

ANTITRUST POLICY

Policy

Antitrust laws of the US and other countries are designed to protect consumers and competitors against unfair business practices and to promote and preserve competition. Our policy is to compete vigorously and ethically while complying with all antitrust, monopoly, competition or cartel laws in all countries, states or localities in which we conduct business. It is your obligation to act according to this policy.

Actions that Violate Antitrust Laws

In general, antitrust laws forbid agreements or actions “in restraint of trade” or which lead to a prevention, restriction or distortion of competition. All associates should be familiar with the general principles of antitrust laws. The following is a summary of actions that are clear violations of antitrust laws:

Price Fixing

The Company (Rexnord and all of its US and foreign affiliates) may not agree or collude with its competitors to raise, lower or stabilize prices or any element of price, including discounts and credit terms. In addition, the Company may not set the prices at which customers resell the Company's products.

Limitation of Supply

The Company may not agree or collude with its competitors to limit its production or restrict the supply of its services.

Allocation of Business

The Company may not agree or collude with its competitors to divide or allocate markets, territories or customers.

Boycott

The Company may not agree or collude with its competitors to refuse to sell or purchase products from third parties. In addition, the Company may not prevent a customer from purchasing or using non-Company products or services.

Tying

The Company may not require a customer to purchase a product that it does not want as a condition to the sale of a different product that the customer does wish to purchase.

Meetings with Competitors

Associates should exercise extreme caution in meetings with competitors. Any meeting with a competitor may give rise to the appearance of impropriety. You should always try to meet with competitors in a closely monitored, controlled environment for a limited period of time. The contents of your meeting should be fully documented with a copy provided to the Legal Department. Specifically, you should avoid any communications with a competitor regarding:

- Prices
- Costs

- Market share
- Allocation of sales territories
- Profits and profit margins
- Supplier's terms and conditions
- Product or service offerings
- Terms and conditions of sale
- Production facilities or capabilities
- Bids for a particular contract or program
- Selection, retention or quality of customers
- Distribution methods or channels

Professional Organizations and Trade Associations

Associates should be cautious when attending meetings of professional organizations and trade associations at which competitors are present. Attending meetings of professional organizations and trade associations is both legal and proper, if such meetings have a legitimate business purpose. At such meetings, you must not discuss pricing policy or other competitive terms, plans for new or expanded facilities or any other proprietary, competitively sensitive information.

Seeking Help

Violations of antitrust laws carry severe consequences and may expose the Company and associates to substantial civil damages, criminal fines and, in the case of individuals, prison terms. Whenever any doubt exists as to the legality of a particular action or arrangement, it is your responsibility to contact the Legal Department immediately for assistance, approval and review.