conditions: (a) the expenses eligible for reimbursement or the amount of in-kind benefits provided in one taxable year shall not affect the expenses eligible for reimbursement or the amount of in-kind benefits provided in any other taxable year, except for any medical reimbursement arrangement providing for the reimbursement of expenses referred to in Section 105(b) of the Code; (b) the reimbursement of an eligible expense shall be made no later than the end of the year after the year in which such expense was incurred; and (c) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

18.6 "Termination" or words of similar import, as used in this Agreement means, for purposes of any payments under this Agreement that are payments of deferred compensation subject to Section 409A of the Code, the Consultant's "separation from service" as defined in Section 409A of the Code.

18.7 If a payment obligation under this Agreement arises on account of the Consultant's separation from service while the Consultant is a "specified employee" (as defined under Section 409A of the Code and determined in good faith by the Company), any payment of "deferred compensation" (as defined under Treas. Reg. § 1.409A-1(b)(1), after giving effect to the exemptions in Treas. Reg. § 1.409A-1(b)(3) through (b)(12)) that is scheduled to be paid within six months after such separation from service shall accrue without interest and shall be paid within fifteen (15) days after the end of the six-month period beginning on the date of such separation from service or, if earlier, within fifteen (15) days after the appointment of the personal representative or executor of the Consultant's estate following his death.

19. Acknowledgement. Consultant (a) has had a reasonable amount of time in which to review and consider this Agreement prior to signature, (b) has in fact read the terms of this Agreement, (c) has the full legal capacity to enter into this Agreement and has had the opportunity to consult with legal counsel before signing this Agreement, (d) fully and completely understands the meaning, intent and legal effect of this Agreement, and (e) has knowingly and voluntarily executed this Agreement.

[Signatures on following page.]

IN WITNESS WHEREOF, the Parties hereto, intending to be legally bound hereby, have executed this Agreement as of the day and year first above mentioned.

FREEDOM GROUP, INC.

By: /s/ John Blystone

Name: John Blystone

Title: Chairman of the Board

MERITAGE CAPITAL ADVISORS

By: /s/ Walter McLallen

Name: Walter McLallen

Title: Vice-Chairman of the Board

WALTER McLALLEN,
individually, with respect to Section 5 and to
the Company Protections

/s/ Walter McLallen
Walter McLallen

Attachment A

DESCRIPTION OF SERVICES

The Services shall be rendered for and on behalf of the Company and any affiliates, as directed by the Board, unless as otherwise indicated, and shall include but shall not be limited to, the following:

1. Strategic Planning. Participating in and overseeing the development, implementation and assessment of strategic plans and annual budgets and forecasts.

2. Management Development. Participating in annual and other periodic management assessments; providing executive coaching to management; assisting and mentoring members of management; and promoting professional development of management.

3. Promoting Business. Including the following:

   Active Capital Markets, Debt & Equity Financings and M&A role

   Public Market Role – investor interaction, participate in debt/equity conferences

   Industry Role – official interaction with industry organizations and attendance at trade shows

   Customer Relations – assist with development and maintenance of customers

Attachment B

AUTHORIZED ACTIVITIES OF WALTER McLALLEN

Walter McLallen serves and may continue to serve as (and holds and/or may hold equity interests in):

Meritage Capital Advisors (serves as a Managing Director)

Tier 1 Group (serves as a member of the board of directors);

Alpha Media Group (serves as a member of the board of directors); and

Velocity Capital Advisors (serves as a Managing Director).

Attachment C-1

FREEDOM GROUP, INC.
GENERAL RELEASE AND WAIVER OF CLAIMS

In consideration of the payment by FREEDOM GROUP, INC. ("FGI") to MERITAGE CAPITAL ADVISORS ("Consultant") of the Termination Fee (as defined in that certain Consulting Agreement, dated as of November 30, 2010 (the "Agreement")), Consultant agrees to and does finally and completely release and forever discharge FGI, Remington Arms Company, Inc. and Bushmaster Firearms International, LLC and their parents, subsidiaries and affiliates, and their employees, stockholders, officers, directors or agents (collectively, the "Releasees") from any and all liabilities, claims, obligations, demands and causes of action of any and every kind or nature whatsoever, in law, equity or otherwise, known or unknown, suspected or unsuspected, disclosed and undisclosed, which Consultant has, owns or holds, or claims to have, own or hold, against each or any of the Releasees arising from or relating to Consultant's engagement by any of the Releasees under the Agreement and the termination of that engagement. Capitalized terms used in this General Release and Waiver of Claims (this "Release") without definition herein have the meanings ascribed thereto in the Agreement. Without limiting the generality of the foregoing, this Release includes claims arising under any provision of federal, state or local law, claims in the nature of a breach of contract, fraud, breach of the covenant of good faith and fair dealing and tort, and any other claims, in each case, relating to the Agreement and the termination thereof.

This Release specifically excludes: (i) actions brought to enforce the terms of this Release (including to require payment of the Termination Fee), (ii) any rights or claims that, as a matter of law, cannot be released or waived, (iii) any rights Consultant or Mr. McLallen have to indemnification pursuant to Section 16 of the Agreement, and (iv) any rights Consultant or Mr. McLallen have under any other agreement with FGI or its subsidiaries, including the Director Agreement and the Engagement Letter. If any action at law or in equity is brought to enforce or interpret the provisions of this Release, the party that substantially prevails in such action shall be entitled to reasonable attorneys' fees and costs. Consultant (a) has had a reasonable amount of time in which to review and consider this Agreement prior to signature, (b) has in fact read the terms of this Agreement, (c) has the full legal capacity to enter into this Agreement and has had the opportunity to consult with legal counsel before signing this Agreement, (d) fully and completely understands the meaning, intent and legal effect of this Agreement, and (e) is knowingly and voluntarily executing this Agreement.

ACKNOWLEDGED AND AGREED TO,
INTENDING TO BE LEGALLY BOUND HEREBY:
MERITAGE CAPITAL ADVISORS

By: _____
Name: Walter McLallen
Title: _____
Date: _____

Attachment C

FREEDOM GROUP, INC.
GENERAL RELEASE AND WAIVER OF CLAIMS

In consideration of the payment by FREEDOM GROUP, INC. ("FGI") to MERITAGE CAPITAL ADVISORS ("Consultant") of the Termination Fee (as defined in that certain Consulting Agreement, dated as of November 30, 2010 (the "Agreement")), I, Walter McLallen, a principal of Consultant, agree to and do finally and completely release and forever discharge FGI, Remington Arms Company, Inc. and Bushmaster Firearms International, LLC and their parents, subsidiaries and affiliates, and their employees, stockholders, officers, directors or agents (collectively, the "Releasees") from any and all liabilities, claims, obligations, demands and causes of action of any and every kind or nature whatsoever, in law, equity or otherwise, known or unknown, suspected or unsuspected, disclosed and undisclosed, which I have, own or hold, or claim to have, own or hold, against each or any of the Releasees arising from or relating to Consultant's engagement by any of the Releasees under the Agreement and the termination of that engagement. Capitalized terms used in this General Release and Waiver of Claims (this "Release") without definition herein have the meanings ascribed thereto in the Agreement.

Without limiting the generality of the foregoing, and understanding that none of the Releasees has conceded the applicability of the following to Consultant or any services I provided pursuant to the Agreement, I acknowledge and agree that this Release includes claims arising under any provision of federal, state or local law, any federal, state or local anti-discrimination statute, ordinance or regulation, the Age Discrimination in Employment Act of 1967 (the "ADEA"), the Americans with Disabilities Act, the Family and Medical Leave Act, Title VII of the Civil Rights Act of 1964 and the Civil Rights Act 1991, the Civil Rights Act of 1866, and the Employee Retirement Income Security Act of 1974, all as amended, or any similar federal, state or local statutes, ordinances or regulations, and claims in the nature of a breach of contract, claims for wrongful discharge, emotional distress, defamation, fraud or breach of the covenant of good faith and fair dealing, tort and wage or benefit claims, in each case arising from or relating to Consultant's engagement by any of the Releasees under the Agreement and the termination of that engagement.

The Release set forth above specifically excludes: (i) actions brought to enforce the terms of this Release (including to require payment of the Termination Fee), (ii) any rights or claims that, as a matter of law, cannot be released or waived, (iii) any rights Consultant or I have to indemnification pursuant to Section 16 of the Agreement, and any other rights I have to indemnification from the Company, and (iv) any rights Consultant or I have under the Director Agreement and the Engagement Letter. If any action at law or in equity is brought to enforce or interpret the provisions of this Release, the party that substantially prevails in such action shall be entitled to reasonable attorneys' fees and costs.

I acknowledge that, among other rights subject to this Release, I am hereby waiving and releasing any rights I may have under the ADEA (again understanding that FGI does not concede any applicability thereof), that this Release is knowing and voluntary, and that the consideration given for this Release is in addition to anything of value to which I was already entitled from any of the Releasees.

As provided by law, I have been advised by FGI to carefully consider the matters set forth in this Release and to consult with such professional advisors as I deem appropriate, including a lawyer of my own choice. I acknowledge I have had at least twenty-one (21) days from my receipt of this Release to consider the terms and conditions set forth herein, and I understand that I have

seven (7) days following my execution of this Release to revoke my signature, in which event this Release shall not be effective or binding on the parties, and Consultant will not receive the Termination Fee. I further understand fully and acknowledge the terms and consequences of this Release, and I voluntarily accept them.

ACKNOWLEDGED AND AGREED TO,
INTENDING TO BE LEGALLY BOUND HEREBY:

_____

Walter McLallen

Dated:_____

Exhibit 10.4

Meritage Capital Advisors

461 Fifth Avenue

25th Floor

New York, New York 10017

November 30, 2010

Freedom Group, Inc.
870 Remington Drive
Madison, NC 27025-0700

Attention: Steve Jackson, Chief Financial Officer

Gentlemen:

This letter (this "Agreement") will confirm our understanding that you have retained Meritage Capital Advisors ("Meritage") to act as a consultant and financial advisor to Freedom Group, Inc. (together with its subsidiaries, the "Company") on the terms and conditions set forth herein.

1. Retention. Subject to the provisions set forth in this Agreement, the Company hereby retains Meritage (in its capacity under this Agreement) to act as consultant and financial advisor to the Company as requested from time to time by the Company, including in connection with the following:

(a) any possible transaction or arrangement, or series of transactions or arrangements, whereby ownership or control of more than fifty (50%) of the Company is transferred, directly or indirectly, to one or more third parties who are not stockholders of the Company (or their affiliates) on the date hereof, whether by way of sale of all or substantially all of the stock, assets, businesses or properties of the Company, merger, consolidation, reorganization, recapitalization, restructuring, joint venture, partnership or other form of transaction or arrangement (a "Merger Transaction");

(b) any possible transaction or arrangement, or series of transactions or arrangements, having an aggregate Transaction Value (as defined below) of more than $20 million, whereby ownership or control of an interest in a third party through the acquisition by the Company of any equity or equity-linked security or the assets or activities of such third party is, directly or indirectly, acquired by or transferred to the Company by such third party (an "Acquisition Transaction");

(c) any (i) issuance by the Company of new debt securities, or (ii) material amendment (or material amendment and restatement) of any material business term of any outstanding debt securities, including any such amendment which extends the maturity or repayment date thereof, increases the amount of debt available thereunder, results in the issuance of additional debt securities or replaces at least fifty (50%) of the lenders or creditors thereunder, in each case (clauses (i) and (ii)) including, but not limited to, revolving credit facilities, term loans, bonds and debt securities convertible into common stock (clauses (i) and (ii) collectively, a "Debt Issuance");

(d) any private placement of equity securities of the Company made pursuant to one or more exemptions from registration under the Securities Act of 1933, as amended, (a "Private Placement"); and

(e) any public offering of common equity securities of the Company (a "Public Offering") (each of the foregoing specified in clauses (a)-(e), a "Transaction").

2. Compensation and Expense Reimbursement.

(a) As compensation for Meritage's services rendered hereunder, the Company hereby agrees to pay Meritage:

(i) a cash fee payable at the closing of a Merger Transaction (or, if and to the extent applicable, in part on such later date on which any applicable installment payment or contingent payment is paid to the Company or its direct or indirect equity holders) equal to 0.50% of Transaction Value;

(ii) a cash fee payable at the closing of an Acquisition Transaction equal to 0.50% of Transaction Value;

(iii) a cash fee (without duplication), with respect to a Debt Issuance, payable at the closing of:

A. a Debt Issuance involving the issuance of new debt securities equal to 0.75% of the face value of the debt securities issued in such Debt Issuance or the maximum amount that may be borrowed under any new credit facility as of the closing date of such Debt Issuance;

B. a Debt Issuance involving an amendment of any outstanding debt securities that extends the maturity or repayment date of any outstanding debt securities by at least 24 months from the initial maturity or repayment date or replaces at least 50% of the lenders or creditors thereunder equal to 0.75% of the face value of the debt securities subject to such amendment;

C. a Debt Issuance involving an amendment of any outstanding debt securities that extends the maturity or repayment date of any outstanding debt securities by at least 12 months, but less than 24 months, from the initial maturity or repayment date equal to 0.375% of the face value of the debt securities subject to such amendment; and

D. a Debt Issuance involving an amendment of any outstanding debt securities that increases the amount that may be borrowed or the amount

of debt securities that can be issued thereunder equal to 0.75% of the face value of such increased amounts;

(iv) a cash fee payable at the closing of a Private Placement equal to 1.00% of the gross proceeds of the equity securities issued;

(v) a cash fee payable at the closing of a Public Offering equal to 0.50% of the gross proceeds of the common equity securities issued; and

(vi) as and when incurred (regardless of whether any Transaction is ultimately consummated), an amount in cash equal to all reasonable out-of-pocket expenses incurred by Meritage in connection with this Agreement, provided, that if the expenses exceed $25,000, in the aggregate, all expenses thereafter shall be subject to the prior written approval of the Company (not to be unreasonably withheld or delayed).

(b) "Transaction Value" shall equal, in the case of a Merger Transaction or Acquisition Transaction, the total consideration received or paid pursuant to such transaction or arrangement (including amounts held in escrow, installment payments, and amounts paid by the purchaser in connection with such transaction or arrangement to repay, redeem or retire any outstanding indebtedness for borrowed money of the Company), plus (without duplication) contingent payments (whether or not related to future earnings or operations), the principal amount of all indebtedness for borrowed money as set forth on the balance sheet assumed by the purchaser, any amount by which the consideration payable by the purchaser is reduced due to liabilities of the acquired company (other than indebtedness for borrowed money) and any post-closing purchase price adjustments. In the event of a Merger Transaction or Acquisition Transaction, the Company will pay to Meritage pursuant to this Section 2 any portion of the fee attributable to contingent payments constituting Transaction Value when such amounts are paid pursuant to the Transaction.

For purposes of calculating Transaction Value, equity securities constituting a part of the consideration payable in the Merger Transaction or Acquisition Transaction that are traded on a national securities exchange shall be valued at the closing price thereof on the trading day immediately prior to the closing of the Merger Transaction or Acquisition Transaction. Such equity securities that are traded in an over-the-counter market shall be valued at the mean between the latest bid and asked prices on the trading day immediately prior to the closing of the Merger Transaction or Acquisition Transaction. Any debt or other securities or other non-cash consideration shall be valued as the Company and Meritage may mutually agree.

3. Indemnification and Contribution. The Company hereby agrees to indemnify Meritage and its affiliates and representatives, as provided in Exhibit A hereto, the provisions of which are incorporated herein in their entirety.

4. Confidentiality Disclosure. The Company and Meritage agree that they will not disclose the existence of this Agreement or Exhibit A to this Agreement or the contents hereof or thereof to any person without the other's prior approval, provided that nothing herein shall prevent the Company or Meritage from disclosing any such information (A) as required by applicable law, rule, regulation or compulsory legal process or as necessary or desirable in connection with the Transactions or any other financing arrangement of the Company or (B) to their respective officers, directors and legal and accounting advisors. The provisions contained in this Section 4 shall remain in full force and effect notwithstanding the termination of this Agreement.

5. Termination.

(a) The initial term of this Agreement shall be thirty-six (36) months commencing as of the date first written above (the "Initial Term"); provided, however, that the Initial Term shall be automatically renewed for an additional one-year term (up to a maximum of three (3) such renewal terms) beginning on the last day of the Initial Term and on each subsequent anniversary date thereof unless either party shall have given the other party at least ninety (90) days prior written notice of its intent not to renew this Agreement. In addition, (i) this Agreement shall terminate upon the closing of a Merger Transaction; and (ii) the Company may terminate this Agreement at any time for any reason specified in Section 5(c) (each, a "Termination Event"), by giving five (5) days written notice to Meritage; provided, however, that all obligations (x) in Sections 3, 4 and 9 of this Agreement shall survive the termination or expiration of this Agreement indefinitely, and (y) in Section 5(b) of this Agreement shall survive the termination or expiration of this Agreement in accordance with its terms.

(b) Notwithstanding the termination or expiration of this Agreement, if within six (6) months following the date of the termination or expiration of this Agreement (other than a termination by the Company due to a Termination Event pursuant to Section 5(a)(ii)), the Company consummates a Transaction that was the subject of a binding agreement entered into prior to such termination or expiration or that the Company was actively pursuing prior to such termination or expiration, then in each case the Company will, subject to the conditions and qualifications contained herein, pay Meritage the applicable fee specified in Section 2 promptly upon the closing of such Transaction.

(c) A "Termination Event" shall mean one or more of the following by Meritage (including by anyone acting on its behalf):

(i) the material failure of Meritage to provide the services described in Section 1 as requested by the Company from time to time for any reason without the prior written consent of the Company or Meritage's other material breach of any obligations hereunder, including without limitation any violation of the confidentiality protections as described in Section 4 above, in each instance after a written demand for performance or written demand for cure of such breach is delivered, and a reasonable opportunity to cure is given, to Meritage by the Company, which demand identifies the manner in which the Company believes Meritage has materially failed to provide the services hereunder or has materially breached any obligations hereunder,

(ii) Meritage's gross negligence or willful misconduct that has caused or would reasonably be expected to result in material injury to the Company,

(iii) Meritage's conviction of, or entering a plea of nolo contendere to, a crime that constitutes a felony, or

(iv) Meritage's violation of any provision of the Company's business ethics policies that has resulted or would reasonably be expected to result in material injury to the Company, but only after a written demand for cure of such violation is delivered, and a reasonable opportunity to cure is given, to Meritage by the Company, which demand identifies the manner in which the Company believes that Meritage has violated a material provision of the applicable business ethics policy.

6. Amendments; Counterparts. No amendment or waiver of any provision hereof shall be effective unless in writing and signed by the parties hereto and then only in the specific instance and for the specific purpose for which given. This Agreement may be executed in any number of counterparts (which may be effectively delivered by facsimile or other electronic means), each of which shall be an original, but all of which taken together shall constitute one and the same agreement.

7. Entire Agreement. This Agreement (including the provisions of Exhibit A hereto which are hereby specifically incorporated herein) embodies the entire agreement and understanding between the Company and Meritage and supersedes all prior agreements and understandings relating to the subject matter hereof. Excluded from the foregoing are: (a) the consulting agreement between Meritage and the Company dated as of August 1, 2010, and (b) the director agreement between Walter McLallen and the Company, dated as of August 1, 2010, each of which shall continue according to its terms.

8. Assignments. This Agreement shall not be assignable by any party hereto without the prior written consent of the other party hereto, and any such attempted assignment shall be void and of no effect.

9. Governing Law Submission to Jurisdiction; Waiver of Jury Trial. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES GOVERNING CONFLICTS OF LAWS. THE PARTIES HEREBY SUBMIT TO THE NON-EXCLUSIVE JURISDICTION OF THE FEDERAL AND NEW YORK STATE COURTS LOCATED IN THE COUNTY OF NEW YORK IN CONNECTION WITH ANY DISPUTE RELATED TO THIS AGREEMENT OR ANY MATTERS CONTEMPLATED HEREBY. THE PARTIES HEREBY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) IN CONNECTION WITH ANY DISPUTE RELATED TO THIS AGREEMENT.

10. Headings. The section headings in this Agreement have been inserted as a matter of convenience of reference and are not part of this Agreement.

[Signature page follows.]

If you are in agreement with the foregoing, please sign and return to Meritage the enclosed copy of this letter, whereupon the undertakings of the parties shall become effective to the extent and in the manner provided herein.

Very truly yours,

Meritage Capital Advisors

By: /s/ Walter F. McLallen
Name: Walter F. McLallen
Title: Managing Member

Accepted and agreed to as of
the date first above written:

Freedom Group, Inc.

By: /s/ John Blystone
Name: John Blystone
Title: Chairman of the Board

Exhibit A

The Company or the issuer in the Transactions (if different from the Company) (collectively, the "Indemnifying Parties" or "you") hereby agree to indemnify and hold harmless Meritage and its affiliates and representatives and their respective directors, officers, partners, agents, employees, and control persons (collectively, the "Indemnified Persons") from and against any losses, claims, damages, liabilities or expenses incurred by the Indemnified Persons (including reasonable fees and disbursements of counsel) which (i) are related to or arise out of (A) actions taken or omitted to be taken (including any untrue statements made or any statements omitted to be made) by you or (B) actions taken or omitted to be taken by an Indemnified Person with your consent or (ii) are otherwise related to or arise out of or in connection with, in each case, the proposed transactions giving rise to or contemplated by this Agreement, including modifications or future additions to this Agreement, or execution of letter agreements or other related activities, and to promptly reimburse any Indemnified Person for all expenses (including reasonable fees and disbursements of counsel) as incurred by such Indemnified Person in connection with investigating, preparing or defending any such action or claim, whether or not in connection with pending or threatened litigation in which any Indemnified Person is a party. You will not, however, be responsible for any losses, claims, damages, liabilities or expenses of any Indemnified Person to the extent it is judicially determined the same have resulted from the gross negligence, bad faith or willful misconduct of any Indemnified Person or a material misstatement or material omission in any written information furnished by any Indemnified Person expressly for inclusion in any offering memorandum, prospectus or similar disclosure document.

To the extent that any prior payment or reimbursement that has been made by you to an Indemnified Person is so determined to have been improper by reason of any Indemnified Person's gross negligence, bad faith or willful misconduct, such Indemnified Person shall promptly repay to you such amount. You also agree that if any indemnification sought by an Indemnified Person pursuant to this Agreement is for any reason held by a court to be unavailable, then you and the Indemnified Persons will contribute to the losses, claims, liabilities, damages and expenses for which such indemnification is held unavailable in such proportion as is appropriate to reflect the relative benefits received by you on the one hand and by the Indemnified Persons on the other hand from the actual or proposed transactions giving rise to or contemplated by this Agreement, and also the relative fault of you, on the one hand, and of any Indemnified Person, on the other (and taking into account any equitable considerations), subject to the limitation that in any event the aggregate contribution of the Indemnified Persons to all losses, claims, damages, liabilities and expenses with respect to which contributions are available hereunder will not exceed the amount of fees actually received by the Indemnified Persons from you pursuant to the proposed transactions giving rise to this Agreement (excluding any amounts received by the Indemnified Persons as reimbursement for expenses). For purposes of determining the relative benefits to you on the one hand, and the Indemnified Persons on the other hand under the proposed transactions giving rise to or contemplated by this Agreement, such benefits shall be deemed to be in the same proportion as (i) the total value received or paid or proposed to be received or paid by you pursuant to the transactions, whether or not consummated, for which the Indemnified Persons are providing services as provided in this Agreement bears to (ii) the fees paid or proposed to be paid by you or on your behalf to the Indemnified Persons in connection with the proposed transactions giving rise to or contemplated by this Agreement. No person found liable for a fraudulent misrepresentation shall be entitled to contribution from any person who is not also found liable for such fraudulent misrepresentation. Your indemnity, reimbursement and contribution obligations under this Exhibit A shall be in addition to any rights that any Indemnified Person may have at common law or otherwise.

If any action, suit, proceeding or investigation is commenced, as to which an Indemnified Person proposes to demand indemnification, such Indemnified Person shall notify you with reasonable promptness; provided, however, that any failure by such Indemnified Person to notify you shall not relieve you from your obligations hereunder (except to the extent that you are materially prejudiced by such failure to promptly notify). You shall be entitled to assume and control the defense of any such action, suit, proceeding or investigation, including the employment of counsel reasonably satisfactory to the Indemnified Person. The Indemnified Person shall have the right to counsel of its own choice to represent it, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) you have failed promptly to assume the defense and employ counsel reasonably satisfactory to the Indemnified Person in accordance with the preceding sentence or (ii) the Indemnified Person shall have been advised by counsel that there exist actual or potential conflicting interests between you and such Indemnified Person; provided, however, that you shall not, in connection with any one such action or proceeding or

separate but substantially similar actions or proceedings arising out of the same general allegations be liable for fees and expenses of more than one separate firm of attorneys (in addition to any local counsel) at any time for all Indemnified Persons; and such counsel shall, to the extent consistent with its professional responsibilities, cooperate with you and any counsel designated by you. Without your written consent, which shall not be unreasonably withheld, delayed or conditioned, no Indemnified Person shall settle or compromise any claim for which indemnification or contribution may be sought hereunder.

You further agree that you will not, without our prior written consent, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which indemnification may be sought hereunder (whether or not any Indemnified Person is an actual or potential party to such claim, action, suit or proceeding) unless such settlement, compromise or consent includes an unconditional release of each Indemnified Person from all liability and obligation arising therefrom. You further agree that no Indemnified Person shall have any liability to you arising out of or in connection with the proposed transactions giving rise to or contemplated by this Agreement except for such liability for losses, claims, damages, liabilities, or expenses to the extent they have resulted from the Indemnified Person's gross negligence, bad faith or willful misconduct or a material misstatement or material omission in any written information furnished by any Indemnified Person expressly for inclusion in any offering memorandum or similar disclosure document.

No amendment or waiver of any provision hereof shall be effective unless in writing and signed by the parties hereto and then only in the specific instance and for the specific purpose for which given. This Exhibit A may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same agreement.

THIS INDEMNITY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES GOVERNING CONFLICTS OF LAWS. YOU HEREBY SUBMIT TO THE NON-EXCLUSIVE JURISDICTION OF THE FEDERAL AND NEW YORK STATE COURTS LOCATED IN THE COUNTY OF NEW YORK IN CONNECTION WITH ANY DISPUTE RELATED TO THIS INDEMNITY OR ANY MATTERS CONTEMPLATED HEREBY. YOU HEREBY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) IN CONNECTION WITH ANY DISPUTE RELATED TO THIS INDEMNITY.

The provisions of this indemnity shall remain in full force and effect following the expiration or termination of the Agreement. The provisions hereof shall inure to the benefit of and be binding upon our successors and assigns, and the successors and assigns of each other Indemnified Person.

#4823-5455-4630