

William G Walter
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June 6, 2001

Mr. Lionel Q. Boyer
Chairman
Shoshone-Bannock Tribes
P.O. Box 306
Fort Hall, ID 83203

**Re: Letter Agreement for Capping Pond 18
and Other Benefits**

Dear Chairman Boyer:

As a result of discussions among our representatives, the Fort Hall Business Council for the Shoshone-Bannock Tribes, and Bob Fields for FMC Corporation, I understand that we have reached a mutually beneficial agreement for the capping of Pond 18 located at the Pocatello Astaris facility. FMC Corporation desires to assist the Shoshone-Bannock Tribes with economic development, the promotion of the general welfare of the Tribal community, and enhance the political integrity of the Tribes. This letter is intended to document the agreement reached between us.

FMC agrees to make payment to the Shoshone-Bannock Tribes in the total amount of \$40 million to be paid over a period of five (5) years, conditioned upon the entry of an order by the United States District Court modifying the Resource Conservation and Recovery Act ("RCRA") Consent Decree to allow for the capping of Pond 18 and, if required, conditioned upon any Tribal permits, licenses and/or approvals for capping Pond 18. The first payment of \$30 million will be made to the Shoshone-Bannock Tribes in 2001, within one week following the modification of the RCRA Consent Decree by the federal court. \$1 million of this amount will be considered payment for the Pond 18 capping. The remaining balance of \$10 million will be paid, in equal installments, in the amount of \$2 million on the anniversary of the first payment in each subsequent year, with the final payment to be made in 2006.

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The Shoshone-Bannock Tribes agree to allow FMC to cap in place Pond 18 in accordance with the EPA approved RCRA Closure Plan rather than requiring FMC to remove and treat the hazardous waste in Pond 18 in the LDR treatment facility as originally agreed to under the 1998 RCRA Consent Decree. Although the Tribes are not a party to the RCRA Consent Decree, the Tribes further agree to authorize the Chairman of the Tribes to immediately communicate this agreement on Pond 18, in both an oral and written transmission to the EPA- Region 10 Administrator in Seattle, Washington to enable the EPA to consider amending the RCRA Consent Decree, and such communication shall take place within five (5) working days from receipt of this letter.

Astaris Plant representatives will immediately schedule a meeting with the Tribal Land Use Policy Commission ("LUPC") to determine if any Tribal permits, licenses and/or approvals are necessary or required to cap Pond 18. The LUPC shall notify Astaris in writing regarding its decision on whether any permits are required, and this decision shall be binding throughout the term of this Agreement. In the event a permit is required, the Astaris Plant shall submit any applications and all necessary documents to the Land Use Office, which shall initiate the Land Use Policy Ordinance review process.

The Tribes and FMC agree that this Agreement for capping Pond 18 incorporates the entire agreement of the parties, and any prior oral or written agreements and communications are hereby superceded, except as provided in this letter. The parties agree that this Agreement may only be terminated upon the mutual agreement of both parties.

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FMC appreciates your assistance in concluding this matter. With the understanding that this letter is an accurate and complete representation of the agreement reached between the Shoshone-Bannock Tribes and FMC, and with the representation that you have the authority to enter into and bind the Tribes to this Agreement, I request that you signify the Tribes' intention to be legally bound by signing both of the original copies of this letter and returning one to me, and by forwarding to me a certified copy of the Resolution of the Fort Hall Business Council, dated May 30, 2001, regarding capping of Pond 18. I represent to you that I have the authority to enter into and bind FMC Corporation to this Agreement and, by signing this letter to you, FMC Corporation intends to be legally bound to this Agreement. Please retain the second copy for your file.

Sincerely,



William G. Walter
Executive Vice President
FMC Corporation

Agreed to and accepted on behalf of the Fort Hall Business Council



Lionel Q. Boyer, Chairman
Fort Hall Business Council

06/08/01

Date