

Sturm, Ruger & Company, Inc.
Corporate Board Governance Guidelines

The primary responsibility of the Board of Directors is to oversee management of the Company and guide the long-term success of the Company, consistent with its fiduciary responsibility to the shareholders.

Accordingly, we have adopted the following guidelines:

A. **Board of Directors**

1. The first guideline of the Board is that every Director owes a duty of loyalty to the Company, and they are expected always to act in the best interests of the Company and its shareholders as a whole.
2. The fundamental role of the Directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its shareholders. In fulfilling that responsibility Directors should be able to rely on the honesty and integrity of the Company's senior management and expert legal, accounting, financial and other advisors.
3. The Company's Board, which pursuant to NYSE rules is composed of a majority of independent, outside Directors, is selected by the Board after recommendations of the Nominating and Corporate Governance Committee. All Directors will stand for election every year.
4. All Directors, and all candidates for consideration by the Nominating and Corporate Governance Committee as candidates for the Board, must have the highest personal and professional ethics, strength of character, integrity, and values. They must be accustomed to successfully dealing with complex problems or have obtained and excelled in a position of leadership. They must have sufficient education, experience, intelligence, independence, fairness, reasoning ability, practicality, wisdom, and vision to exercise sound and mature judgment. They must have the stature and capability to represent the Company before the public and the shareholders; and possess the personality, confidence, and independence to undertake full and frank discussion of the Company's business assumptions. They must be willing to learn the business of the Company, to understand all Company policies, and to make themselves aware of the Company's finances. All Board members will be required at all times to execute

their independent business judgment in the conduct of all Company matters. All Directors must also be loyal to the Company, not self-deal, and preserve and protect corporate assets, at all times in accordance with the Company's Corporate Compliance Program, including the Code of Business Conduct and Ethics.

5. Current standing committees of the Board are the Audit, Compensation, and Nominating and Corporate Governance Committees. These committees will be composed solely of independent, outside Directors appointed by vote of the Board, and each has adopted a charter.
6. Independent, outside Directors are generally defined by the NYSE as not having been employed by the Company for at least 5 years and who are personally and financially independent of the Company. No Director will qualify as independent unless the board affirmatively determines that the Director has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). They or their immediate family members receive no direct compensation from the Company in excess of \$100,000 except Director's fees or Company stock options or deferred compensation not contingent on future service. Non-management Directors will meet in regularly scheduled executive sessions outside the presence of internal Directors in accordance with NYSE rules for the purpose of full and frank discussion of the Company's affairs. An executive session will generally be held as part of each regularly scheduled Board meeting.
7. Committee memberships will be considered for rotation periodically at approximately 5-year intervals; but this periodic rotation is not mandatory, as good reasons may exist, including the continuity of membership or leadership, for longer retention of qualified individuals as committee members.
8. All Board members will be furnished by the Corporate Secretary with copies of all relevant corporate policies relating to the conduct of business, significant appropriations of funds or expenditures, conflicts of interest, insider trading, required disclosures, and any other Company policy over which the Board has oversight, including the Company's Compliance Program.
9. All Directors will have complete access to Company management, who will cooperate with the Board to the best of their ability, to review and understand corporate policies and procedures. Certain committees will also have the right to select independent advisors as necessary.

10. The Board will, in executive session, annually evaluate the performance of the CEO, based upon criteria which specifically include the performance of the Company, its prospects for future performance and growth, his responsiveness to Board directions, develop plans for CEO succession and any other factors the Board deems appropriate.
11. No mandatory retirement policy for Directors is hereby established. There are no term limits, as over a period of time, Directors gain increased insight into Company operations and provide increased contributions to Board deliberations.
12. Director compensation will consist of annual Director's fees and appropriate compensation for attendance at Director's meetings. Reasonable travel allowances and expenses incurred as a result of travel to and from meetings will also be allowed. Independent outside Directors also receive appropriate compensation for all Committee meetings which they attend as a member.
13. New Board members will receive a comprehensive orientation by the Chief Operating Officer and the General Counsel. All Directors will be encouraged to obtain continuing education and will be given access to current materials of interest to Directors on an ongoing basis.
14. Management succession and Board membership will be a topic of discussion at the final Board meeting of each calendar year. This will give an opportunity for due consideration of the Board and the Nominating and Corporate Governance Committee regarding Directors to be nominated for the ensuing year.
15. All Board members will be expected to perform periodic self-evaluations, asking themselves the following:
 - a) Is the Board constructively engaged with management to determine corporate strategy?
 - b) Is the Board providing necessary strategic thinking, oversight, and advice?
 - c) Is the Board effectively monitoring and supporting management's execution of Board strategy?
 - d) Is the Board timely responding to needed changes in strategy?
 - e) Does the Board possess the right skills?
 - f) Are the committees of the Board structured correctly?
 - g) Are the Board meetings being run correctly?
 - h) Do the Board materials prepare the Board adequately?
 - i) Is there sufficient time to:

1. Digest Board materials before discussion, and
2. Discuss the matters fully at Board meetings
- j) Are Board members satisfied with the CEO?
- k) How can each Board member improve his individual effectiveness?
- 1.) Are needed Board changes being implemented?

Each Board member will be expected to raise any questions or discrepancies revealed in their annual self-evaluation to the Board.

16. On an annual basis, the Nominating and Corporate Governance Committee will evaluate the effectiveness of the Board as a whole, and of each Committee of the Board, and will share the results and recommendations with the entire Board. This process should identify, among other things, recommendations for improved Board and Committee practices and processes.

B. Board Meetings

1. The Board of Directors will meet at least 4 times each year in regular session. One meeting will immediately follow the Annual Meeting of Stockholders. The Chairman has the discretion to call additional meetings of the Board, after actual notice to each Board member, at times and places to be specified by the Chairman.
2. All Board members will be furnished with materials to review before the Board meeting well in advance of each meeting. Board members are expected to rigorously prepare for all meetings, including a review of all such materials. Agendas for each meeting will be prepared in advance by the Corporate Secretary, and will be used to guide the discussion at each meeting. Board members may suggest items to be included in the agenda. Minutes will be kept by the Secretary or other designee of the Chairman.
3. All Board members are required to attend all Board meetings unless specifically excused by the Chairman. If circumstances make a Board member's physical presence impossible, the member will endeavor to be present via speaker telephone. If this cannot be done, the Board member will contact the Chairman at his or her earliest convenience for a briefing concerning all Board proceedings and votes taken.

C. Strategic Planning

The Board will discuss an overall strategic plan of each of the Company's businesses at least annually.

D. Fiduciary Duties and Role of Audit Committee

1. The Board recognizes its primary duty to exercise its fiduciary duty in the best interest of the Company and its shareholders.
2. The Board expects and encourages a corporate environment of strong internal controls, fiscal accountability, high ethical standards, and compliance with applicable laws and regulations.
3. The Board's Audit Committee will select an independent auditing firm to conduct periodic audits of the Company, which will report to the Audit Committee as required by the NYSE and SEC.
4. Shareholders can communicate questions either to management or the Chairman of the Audit Committee.

E. Management Oversight

1. The Nominating and Corporate Governance Committee shall oversee the evaluation, at least annually, of management.
2. The Compensation Committee will make annual determinations and evaluations of the soundness and reasonableness of compensation levels for officers and Board members and will not recommend excessive compensation.
3. In determining the reasonableness of executive compensation, factors to be considered include professional qualifications and experience, job responsibilities and actual performance, competitive salaries in industry peer groups, the then-current financial condition of the Company, current shareholder dividends and employee salaries, stock options, awards, incentive bonuses and payments, and annual performance reviews. Total compensation should be adequate to attract, motivate, and retain quality talent. Executive compensation will be disclosed annually in the proxy statement.
4. The Board will have complete access to the Company's management in accordance with Section A.9, above.

F. Corporate Responsibility

1. The Board is committed, consistent with the Company's long-standing motto of "Arms Makers for Responsible Citizens®", to follow all the many applicable federal, state and local laws and regulations regarding the production, sales and distribution of its products. All applicable licenses and permits for the lawful conduct of its business will be obtained and maintained as required. Product safety shall be a priority for the Board and management.
2. In addition to its recognized responsibilities for the conduct of its firearms business, the Board is committed to see that the Company is also in compliance with all federal, state, and local laws and regulations that govern the conduct of manufacturers generally. These include environmental, equal opportunity, labor, intellectual property, safety and security, securities trading, political activity, antitrust, and import and export laws and regulations.
3. The Board has enacted a Corporate Compliance Program to help ascertain that all members of the Board, management, and all Company employees, continually meet their serious responsibilities under law. The General Counsel serves as the Corporate Compliance Officer, and all personnel are encouraged to report any suspected violations of the law immediately to that office.