

NON-PROSECUTION AGREEMENT

INTRODUCTION

1. Exide Technologies, 13000 Deerfield Parkway, Suite 200, Milton, Georgia (“Exide”), by its undersigned officer and through its attorneys, Sheppard Mullin Richter and Hamilton LLP, and the United States Attorney’s Office for the Central District of California (“the USAO”) hereby enter into this Non-Prosecution Agreement (“the Agreement”). The Agreement shall be in effect for ten years from the date it is fully executed, provided, however, that the effectiveness of the Agreement is contingent in all respects—including without limitation the admissions set forth herein—on (i) bankruptcy court approval of Exide's entry into the Agreement; (ii) confirmation of Exide’s plan of reorganization in *In re Exide Technologies*, U.S. Bankruptcy Court for the District of Delaware Case No. 13-11482; and (iii) the occurrence of the effective date of Exide’s plan of reorganization in *In re Exide Technologies*, U.S. Bankruptcy Court for the District of Delaware Case No. 13-11482. If (i)-(iii) above do not occur, the Agreement is null and void.

2. This Agreement is limited to the USAO and cannot bind any other federal, state, or local prosecuting, administrative or regulatory authorities.

NON-PROSECUTION

3. The USAO agrees that if Exide is in full compliance with the material obligations under this Agreement, then the USAO will not prosecute Exide or any of Exide’s officers, directors, or employees during the ten year term of the Agreement or thereafter for any alleged violations of federal criminal laws related to the conduct described in the Statement of Admissions and Facts attached hereto as Appendix 1, the Statute of Limitations Tolling Agreement attached hereto as Appendix 5, or any other conduct for which Exide was or had been under investigation by the USAO as of the effective date of the Agreement. This Agreement is intended to resolve the USAO’s grand jury investigation of Exide.

ADMISSIONS AND ACCEPTANCE OF RESPONSIBILITY FOR VIOLATIONS

4. Upon satisfaction of the contingencies in paragraph 1, above, Exide admits that it committed the felony violations set forth in the Statement of Admissions and Facts attached hereto, and incorporated herein, as Appendix 1. Exide accepts and acknowledges responsibility for such criminal conduct. In the event that the USAO determines that Exide has breached this Agreement, and a decision is made by the USAO to proceed with a criminal prosecution of Exide, Exide agrees that the Statement of Admissions and Facts are admissible against it at any subsequent trial or district court proceeding. In the event that the USAO determines that there has been a breach of this Agreement, the USAO will give Exide notice and 30 days to cure.

5. Exide agrees that it shall not publicly deny any admission or statement of fact contained in the Statement of Admissions and Facts. The decision of whether any statement by any agent or employee of Exide contradicting a fact contained in the Statement of Admissions and Facts will be imputed to Exide for the purpose of determining whether Exide has breached this Agreement shall be in the sole and reasonable discretion of the USAO. Upon the USAO's notification to Exide's counsel, Sheppard Mullin Richter and Hamilton LLP, of a public statement by any agent or employee of Exide, that in whole or in part publicly denies a statement of fact contained in the Statement of Admissions and Facts, Exide may avoid breach of this Agreement by publicly repudiating such statement within 48 hours after notification by the USAO. Nothing herein is intended to or shall prevent Exide from defending itself in legal proceedings and/or administrative actions involving any third party or prevent any Exide employee or agent from making any statements in any third party legal proceedings and/or administrative actions.

CLOSURE OF THE RECYCLING FACILITY IN THE CITY OF VERNON

6. Exide is the owner and operator of a lead-acid battery recycling facility located at 2700 South Indiana Street, Vernon, California ("the Facility").

7. The Facility has been operated by Exide since it purchased its predecessor, GNB Technologies Inc., in 2000. The property on which the Facility is located has been operated as a secondary lead and/or metal recycling operation on a nearly-continual basis since 1922.

8. This Agreement requires Exide to immediately and permanently cease recycling operations at the Facility. Exide agrees to close the Facility and to demolish, deconstruct, and remove all Facility structures, equipment, and appurtenances, and to correct and remediate any surface, subsurface, and groundwater contamination, in accordance with the terms of the "Closure and Clean-up Agreements" and "Closure/Post-Closure Plan" (as defined below).

CORRECTIVE AND REMEDIAL ACTION

9. Exide has entered into several agreements with the State of California, Department of Toxic Substances Control ("DTSC") regarding Facility closure and post-closure requirements, and requirements for the assessment, correction, and remediation of both on-site and off-site environmental contamination. These agreements are hereinafter referred to as the "Closure and Clean-up Agreements," and include the following documents, along with their appendices, exhibits, and necessarily incorporated reference documents:

- a. The 2002 Corrective Action Consent Order, Docket No. P3-01/02-010, attached hereto, and incorporated herein, as Appendix 2;
- b. The 2013 Stipulation and Order, Docket HWCA P3-12/13-010 OAH No. 2013050540, attached hereto, and incorporated herein, as Appendix 3; and
- c. The 2014 Stipulation and Order, Docket HWCA No. 2014-6489, attached hereto, and incorporated herein, as Appendix 4.

10. Exide shall cease operations at the Facility and shall close the Facility in accordance with the requirements of the Closure and Clean-up Agreements and the “Closure/Post-Closure Plan” submitted to DTSC on October 1, 2014 as part of its Hazardous Waste Permit Application or amendments thereof.

11. Exide shall comply with the terms of the Closure and Clean-up Agreements. In addition, in lieu of making the 2015 and 2016 anniversary payments to the Residential Off-Site Corrective Action Trust Fund on the schedule set forth in paragraph 10 of the 2014 Stipulation and Order, Exide shall make a single payment of \$3,000,000 to the Residential Off-Site Corrective Action Trust Fund within 30 days after the effective date of Exide’s plan of reorganization in *In re Exide Technologies*, U.S. Bankruptcy Court for the District of Delaware Case No. 13-11482. Such payment shall satisfy Exide’s obligation to make the 2015 and 2016 payments.

12. During the effective period of this Agreement, Exide shall prepare and submit to the USAO, on or before January 15th and July 15th of each year, a biannual report that summarizes the closure and clean-up findings, activities, and progress, as required by Paragraphs 9, 10, and 11, that were conducted and obtained during the preceding six month period, including, among other things, (1) the addresses, locations, and results of any sampling and laboratory analyses relating to the affected properties, (2) the completion of any remediation on those properties, (3) the disposition of any wastes and materials removed from those properties, and (4) any related activities planned for the next six month reporting period. The USAO reserves the right to release and disseminate the annual report to affected population groups, regulatory agencies, and political subdivisions.

BLOOD TESTING FOR LOCAL POPULATION

13. Exide agrees to pay for periodic blood lead and arsenic level monitoring, as defined and directed by the Los Angeles County Department of Public Health, for the local population surrounding the Facility. The term “local population” is defined as those individuals residing within the Northern and Southern Residential Assessment Areas and the Expanded Northern and Southern Residential Assessment Areas, as those areas are defined in the written

description set forth below, and as further described and defined in the maps attached hereto, and incorporated herein, as Appendix 6: Expanded Northern Residential Assessment Area – north of Noakes, west of Marianna St. to E. 5th St/LanFranco west to Pomona Freeway southwest to Euclid south to 8th St. east to Grande Vista south to Olympic east to Los Palos south to Union Pacific east to Herbert south to Noakes east to Marianna. Expanded Southern Residential Assessment Area – south of Fruitland east of Downey to the LA River to Heliotrope Ave south to 61st west to Riverside south to Gage Ave west to Cedar north to Randolph east to Downey north to Fruitland. This obligation shall continue for a period of five years from the date this Agreement is executed.

14. Exide agrees to pay for and cause the dissemination of public notifications once per annum, on or about January 15th of each year during the five year effective period of this requirement, advising and notifying the local population that such blood tests are available free-of-charge.

TOLLING OF STATUTE OF LIMITATIONS

15. Exide agrees to toll all applicable statutes of limitations for alleged criminal violations occurring within the Central District of California arising under various federal environmental crimes statutes and the attendant regulations, including the federal Resource Conservation and Recovery Act, Title 42, United States Code, Sections 6901 et seq., the federal Hazardous Materials Transportation Act, Title 49, United States Code, Sections 5101 et seq., the federal Clean Air Act, Title 42, United States Code, Sections 7401, et seq., the federal Clean Water Act, Title 33, United States Code, Sections 1251, et seq., and Title 18, United States Code, Sections 2, 371, and 1001, during the time period that this Agreement is in effect. The tolling agreement is attached hereto and incorporated by reference herein as Appendix 5.

SUCCESSOR LIABILITY

16. The Agreement shall apply to and be binding upon Exide and its successors and assigns. Exide shall disclose the terms and conditions of the Agreement to all employees, consultants or independent contractors who are assigned or engaged to assist Exide in complying with its obligations and duties hereunder.

PUBLIC DISSEMINATION OF AGREEMENT

17. This Agreement is a public document. The parties agree that it may be disclosed by the USAO to the media or public at the sole discretion of the USAO. Exide agrees that it shall not disclose the Agreement to any party, except as follows:

a. Exide is required to disclose the Agreement to any party by the Bankruptcy Court, the terms and obligations of its Chapter 11 reorganization, or any term of obligation of any agreement entered into pursuant to the reorganization, or to effectuate the reorganization; or

b. The USAO has previously disclosed the Agreement to the media or public.

NO ADDITIONAL AGREEMENTS

18. Except as expressly set forth herein, there are no additional promises, understandings or agreements between the USAO on the one hand, and Exide on the other, concerning any other criminal prosecution, civil litigation or administrative proceeding relating to any other federal, state or local charges that may now be pending or hereafter be brought against Exide. Nor may any additional agreement, understanding or condition relating to the conduct described in the Statement of Admissions and Facts, attached hereto as Appendix 1, be entered into unless in writing and signed by all parties.

AGREED AND ACCEPTED

UNITED STATES ATTORNEY'S OFFICE
FOR THE CENTRAL DISTRICT OF CALIFORNIA

STEPHANIE YONEKURA
Acting United States Attorney

JOSEPH O. JOHNS
Assistant United States Attorney
Chief, Environmental Crimes Section

Date

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UNITED STATES ATTORNEY'S OFFICE
FOR THE CENTRAL DISTRICT OF CALIFORNIA

STEPHANIE YONEKURA
Acting United States Attorney



JOSEPH O. JOHNS
Assistant United States Attorney
Chief, Environmental Crimes Section



Date

I have read this Agreement, and carefully reviewed every part of it with the attorneys for Exide Technologies. I understand it, and I voluntarily agree to it on behalf of Exide Technologies. As the representative of Exide Technologies, I represent that I have authority to act for and on behalf of the corporation. Further, I have consulted with the corporation's attorneys and fully understand the corporation's rights that may apply to this matter. No other promises or inducements have been made to the corporation, other than those set forth in this Agreement. In addition, no one has threatened or forced me or any member of the corporation in any way to enter into this Agreement. Finally, I am satisfied with the representation of the corporation's attorneys in this matter.



ROBERT M. CARUSO, solely in his capacity as
President and Chief Executive Officer
EXIDE TECHNOLOGIES

3/11/15

Date

We are the attorneys for Exide Technologies. We have carefully reviewed every part of this Agreement with Robert M. Caruso, President and Chief Executive Officer of Exide Technologies, who to my knowledge has authority to act for and on behalf of the corporation. To my knowledge, the corporation's decision to enter into this Agreement is an informed and voluntary one.



CHARLES L. KREINDLER
Sheppard Mullin Richter and Hampton LLP
Attorneys for Exide Technologies

3/11/15

Date