

Norman B. Bates
President

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Statement of Corporate International Trade Compliance Policy

U.S. import and export regulations control the flow of products into and from the United States. The import regulations of the U.S. are administered and enforced by the U.S. Bureau of Customs and Border Protection, but also included regulations from other agencies. These regulations from other agencies, including in part, the Food and Drug Administration (FDA), the Federal Communications Commission (FCC), the United States Department of Agriculture (USDA), and the Federal Trade Commission (FTC). The export regulation of the U.S. are administered by the Bureau of Industry and Security, and, like imports include regulations from other agencies such as the Department of Office of Foreign Asset Controls (OFAC) and Bureau of the Census, and the Department of State's Directorate of Defense Trade Controls. (DDTC)

Consistent with the Nidec Code of Business Ethics and Conduct and the Nidec Policies and Procedures it is the express policy of Merkle-Korff Industries, Inc. ("MK") to fully comply with U.S. Customs and related regulations and to ensure that it has an effective import control plan, and to fully comply with the export laws and regulations of the United States, including U.S. anti-boycott laws and the Foreign Corrupt Practices Act. Information submitted to Customs, wherever Nidec Motor Corporation does business, is to be timely, accurate, and complete. In addition, it is Nidec Motor Corporation policy to comply with the import and export laws and regulations of all the countries in which it does business (to the extent applicable and to the extent they do not conflict with U.S. laws and regulations).

Violations of these regulations can lead to disruption of Nidec Motor Corporation supply chain that can have a direct impact on our suppliers, subsidiaries and most seriously, our customers. In addition, violations can lead to massive fines, delays in clearance time; re-submittal and reconstruction of prior importations, investigations that take time away from other issues that affect our profitability and in extreme case can even result in could lead to discipline up to and including employee termination.

In cases where Nidec Motor Corporation pursues applicable special duty programs or trade agreements, Merkle Korff Industries, Inc. will obey any and all requirements prescribed by law and regulation to qualify for those programs or agreements.

This policy applies worldwide to all Nidec Motor Corporation divisions, subsidiaries and affiliated companies.

Nidec Motor Corporation's General Counsel and the International Trade Compliance Group are responsible to oversee Nidec Motor Corporation's ongoing trade compliance activities and to assist in the development and maintenance of affective trade compliance internal controls.

If you have any questions regarding import or export and supply chain security regulations or this policy, please contact Merkle-Korff Industries, Inc. Trade Compliance organization and/or Law Department in Elk Grove Village, IL.

You can also find information about our policies and procedures on our portal. www.merkle-korff.com

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