

## New Hampshire Ball Bearings, Inc. Environmental Policy

Environmental Management System. Each Division of the Company shall develop and implement an environmental management system to comply with this Policy.

Environmental Committee. Each Division of the Company shall maintain an Environmental Committee responsible for overseeing development and implementation of the environmental management system.

Environmental Manager. The Operations Manager of each Division shall appoint a qualified Environmental Manager.

Risk Control. The Company shall comply with all applicable laws and regulations concerning the environment. The Company shall minimize risk to its employees, the community, and the environment resulting from its business operations.

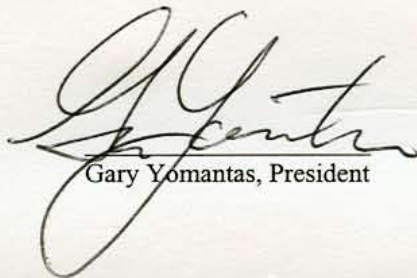
Continual Improvement. The Company is committed to continual improvement of its environmental performance. The environmental performance of the Company, including the adequacy of this Policy, shall be periodically reviewed and adapted to changed conditions and improved where appropriate. Performance shall be measured against targets and objectives established by each Division.

Pollution Prevention and Waste Minimization. The Company is dedicated to pollution prevention and waste minimization. The Company shall, to the best of its ability, prevent pollution in its design and operation of products, processes, and facilities, and shall minimize waste generated by its business operations.

Communication. This Policy shall be made available to the public. The Company shall educate and train its employees in responsible environmental management and their responsibilities pursuant to this Policy.

Audit. Environmental performance shall be measured on a regular basis. Measurement shall include environmental management system audits and assessments of compliance with applicable law and regulation, company requirements, and this Policy.

Responsibility. Compliance with this Policy is the responsibility of every employee and particularly of every manager.

  
Gary Yomantas, President

5/15/98  
Date