

SETTLEMENT AGREEMENT

1. This Settlement Agreement ("Agreement") between Exide Technologies ("Exide") and the State of California Department of Toxic Substances Control ("DTSC") shall be filed and approved in the proceedings in the United States Bankruptcy Court for the District of Delaware (In re: Exide Technologies, No. 02-11125) ("Bankruptcy Proceeding").

2. This Agreement shall take effect after both Exide and DTSC sign the Agreement. The effective date shall be the date last signed by either party. Within 14 days of the effective date of this Agreement, Exide shall file the Agreement in the Bankruptcy Proceeding and shall seek the Court's approval of the Agreement. Within 30 days of the approval of this Agreement by the judge in the Bankruptcy Proceeding, Exide shall pay DTSC \$450,000.

3. Upon receipt of the payment provided above, DTSC agrees to withdraw with prejudice its Enforcement Order for Corrective Action issued to Exide related to the former Exide property at 8127 Avenue 304, Visalia, California, DTSC Docket No. HWCA P1-08/09-006, and to the termination with prejudice of any and all consent orders or consent agreements related to the same site, including but not limited to the Corrective Action Consent Agreements, DTSC Docket Nos. HWCA: 94/95-029 and P1-98/99-001. Exide also agrees to the termination of the Corrective Action Consent Agreements to the extent that its agreement is necessary.

Notice of all actions will be sent to:

Robert L. Collings
Schnader Harrison Segal & Lewis LLP
1600 Market Street, Suite 3600
Philadelphia, PA 19103-7286

with a copy to:

Exide Technologies
General Counsel
13000 Deerfield Parkway
Building 200
Milton, GA 30004

Notices to DTSC will be sent to:

Orchid Kwei
Senior Staff Counsel
Department of Toxic Substances Control
P. O. Box 806
Sacramento, California 95812-0806

4. Except as provided in Paragraph 10 herein, this Agreement releases and fully resolves any and all claims, including but not limited to any liability for claims not yet asserted by DTSC against Exide, its predecessors, successors and assigns, and their past, present, and future officers, directors, employees, insurers, attorneys, shareholders, agents, subsidiaries and assigns, under all environmental, statutory or common laws for any past, present or future condition, known or unknown, alleged or not alleged, arising from or in any way related to the facility or property at Avenue 304 in Visalia, California, and for any past, present or future violations of any law or regulation related to any permit, order, or operating condition or requirement at or related to the facility or property at Avenue 304 in Visalia, California, including but not limited to any and all violations previously alleged by DTSC. "Past, present, or future" shall be construed to cover all times without exception. Except as provided in Paragraph 10 herein, this release includes, but is not limited to, any and all claims, liabilities, obligations or violations (whether or not known or alleged) involving, arising from, or in any way related to financial responsibility, oversight costs, costs of performance of any corrective

action or remedial work, obligations under any order, consent order or other agreement, and/or penalties for violations of the foregoing at or related to the facility or property at Avenue 304 in Visalia, California.

5. Except as provided in Paragraph 10 herein, DTSC hereby releases any and all rights and benefits to the extent that DTSC has the authority to release them under California Civil Code Section 1542 regarding the facility and/or property at Avenue 304 in Visalia, California.

6. Exide does not admit any violation or liability with respect to the matters addressed or released in this Agreement, and this Agreement may not be used to support any determination of any fact or legal issue related to any such matters.

7. Upon approval of this Agreement by the United States Bankruptcy Court for the District of Delaware, and effective upon the date that Exide makes the payment set forth in Paragraph 2 herein, all claims by DTSC for the Visalia site and Exide's facility located at 2700 South Indiana Street, Vernon, California (Vernon Facility) asserted in the Bankruptcy Proceeding shall be deemed satisfied and discharged except as provided in Paragraphs 8, 9, and 10 herein. The Consent Order (DTSC Docket No. HWCA 01/02-3027) for payment of a penalty related to pre-petition operations at the Vernon Facility shall be terminated, and any claim related to the payment of such penalty shall be deemed withdrawn.

8. This Agreement shall not release Exide from any post-petition liabilities or obligations to DTSC for the Vernon Facility, or from any other obligations to DTSC for the Vernon Facility not specifically identified in this Agreement.

9. DTSC reserves its rights and authority regarding enforcement of all legal obligations of Exide, including applicable federal and state statutory and regulatory requirements, related to the Vernon facility, and Exide reserves all of its rights and defenses.

10. This Agreement is intended to be given broad effect and to resolve all involvement and liability of Exide in any past, present, or future claim or proceeding related to matters over which DTSC has jurisdiction at the Visalia site, but excluding any matter arising from actions of Exide at the Visalia site subsequent to the effective date of this Agreement.

11. Entire Agreement. This Agreement shall constitute the entire agreement of the parties. No prior or contemporaneous communications or drafts shall be relevant or admissible for purposes of altering the meaning or effect of any provision herein in any other proceeding.

12. This Agreement shall survive the termination of the Bankruptcy Proceeding. The parties agree that Exide may present this Agreement in any proceeding before any tribunal in which this Agreement may be relevant to a claim or liability covered by this Agreement.

[Signatures on following Page]

Department of Toxic Substances Control

Date: 3/3/11

By: Charlie Ridenour
Charlie Ridenour, Performance Manager
Brownfields and Environmental Restoration
Program

EXIDE TECHNOLOGIES

Date: _____

By: _____

Print Name and Title of Representative

Department of Toxic Substances Control

Date: 3/3/11

By: Charlie Ridenour
Charlie Ridenour, Performance Manager
Brownfields and Environmental Restoration
Program

EXIDE TECHNOLOGIES

Date: 3/11/11

By: B. Holland Pritchard
B. Holland Pritchard
Print Name and Title of Representative
Deputy General Counsel