



January 25, 2008

Dear Office of the Attorney General

NSK Americas, Inc. recently became aware that a computer folder containing employee data on our internal corporate server was not properly secured. The affected folder included the names, Social Security numbers and salaries of approximately 2,000 current, former and retired employees. The affected folder was on an internal NSK server which was not accessible by non-NSK employees.

We immediately secured the affected folder and launched an investigation to determine the facts. We promptly retained Kroll On-Track, an industry-leading security consulting firm, to help us. As a part of this investigation and with the assistance of Kroll, we conducted a detailed review of all network logs to determine if the information was inappropriately accessed or downloaded to personal computers. Based on our investigation, security for this particular folder was likely compromised due to an IT administrative error when information was migrated to a new server in June 2006. Based on our corporate IT infrastructure, only 360 people out of our employee population of 1,600 would have been able to access this document.

As of now, we have confirmed that only a few employees gained access to the data file without authorization. We have no reason to believe that any of the data was misused. In addition, we are working with Kroll to determine if any other corrective or improved security measures are necessary.

Finally, we have taken the necessary steps to both inform and protect our employees. They were initially notified with the attached letter (Appendix A). In addition, we have also contracted with Kroll ID TheftSmart firm to provide credit monitoring and other related services at no cost to our employees. A copy of that communication is also attached (Appendix B).

The security and privacy of our employees is a priority at NSK. We believe we have taken the right steps to ensure a similar situation does not happen again and that employees have the resources they need to protect their identities today. If you have any questions or would like more information, please contact Julie Lynch in the Human Resources Department, (734) 913-7615 and [lynchj@nsk-corp.com](mailto:lynchj@nsk-corp.com).

Sincerely

A handwritten signature in black ink that reads "Gerald T. Hope". The signature is written in a cursive style.

Gerald T. Hope  
Vice President, Human Resources  
NSK Americas, Inc.



January 17, 2008

Dear Employee, Past Employee or Retiree:

NSK Americas, Inc. recently became aware that a computer folder containing employee data on our internal corporate server was not properly secured. The affected folder included the names, Social Security numbers and salaries of approximately 2,000 current, former and retired employees. The affected folder was on an internal NSK server which was not accessible by non-NSK employees.

We immediately secured the affected folder. In addition, we promptly retained an industry-leading security consulting firm to help ensure that your interests are protected. As of now, we have no reason to believe that any of the data was misused.

We have launched an investigation to determine the facts. As a part of this investigation, with the assistance of the security consulting firm we have retained, we are in the process of conducting a detailed review of all network logs to determine if the information was inappropriately accessed or downloaded to personal computers.

If you are a current employee and you opened or accessed this folder containing employee data, you are to immediately report this to your local Human Resources Department. If you are a former or retired employee and you opened or accessed this folder, we are requesting that you contact Julie Lynch in the Human Resources Department (phone number 734-913-7615).

Your personal security and privacy are extremely important to NSK. Although we have no knowledge that any of the employee data was misused, you may want to be particularly vigilant at this time, by, for example, monitoring your account statements and reviewing credit reports. To assist you in this regard, we have taken the additional step of contracting with Kroll IDTheftSmart™ to provide credit monitoring and other related services at NO COST TO YOU. Expect to receive an information packet shortly with next steps and a toll-free number to call for further assistance.

I thank you for your patience, and I apologize for any inconvenience. We encourage everyone to review the packet when it arrives and, in the meantime, contact your local HR representative with any questions. The entire management team is committed to our employees and believes that the addition of Kroll IDTheftSmart service will help put everyone's mind at ease.

We will keep you advised of any significant developments in this matter.

Sincerely,

Gerald T. Hope  
Vice President, Human Resources  
NSK Americas, Inc.



<<NAME>>  
<<ADDRESS 1>>  
<<ADDRESS2>>  
<<CITY, STATE, ZIP>>  
  
<<POSTNET CODE>>

Dear [NAME],

As you know from our notification sent to you in January 2008, we discovered that an electronic folder on an internal corporate server was not properly secured. This folder included names, Social Security numbers, and salaries of current, former, and retired employees.

While we still have no reason to believe that any of this information has been misused, we want to assure you that we have taken the necessary steps to help safeguard against any damage that may result from this incident. For example, we immediately secured the affected folder and conducted our own internal investigation with the support of industry experts.

Because protecting your personal information is important to us, we have also arranged to provide you with the ID TheftSmart™ Enhanced Identity Theft Restoration and Continuous Credit Monitoring services from Kroll Inc. at no cost to you. ID TheftSmart is a comprehensive program to help protect your name and credit against identity theft.

If you have questions or feel you may have an identity theft issue, please call ID TheftSmart member services at 1-XXX-XXX-XXXX between 8:00 a.m. and 5:00 p.m. (Central Time), Monday through Friday.

NSK is committed to never compromising your personal information. We have a zero tolerance privacy policy and do everything we can to make sure your data is protected. We apologize for any inconvenience and urge you to take the time to read the attached information about the safeguards now available to you.

Sincerely,

Gerald T. Hope  
Vice President, Human Resources  
NSK Americas, Inc.