

ESCROW AGREEMENT

Paragraph 1. Establishment of Escrow Account.

It is agreed between the parties that FMC Corporation ("Licensee") has elected to establish an escrow account with Wachovia Bank, National Association, with an address at 123 South Broad Street, Philadelphia, Pennsylvania, 19109 ("Escrow Agent"), to provide financial assurance for decommissioning of the facility in the amounts shown below:

<u>Facility</u>	<u>License Number</u>	<u>Estimated Decommissioning Costs</u>	<u>Financial Assurance</u>
FMC Corporation Research & Development Chemical Technology US Highway 1 and Plainsboro Road P.O. Box 8 Princeton, NJ 08543	U.S. Nuclear Regulatory Commission Materials License: 29-01035-01 (the "License")	\$750,000.00	\$750,000.00

Paragraph 2. Description of Property in Escrow Account.

It is hereby acknowledged by the parties that \$750,000.00 has been delivered to escrow.

Licensee warrants to and agrees with Escrow Agent that the escrow property is free and clear of any security interest created by or on behalf of Licensee and Escrow Agent shall have no responsibility at any time to ascertain whether or not any security interest exists or to file any financing statement under the Uniform Commercial Code with respect to the escrow account or any part thereof.

Paragraph 3. Conditions of Escrow Agreement.

The property described in Paragraph 2 above will remain in the escrow account created by this escrow agreement until one of the following three conditions has been satisfied:

- (1) The conditions specified in Paragraph 4 of this escrow agreement have been met;
- (2) The decommissioning activities required by 10 CFR Parts 30, 31, 32, 33, 34, 35, 36, 39, 40 and 70 have been completed, the License has been terminated, the facility site is available for unrestricted use for any public or private purpose, and the escrow account

NONNEGOTIABLE

has been terminated by joint notice, in writing, from Licensee and the U.S. Nuclear Regulatory Commission (the "NRC"), or by NRC alone if the Licensee ceases to exist; or

- (3) Licensee furnishes to the NRC a letter of credit or other security authorized by law to substitute for the escrow property and Licensee delivers to the Escrow Agent a certificate stating that the NRC has accepted such substitute security.

Paragraph 4. Disbursement of Property in Escrow Account.

Escrow Agent shall make payments from the escrow account to the Licensee upon presentation to the Escrow Agent of the following:

- (a) A certificate duly executed by the Secretary or an Assistant Secretary of Licensee attesting to the occurrence of the events, and in the form set forth in the Specimen Certificate of Events attached hereto as Exhibit A, and

- (b) A certificate attesting to the following conditions:

- (1) that decommissioning is proceeding pursuant to an NRC-approved plan;
 - (2) that the funds withdrawn will be expended for activities undertaken pursuant to that plan; and
 - (3) that the NRC has been given 30 days prior notice of Licensee's intent to withdraw funds from the escrow account.

No withdrawal from the account for the Licensee can exceed ten percent of the remaining funds available for the Licensee unless NRC written approval is attached.

In addition, Escrow Agent shall make payments from the escrow account as the NRC shall direct, in writing, to provide for the payment of the costs of the required decommissioning activities covered by this escrow agreement. Escrow Agent shall reimburse the Licensee or other persons as specified by the NRC from the escrow account for expenses for required activities in such amounts as the NRC shall direct in writing. In addition, Escrow Agent shall refund to Licensee such amounts as the NRC specifies, in writing. Upon refund, such funds shall no longer constitute part of the escrow account as described in Paragraph 2 above.

Paragraph 5. Irrevocability.

It is also agreed between the parties that this escrow became irrevocable upon delivery to Escrow Agent and will remain irrevocable and in full force and effect until the occurrence of one of the conditions described in Paragraph 3 above.

Paragraph 6. Powers of Escrow Agent.

The only power and duties of Escrow Agent shall be to hold the escrow property and to invest and dispose of it in accordance with the terms of this escrow agreement.

Escrow Account Management

Escrow Agent shall invest and reinvest the principal and income of the escrow account and keep the escrow account invested as a single fund, without distinction between principal and income, in any of the authorized investments described below in accordance with the directions which Licensee shall communicate in writing to Escrow Agent from time to time, subject, however, to the provisions of this escrow agreement; Escrow Agent shall discharge its duties with respect to the escrow account solely in the interest of the NRC and with the care, skill, prudence, and diligence, under the circumstances then prevailing, that persons of prudence, acting in like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims.

Authorized investments are any of the following:

- (a) Securities issued or fully guaranteed or insured by the United States government or any agency thereof;
- (b) Certificates of deposit, eurodollar time deposits, overnight bank deposits and bankers' acceptances of any commercial bank organized under the laws of the United States, any state thereof, the District of Columbia, any foreign bank, or its branches or agencies (fully protected against currency fluctuations) that, at the time of acquisition, are rated at least "A-1" by Standard and Poor's Rating Services ("S&P") or "P-1" by Moody's Investors Services, Inc. ("Moody's");
- (c) Commercial paper of an issuer rated at least "A-1" by S&P or "P-1" by Moody's; and
- (d) Shares of any money market fund that (i) has at least 95% of its assets invested continuously in the types of investments referred to in paragraphs (a), (b) and (c) above, (ii) has net assets of not less than \$500,000,000 and (iii) is rated at least "A-1" by S&P or "P-1" by Moody's; provided, however, that the maturities of all obligations of the type specified in paragraphs (a), (b) and (c) above shall not exceed 180 days.

The Escrow Agent is authorized to pay the interest earned on investments to Licensee from time to time as it may request.

The Escrow Agent is authorized to hold uninvested cash, awaiting investment or distribution, for a reasonable time and without liability for the payment of interest thereon.

Express Power of the Escrow Agent

Without in any way limiting the powers and discretion conferred upon Escrow Agent by other provisions of this escrow agreement or by law, Escrow Agent is expressly authorized and empowered:

- (a) To register any securities held in the escrow account in its own name and to hold any security in bearer form or in book entry or to deposit or arrange for the deposit of any securities issued by the U.S. Government, or any agency or instrumentality thereof, with a Federal Reserve bank, but the books and records of Escrow Agent shall at all times show that all such securities are part of the escrow account;
- (b) To deposit any cash in the escrow account in interest-bearing accounts or savings certificates to the extent insured by an agency of the Federal government; and
- (c) To pay taxes, from the account, of any kind that may be assessed or levied against the escrow account and all brokerage commissions incurred by the escrow account.

Paragraph 7. Annual Valuation.

After delivery has been made into this escrow account, Escrow Agent shall annually, at least 30 days before the anniversary date of receipt of the property into the escrow account, furnish to Licensee and to the NRC a statement confirming the value of the escrow account. Any securities in the account shall be valued at market value as of no more than 60 days before the anniversary date of the establishment of the escrow account. The failure of Licensee to object in writing to Escrow Agent within 90 days after the statement has been furnished to Licensee shall constitute a conclusively binding assent by Licensee, barring Licensee from asserting any claim or liability against Escrow Agent with respect to the matters disclosed in the statement.

Paragraph 8. Successor Escrow Agent.

Upon 90 days prior notice to the NRC and Licensee, Escrow Agent may resign; upon 90 days notice to the NRC and Escrow Agent, Licensee may replace Escrow Agent; provided that such resignation or replacement is not effective until Escrow Agent has appointed a successor escrow agent, the successor accepts the appointment, and the successor is ready to assume its duties as escrow agent. The successor escrow agent shall have the same powers and duties as those conferred upon Escrow Agent under this escrow agreement. When the resignation or replacement is effective, Escrow Agent shall assign, transfer, and pay over to the successor the funds and properties then constituting the escrow account. If for any reason Licensee cannot or does not act in the event of the resignation of Escrow Agent, Escrow Agent may apply to a court of competent jurisdiction for the appointment of a successor, or for instructions. The successor escrow agent shall specify the date on which it assumes administration of the escrow account in a writing sent to Licensee, the NRC, and the current escrow agent by certified mail ten days before the change becomes effective. Any expenses incurred by Escrow Agent as a result of any of the acts contemplated by this paragraph shall be paid as provided in Paragraph 10 of this escrow agreement.

Paragraph 9. Instructions to Escrow Agent.

All orders, requests, and instructions from Licensee to Escrow Agent shall be in writing, signed by such persons as are signatories to this escrow agreement, or such other designees as Licensee may designate in writing. All orders, requests, and instructions from the NRC shall be in writing, signed by the designees of the NRC. Escrow Agent shall be fully protected in acting in accordance with such orders, requests, and instructions. Escrow Agent shall have the right to assume, in the absence of written notice to the contrary, that no event constituting a change or a termination of the authority of any person to act on behalf of the Licensee or the NRC under this escrow agreement has occurred. Escrow Agent shall have no duty to act in the absence of such orders, requests, and instructions from Licensee or the NRC, except as provided in this escrow agreement.

Paragraph 10. Compensation and Expenses of Escrow Agent.

The fee of Escrow Agent for its services in establishing the escrow account shall be as agreed by the Licensee and the Escrow Agent and shall be borne by Licensee.

Reasonable expenses of Escrow Agent for the administration of the escrow account, the compensation of Escrow Agent for services subsequent to the establishing of the escrow account to the extent not paid directly by Licensee, may be paid from the escrow account.

Paragraph 11. Amendment of Escrow Agreement.

This escrow agreement may be amended by an instrument in writing executed by Licensee, Escrow Agent, and NRC, or by Escrow Agent and the NRC if Licensee ceases to exist. All amendments shall meet the relevant regulatory requirements of the NRC.

Paragraph 12. Termination.

This escrow agreement can be terminated by written notice of termination to Escrow Agent signed by an appropriate officer of Licensee and the NRC, or by the NRC alone if Licensee ceases to exist.

Paragraph 13. Immunity and Indemnification.

The Escrow Agent shall not incur personal liability of any nature in connection with any act or omission, made in good faith, in the administration of this escrow account, or in carrying out any directions by the Licensee or the NRC issued in accordance with this escrow agreement. The Escrow Agent shall be indemnified and saved harmless by the Licensee or from the escrow account, or both, from and against any personal liability to which the Escrow Agent may be subjected by reason of any act or conduct in its official capacity, including all expenses reasonably incurred in its defense in the event the Licensee fails to provide such defense.

Paragraph 14. Interpretation.

This escrow agreement constitutes the entire agreement between Licensee and Escrow Agent. Escrow Agent shall not be bound by any other agreement or contract entered into by Licensee, and the only document that may be referenced in case of ambiguity in this, escrow agreement is the License between Licensee and the NRC, or its successor.

Paragraph 15. Acceptance of Appointment by Escrow Agent.

Escrow Agent does hereby acknowledge its appointment by Licensee to serve as escrow agent for the escrow account created under this escrow agreement and agrees to carry out its obligations and duties as stated in this escrow agreement.

Paragraph 16. Severability.

If any part of this escrow agreement is invalid, it shall not affect the remaining provisions that will remain valid and enforceable.

Paragraph 17. Authority.

Licensee warrants that the resolutions attached hereto as Exhibit B were duly adopted by the Board of Directors of the Licensee and authorize the execution and delivery of this escrow agreement and that the persons whose names, titles and specimen signatures are set forth on Exhibit C are authorized to execute this escrow agreement and give instructions hereunder.

Paragraph 18. Notices

Notices to the Licensee, the Escrow Agent and the NRC, respectively, under this escrow agreement shall be given to the following address or such other addresses as may be formulated by notice hereunder:

If to the Licensee:

FMC Corporation
1735 Market Street
Philadelphia, PA 19103
Attention: Treasurer

If to the NRC:

U.S. Nuclear Regulatory Commission, Region 1
Division of Nuclear Materials Safety
475 Allendale Road, King of Prussia, PA 19406
NMSB2
Attention: John D. Kinneman

If to the Escrow Agent:

Wachovia Bank, National Association
123 South Broad Street
Philadelphia, PA 19109
Attention: Alan G. Finn

[Remainder of page intentionally left blank]

In Witness Whereof, the parties hereto have caused this escrow agreement to be executed by their respective officers thereunto duly authorized, as of the 27th day of August, 2003.

WACHOVIA BANK, NATIONAL
ASSOCIATION

By: 

Name: Alan G. Finn

Title: Vice President

FMC CORPORATION

By: 

Name: Thomas C. Deas, Jr.

Title: Vice President and Treasurer

EXHIBIT A

SPECIMEN CERTIFICATE OF EVENTS

Wachovia Bank, National Association

Attention: Escrow Division

Gentlemen:

In accordance with the terms of the escrow agreement with you dated August 27th, 2003, I, _____, Secretary of FMC Corporation, hereby certify that the following events have occurred:

1. FMC Corporation is required to commence the decommissioning of its facility located at Research & Development Chemical Technology, US Highway 1 and Plainsboro Road, P.O. Box 8, Princeton, NJ 08543 (hereinafter called the "decommissioning").
2. The plans and procedures for the commencement and conduct of the decommissioning have been approved by the United States Nuclear Regulatory Commission, or its successor, and such approval attached hereto as Exhibit 1.
3. The commencement of the decommissioning has been duly authorized by all necessary corporate actions.

Secretary of FMC Corporation

Date

EXHIBIT B

**CERTIFICATE OF RESOLUTION AUTHORIZING THE MAKING
AND PERFORMANCE OF THE ESCROW AGREEMENT**

I, Marcia Dintz, do hereby certify that I am Assistant, Secretary of FMC Corporation, a Delaware corporation, and that the resolution attached hereto as Exhibit A was duly adopted at a meeting of the Board of Directors of FMC Corporation on August 23, 2002.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of this Corporation this 27th day of August, 2003

Marcia Dintz
Assistant, Secretary

Exhibit A

FMC CORPORATION

**REGULAR MEETING OF THE
BOARD OF DIRECTORS**

August 23, 2002
Philadelphia, Pennsylvania
8:30AM

RESOLVED, that the Corporation be and hereby is authorized to negotiate, execute and consummate one or more new credit agreements (collectively, the "New Credit Agreement") with banks and other financial institutions to replace (1) the 364-day credit agreement dated as of December 6, 2001 among the Corporation, the lenders party thereto and Citibank, N.A., as administrative agent, Bank of America, N.A., as syndication agent, and ABN Amro Bank, N.V. and First Union National Bank, as co-documentation agents, and (2) the Credit Agreement dated as of January 20, 2002 among the Corporation and Citibank, N.A., Bank of America, N.A. and First Union National Bank, as lenders and to provide additional funds to the Corporation;

***FMC Corporation
Credit Agreement***

FURTHER RESOLVED, that the New Credit Agreement shall provide for revolving credit and term loan borrowings and other extensions of credit in such amounts (presently anticipated to be approximately \$610 million but which may be greater or less than such amount), shall be secured by property of the Corporation and its subsidiaries, and shall contain such other terms and conditions, as may be approved by the Chairman of the Board, Chief Executive Officer and President, the Chief Financial Officer, the Treasurer, an Assistant Treasurer or the Controller (the "Authorized Officers") of the Corporation, such approval to be evidenced conclusively by the execution of the New Credit Agreement on behalf of the Corporation by any of such Authorized Officers or any other person to whom any of such Authorized Officers shall have delegated such authority in writing;

FURTHER RESOLVED, that the officers of the Corporation be, and each of them hereby is, authorized, in the name of and on behalf of the Corporation, to take or cause to be taken any and all actions, to make all payments, and to negotiate, enter into, execute and deliver all mortgages, security agreements, pledge agreements and other agreements, instruments and other documents as may be necessary, appropriate, convenient or proper to effectuate the intent of, and the transactions contemplated by, the foregoing resolutions, such mortgages, agreements, instruments and other documents to be in such form and to contain such terms and conditions as the officer executing the same shall in his sole discretion determine to be necessary, appropriate, convenient or proper, the execution and delivery thereof by such officer to be conclusive evidence of such approval; and

FURTHER RESOLVED, that the foregoing resolutions shall supersede and revoke the prior resolutions of the Board adopted at its February 2002 meeting authorizing a new credit agreement without, however, affecting or impairing any action taken pursuant to such prior resolutions.

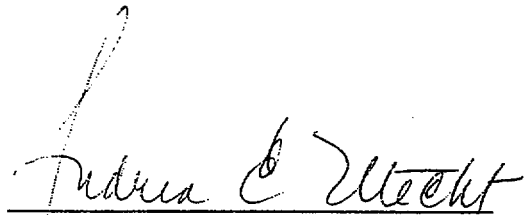

Andrea E. Utecht, Secretary

EXHIBIT C

AUTHORIZED PERSONS

Thomas C. Deas, Jr., Vice President and Treasurer, is authorized to sign this escrow agreement on behalf of FMC Corporation, and any of the individuals named below, and any such other individuals as may be hereafter designated by notice to the Escrow Agent are authorized to sign any notices, instructions, and other communications made pursuant to the escrow agreement.

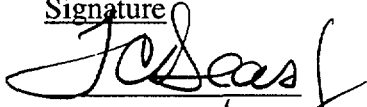
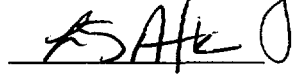
<u>Name</u>	<u>Title</u>	<u>Signature</u>
Thomas C. Deas, Jr.	Vice President & Treasurer	
Louis S. Houck	Director, Finance	

EXHIBIT D

**SPECIMEN CERTIFICATE OF RESOLUTION
TO COMMENCE DECOMMISSIONING**

I, _____, do hereby certify that I am Secretary of FMC Corporation, a Delaware corporation, and that the resolution listed below was duly adopted at a meeting of a committee of the Board of Directors of FMC Corporation on _____, 20__.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of this Corporation this __ day of _____, 20__.

Secretary

RESOLVED, that this committee of the Board of Directors hereby authorizes the President, or such other employee of the Company as he may designate, to commence decommissioning activities at _____ in accordance with the terms and conditions described to this committee of the Board of Directors at this meeting and with such other terms and conditions as the President shall approve with and upon the advice of Counsel.