



JSK 08-85

July 3, 2008

Mr. Richard L. Mack, Esq.  
Senior Vice President, General  
Counsel and Corporate Secretary  
The Mosaic Company  
3033 Campus Drive, Suite E490  
Plymouth, Minnesota 55441

Re: **Phosphate Mining Compact**

Dear Mr. Mack:

On behalf of the Charlotte County Board of County Commissioners, I would like to thank you for your recent update on the Phosphate Mining Compact. Charlotte County appreciates the Mosaic Company's continued efforts to secure the support of Sarasota County, Lee County and the Peace River/Manasota Regional Water Supply Authority for the Phosphate Compact. We understand progress has been slow, but Charlotte County would strongly urge to keep working with these entities. We believe the Phosphate Compact will be a stronger and more enduring document, if all the original parties approve the agreement.

Charlotte County is pleased with Mosaic's decision to move forward with development of a Stewardship Program for the Peace River Basin prior to final approval of the Compact. We encourage you to circulate a draft of the program to Charlotte, Lee and Sarasota Counties and the Authority as soon as possible and to schedule meetings with these entities to discuss the plan. We believe the process you described will demonstrate your good will and may very well assist you in obtaining the approval of the Phosphate Compact by these other governments. For our part, we are designating Dr. Anthony Janicki as Charlotte County's representative to the Technical Advisory Group to assist you in finalizing the Stewardship Program. Charlotte County has confidence in Dr. Janicki's ability to work cooperatively with Mosaic's technical staff to develop a good monitoring plan consistent with the goals and objectives set forth in the Phosphate Compact and would request that you carefully consider Dr. Janicki's suggestions.

Finally, let me address the question posed in your letter concerning Charlotte County's willingness to enter the Phosphate Compact with only Mosaic should the other parties ultimately decline to approve the agreement. While we hope this scenario will only come to pass after Mosaic has exhausted all reasonable efforts to secure approval of the Phosphate Compact by our other partners, Charlotte County

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Mr. Richard L. Mack, Esq.  
The Mosaic Company  
July 3, 2008  
Page 2

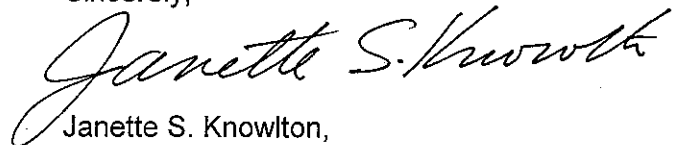
would be willing to consider this option, if the current version of the Phosphate Compact were amended to address the following issues:

- The Phosphate Compact would need to be amended so that Mosaic's contractual obligations would not be contingent on action taken by Sarasota County, Lee County, the Authority or any other third party. In other words, the only commitment Mosaic would require to approve the Phosphate Compact would be Charlotte County's willingness to abide by the terms of the agreement.
- As presently written the Phosphate Compact identifies the Authority as the local governments' primary representatives in several key provisions. For example, Paragraph 6 and Exhibit D only require Mosaic to design and fund the monitoring program collaboratively with the Authority and Paragraph 10 only requires Mosaic to provide meaningful storage volume and a future reservoir site to the Authority. These provisions would need to be re-written to substitute Charlotte County (or its designee) for the Authority.
- The reclamation standards contained in Exhibit C would need to be revised to add language ensuring that Mosaic stockpiles or financially secures sufficient sand tailings to properly reclaim mined lands. We realize this issue was previously raised by Charlotte County, but ultimately discarded during the 5-party negotiations that took place late last year, but now that you are requesting Charlotte County to consider a two-party settlement agreement, the Board of County Commissioners has specifically requested that we re-visit this matter.
- The Phosphate Compact should be amended to include changes discussed by yourself and Commissioner Nora Patterson. In our prior conversations you have characterized these comments as minor and process-related. We believe including these changes in the Phosphate Compact may very well facilitate expansion of a two-party agreement into the five-party agreement originally envisioned by everyone.

If these changes are acceptable to Mosaic, then Charlotte County would be willing to begin discussing a revised two-party agreement at your convenience. I suggest that you contact me directly to begin those negotiations.

Charlotte County looks forward to engaging in further meetings and discussions with Mosaic. We are eager to see that steps are taken to ensure that Mosaic's future mining and reclamation activities are conducted responsibly and in an environmentally sound manner.

Sincerely,



Janette S. Knowlton,  
Charlotte County Attorney

cc: Board of County Commissioners, Charlotte County  
Roger Baltz, Charlotte County Administrator  
Edward P. de la Parte, Jr., Esq.  
Anthony Janicki, Ph.D.