MOSAIC CO
Form 8-K
June 26, 2008

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): June 20, 2008

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 **55441**
(Address of principal executive offices) **(Zip Code)**
Registrant s telephone number, including area code: (800) 918-8270

Not applicable

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

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))

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 64.4 % 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 of the Board of Directors). Mosaic s Board of Directors has adopted a charter for the Special Transactions Committee which provides that the Special Transactions Committee 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 Special Transactions Committee s charter, the Special Transactions Committee 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 Special Transactions Committee, or the Chairman of the Special Transactions Committee. The Special Transactions Committee has approved a policy implemented by Mosaic known as Guidelines for Related Party Transactions with Cargill, Incorporated (the Guidelines), whereby the Special Transactions Committee 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 Special Transactions Committee 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 Special Transactions Committee:

- 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);
- evergreen contracts (i.e., contracts with annual renewal clauses or no stated contract term);
- renewals of commercial agreements previously requiring Special Transactions Committee 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 Special Transactions Committee to Mosaic s internal management committee.

Pursuant to approval of the Special Transactions Committee, Mosaic Canada Crop Nutrition, L.P. and Cargill Limited entered into a supply agreement dated June 20, 2008 for the supply of industrial fine grade potassium chloride treated with triple superphosphate. Cargill Limited will purchase up to 5,000 metric tonnes of potassium chloride treated with triple superphosphate per year for the first two years of the agreement. Thereafter, the maximum annual volume will increase to 15,000 tons per year. Prices will be negotiated semi-annually. This agreement is in effect for five years and expires on June 30, 2013.

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: June 26, 2008

By: /s/ Richard L. Mack
Name: Richard L. Mack
Title: Senior Vice President, General Counsel and Corporate Secretary