

MOSAIC CO
Form 8-K
May 02, 2011

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 2, 2011

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.)

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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)

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 8.01. Other Events.

On May 2, 2011, The Mosaic Company (together with its subsidiaries, individually or in any combination, we, us or our) notified Potash Corporation of Saskatchewan Inc. (PCS) that we have satisfied our obligation to produce potash for PCS from our Esterhazy, Saskatchewan, mine.

We have been providing PCS with potash from the Esterhazy mine at cost for forty years under a tolling agreement. Over the life of the agreement, PCS has requested and received substantially more potash than has been mined from PCS 's reserves. We have supplied the excess from our own reserves. In recent years, PCS has elected to receive approximately one million tonnes per year.

Based on our calculations, the amount of potash mined for PCS from our reserves is now equal to the amount expected to be mined from the remaining PCS reserves. As a result, we believe that we have no further obligation to deliver potash to PCS from the Esterhazy mine, other than PCS 's remaining inventory.

We and PCS are currently in litigation concerning our respective rights and obligations at the Esterhazy mine, including the amount of potash we are required to deliver to PCS. We have offered to continue to ship additional product to PCS at market-based prices during the next 60 days, and have also offered other alternatives to allow continued potash shipments to PCS until the conclusion of trial, currently scheduled to begin in January 2012. These alternatives potentially involve PCS paying us for past deliveries of product processed from our reserves or paying for future deliveries at market-based prices. Should PCS not pursue any alternative, we intend to cease additional potash shipments on July 1, 2011.

Cautionary Statement Regarding Forward-Looking Information

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about future strategic plans and other statements about future financial and operating results. Such statements are based upon the current beliefs and expectations of The Mosaic Company 's management and are subject to significant risks and uncertainties. These risks and uncertainties include but are not limited to risks and uncertainties arising from the predictability and volatility of, and customer expectations about, agriculture, fertilizer, raw material, energy and transportation markets that are subject to competitive and other pressures and economic and credit market conditions; the level of inventories in the distribution channels for crop nutrients; changes in foreign currency and exchange rates; international trade risks; changes in government policy; changes in environmental and other governmental regulation, including greenhouse gas regulation and implementation of the U.S. Environmental Protection Agency 's numeric water quality standards for the discharge of nutrients into Florida lakes and streams; further developments in the lawsuit involving the federal wetlands permit for the extension of the Company 's South Fort Meade, Florida, mine into Hardee County, including settlement, orders, rulings, injunctions or other actions by the court, the plaintiffs, the Army Corps of Engineers or others in relation to the lawsuit, or any actions the Company may identify and implement in an effort to mitigate the effects of the lawsuit; other difficulties or delays in receiving, or increased costs of, or revocation of, necessary governmental permits or approvals; further developments in the lawsuit involving the tolling agreement at the Company 's Esterhazy, Saskatchewan, potash mine, including settlement or orders, rulings, injunctions or other actions by the court, the plaintiff

or others in relation to the lawsuit; the effectiveness of the Company's processes for managing its strategic priorities; adverse weather conditions affecting operations in Central Florida or the Gulf Coast of the United States, including potential hurricanes or excess rainfall; actual costs of various items differing from management's current estimates, including, among others, asset retirement, environmental remediation, reclamation or other environmental obligations, or Canadian resource taxes and royalties; accidents and other disruptions involving Mosaic's operations, including brine inflows at its Esterhazy, Saskatchewan, potash mine and other potential mine fires, floods, explosions, seismic events or releases of hazardous or volatile chemicals; and other risks and uncertainties reported from time to time in The Mosaic Company's reports filed with the Securities and Exchange Commission. Actual results may differ from those set forth in the forward-looking statements.

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 2, 2011

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