

SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality, Air Quality Division (DEQ/AQD), Herschler Building, 122 West 25th Street, Cheyenne, WY 82002, and FMC Wyoming Corporation (FMC), 1735 Market St., Philadelphia, PA 19103, enter into this Settlement Agreement (Agreement) to fully and finally resolve without litigation the alleged violation cited in DEQ Notice of Violation Docket No. 5076-12 (Notice of Violation). As more fully set forth below, the Notice of Violation generally alleges that for 17 days during the third quarter of 2011, the Nitrogen Oxide (NOx) emissions from the NS-1B Boiler at FMC's Westvaco facility (Facility) located in Sweetwater County, Wyoming, exceeded the permit limit of 284.0 lb/hr, thereby violating the Wyoming Environmental Quality Act (Act), applicable Wyoming Air Quality Standards and Regulations (Air Quality Rules), and Condition 6 of Permit MD-6045.

Wyo. Stat. Ann. § 35-11-901(a)(ii) (2012) authorizes stipulated settlement, including payment of a penalty, implementation of compliance schedules, or other settlement conditions in lieu of litigation. To that end, FMC and the DEQ/AQD hereby stipulate and agree as follows:

1. FMC is a Delaware corporation that owns and operates the Facility.
2. The DEQ/AQD is the executive branch agency of Wyoming government that is responsible for enforcing the Act, the Air Quality Rules, and permits issued thereunder, including Permit MD-6045.
3. Wyo. Stat. Ann. § 35-11-201 states: "No person shall cause, threaten or allow the discharge or emission of any air contaminant in any form so as to cause pollution which violates rules, regulations and standards adopted by the council."
4. Wyo. Stat. Ann. § 35-11-801(a) states: "In granting permits, the director may impose such conditions as may be necessary to accomplish the purpose of this act which are not inconsistent with the existing rules, regulations, and standards."
5. Chapter 6, Section 2 of the Air Quality Rules prescribes the applicability and procedures for issuing permits to sources under Wyoming's construction and modification permitting program.
6. On July 17, 2009, the DEQ/AQD issued Permit MD-6045 to FMC for its Facility. Condition No. 6 of Permit MD-6045 limits NOx emissions from the Facility's NS-1B Boiler to 284.0 lb/hr.

7. During DEQ/AQD's 2012 inspection, the DEQ/AQD determined that for 17 days during the third quarter of 2011, NOx emissions from the Facility's NS-1B Boiler exceeded the 284.0 lb/hr limit prescribed by Condition No. 6 of Permit MD-6045.

8. On October 18, 2012, the DEQ/AQD issued Notice of Violation No. 5076-12 to FMC alleging that for 17 days during the third quarter of 2011, FMC failed to meet the 284.0 lb/hr NOx emission limit prescribed by Condition No. 6 of Permit MD-6045.

9. In lieu of litigation under Wyo. Stat. Ann. § 35-11-901(a)(ii), the DEQ/AQD and FMC agree that FMC shall pay the DEQ/AQD five thousand dollars and no cents (\$5,000.00) as a stipulated penalty to resolve the violation alleged in the Notice of Violation. FMC shall make full payment by check made payable to the Wyoming Department of Environmental Quality, Air Quality Division, within thirty (30) days after FMC has been notified by the DEQ/AQD that the final signature has been affixed to this Agreement. FMC shall mail the payment to Nancy Vehr, Sr. Asst. Attorney General, 123 Capitol Building, Cheyenne, WY 82002.

10. FMC, by entering into this Agreement, does not concede or admit to any liability, and this Agreement constitutes no admission of liability, fault, or noncompliance.

11. Payment of the stipulated penalty as recited in Paragraph 9 of this signed Agreement shall constitute full satisfaction for all claims by the DEQ/AQD against FMC based on the Notice of Violation and, solely in reliance on this Agreement, the DEQ/AQD will refrain from taking further enforcement action against FMC for this particular alleged violation.

12. In the event that FMC fails to fulfill its obligations under this Agreement, FMC waives any statute of limitations which may apply to an enforcement action by the DEQ/AQD involving the specific matters alleged in the Notice of Violation.

13. This Agreement shall be admissible by either FMC or the DEQ/AQD (hereinafter FMC and the DEQ/AQD may be referred to individually as "Party" and collectively as "Parties") without objection by the other Party in any action between these Parties relating to the violations alleged herein; provided, however, that nothing herein constitutes an admission by FMC of liability, fault or noncompliance.

14. Neither Party shall have any claim against the other for attorney fees or other costs incurred with the resolution of these allegations, including costs incurred in the preparation of this Agreement. Each Party shall bear its own attorney fees and costs, if any, incurred through the date this Agreement is signed by both Parties. Each Party

assumes the risk of any liability arising from its own conduct. Neither Party agrees to insure, defend or indemnify the other.

15. Any changes, modifications, revisions or amendments to this Agreement which are mutually agreed upon by the Parties shall be incorporated by written instrument, executed and signed by all Parties to this Agreement.

16. The construction, interpretation and enforcement of this Agreement shall be governed by the laws of the State of Wyoming. The Courts of the State of Wyoming shall have jurisdiction over this Agreement and the Parties, and the venue shall be the First Judicial District, Laramie County, Wyoming.

17. This Agreement consisting of four (4) pages represents the entire and integrated Agreement between the Parties and supersedes all prior negotiations, representations, and agreements, whether written or oral.

18. The State of Wyoming and the DEQ/AQD do not waive sovereign immunity by entering into this Agreement and specifically retain immunity and all defenses available to them as sovereigns pursuant to Wyo. Stat. Ann. § 1-39-104(a) and all other state law.

19. The Parties do not intend to create in any other individual or entity the status of third party beneficiary, and this Agreement shall not be construed so as to create such status. The rights, duties and obligations contained in this Agreement shall operate only between the Parties to this Agreement, and shall inure solely to the benefit of the Parties to this Agreement. The Parties to this Agreement intend and expressly agree that only Parties signatory to this Agreement and their successors shall have any legal or equitable right to seek to enforce this Agreement, to seek any remedy arising out of a Party's performance or failure to perform any term or condition of this Agreement, or to bring an action for the breach of this Agreement

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20. Each Party represents that they are authorized to enter into this Agreement and agree to be bound hereby. This Agreement shall become binding upon the Parties once executed by all Parties.

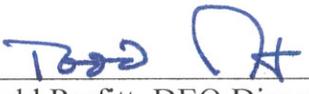
IN WITNESS THEREOF, the Parties, by their duly authorized representatives, have executed this Agreement on the days and dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Agreement.

FMC WYOMING CORPORATION:

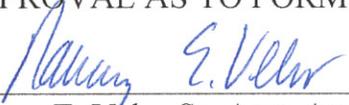
By:  1/7/13
Fred Von Ahrens Date
Manufacturing Director/Resident Manager

STATE OF WYOMING, DEPARTMENT OF ENVIRONMENTAL QUALITY:

By:  1-22-13
Steven A. Dietrich, AQD Administrator Date

By:  1/23/13
Todd Parfitt, DEQ Director Date

APPROVAL AS TO FORM:

 1/2/2013
Nancy E. Vehr, Sr. Asst. Attorney General Date
Attorney for DEQ/AQD

 1/3/2013
Mark R. Ruppert, P.C. Date
Holland & Hart, LLP
Attorney for FMC