

MOSAIC CO
Form 8-K
May 24, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 23, 2007

THE MOSAIC COMPANY

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-32327
(Commission File Number)

20-0891589
(IRS Employer

Identification No.)

3033 Campus Drive
Suite E490
Plymouth, Minnesota
(Address of principal executive offices)

55441
(Zip Code)

Registrant's telephone number, including area code: (800) 918-8270

Not applicable

(Former Name or Former Address, if Changed Since Last Report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.
Special Transactions Committee and Transactions with Cargill, Incorporated

Cargill, Incorporated and its affiliates other than The Mosaic Company (Mosaic) and its subsidiaries (collectively Cargill) own approximately 63.2% of the outstanding Common Stock, par value \$.01 per share, of Mosaic. Pursuant to the Investor Rights Agreement, dated as of January 26, 2004, as amended and restated on August 17, 2006, by and between Mosaic and Cargill, Incorporated, commercial or other transactions, arrangements or agreements (or series of related transactions) between Cargill, on the one hand, and Mosaic and its subsidiaries (collectively the Company), on the other hand, except as provided below, require the approval of a majority of the former IMC Directors (as defined in the Investor Rights Agreement) serving on Mosaic's Board of Directors who are deemed non-associated directors (such members comprising the Special Transactions Committee (the STC) of the Board of Directors). Mosaic's Board of Directors has adopted a charter for the STC which provides that the STC will oversee transactions between Mosaic and Cargill with the objective that such transactions be fair and reasonable to Mosaic, with arm's length terms and conditions. Pursuant to the Investor Rights Agreement and the STC's charter, the STC may delegate all or a portion of its duties in respect of the review and approval of such transactions to a committee of senior management, a subcommittee of the STC or the Chairman of the STC. The STC has approved a policy implemented by Mosaic known as the Guidelines for Related Party Transactions with Cargill, Incorporated (the Guidelines), whereby the STC has delegated approval authority for certain transactions with Cargill to an internal committee comprised of senior managers of Mosaic. The internal management committee is required to report its activities to the STC on a periodic basis.

Pursuant to the Guidelines, the following transactions, arrangements or agreements (or series of related transactions) with Cargill must be approved by the STC:

agreements or relationships which require payment by Mosaic or Cargill, as the case may be, of \$2 million or more to the other party during any fiscal year of the Company;

multi-year commitments (i.e., contracts with terms of greater than one year) on behalf of Mosaic;

evergreen contracts (i.e., contracts with annual renewal clauses or no stated contract term);

renewals of commercial agreements previously requiring STC approval; and

licenses or other arrangements involving any material intellectual property of Mosaic.

The review and approval of transactions, arrangements or agreements (or series of related transactions) which do not meet any of the criteria set forth above have been delegated by the STC to Mosaic's internal management committee.

On May 23, 2007, and pursuant to approval of the STC, Mosaic Crop Nutrition, LLC renewed an agreement to sell untreated white muriate of potash to Cargill, Incorporated's salt business unit. The potash is sold to Cargill at fixed prices and the product is to be delivered to Timpe, Utah, Hersey, Michigan, Port Cargill, Minnesota, Buffalo, Iowa and White Marsh, Maryland. The prices will be adjusted as of July 1, 2007. Cargill is required to purchase 100% of its requirements for this product during the term of the agreement. The renewal is effective from January 1, 2007 through December 31, 2007.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE MOSAIC COMPANY

Date: May 24, 2007

By: /s/ Richard L. Mack

Name: Richard L. Mack

Title: Senior Vice President, General Counsel and Corporate Secretary