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Sparton Corporation (NYSE:SPA)  
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Schaumburg, Illinois 60173  
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May 9, 2011

Mr. Chuck Hendrickson  
Project Coordinator  
U.S. EPA Region 6  
1445 Ross Avenue, Suite 1200  
Dallas, TX 75202-2733

✓ Mr. John E. Kieling  
Project Coordinator  
New Mexico Environmental Department  
Hazardous Waste Bureau  
2905 Rodeo Park Drive East, Building 1  
Santa Fe, NM 87505-6303



RE: Sparton Corporation, as Guarantor for  
Sparton Technology, Inc.  
EPA ID NO. NMD083212332  
Post-Closure Care Guarantee  
Fiscal Year End June 30, 2010 Financial Assurance  
As specified in 40 CFR 264.151(h)

Dear Mr. Hendrickson and Mr. Kieling:

This is the Corporate Guarantee for Closure and Post-Closure Care, originally made on September 20, 2010 and revised on April 26, 2011, by Sparton Corporation, located at 425 N. Martingale, Road, Suite 2050, Schaumburg, Illinois, 60173, a business corporation organized under the laws of the State of Ohio, herein referred to as Guarantor. This guarantee is made on behalf of Sparton Technology, Inc., located at 9621 Coors Rd, N.E., Albuquerque, New Mexico 87114, a wholly-owned subsidiary of the Guarantor.

RECITALS:

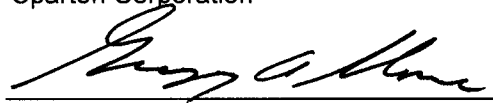
1. Guarantor meets or exceeds the financial test criteria and agrees to comply with the reporting requirements for guarantors as specified in 40 CFR 264.143(f), 264.145(f), 265.143(e), and 265.145(e).
2. Sparton Technology, Inc. owns and operates the following closed hazardous waste management facility covered by this guarantee: EPA ID NO. NMD083212332, Sparton Technology, Inc., 9621 Coors Rd. N.E., Albuquerque, New Mexico 87114, for Post-Closure Care.
3. "Post-closure plans" as used below refer to the plans maintained as required by subpart G of 40 CFR parts 264 and 265 for the post-closure care of facilities as identified above.
4. For value received from Sparton Technology, Inc, Guarantor guarantees to EPA that in the event that Sparton Technology, Inc. fails to perform post-closure care of the above facility in accordance with the post-closure plan whenever required to do so, the Guarantor shall do so or establish a trust fund as specified in subpart H of 40 CFR part 264 or 265, as applicable, in the name of Sparton Technology, Inc. in the amount of the current post-closure cost estimates as specified in subpart H of 40 CFR parts 264 and 265.

5. Guarantor agrees that if, at the end of any fiscal year before termination of this guarantee, the Guarantor fails to meet the financial test criteria, Guarantor shall send within 90 days, by certified mail, notice to the EPA Regional Administrator for Region 6 where the facility is located and to Sparton Technology, Inc. that it intends to provide alternate financial assurance as specified in subpart H of 40 CFR part 264 or 265, as applicable, in the name of Sparton Technology, Inc.. Within 120 days after the end of such fiscal year, the Guarantor shall establish such financial assurance unless Sparton Technology, Inc. has done so.
6. The Guarantor agrees to notify the EPA Regional Administrator by certified mail, of a voluntary or involuntary proceeding under Title 11 (Bankruptcy), U.S. Code, naming Guarantor as debtor, within 10 days after commencement of the proceeding.
7. Guarantor agrees that within 30 days after being notified by an EPA Regional Administrator of a determination that Guarantor no longer meets the financial test criteria or that it is disallowed from continuing as a Guarantor of post-closure care, it shall establish alternate financial assurance as specified in subpart H of 40 CFR part 264 or 265, as applicable, in the name of Sparton Technology, Inc. unless Sparton Technology, Inc. has done so.
8. Guarantor agrees to remain bound under this guarantee notwithstanding any or all of the following: amendment or modification of the post-closure plan, amendment or modification of the permit, the extension or reduction of the time of performance of post-closure, or any other modification or alteration of an obligation of the owner or operator pursuant to 40 CFR part 264 or 265.
9. Guarantor agrees to remain bound under this guarantee for as long as Sparton Technology, Inc. must comply with the applicable financial assurance requirements of subpart H of 40 CFR parts 264 and 265 for the above-listed facility, except as provided in paragraph 10 of this agreement.
10. Guarantor may terminate this guarantee by sending notice by certified mail to the EPA Regional Administrator for the Region in which the facility is located and to Sparton Technology, Inc., provided that this guarantee may not be terminated unless and until Sparton Technology, Inc. obtains, and the EPA Regional Administrator approves, alternate post-closure care coverage complying with 40 CFR 264.143, 264.145, 265.143, and/or 265.145.
11. Guarantor agrees that if Sparton Technology, Inc. fails to provide alternate financial assurance as specified in subpart H of 40 CFR part 264 or 265, as applicable, and obtain written approval of such assurance from the EPA Regional Administrator within 90 days after a notice of cancellation by the Guarantor is received by an EPA Regional Administrator from Guarantor, Guarantor shall provide such alternate financial assurance in the name of Sparton Technology, Inc.
12. Guarantor expressly waives notice of acceptance of this guarantee by the EPA or by Sparton Technology, Inc.. Guarantor also expressly waives notice of amendments or modifications of the post-closure plan and of amendments or modifications of the facility permit(s).

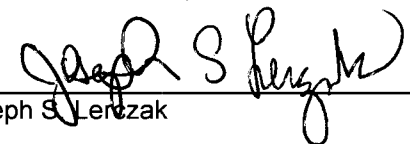
I hereby certify that the wording of this guarantee is identical to the wording specified in 40 CFR 264.151(h) as such regulations were constituted on the date first above written.

Effective date: July 1, 2010 through June 30, 2011

Guarantor: Sparton Corporation

Signature: 

Name: Gregory A. Slome  
Title: Senior Vice President, Chief Financial Officer

Witness:   
Name: Joseph S. Lerczak

CC: James Bearzi, Chief, NMED HWB  
Bill Olson, Chief, NMED GWQB  
Brian Salem, HWB NMED

James B. Harris, Attorney  
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Joseph S. Lerczak  
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