

ASHCROFT-NAGANO KEIKI HOLDINGS, INC. CODE OF CONDUCT

The foundation of our corporate and individual ethical behavior is built on the fundamental principles of integrity, respect, compliance and responsibility. These principles permeate our conduct in the course of doing business on behalf of Ashcroft Inc. Respect for each other includes not only employees but our customers, suppliers and guests. Integrity will always guide us in doing the right thing, even if it means walking away from a business opportunity. Compliance to all applicable laws and regulations, our own operating policies and procedures, and reporting suspected violations of the Code of Conduct is the responsibility of each and every employee.

The Ashcroft Code of Conduct contains the framework of how we conduct ourselves individually and collectively in our endeavor of obtaining a profit for our shareholders with the products and services we competitively provide in the markets we serve. As employees, following the Ashcroft's Code of Conduct is not optional. We all are required to apply the four underlying principles of integrity, respect, compliance and responsibility as we conduct ourselves as employees and representatives of Ashcroft Inc.



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INTRODUCTION

GENERAL POLICY

The Ashcroft Inc. Code of Conduct covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all employees and officers of Ashcroft-Nagano Keiki Holdings Inc. and all its subsidiaries.

Employees' responsibility and adherence to the Code of Conduct, also includes Ashcroft's agents and representatives, who act on behalf of the Company. Respect, Integrity, Compliance and Responsibility are the fundamental principles which incorporate trustworthiness, loyalty, truthfulness and ethical behavior in all our business dealings. All of our employees and officers must incorporate these principles in their conduct and seek to avoid even the appearance of improper behavior.

If a law conflicts with a policy in the Code of Conduct, you must comply with the law. Also, if a local custom or policy conflicts with this Code of Conduct, you must comply with the Code of Conduct. If you have any questions about these conflicts, you should ask your supervisor and/or leadership management how to handle the situation. Employees and officers are responsible for a fundamental understanding of the legal and policy requirements that apply to their jobs as well as report any suspected violations of law, this Code of Conduct or Company policy.

Those who violate the standards in this Code of Conduct will be subject to disciplinary action, including possible dismissal. Furthermore, violations of this Code of Conduct may also be violations of the law and may result in civil or criminal penalties for you, your supervisors and/or Ashcroft Inc. If you are in a situation which you believe may violate or lead to a violation of this Code of Conduct, follow the Compliance Procedures Section of the Code of Conduct.

The basic principles discussed in this Code of Conduct are subject to any Company policies covering the same issues.

WAIVERS

Certain standards within the Code of Conduct may be waived pursuant to the following process. A waiver may be granted only by the CEO and President of Ashcroft Inc. Corporate Officers may be granted a waiver only by the Nagano Keiki Co., Ltd. Board of Directors. For assistance in obtaining a waiver, please contact the Director of Human Resources. Any waiver of this Code of Conduct for executive officers or directors may be made only by the Board of Directors and will be promptly disclosed as required by law or regulation.

COMPLYING WITH THE CODE OF CONDUCT AND OBEYING THE LAW

As Ashcroft employees, we must always conduct ourselves with respect for one another and act with integrity in the performance of our job duties. In doing so, we all have an obligation to comply with the Code of Conduct and the laws as we conduct our business affairs for Ashcroft.

All employees and officers must respect and obey the laws, rules and regulations of the cities, states and countries in which we operate. When in doubt on what to do, act with integrity and ask yourself:

- Will my actions be well within the boundaries of the law?
- Will my actions be consistent with our values and policies?
- What will be the reaction of my family and friends after reading about my reported actions on the front page of the local newspaper?

Although employees and officers are not expected to know all of the details of each of these laws, rules and regulations, it is important to know enough to determine when to seek advice from supervisors, managers, Human Resource management or other leadership management personnel.

CONFLICTS OF INTEREST

A “conflict of interest” exists when a person’s private interest interferes in any way or could be inconsistent with the interests of the Company. A conflict situation can arise when an employee or officer takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest may also arise when an employee or officer, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Company. Loans to, or guarantees of obligations of, employees and officers and their family members by the Company may create conflicts of interest and in certain instances are prohibited by law.

It is a conflict of interest for an Ashcroft employee or officer to work for a competitor, customer, supplier or distributor. You should avoid any direct or indirect business connection with our customers, suppliers or competitors, except as required on our behalf.

Conflicts of interest are prohibited as a matter of Ashcroft policy, except as approved by the Board of Directors. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with your supervisor or follow the Compliance Procedures contained in this Code of Conduct. Any employee or officer who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel.

INSIDER TRADING

All non-public information about Ashcroft Inc. should be considered confidential information. Employees and officers who have access to confidential information about the Company or any other entity are not permitted to use or share that information for trading purposes in Nagano Keiki Company, Ltd. or for any other purpose except the conduct of the Company's business. To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal.

CORPORATE OPPORTUNITIES

Employees and officers are prohibited from taking for themselves opportunities that are discovered through the use of corporate property, information or position without the consent of the Board of Directors. No employee or officer may use corporate property, information, or position for personal gain, and no employee or officer may compete with the Company directly or indirectly. Employees and officers owe a duty to the Company to advance the Company's interests when the opportunity to do so arises.

COMPETITION AND FAIR DEALING

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each employee and officer should endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, distributors, competitors and employees. No employee or officer should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other illegal trade practice.

No employee or officer is permitted to engage in price fixing, bid rigging, allocation of markets or customers, or similar illegal anti-competitive activities.

To maintain Ashcroft Inc.'s valuable reputation, compliance with our quality processes and safety requirements is essential. All inspection and testing documents must be handled in accordance with all applicable specifications and requirements.

The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not to gain unfair advantage with customers. No gift or entertainment should ever be offered, given, provided or

accepted by any Company employee or officer, family member of an employee or officer, or agent unless it: (1) is not a cash gift, (2) is consistent with customary business practices, (3) is reasonable in value, not to exceed \$150 (4) cannot be construed as a bribe, payoff or kickback and (5) does not violate any laws, regulations or applicable policies of the other party's organization. Never offer or provide any gift, entertainment or other item to a government official or employee of a government owned business. If you are solicited for a gift or entertainment from or to a government official or employee, or an employee of a state owned enterprise, contact the Director of Human Resources immediately.

POLITICAL CONTRIBUTIONS

Except as approved in advance by the Chief Executive Officer, Ashcroft prohibits political contributions (directly or through trade associations) by the Company or its subsidiaries. This includes: (a) any contributions of Company funds or other assets for political purposes, (b) encouraging individual employees to make any such contribution; or (c) reimbursing an employee for any contribution. Individual employees are free to make personal political contributions as they see fit.

HEALTH AND SAFETY

Ashcroft strives to provide each employee and officer with a safe and healthy work environment. Each employee and officer has responsibility for maintaining a safe and healthy workplace for all employees and officers by following environmental, safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions. Employees should report any safety issues to leadership management and/or Health and Safety management. Violence and threatening behavior are not permitted in accordance with Company policy. Employees engaging in such behavior are subject to disciplinary action up to and including termination of employment.

Employees and officers are expected to perform their Company related work in a safe manner, without having ingested alcohol, illegal drugs or controlled substances. The possession of weapons and illegal drugs are prohibited in the workplace, which the Company's premises. This policy does not prohibit the use of physician prescribed medication. However, even those medications must not impair the employee's performance or the essential functions of his or her job or present a threat to the health of safety of the employee or others in the workplace.

MUTUAL RESPECT

The diversity of the Company's employees is a tremendous asset. We are firmly committed to providing equal opportunity in all aspects of employment, including recruitment, hiring, placement, promotion, transfer, compensation, benefits, training,

educational, social and recreational programs and the use of our facilities. Ashcroft prohibits discrimination or harassment against any employee or applicant based on age, sex, race, color, religion, national origin, ancestry, genetic information, present and past history of mental disorder, sexual orientation, pregnancy, marital status (including civil unions), citizenship, disability, veteran status or any other legally protected categories. This policy applies to all employees, contract workers, consultants, customers, distributors, vendors, and guests at all locations where Ashcroft conducts business, as well as at company-sponsored social events and other non-company locations if the conduct affects the work relationships.

All employees will be treated with dignity and respect and Ashcroft employees are expected to conduct themselves in a manner that promotes respect and trust. The work environment should be free from harassment. Verbal or written harassment, physical harassment, sexual harassment, personal character degradation, workplace violence and/or threats of violence are never acceptable and will not be tolerated. Such behavior is a violation of policy and will be addressed with the appropriate disciplinary action up to and including termination of employment. On the other hand, it is not considered harassment for supervisors to enforce job performance and standards of conduct in fair and consistent manner.

ENVIRONMENTAL

Ashcroft expects its employees and officers to follow all applicable environmental laws and regulations and integrate sound environmental practices into business decisions. Ashcroft is dedicated to protecting human health, natural resources, and the environment. Ashcroft is committed to reducing waste pollutants, conserving resources, and recycling materials. If you are uncertain about your responsibility or obligation or you feel that you have observed a violation, you should contact your supervisor or the Environmental, Health and Safety Manager or the Corporate Director of Human Resources for guidance.

RECORD-KEEPING, FINANCIAL CONTROLS AND DISCLOSURES

The Company requires honest, accurate and timely recording and reporting of information in order to make responsible business decisions.

All business expense accounts must be documented and recorded accurately in a timely manner. If you are not sure whether a certain expense is legitimate, ask your controller. Policy guidelines are available from your controller.

All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately and accurately reflect the Company's transactions, must be promptly disclosed in accordance with any

applicable laws or regulations and must conform both to applicable legal requirements and to the Company's system of internal controls.

Business records and communications often become public, and we should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies that may be misunderstood. This applies equally to e-mail, internal memos, and formal reports. Records should always be retained or destroyed according to the Company's record retention policies. In accordance with those policies, in the event of litigation or governmental investigation, please consult with the Director of Human Resources.

CONFIDENTIALITY

Employees and officers must maintain the confidentiality of proprietary information entrusted to them by the Company or its customers or suppliers, except when disclosure is authorized in writing by the Sr. Vice President of Finance or required by laws or regulations. Confidential information includes all non-public information that might be of use to competitors or harmful to the Company or its customers or suppliers if disclosed. It includes information that suppliers and customers have entrusted to us. In addition it includes personal information relating to Ashcroft employees. The obligation to preserve proprietary information continues even after employment ends.

PROTECTION AND PROPER USE OF COMPANY ASSETS

All employees and officers should protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. All Company assets are to be used for legitimate Company purposes. Company assets should not be used for non-Company business.

Any suspected incident of fraud or theft should be immediately reported for investigation. Examples of fraudulent acts include: stealing; forging or altering negotiable instruments such as checks; filing a false expense report; taking cash, supplies or any other Company asset for personal use; establishing or maintaining an undisclosed or unrecorded bank account, fund or asset of Ashcroft; making false, artificial or misleading entries into the Company's records or financial statements; submitting false time reports for pay; and unauthorized handling or reporting of Company transactions. Fraudulent acts committed by employees will be subject to disciplinary action up to and including termination of employment.

The obligation of employees and officers to protect the Company's assets includes the Company's proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports.

Unauthorized use or distribution of this information is a violation of Company policy. It could also be illegal and result in civil or criminal penalties.

As a rule, use the Internet only for work assignments. Internet use for non-work related activity is permitted during non-working hours, including lunch periods, but this use must conform to appropriate standards of behavior and does not conflict with directions from leadership management or with Ashcroft's Information Technology Acceptable Use Policy. If in doubt, ask your immediate supervisor or Human Resources management.

All electronic communications transmitted via Ashcroft's systems (including telephone, e-mail, voice mail, security surveillance and instant messages) become Ashcroft records and property. No employee should expect that such messages will be treated as personal or private messages. Ashcroft can, and sometimes does, access or monitor its electronic communications and security surveillance systems. Ashcroft may monitor or delete any electronic communications or disclose them to others without advance notice, unless applicable law provides differently.

Never make any illegal, unethical, unauthorized, or disruptive use of Ashcroft information systems or equipment. This includes, for example, accessing, transmitting, or storing inappropriate material (such as streaming music/videos, pornography, depicted nudity, lewd or violent materials, chain letters, sexually oriented jokes or cartoons, or other offensive or demeaning material related to age, race, color, sex, religion, national origin, disability, or sexual orientation). Violations will subject you to disciplinary action up to and including discharge.

If you receive an inappropriate message report the matter to Human Resources or the appropriate level of leadership management.

PAYMENTS TO GOVERNMENT PERSONNEL

The U.S. Foreign Corrupt Practices Act ("FCPA") prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. Never give or authorize directly or indirectly any illegal payments to government officials of any country. While the FCPA does, in certain limited circumstances, allow nominal "facilitating payments" to be made, any such payment must be discussed with local management and the Corporate Senior Vice President - Finance before any such payment can be made.

In addition, the U.S. government has a number of laws and regulations regarding business gratuities which may be accepted by U.S. government personnel. The promise, offer or delivery to an official or employee of the U.S. government of a gift, favor or other gratuity in violation of these rules would not only violate Company policy but is also a civil or criminal offense. State and local governments, as well as foreign governments, often have similar rules.

TRADE ISSUES

From time to time, the United States, foreign governments and the United Nations have imposed boycotts and trading sanctions against various governments and regions, which must be obeyed. Advice regarding the current status of these matters must be obtained from the Director of Human Resources or the Company's Manager of Import/Export Compliance.

REPORTING ANY ILLEGAL OR UNETHICAL BEHAVIOR

Employees are encouraged to talk to supervisors, managers or other appropriate personnel about observed behavior, which they believe may be illegal or a violation of this Code of Conduct or Company policy or when in doubt about the best course of action in a particular situation. In fact, employee failure to report a knowing violation of Ashcroft's Code of Conduct is a violation of the Code of Conduct and will subject the employee to disciplinary action up to and including termination of employment. The Company does not allow retaliation for reports made in good faith by employees of misconduct by others. Employees are expected to cooperate in internal investigations of misconduct.

IMPROPER INFLUENCE ON CONDUCT OF AUDITORS

You are prohibited from directly or indirectly taking any action to coerce, manipulate, mislead or fraudulently influence the Company's independent auditors for the purpose of rendering the financial statements of the Company materially misleading. Prohibited actions include but are not limited to those actions taken to coerce, manipulate, mislead or fraudulently influence an auditor: (1) to issue or reissue a report on the Company's financial statements that is not warranted in the circumstances (due to material violations of generally accepted accounting principles, generally accepted auditing standards or other professional or regulatory standards); (2) not to perform audit, review or other procedures required by generally accepted auditing standards or other professional standards; (3) not to withdraw or to withdraw an issued report; or (4) not to communicate matters to the Company's Audit Committee.

FINANCIAL REPORTING

As a public company, it is necessary that the Company's filings with the Nagano Keiki Company LTD. be accurate and timely. The Company expects employees and officers to take this responsibility very seriously and provide prompt and accurate answers to inquiries related to the Company's public disclosure requirements

The Company's policy is to comply with all financial reporting and accounting regulations applicable to the Company. If any employee or officer has concerns or complaints regarding accounting or auditing matters of the Company, then he or she is encouraged to submit those concerns by one of the methods described in the Compliance Procedure Section.

CONDUCTING BUSINESS IN FOREIGN COUNTRIES

The U.S. has strict export control laws that prohibit the export and re-export (i.e., exports of U.S. origin goods, software or technology from a Company affiliate located in a country outside of the U.S.) to certain "sanctioned countries" without proper government approvals. The U.S. Treasury Department's Office of Foreign Assets Control (OFAC), as well as the U.S. Commerce Department's Business and Industry of Security (BIS) office, regulates these sanctioned country transactions. For non-sanctioned countries, U.S. export laws and regulations may also require government approvals on exports and re-exports of certain goods, software and technology to certain restricted parties. Local country export regulations may also apply, in addition to U.S. regulations, for Ashcroft subsidiaries located outside the U.S.

Import regulations deal with the assessment and collection of duties, fees and taxes, declarations and statistics, as well as the determination as to whether goods are subject to quotas, restraints, embargoes and other restrictions. These regulations also address the movement of goods and people across borders, including security concerns throughout the entire supply chain. Generally, an importer must accurately classify and value all items it brings into a country.

The U.S. Foreign Corrupt Practices Act (FCPA) prohibits payments or offers of value to government officials, parties or candidates in order to influence their acts or decisions as they relate to business opportunities. Some countries boycott, or refuse to deal with, other countries based upon political or religious disputes. U.S. anti-boycott regulations prohibit Ashcroft from participating in boycotts against countries friendly to the U.S.

FAILURE TO COMPLY

All employees and officers are subject to Ashcroft's Code of Conduct, which describes procedures for the internal reporting of violations of this Code of Conduct. All employees and officers must comply with those reporting requirements and promote compliance with them by others. Failure to adhere to this internal reporting process by any employee or officer will result in disciplinary action, up to and including termination of employment.

COMPLIANCE PROCEDURES

We must all work to ensure prompt and consistent action against violations of this Code of Conduct. However, in some situations it is difficult to know right from wrong. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. The following procedure will assist you with your concerns and/or complaints:

1. Make sure you have all the facts or as many that you can obtain. In order to reach the right solutions, we must be as fully informed as possible.
2. Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with, and the alternatives you have. Use your judgment and common sense; if something seems unethical or improper, it probably is.
3. Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems. If you are uncomfortable discussing the problem with your supervisor you can talk to someone in leadership management or Corporate Human Resources management.
4. Seek help from Company resources. In a case where it may not be appropriate to discuss an issue with your supervisor, or local management, call 203-385-0568 which will put you in direct contact with the Director of Human Resources at Corporate headquarters. If you prefer to write, address your concerns to the Director of Human Resources at 250 East Main Street, Stratford, CT. 06614.
5. Anonymous reports can be made through the internet to www.integrity-helpline.com/ashcroftinc.jsp or for calls originating in the United States call **866-235-1960**; for calls originating from Brazil call **0800-891-4177**; and for European reports the internet site to use is www.financial-integrity.com/ashcroftinc.jsp and/or for calls originating from Germany call **0800-187-3586**.
6. You may report violations in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected. The Company does not permit retaliation of any kind against employees or officers for good faith reports of suspected violations.
7. Always ask first, act later: If you are unsure of what to do in any situation, seek guidance before you act.

SUMMARY

As employees we will provide the best return to our shareholders as well as the best value to our customers with the products and services that we offer. We will strive to adhere to the principles of integrity in our work behaviors, respect of one another, compliance with all applicable laws and our policies and responsibility for our actions as employee representatives of Ashcroft Inc.

ANNUAL ACKNOWLEDGEMENT

To help ensure compliance with this Code of Business Conduct, the Company requires that all employees and officers review the Code of Business Conduct on an annual basis.

Ashcroft Inc. Alert Line

**In the U.S. or Canada:
Call 1-866-235-1960**

In Brazil call 0800-891-4177

Non-European internet site: www.integrity-helpline.com/ashcroftinc.jsp

In Germany call 0800-187-3586

European internet site: www.financial-integrity.com/ashcroftinc.jsp

In China, Mexico and Singapore use internet site:
www.integrity-helpline.com/ashcroftinc.jsp



Code of Conduct
September 19, 2008