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## Section 1: 10-Q (10-Q)

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**FORM 10-Q**

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QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2020

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-32327

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**The Mosaic Company**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**20-1026454**  
(I.R.S. Employer  
Identification No.)

**101 East Kennedy Blvd  
Suite 2500  
Tampa, Florida 33602  
(800) 918-8270**

(Address and zip code of principal executive offices and registrant's telephone number, including area code)

**Not Applicable**

(Former name, former address and former fiscal year, if changed since last report)

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Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	MOS	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and

“emerging growth company” in Rule 12b-2 of the Exchange Act. (Check one): Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company  Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the issuer’s classes of common stock as of the latest practicable date: 379,020,491 shares of Common Stock as of May 1, 2020.

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**PART I. FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS**

**THE MOSAIC COMPANY**  
**CONDENSED CONSOLIDATED STATEMENTS OF (LOSS) EARNINGS**  
(In millions, except per share amounts)  
(Unaudited)

	<b>Three months ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Net sales	\$ 1,798.1	\$ 1,899.7
Cost of goods sold	1,756.7	1,590.2
Gross margin	41.4	309.5
Selling, general and administrative expenses	67.9	93.5
Other operating expense	39.7	13.9
Operating (loss) earnings	(66.2)	202.1
Interest expense, net	(41.1)	(47.0)
Foreign currency transaction (loss) gain	(214.2)	22.6
Other income (expense)	4.5	(1.1)
(Loss) earnings from consolidated companies before income taxes	(317.0)	176.6
(Benefit from) provision for income taxes	(133.0)	46.6
(Loss) earnings from consolidated companies	(184.0)	130.0
Equity in net (loss) of nonconsolidated companies	(20.0)	(0.1)
Net (loss) earnings including noncontrolling interests	(204.0)	129.9
Less: Net (loss) attributable to noncontrolling interests	(1.0)	(0.9)
Net (loss) earnings attributable to Mosaic	\$ (203.0)	\$ 130.8
Basic net (loss) earnings per share attributable to Mosaic	\$ (0.54)	\$ 0.34
Basic weighted average number of shares outstanding	378.8	385.5
Diluted net (loss) earnings per share attributable to Mosaic	\$ (0.54)	\$ 0.34
Diluted weighted average number of shares outstanding	378.8	387.4

See Notes to Condensed Consolidated Financial Statements

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**THE MOSAIC COMPANY**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
(In millions)  
(Unaudited)

	<b>Three months ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Net (loss) earnings including noncontrolling interest	\$ (204.0)	\$ 129.9
Other comprehensive (loss) income, net of tax		
Foreign currency translation (loss) gain	(603.4)	51.8
Net actuarial gain (loss) and prior service cost	1.8	(1.0)
Realized gain on interest rate swap	0.5	0.6
Net gain on marketable securities held in trust fund	8.0	10.0
Other comprehensive (loss) income	(593.1)	61.4
Comprehensive (loss) income	(797.1)	191.3
Less: Comprehensive (loss) attributable to noncontrolling interest	(8.3)	(1.0)
Comprehensive (loss) income attributable to Mosaic	<u>\$ (788.8)</u>	<u>\$ 192.3</u>

See Notes to Condensed Consolidated Financial Statements

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**THE MOSAIC COMPANY**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(In millions, except per share amounts)  
(Unaudited)

	March 31, 2020	December 31, 2019
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,069.2	\$ 519.1
Receivables, net	723.0	803.9
Inventories	1,930.9	2,076.4
Other current assets	498.0	318.8
Total current assets	4,221.1	3,718.2
Property, plant and equipment, net of accumulated depreciation of \$7,268.0 million and \$7,292.0 million, respectively	10,989.6	11,690.0
Investments in nonconsolidated companies	742.3	763.6
Goodwill	1,077.0	1,156.9
Deferred income taxes	606.3	515.4
Other assets	1,339.2	1,454.4
Total assets	\$ 18,975.5	\$ 19,298.5
<b>Liabilities and Equity</b>		
Current liabilities:		
Short-term debt	\$ 1,008.2	\$ 41.6
Current maturities of long-term debt	46.7	47.2
Structured accounts payable arrangements	502.0	740.6
Accounts payable	691.7	680.4
Accrued liabilities	1,020.4	1,081.9
Total current liabilities	3,269.0	2,591.7
Long-term debt, less current maturities	4,525.2	4,525.5
Deferred income taxes	977.0	1,040.7
Other noncurrent liabilities	1,644.4	1,773.0
Equity:		
Preferred Stock, \$0.01 par value, 15,000,000 shares authorized, none issued and outstanding as of March 31, 2020 and December 31, 2019	—	—
Common Stock, \$0.01 par value, 1,000,000,000 shares authorized, 389,902,778 shares issued and 379,020,281 shares outstanding as of March 31, 2020, 389,646,939 shares issued and 378,764,442 shares outstanding as of December 31, 2019	3.8	3.8
Capital in excess of par value	847.7	858.4
Retained earnings	9,718.7	9,921.5
Accumulated other comprehensive loss	(2,184.0)	(1,598.2)
Total Mosaic stockholders' equity	8,386.2	9,185.5
Noncontrolling interests	173.7	182.1
Total equity	8,559.9	9,367.6
Total liabilities and equity	\$ 18,975.5	\$ 19,298.5

See Notes to Condensed Consolidated Financial Statements

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**THE MOSAIC COMPANY**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In millions)  
(Unaudited)

	<b>Three months ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Cash Flows from Operating Activities:</b>		
Net (loss) earnings including noncontrolling interests	\$ (204.0)	\$ 129.9
Adjustments to reconcile net (loss) earnings including noncontrolling interests to net cash provided by operating activities:		
Depreciation, depletion and amortization	217.8	218.1
Deferred and other income taxes	(107.3)	5.3
Equity in net loss of nonconsolidated companies, net of dividends	20.0	3.6
Accretion expense for asset retirement obligations	17.3	15.3
Share-based compensation expense	(10.1)	15.3
Unrealized loss (gain) on derivatives	51.9	(46.9)
Other	10.7	4.4
Changes in assets and liabilities:		
Receivables, net	14.8	59.0
Inventories	(24.4)	(304.5)
Other current and noncurrent assets	(107.9)	(66.0)
Accounts payable and accrued liabilities	332.7	(186.7)
Other noncurrent liabilities	(21.6)	(22.3)
Net cash provided by (used in) operating activities	189.9	(175.5)
<b>Cash Flows from Investing Activities:</b>		
Capital expenditures	(263.5)	(313.9)
Purchases of available-for-sale securities - restricted	(210.0)	(186.9)
Proceeds from sale of available-for-sale securities - restricted	203.8	182.3
Purchases of held-to-maturity securities	(0.7)	(13.0)
Proceeds from sale of held-to-maturity securities	0.8	2.3
Other	(0.1)	0.3
Net cash used in investing activities	(269.7)	(328.9)
<b>Cash Flows from Financing Activities:</b>		
Payments of short-term debt	(132.6)	(53.7)
Proceeds from issuance of short-term debt	1,105.4	206.0
Payments of structured accounts payable arrangements	(412.9)	(319.7)
Proceeds from structured accounts payable arrangements	171.6	209.5
Payments of long-term debt	(14.2)	(10.1)
Cash dividends paid	(18.9)	(9.6)
Other	(0.1)	(0.1)
Net cash provided by financing activities	698.3	22.3
Effect of exchange rate changes on cash	(68.9)	13.5
Net change in cash, cash equivalents and restricted cash	549.6	(468.6)
Cash, cash equivalents and restricted cash - December 31	532.3	871.0
Cash, cash equivalents and restricted cash - March 31	\$ 1,081.9	\$ 402.4

See Notes to Condensed Consolidated Financial Statements

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**THE MOSAIC COMPANY**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)**  
(In millions)  
(Unaudited)

	<u>Three months ended</u>	
	<u>March 31, 2020</u>	<u>March 31, 2019</u>
<b>Reconciliation of cash, cash equivalents and restricted cash reported within the unaudited condensed consolidated balance sheets to the unaudited condensed consolidated statements of cash flows:</b>		
Cash and cash equivalents	\$ 1,069.2	\$ 384.6
Restricted cash in other current assets	8.6	8.8
Restricted cash in other assets	4.1	9.0
Total cash, cash equivalents and restricted cash shown in the unaudited condensed consolidated statement of cash flows	<u>\$ 1,081.9</u>	<u>\$ 402.4</u>

**Supplemental Disclosure of Cash Flow Information:**

Cash paid during the period for:		
Interest (net of amount capitalized of \$7.5 and \$6.0 for the three months ended March 31, 2020 and 2019, respectively)	\$ 15.5	\$ 10.5
Income taxes (net of refunds)	66.5	93.8

See Notes to Condensed Consolidated Financial Statements

**THE MOSAIC COMPANY**  
**CONDENSED CONSOLIDATED STATEMENTS OF EQUITY**  
(In millions, except per share amounts)  
(Unaudited)

	Mosaic Shareholders							Total Equity
	Shares		Dollars					
	Common Stock	Common Stock	Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive (Loss)	Noncontrolling Interests		
<b>Balance as of December 31, 2018</b>	385.5	\$ 3.8	\$ 985.9	\$ 11,064.7	\$ (1,657.1)	\$ 207.4	\$ 10,604.7	
Adoption of ASC Topic 842	—	—	—	0.6	—	—	0.6	
Total comprehensive income (loss)	—	—	—	130.8	61.5	(1.0)	191.3	
Vesting of restricted stock units	0.3	—	(5.0)	—	—	—	(5.0)	
Stock based compensation	—	—	15.3	—	—	—	15.3	
Dividends	—	—	—	0.7	—	—	0.7	
Dividends for noncontrolling interests	—	—	—	—	—	(0.1)	(0.1)	
<b>Balance as of March 31, 2019</b>	<u>385.8</u>	<u>\$ 3.8</u>	<u>\$ 996.2</u>	<u>\$ 11,196.8</u>	<u>\$ (1,595.6)</u>	<u>\$ 206.3</u>	<u>\$ 10,807.5</u>	
<b>Balance as of December 31, 2019</b>	378.8	\$ 3.8	\$ 858.4	\$ 9,921.5	\$ (1,598.2)	\$ 182.1	\$ 9,367.6	
Total comprehensive loss	—	—	—	(203.0)	(585.8)	(8.3)	(797.1)	
Vesting of restricted stock units	0.2	—	(2.4)	—	—	—	(2.4)	
Stock based compensation	—	—	(8.3)	—	—	—	(8.3)	
Dividends	—	—	—	0.2	—	—	0.2	
Dividends for noncontrolling interests	—	—	—	—	—	(0.1)	(0.1)	
<b>Balance as of March 31, 2020</b>	<u>379.0</u>	<u>\$ 3.8</u>	<u>\$ 847.7</u>	<u>\$ 9,718.7</u>	<u>\$ (2,184.0)</u>	<u>\$ 173.7</u>	<u>\$ 8,559.9</u>	

See Notes to Condensed Consolidated Financial Statements

**THE MOSAIC COMPANY**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Tables in millions, except per share amounts and as otherwise designated)  
(Unaudited)

**1. Organization and Nature of Business**

The Mosaic Company (“*Mosaic*,” and, with its consolidated subsidiaries, “*we*,” “*us*,” “*our*,” or the “*Company*”) produces and markets concentrated phosphate and potash crop nutrients. We conduct our business through wholly and majority owned subsidiaries and businesses in which we own less than a majority or a noncontrolling interest, including consolidated variable interest entities and investments accounted for by the equity method.

On January 8, 2018, we completed our acquisition (the “*Acquisition*”) of Vale Fertilizantes S.A. (now known as Mosaic Fertilizantes P&K S.A. or the “*Acquired Business*”). Upon completion of the Acquisition, we became the leading fertilizer producer and distributor in Brazil.

We are organized into the following business segments:

- Our **Phosphates** business segment owns and operates mines and production facilities in Florida which produce concentrated phosphate crop nutrients and phosphate-based animal feed ingredients, and processing plants in Louisiana which produce concentrated phosphate crop nutrients. As part of the Acquisition, we acquired an additional 40% economic interest in the Miski Mayo Phosphate Mine in Peru, which increased our aggregate interest to 75%. These results are consolidated in the Phosphates segment. The Phosphates segment also includes our 25% interest in the Ma’aden Wa’ad Al Shamal Phosphate Company (the “*MWSPC*”), a joint venture to develop, own and operate integrated phosphate production facilities in the Kingdom of Saudi Arabia. We market approximately 25% of the MWSPC phosphate production. We recognize our equity in the net earnings or losses relating to MWSPC on a one-quarter lag in our Condensed Consolidated Statements of Earnings.
- Our **Potash** business segment owns and operates potash mines and production facilities in Canada and the U.S. which produce potash-based crop nutrients, animal feed ingredients and industrial products. Potash sales include domestic and international sales. We are a member of Canpotex, Limited (“*Canpotex*”), an export association of Canadian potash producers through which we sell our Canadian potash outside the U.S. and Canada.
- Our **Mosaic Fertilizantes** business segment includes the assets in Brazil that we acquired in the Acquisition, which consist of five phosphate rock mines, four phosphate chemical plants and a potash mine. The segment also includes our legacy distribution business in South America, which consists of sales offices, crop nutrient blending and bagging facilities, port terminals and warehouses in Brazil and Paraguay. We also have a majority interest in Fospar S.A., which owns and operates a single superphosphate granulation plant and a deep-water crop nutrition port and throughput warehouse terminal facility in Brazil.

Intersegment eliminations, unrealized mark-to-market gains/losses on derivatives, debt expenses, Streamsong Resort® results of operations, and the results of the China and India distribution businesses are included within Corporate, Eliminations and Other.

**2. Summary of Significant Accounting Policies**

***Statement Presentation and Basis of Consolidation***

The accompanying unaudited Condensed Consolidated Financial Statements of Mosaic have been prepared on the accrual basis of accounting and in accordance with the requirements of the Securities and Exchange Commission (“*SEC*”) for interim financial reporting. As permitted under these rules, certain footnotes and other financial information that are normally required by accounting principles generally accepted in the United States (“*GAAP*”) can be condensed or omitted. The Condensed Consolidated Financial Statements included in this document reflect, in the opinion of our management, all adjustments (consisting of only normal recurring adjustments) necessary for a fair presentation of the results for the interim periods presented. The following notes should be read in conjunction with the accounting policies and other disclosures in the Notes to the Consolidated Financial Statements included in our Annual Report on Form 10-K filed with the SEC for the year ended December 31, 2019 (the “*10-K Report*”). Sales, expenses, cash flows, assets and liabilities can and do vary during the year as a result of seasonality and other factors. Therefore, interim results are not necessarily indicative of the results to be expected for the full fiscal year.

**THE MOSAIC COMPANY**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

The accompanying Condensed Consolidated Financial Statements include the accounts of Mosaic, its majority owned subsidiaries, and certain variable interest entities in which Mosaic is the primary beneficiary. Certain investments in companies where we do not have control but have the ability to exercise significant influence are accounted for by the equity method.

***Accounting Estimates***

Preparation of the Condensed Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of net sales and expenses during the reporting periods. The most significant estimates made by management relate to the estimates of fair value of acquired assets and liabilities, the recoverability of non-current assets including goodwill, the useful lives and net realizable values of long-lived assets, environmental and reclamation liabilities including asset retirement obligations (“**ARO**”), and income tax-related accounts, including the valuation allowance against deferred income tax assets. Actual results could differ from these estimates.

**3. Recently Issued Accounting Guidance**

In June 2016, the Financial Accounting Standards Board (“**FASB**”) issued guidance which revises the accounting for credit losses on financial instruments within its scope. The standard introduces an approach, based on expected losses, to estimate credit losses on certain types of financial instruments, including trade and other receivables, and modifies the impairment model for available-for-sale (“**AFS**”) debt securities. The guidance amends the current other-than-temporary impairment model for AFS debt securities and provides that any impairment related to credit losses be recognized as an allowance (which could be reversed) rather than as a permanent reduction in the amortized cost basis of that security. We adopted this standard prospectively on January 1, 2020 and revised our accounting policies and procedures to reflect the requirements of this standard related to our trade receivables and AFS debt securities. Based on the composition of our trade receivables, current market conditions, and historical and expected credit loss activity, adoption of this standard did not significantly impact our consolidated results of operations or financial condition.

**THE MOSAIC COMPANY**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

**4. Other Financial Statement Data**

The following provides additional information concerning selected balance sheet accounts:

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
<b>Other current assets</b>		
Income and other taxes receivable	\$ 319.5	\$ 179.5
Prepaid expenses	125.7	110.7
Other	52.8	28.6
	<u>\$ 498.0</u>	<u>\$ 318.8</u>
<b>Other assets</b>		
Restricted cash	\$ 4.1	\$ 5.4
MRO inventory	133.5	126.8
Marketable securities held in trust	709.0	691.7
Operating lease right-of-use assets	179.1	192.1
Indemnification asset	24.1	40.6
Long-term receivable	56.6	81.6
Other	232.8	316.2
	<u>\$ 1,339.2</u>	<u>\$ 1,454.4</u>
<b>Accrued liabilities</b>		
Accrued dividends	\$ 0.6	\$ 20.0
Payroll and employee benefits	127.1	173.8
Asset retirement obligations	147.5	154.4
Customer prepayments <sup>(a)</sup>	295.4	266.9
Accrued income tax	2.3	33.9
Operating lease obligation	64.2	67.1
Other	383.3	365.8
	<u>\$ 1,020.4</u>	<u>\$ 1,081.9</u>
<b>Other noncurrent liabilities</b>		
Asset retirement obligations	\$ 1,113.2	\$ 1,160.8
Operating lease obligation	116.5	127.0
Accrued pension and postretirement benefits	143.3	173.6
Unrecognized tax benefits	39.9	42.1
Other	231.5	269.5
	<u>\$ 1,644.4</u>	<u>\$ 1,773.0</u>

<sup>(a)</sup> The timing of recognition of revenue related to our performance obligations may be different than the timing of collection of cash related to those performance obligations. Specifically, we collect prepayments from certain customers in Brazil. In addition, cash collection from Canpotex may occur prior to delivery of product to the end customer. We generally satisfy our contractual liabilities within one quarter of incurring the liability.

**THE MOSAIC COMPANY**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

### 5. Earnings Per Share

The numerator for basic and diluted earnings per share (“*EPS*”) is net earnings attributable to Mosaic. The denominator for basic EPS is the weighted average number of shares outstanding during the period. The denominator for diluted EPS also includes the weighted average number of additional common shares that would have been outstanding if the dilutive potential common shares had been issued, unless the shares are anti-dilutive.

The following is a reconciliation of the numerator and denominator for the basic and diluted EPS computations:

	<b>Three Months Ended March 31,</b>	
	<b>2020</b>	<b>2019</b>
Net (loss) earnings attributable to Mosaic	\$ (203.0)	\$ 130.8
Basic weighted average number of shares outstanding	378.8	385.5
Dilutive impact of share-based awards	—	1.9
Diluted weighted average number of shares outstanding	378.8	387.4
Basic net (loss) earnings per share attributable to Mosaic	\$ (0.54)	\$ 0.34
Diluted net (loss) earnings per share attributable to Mosaic	\$ (0.54)	\$ 0.34

A total of 2.5 million and 1.6 million shares of common stock subject to issuance related to share-based awards for the three months ended March 31, 2020 and March 31, 2019, respectively, have been excluded from the calculation of diluted EPS because the effect would have been anti-dilutive.

### 6. Inventories

Inventories consist of the following:

	<b>March 31, 2020</b>	<b>December 31, 2019</b>
	Raw materials	\$ 62.0
Work in process	601.2	618.4
Finished goods	1,120.8	1,219.3
Final price deferred <sup>(a)</sup>	44.4	47.9
Operating materials and supplies	102.5	122.5
	<u>\$ 1,930.9</u>	<u>\$ 2,076.4</u>

<sup>(a)</sup> Final price deferred is product that has shipped to customers, but the price has not yet been agreed upon.

**THE MOSAIC COMPANY**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

**7. Goodwill**

Mosaic had goodwill of \$1.1 billion as of March 31, 2020 and \$1.2 billion as of December 31, 2019. We review goodwill for impairment annually in October or at any time events or circumstances indicate that the carrying value may not be fully recoverable, which is based on our accounting policy and GAAP. The changes in the carrying amount of goodwill, by reporting unit, are as follows:

	<b>Potash</b>	<b>Mosaic Fertilizantes</b>	<b>Corporate, Eliminations and Other</b>	<b>Total</b>
Balance as of December 31, 2019	\$ 1,039.8	\$ 105.0	\$ 12.1	\$ 1,156.9
Foreign currency translation	(72.6)	(7.3)	—	(79.9)
Balance as of March 31, 2020	\$ 967.2	\$ 97.7	\$ 12.1	\$ 1,077.0

Due to a significant decline in the market price of our stock, we performed a review of goodwill as of March 31, 2020. We determined that our Potash reporting unit had an estimated fair value that was not significantly in excess of its carrying value, at 14.2%, and could be at risk of future impairment. We continue to believe that our long-term financial goals will be achieved. Our Mosaic Fertilizantes reporting unit has substantial fair value in excess of its carrying value. Foreign currency rates can impact the carrying value of our Potash and Mosaic Fertilizantes reporting units. We continue to monitor the rates of these reporting units as they could put them at risk of future impairment.

We are required to perform our next annual goodwill impairment analysis as of October 31, 2020. It is possible that, during the remainder of 2020 or beyond, business conditions could deteriorate from the current state, raw material or product price projections could decline significantly from current estimates, we could experience fluctuations in foreign currency exchange rates or our common stock price could decline significantly. If our net sales and cash flow projections are not achieved, or our common stock price continues to decline from the current level, book values of certain operations could exceed their fair values, which may result in goodwill impairment charges in future periods. It is not possible at this time to determine if any such future impairment charge would result or, if it does, whether such charge would be material.

**8. Marketable Securities Held in Trusts**

In August 2016, Mosaic deposited \$630 million into two trust funds (together, the “*RCRA Trusts*”) created to provide additional financial assurance in the form of cash for the estimated costs (“*Gypstack Closure Costs*”) of closure and long term care of our Florida and Louisiana phosphogypsum management systems (“*Gypstacks*”), as described further in Note 10 of our Notes to Condensed Consolidated Financial Statements. Our actual Gypstack Closure Costs are generally expected to be paid by us in the normal course of our Phosphate business; however, funds held in each of the RCRA Trusts can be drawn by the applicable governmental authority in the event we cannot perform our closure and long term care obligations. When our estimated Gypstack Closure Costs with respect to the facilities associated with a RCRA Trust are sufficiently lower than the amount on deposit in that RCRA Trust, we have the right to request that the excess funds be released to us. The same is true for the RCRA Trust balance remaining after the completion of our obligations, which will be performed over a period that may not end until three decades or more after a Gypstack has been closed. The investments held by the RCRA Trusts are managed by independent investment managers with discretion to buy, sell, and invest pursuant to the objectives and standards set forth in the related trust agreements. Amounts reserved to be held or held in the RCRA Trusts (including losses or reinvested earnings) are included in other assets on our Condensed Consolidated Balance Sheets.

The RCRA Trusts hold investments, which are restricted from our general use, in marketable debt securities classified as available-for-sale and are carried at fair value. As a result, unrealized gains and losses are included in other comprehensive income until realized, unless it is determined that the carrying value of an investment is impaired on an other-than-temporary basis.

We review the fair value hierarchy classification on a quarterly basis. Changes in the ability to observe valuation inputs may result in a reclassification of levels for certain securities within the fair value hierarchy. We determine the fair market values of our available-for-sale securities and certain other assets based on the fair value hierarchy described below:

Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

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Level 2: Values based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques for which all significant assumptions are observable in the market.

Level 3: Values generated from model-based techniques that use significant assumptions not observable in the market. These unobservable assumptions reflect our own estimates of assumptions that market participants would use in pricing the asset or liability. Valuation techniques include use of option pricing models, discounted cash flow models and similar techniques.

There were no other-than-temporary impairment write-downs on available-for-sale securities during the three months ended March 31, 2020.

The estimated fair value of the investments in the RCRA Trusts as of March 31, 2020 and December 31, 2019 are as follows:

	March 31, 2020			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
<b>Level 1</b>				
Cash and cash equivalents	\$ 2.0	\$ —	\$ —	\$ 2.0
<b>Level 2</b>				
Corporate debt securities	194.3	4.5	(2.5)	196.3
Municipal bonds	190.7	3.7	(1.2)	193.2
U.S. government bonds	288.4	13.9	—	302.3
<b>Total</b>	<b>\$ 675.4</b>	<b>\$ 22.1</b>	<b>\$ (3.7)</b>	<b>\$ 693.8</b>

	December 31, 2019			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
<b>Level 1</b>				
Cash and cash equivalents	\$ 3.4	\$ —	\$ —	\$ 3.4
<b>Level 2</b>				
Corporate debt securities	194.2	5.8	(0.1)	199.9
Municipal bonds	188.3	4.4	(0.4)	192.3
U.S. government bonds	280.6	3.2	(2.5)	281.3
<b>Total</b>	<b>\$ 666.5</b>	<b>\$ 13.4</b>	<b>\$ (3.0)</b>	<b>\$ 676.9</b>

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The following tables show gross unrealized losses and fair values of the RCRA Trusts' available-for-sale securities that have been in a continuous unrealized loss position deemed to be temporary as of March 31, 2020 and December 31, 2019:

<i>(in millions)</i>	March 31, 2020		December 31, 2019	
	Fair Value	Gross Unrealized Losses <sup>(a)</sup>	Fair Value	Gross Unrealized Losses <sup>(a)</sup>
Securities that have been in a continuous loss position for less than 12 months:				
Corporate debt securities	\$ 68.1	\$ (2.5)	\$ 17.9	\$ —
Municipal bonds	57.9	(0.9)	11.7	(0.1)
U.S. government bonds	0.1	—	195.4	(2.5)
	126.1	(3.4)	225.0	(2.6)
Securities that have been in a continuous loss position for more than 12 months:				
Corporate debt securities	3.0	—	20.7	(0.1)
Municipal bonds	5.8	(0.3)	14.7	(0.3)
U.S. government bonds	—	—	—	—
	8.8	(0.3)	35.4	(0.4)
Total	\$ 134.9	\$ (3.7)	\$ 260.4	\$ (3.0)

The following table summarizes the balance by contractual maturity of the available-for-sale debt securities invested by the RCRA Trusts as of March 31, 2020. Actual maturities may differ from contractual maturities because the issuers of the securities may have the right to prepay obligations before the underlying contracts mature.

	March 31, 2020
Due in one year or less	\$ 34.2
Due after one year through five years	291.1
Due after five years through ten years	329.8
Due after ten years	36.7
Total debt securities	\$ 691.8

For the three months ended March 31, 2020, realized gains were \$5.8 million and realized losses were \$0.5 million. For the three months ended March 31, 2019, realized gains were \$3.1 million and realized losses were \$0.8 million.

**9. Financing Arrangements**

***Structured Accounts Payable Arrangements***

In Brazil, we finance some of our potash-based fertilizer, sulfur, ammonia and other raw material product purchases through third-party financing arrangements. These arrangements provide that the third-party intermediary advance the amount of the scheduled payment to the vendor, less an appropriate discount, at a scheduled payment date and Mosaic makes payment to the third-party intermediary at a later date, stipulated in accordance with the commercial terms negotiated. As of March 31, 2020 and December 31, 2019, the total structured accounts payable arrangements were \$502.0 million and \$740.6 million, respectively.

***Inventory Financing Arrangement***

On January 7, 2020, we entered into an inventory financing arrangement with a bank to sell up to \$400 million of certain commodities inventory for cash and subsequently repurchase the inventory at an agreed upon price and time in the future, not to

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exceed 180 days. Under the terms of the agreement, we may borrow up to 90% of the value of the inventory. It is later repurchased by Mosaic at the original sale price plus interest and any transaction costs. As of March 31, 2020, we had sold \$350.3 million of inventory under this arrangement, which is included in short-term debt on the Condensed Consolidated Balance Sheet. The inventory remains on our Condensed Consolidated Balance Sheet as it serves as collateral for the debt. Interest accrues on the debt through the repurchase date, and is included in accrued liabilities. The weighted average interest rate of the repurchase obligation as of March 31, 2020 was 2.11%.

**Receivable Purchasing Arrangement**

On March 4, 2020, we entered into a Receivable Purchasing Agreement ("**RPA**"), with a bank whereby, from time-to-time, we sell certain receivables. The net face value of the purchased receivables may not exceed \$150 million at any point in time. The purchase price of the receivable sold under the RPA is the face value of the receivable less a discount of 70 basis points over a designated reference rate (LIBOR or Canadian Dollar Offered Rate). We record the purchase price as short-term debt, and recognize interest expense by accreting the liability through the due date of the underlying receivables. As of March 31, 2020, we had non-recourse short-term debt of \$101.5 million related to the RPA. Following the sale to the bank, we continue to service the collection of the receivables on behalf of the bank without further consideration. The weighted average interest rate of the RPA related debt as of March 31, 2020 was 1.47%.

**10. Asset Retirement Obligations**

We recognize our estimated AROs in the period in which we have an existing legal obligation associated with the retirement of a tangible long-lived asset, and the amount of the liability can be reasonably estimated. The ARO is recognized at fair value when the liability is incurred with a corresponding increase in the carrying amount of the related long-lived asset. We depreciate the tangible asset over its estimated useful life. The liability is adjusted in subsequent periods through accretion expense, which represents the increase in the present value of the liability due to the passage of time. Such depreciation and accretion expenses are included in cost of goods sold for operating facilities and other operating expense for indefinitely closed facilities.

Our legal obligations related to asset retirement require us to: (i) reclaim lands disturbed by mining as a condition to receive permits to mine phosphate ore reserves; (ii) treat low pH process water in Gypstacks to neutralize acidity; (iii) close and monitor Gypstacks at our Florida and Louisiana facilities at the end of their useful lives; (iv) remediate certain other conditional obligations; (v) remove all surface structures and equipment, plug and abandon mine shafts, contour and revegetate, as necessary, and monitor for five years after closing our Carlsbad, New Mexico facility; (vi) decommission facilities, manage tailings and execute site reclamation at our Saskatchewan potash mines at the end of their useful lives; (vii) de-commission mines in Brazil and Peru acquired as part of the Acquisition and (viii) decommission plant sites and close Gypstacks in Brazil also as part of the Acquisition. The estimated liability for these legal obligations is based on the estimated cost to satisfy the above obligations, which is discounted using a credit-adjusted risk-free rate.

A reconciliation of our AROs is as follows:

<i>(in millions)</i>	<b>March 31, 2020</b>	<b>December 31, 2019</b>
AROs, beginning of period	\$ 1,315.2	\$ 1,160.1
Liabilities incurred	3.4	15.8
Liabilities settled	(22.5)	(112.8)
Accretion expense	17.3	62.4
Revisions in estimated cash flows	1.2	191.0
Foreign currency translation	(53.9)	(1.3)
AROs, end of period	1,260.7	1,315.2
Less current portion	(147.5)	(154.4)
Non-current portion of AROs	\$ 1,113.2	\$ 1,160.8

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*North America Gypstack Closure Costs*

A majority of our ARO relates to Gypstack Closure Costs in Florida and Louisiana. For financial reporting purposes, we recognize our estimated Gypstack Closure Costs at their present value. This present value determined for financial reporting purposes is reflected on our Consolidated Balance Sheets in accrued liabilities and other noncurrent liabilities.

As discussed below, we have arrangements to provide financial assurance for the estimated Gypstack Closure Costs associated with our facilities in Florida and Louisiana.

*EPA RCRA Initiative.* On September 30, 2015, we and our subsidiary, Mosaic Fertilizer, LLC (“*Mosaic Fertilizer*”), reached agreements with the U.S. Environmental Protection Agency (“*EPA*”), the U.S. Department of Justice (“*DOJ*”), the Florida Department of Environmental Protection (“*FDEP*”) and the Louisiana Department of Environmental Quality on the terms of two consent decrees (collectively, the “*2015 Consent Decrees*”) to resolve claims relating to our management of certain waste materials onsite at our Riverview, New Wales, Mulberry, Green Bay, South Pierce and Bartow fertilizer manufacturing facilities in Florida and our Faustina and Uncle Sam facilities in Louisiana. This followed a 2003 announcement by the EPA Office of Enforcement and Compliance Assurance that it would be targeting facilities in mineral processing industries, including phosphoric acid producers, for a thorough review under the U.S. Resource Conservation and Recovery Act (“*RCRA*”) and related state laws. As discussed below, a separate consent decree was previously entered into with EPA and the FDEP with respect to RCRA compliance at the Plant City, Florida phosphate concentrates facility (the “*Plant City Facility*”) that we acquired as part of our acquisition (the “*CF Phosphate Assets Acquisition*”) of the Florida phosphate assets and assumption of certain related liabilities of CF Industries, Inc. (“*CF*”).

The remaining monetary obligations under the 2015 Consent Decrees include:

- Modification of certain operating practices and undertaking certain capital improvement projects over a period of several years that are expected to result in capital expenditures likely to exceed \$60 million in the aggregate.
- Provision of additional financial assurance for the estimated Gypstack Closure Costs for Gypstacks at the covered facilities. The RCRA Trusts are discussed in Note 8 to our Condensed Consolidated Financial Statements. In addition, we have agreed to guarantee the difference between the amounts held in each RCRA Trust (including any earnings) and the estimated closure and long-term care costs.

As of December 31, 2019, the undiscounted amount of our Gypstack Closure Costs ARO associated with the facilities covered by the 2015 Consent Decrees, determined using the assumptions used for financial reporting purposes, was approximately \$1.6 billion. and the present value of our Gypstack Closure Costs ARO reflected in our Consolidated Balance Sheet for those facilities was approximately \$429.3 million.

*Plant City and Bonnie Facilities.* As part of the CF Phosphate Assets Acquisition, we assumed certain AROs related to Gypstack Closure Costs at both the Plant City Facility and a closed Florida phosphate concentrates facility in Bartow, Florida (the “*Bonnie Facility*”) that we acquired. Associated with these assets are two related financial assurance arrangements for which we became responsible and that provided sources of funds for the estimated Gypstack Closure Costs for these facilities, pursuant to federal or state law: the government entities can draw against such amounts in the event we cannot perform such closure activities. One was initially a trust (the “*Plant City Trust*”) established to meet the requirements under a consent decree with the EPA and the FDEP with respect to RCRA compliance at Plant City that also satisfied Florida financial assurance requirements at that site. Beginning in September 2016, as a substitute for the financial assurance provided through the Plant City Trust, we have provided financial assurance for the Plant City Facility in the form of a surety bond (the “*Plant City Bond*”). The amount of the Plant City Bond is \$244.9 million, which reflects our closure cost estimates as of December 31, 2019. The other was also a trust fund (the “*Bonnie Facility Trust*”) established to meet the requirements under Florida financial assurance regulations that apply to the Bonnie Facility. In July 2018, we received \$21.0 million from the Bonnie Facility Trust by substituting for the trust fund a financial test mechanism (“*Bonnie Financial Test*”) supported by a corporate guarantee as allowed by state regulations. Both financial assurance funding obligations require estimates of future expenditures that could be impacted by refinements in scope, technological developments, new information, cost inflation, changes in regulations, discount rates and the timing of activities. Under our current approach to satisfying applicable requirements, additional financial assurance would be required in the future if increases in cost estimates exceed the face amount of the Plant City Bond or the amount supported by the Bonnie Financial Test.

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As of March 31, 2020 and December 31, 2019, the aggregate amounts of AROs associated with the combined Plant City Facility and Bonnie Facility gypstack closure costs included in our Condensed Consolidated Balance Sheets were \$208.1 million and \$211.2 million, respectively. The aggregate amount represented by the Plant City Bond exceeds the aggregate amount of ARO associated with that facility. This is because the amount of financial assurance we are required to provide represents the aggregate undiscounted estimated amount to be paid by us in the normal course of our Phosphates business over a period that may not end until three decades or more after the Gypstack has been closed, whereas the ARO included in our Condensed Consolidated Balance Sheet reflects the discounted present value of those estimated amounts.

**11. Income Taxes**

During the three months ended March 31, 2020, gross unrecognized tax benefits decreased by \$7.3 million to \$32.2 million. The decrease is primarily related to releasing a reserve in the U.S. for AMT sequestration. If recognized, approximately \$16.9 million of the \$32.2 million in unrecognized tax benefits would affect our effective tax rate and net earnings in future periods.

We recognize interest and penalties related to unrecognized tax benefits as a component of our income tax provision. We had accrued interest and penalties totaling \$7.1 million and \$7.4 million as of March 31, 2020 and December 31, 2019, respectively, that were included in other noncurrent liabilities in the Condensed Consolidated Balance Sheets.

Accounting for uncertain tax positions is determined by prescribing the minimum probability threshold that a tax position is more likely than not to be sustained based on the technical merits of the position. Mosaic is continually under audit by various tax authorities in the normal course of business. Such tax authorities may raise issues contrary to positions taken by the Company. If such positions are ultimately not sustained by the Company, this could result in material assessments to the Company. The costs related to defending, if needed, such positions on appeal or in court may be material. The Company believes that any issues raised are properly accounted for.

For the three months ended March 31, 2020, tax expense specific to the period was a benefit of approximately \$28.3 million. This consisted primarily of tax benefit of \$25.1 million recorded related to the impacts of the Coronavirus Aid, Relief, and Economic Security Act (“*CARES Act*”) to prior years. The CARES Act provides various tax relief measures to taxpayers impacted by the coronavirus. Tax expense specific to the period also included a benefit of \$5.5 million related to release of the sequestration on AMT, which was partially offset by a share-based excess cost of \$1.7 million and changes in estimates related to prior years of \$0.6 million. In addition to items specific to the period, our income tax rate is impacted by the mix of earnings across the jurisdictions in which we operate, by a benefit associated with depletion, and by the impact of certain entities being taxed in both foreign jurisdictions and the U.S., including foreign tax credits for various taxes incurred.

Generally, for interim periods, income tax is equal to the total of (1) year-to-date pretax income multiplied by our forecasted effective tax rate plus (2) tax expense items specific to the period. In situations where we expect to report losses for which we do not expect to receive tax benefits, we are required to apply separate forecasted effective tax rates to those jurisdictions rather than including them in the consolidated effective tax rate. For the three months ended March 31, 2020, income tax expense was impacted by this set of rules, resulting in an additional cost of \$12.6 million compared to what would have been recorded under the general rule on a consolidated basis.

For the three months ended March 31, 2019, tax expense specific to the period was a benefit of approximately \$0.4 million. In addition to items specific to the period, our income tax rate is impacted by the mix of earnings across the jurisdictions in which we operate, by a benefit associated with depletion, and by the impact of certain entities being taxed in both foreign jurisdictions and the U.S., including foreign tax credits for various taxes incurred.

**12. Derivative Instruments and Hedging Activities**

We periodically enter into derivatives to mitigate our exposure to foreign currency risks, interest rate movements and the effects of changing commodity prices. We record all derivatives on the Condensed Consolidated Balance Sheets at fair value. The fair value of these instruments is determined by using quoted market prices, third party comparables, or internal estimates. We net our derivative asset and liability positions when we have a master netting arrangement in place. Changes in the fair value of the foreign currency, commodity and freight derivatives are immediately recognized in earnings.

We do not apply hedge accounting treatments to our foreign currency exchange contracts, commodities contracts, or freight contracts. Unrealized gains and (losses) on foreign currency exchange contracts used to hedge cash flows related to the production of our products are included in cost of goods sold in the Condensed Consolidated Statements of Earnings. Unrealized gains and (losses) on commodities contracts and certain forward freight agreements are also recorded in cost of

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goods sold in the Condensed Consolidated Statements of Earnings. Unrealized gains or (losses) on foreign currency exchange contracts used to hedge cash flows that are not related to the production of our products are included in the foreign currency transaction gain/(loss) caption in the Condensed Consolidated Statements of Earnings.

We apply fair value hedge accounting treatment to our fixed-to-floating interest rate contracts. Under these arrangements, we agree to exchange, at specified intervals, the difference between fixed and floating interest amounts calculated by reference to an agreed-upon notional principal amount. The mark-to-market of these fair value hedges is recorded as gains or losses in interest expense. These fair value hedges are considered to be highly effective and, thus, as of March 31, 2020, the impact on earnings due to hedge ineffectiveness was immaterial. Consistent with Mosaic's intent to have floating rate debt as a portion of its outstanding debt, we had nine fixed-to-floating interest rate swap agreements with a total notional amount of \$585.0 million as of March 31, 2020 and December 31, 2019 related to our Senior Notes due 2023.

As of March 31, 2020 and December 31, 2019, the gross asset position of our derivative instruments was \$88.2 million and \$29.9 million, respectively, and the gross liability position of our liability instruments was \$118.1 million and \$29.1 million, respectively.

As of March 31, 2020 and December 31, 2019, the following is the total absolute notional volume associated with our outstanding derivative instruments:

(in millions of Units)				
Derivative Instrument	Derivative Category	Unit of Measure	March 31, 2020	December 31, 2019
Foreign currency derivatives	Foreign currency	US Dollars	1,709.8	1,923.3
Interest rate derivatives	Interest rate	US Dollars	585.0	585.0
Natural gas derivatives	Commodity	MMbtu	38.6	44.1

#### ***Credit-Risk-Related Contingent Features***

Certain of our derivative instruments contain provisions that are governed by International Swap and Derivatives Association agreements with the counterparties. These agreements contain provisions that allow us to settle for the net amount between payments and receipts, and also state that if our debt were to be rated below investment grade, certain counterparties could request full collateralization on derivative instruments in net liability positions. The aggregate fair value of all derivative instruments with credit-risk-related contingent features that were in a liability position as of March 31, 2020 and December 31, 2019, was \$69.8 million and \$11.6 million, respectively. We have no cash collateral posted in association with these contracts. If the credit-risk-related contingent features underlying these agreements were triggered on March 31, 2020, we would have been required to post an additional \$57.8 million of collateral assets, which are either cash or U.S. Treasury instruments, to the counterparties.

#### ***Counterparty Credit Risk***

We enter into foreign exchange, certain commodity and interest rate derivatives, primarily with a diversified group of highly rated counterparties. We continually monitor our positions and the credit ratings of the counterparties involved and limit the amount of credit exposure to any one party. While we may be exposed to potential losses due to the credit risk of non-performance by these counterparties, material losses are not anticipated. We closely monitor the credit risk associated with our counterparties and customers and to date have not experienced material losses.

### **13. Fair Value Measurements**

Following is a summary of the valuation techniques for assets and liabilities recorded in our Condensed Consolidated Balance Sheets at fair value on a recurring basis:

*Foreign Currency Derivatives* - The foreign currency derivative instruments that we currently use are forward contracts and zero-cost collars, which typically expire within eighteen months. Most of the valuations are adjusted by a forward yield curve or interest rates. In such cases, these derivative contracts are classified within Level 2. Some valuations are based on exchange-quoted prices, which are classified as Level 1. Changes in the fair market values of these contracts are

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recognized in the Condensed Consolidated Financial Statements as a component of cost of goods sold in our Corporate, Eliminations and Other segment, or foreign currency transaction (gain) loss. As of March 31, 2020 and December 31, 2019, the gross asset position of our foreign currency derivative instruments was \$46.8 million and \$15.6 million, respectively, and the gross liability position of our foreign currency derivative instruments was \$113.1 million and \$22.9 million, respectively.

*Commodity Derivatives* - The commodity contracts primarily relate to natural gas. The commodity derivative instruments that we currently use are forward purchase contracts, swaps, and three-way collars. The natural gas contracts settle using NYMEX futures or AECO price indexes, which represent fair value at any given time. The contracts' maturities and settlements are scheduled for future months and settlements are scheduled to coincide with anticipated gas purchases during those future periods. Quoted market prices from NYMEX and AECO are used to determine the fair value of these instruments. These market prices are adjusted by a forward yield curve and are classified within Level 2. Changes in the fair market values of these contracts are recognized in the Condensed Consolidated Financial Statements as a component of cost of goods sold in our Corporate, Eliminations and Other segment. As of March 31, 2020 and December 31, 2019, the gross asset position of our commodity derivative instruments was \$4.8 million and \$2.9 million, respectively, and the gross liability position of our commodity instruments was \$5.0 million and \$6.2 million, respectively.

*Interest Rate Derivatives* - We manage interest expense through interest rate contracts to convert a portion of our fixed-rate debt into floating-rate debt. We also enter into interest rate swap agreements to hedge our exposure to changes in future interest rates related to anticipated debt issuances. Valuations are based on external pricing sources and are classified as Level 2. Changes in the fair market values of these contracts are recognized in the Condensed Consolidated Financial Statements as a component of interest expense. As of March 31, 2020 and December 31, 2019, the gross asset position of our interest rate swap instruments was \$36.6 million and \$11.4 million, respectively, and the gross liability position of our interest rate swap instruments was zero as of March 31, 2020 and December 31, 2019.

***Financial Instruments***

The carrying amounts and estimated fair values of our financial instruments are as follows:

	March 31, 2020		December 31, 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash and cash equivalents	\$ 1,069.2	\$ 1,069.2	\$ 519.1	\$ 519.1
Accounts receivable	723.0	723.0	803.9	803.9
Accounts payable	691.7	691.7	680.4	680.4
Structured accounts payable arrangements	502.0	502.0	740.6	740.6
Short-term debt	1,008.2	1,008.2	41.6	41.6
Long-term debt, including current portion	4,571.9	4,406.8	4,572.7	4,920.9

For cash and cash equivalents, accounts receivables, accounts payable, structured accounts payable arrangements, and short-term debt, the carrying amount approximates fair value because of the short-term maturity of those instruments. The fair value of long-term debt, including the current portion, is estimated using quoted market prices for the publicly registered notes and debentures, classified as Level 1 and Level 2, respectively, within the fair value hierarchy, depending on the market liquidity of the debt.

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**14. Accumulated Other Comprehensive Income (Loss)**

The following table sets forth the changes in AOCI, net of tax, by component during the three months ended March 31, 2020 and March 31, 2019:

	Foreign Currency Translation Gain (Loss)	Net Actuarial Gain and Prior Service Cost	Amortization of Gain on Interest Rate Swap	Net Gain (Loss) on Marketable Securities Held in Trust	Total
<b>Three Months Ended March 31, 2020</b>					
Balance as of December 31, 2019	\$ (1,476.8)	\$ (129.6)	\$ 2.1	\$ 6.1	\$ (1,598.2)
Other comprehensive income (loss)	(595.9)	9.7	0.5	8.0	(577.7)
Tax expense	(7.5)	(7.9)	—	—	(15.4)
Other comprehensive income (loss), net of tax	(603.4)	1.8	0.5	8.0	(593.1)
Other comprehensive loss attributable to noncontrolling interest	7.3	—	—	—	7.3
Balance as of March 31, 2020	<u>\$ (2,072.9)</u>	<u>\$ (127.8)</u>	<u>\$ 2.6</u>	<u>\$ 14.1</u>	<u>\$ (2,184.0)</u>
<b>Three Months Ended March 31, 2019</b>					
Balance as of December 31, 2018	\$ (1,547.4)	\$ (105.3)	\$ 0.4	\$ (4.8)	\$ (1,657.1)
Other comprehensive income	61.0	2.5	0.6	10.5	74.6
Tax expense	(9.2)	(3.5)	—	(0.5)	(13.2)
Other comprehensive income (loss), net of tax	51.8	(1.0)	0.6	10.0	61.4
Other comprehensive loss attributable to noncontrolling interest	0.1	—	—	—	0.1
Balance as of March 31, 2019	<u>\$ (1,495.5)</u>	<u>\$ (106.3)</u>	<u>\$ 1.0</u>	<u>\$ 5.2</u>	<u>\$ (1,595.6)</u>

**15. Related Party Transactions**

We enter into transactions and agreements with certain of our non-consolidated companies and other related parties from time to time. As of March 31, 2020, the net amount due to our non-consolidated companies totaled \$133.7 million. As of December 31, 2019, there was a net amount due from our non-consolidated companies totaling \$23.2 million. These amounts include a long-term indemnification asset of \$24.1 million from Vale S.A. for reimbursement of pension plan obligations.

The Condensed Consolidated Statements of Earnings included the following transactions with our non-consolidated companies:

	Three Months Ended March 31,	
	2020	2019
Transactions with non-consolidated companies included in net sales	\$ 148.6	\$ 262.5
Transactions with non-consolidated companies included in cost of goods sold	177.1	251.0

As part of the MWSPC joint venture, we market approximately 25% of the MWSPC production, for which approximately \$2.4 million and \$2.7 million of marketing fees is included in revenue for the three months ended March 31, 2020 and March 31, 2019, respectively.

In 2015, we agreed to provide funds to finance the purchase and construction of two articulated tug and barge units, intended to transport anhydrous ammonia for our operations, through a bridge loan agreement with Gulf Marine Solutions, LLC (“GMS”). GMS is a wholly owned subsidiary of Gulf Sulphur Services Ltd., LLLP (“Gulf Sulphur Services”), an entity in which we and a joint venture partner, Savage Companies (“Savage”), each indirectly own a 50% equity interest and for which a subsidiary of

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**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

Savage provides operating and management services. GMS provided these funds through draws on the Mosaic bridge loan and through additional loans from Gulf Sulphur Services. We are the primary beneficiary of GMS, a variable interest entity, and consolidate GMS's operations in our Phosphates segment.

On October 24, 2017, a lease financing transaction was completed with respect to the completed tug and barge unit, and, following the application of proceeds from the transaction, all outstanding loans made by Gulf Sulphur Services to GMS, together with accrued interest, were repaid, and the bridge loans related to the first unit's construction were repaid. As of March 31, 2020 and December 31, 2019, there were outstanding bridge loans of \$74.7 million and \$74.7 million, respectively, relating to the cancelled second barge and the remaining tug, which bridge loans are eliminated in consolidation. Reserves against the bridge loans of approximately \$54.2 million were established in 2018 and remain unchanged. The construction of the remaining tug, funded by the bridge loan advances in excess of the reserves, is recorded within construction in-progress within our consolidated balance sheet. Several subsidiaries of Savage operate vessels utilized by Mosaic under time charter arrangements, including the ammonia tug and barge unit.

**16. Contingencies**

We have described below judicial and administrative proceedings to which we are subject.

***Environmental Matters***

We have contingent environmental liabilities that arise principally from three sources: (i) facilities currently or formerly owned by our subsidiaries or their predecessors; (ii) facilities adjacent to currently or formerly owned facilities; and (iii) third-party Superfund or state equivalent sites. At facilities currently or formerly owned by our subsidiaries or their predecessors, the historical use and handling of regulated chemical substances, crop and animal nutrients and additives and by-product or process tailings have resulted in soil, surface water and/or groundwater contamination. Spills or other releases of regulated substances, subsidence from mining operations and other incidents arising out of operations, including accidents, have occurred previously at these facilities, and potentially could occur in the future, possibly requiring us to undertake or fund cleanup or result in monetary damage awards, fines, penalties, other liabilities, injunctions or other court or administrative rulings. In some instances, pursuant to consent orders or agreements with governmental agencies, we are undertaking certain remedial actions or investigations to determine whether remedial action may be required to address contamination. At other locations, we have entered into consent orders or agreements with appropriate governmental agencies to perform required remedial activities that will address identified site conditions. Taking into consideration established accruals of approximately \$33.2 million and \$39.3 million as of March 31, 2020 and December 31, 2019, respectively, expenditures for these known conditions currently are not expected, individually or in the aggregate, to have a material effect on our business or financial condition. However, material expenditures could be required in the future to remediate the contamination at known sites or at other current or former sites or as a result of other environmental, health and safety matters. Below is a discussion of the more significant environmental matters.

*New Wales Water Loss Incident.* In August 2016, a sinkhole developed under one of the two cells of the active Gypstack at our New Wales facility in Polk County, Florida, resulting in process water from the stack draining into the sinkhole. The incident was reported to the FDEP and EPA. In October 2016, our subsidiary, Mosaic Fertilizer, entered into a consent order (the "**Order**") with the FDEP relating to the incident. Under the Order, Mosaic Fertilizer agreed to, among other things: implement a remediation plan to close the sinkhole; perform additional monitoring of the groundwater quality and act to assess and remediate in the event monitored off-site water does not comply with applicable standards as a result of the incident; evaluate the risk of potential future sinkhole formation at the New Wales facility and at Mosaic Fertilizer's active Gypstack operations at the Bartow, Riverview and Plant City facilities with recommendations to address any identified issues; and provide financial assurance of no less than \$40.0 million, which we have done without the need for any expenditure of corporate funds through satisfaction of a financial strength test and Mosaic parent guarantee. The Order did not require payment of civil penalties relating to the incident.

As of March 31, 2020, the sinkhole repairs were substantially complete. Additional expenditures could be required in the future for additional remediation or other measures in connection with the sinkhole including if, for example, FDEP or EPA were to request additional measures to address risks presented by the Gypstack. These expenditures could be material. In addition, we are unable to predict at this time what, if any, impact the New Wales water loss incident will have on future Florida permitting efforts.

**THE MOSAIC COMPANY**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

*EPA RCRA Initiative.* We have certain financial assurance and other obligations under consent decrees and a separate financial assurance arrangement relating to our facilities in Florida and Louisiana. These obligations are discussed in Note 10 of our Notes to Condensed Consolidated Financial Statements.

*EPA EPCRA Initiative.* In July 2008, DOJ sent a letter to major U.S. phosphoric acid manufacturers, including us, stating that EPA's ongoing investigation indicates apparent violations of Section 313 of the Emergency Planning and Community Right-to-Know Act ("*EPCRA*") at their phosphoric acid manufacturing facilities. Section 313 of EPCRA requires annual reports to be submitted with respect to the use or presence of certain toxic chemicals. DOJ and EPA also stated that they believe that a number of these facilities have violated Section 304 of EPCRA and Section 103 of the Comprehensive Environmental Response, Compensation and Liability Act ("*CERCLA*") by failing to provide required notifications relating to the release of hydrogen fluoride from the facilities. The letter did not identify any specific violations by us or assert a demand for penalties against us. We cannot predict at this time whether EPA and DOJ will initiate an enforcement action over this matter, what its scope would be, or what the range of outcomes of such a potential enforcement action might be.

*Florida Sulfuric Acid Plants.* On April 8, 2010, EPA Region 4 submitted an administrative subpoena to us under Section 114 of the Federal Clean Air Act (the "*CAA*") regarding compliance of our Florida sulfuric acid plants with the "New Source Review" requirements of the CAA. The request received by Mosaic appears to be part of a broader EPA national enforcement initiative focusing on sulfuric acid plants. On June 6, 2010, EPA issued a notice of violation to CF (the "*CF NOV*") with respect to "New Source Review" compliance at the Plant City Facility's sulfuric acid plants and the allegations in the CF NOV were not resolved before our 2014 acquisition of the Plant City Facility. CF has agreed to indemnify us with respect to any penalty EPA may assess as a result of the allegations in the CF NOV.

We have been engaged in settlement discussions with U.S. EPA and the Department of Justice, originating with the allegations of violations of Clean Air Act Prevention of Significant Deterioration (PSD) permitting requirements at the Plant City sulfuric acid plants and encompassing injunctive relief regarding sulfur dioxide emissions across Mosaic's Florida sulfuric acid plant fleet. With the closure of Plant City fertilizer operations, there is no longer a need to reach resolution with the government on injunctive relief (i.e., reduction of sulfur dioxide emissions) at that facility. Furthermore, the Department of Justice has determined that there is no basis for proceeding with a settlement, as EPA and the Department have not currently alleged any violations of the Clean Air Act PSD permitting requirements at any other of Mosaic's Florida sulfuric acid plants.

We cannot predict at this time whether EPA and DOJ will initiate an enforcement action in the future with respect to "New Source Review" compliance at our Florida sulfuric acid plants or what its scope would be, or what the range of outcomes might be with respect to such a potential enforcement action.

*Uncle Sam Gypstack.* In January 2019, we observed lateral movement of the north slope of our active phosphogypsum stack at the Uncle Sam facility in Louisiana. The observation was reported to the Louisiana Department of Environmental Quality and the U.S. EPA. We continue to provide updates to the agencies on the movement, which has slowed following actions we have taken, which include reducing process water volume stored atop the stack to reduce the active load causing the movement; constructing a stability berm at the base of the slope to increase resistance; and removing gypsum from the north side to the south side. These steps have improved slope stability, reduced slope movement and reduced our capacity to store process water. There has been no loss of containment resulting from the movement observed, and none is expected. Although continued lateral movement on the north slope and a sustained reduction in process water storage could have a material effect on our future operations at that facility, we cannot predict the prospective impact on our results of operations at this time.

*Other Environmental Matters.* Superfund and equivalent state statutes impose liability without regard to fault or to the legality of a party's conduct on certain categories of persons who are considered to have contributed to the release of "hazardous substances" into the environment. Under Superfund, or its various state analogues, one party may, under certain circumstances, be required to bear more than its proportionate share of cleanup costs at a site where it has liability if payments cannot be obtained from other responsible parties. Currently, certain of our subsidiaries are involved or concluding involvement at several Superfund or equivalent state sites. Our remedial liability from these sites, alone or in the aggregate, currently is not expected to have a material effect on our business or financial condition. As more information is obtained regarding these sites and the potentially responsible parties involved, this expectation could change.

We believe that, pursuant to several indemnification agreements, our subsidiaries are entitled to at least partial, and in many instances complete, indemnification for the costs that may be expended by us or our subsidiaries to remedy environmental

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**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

issues at certain facilities. These agreements address issues that resulted from activities occurring prior to our acquisition of facilities or businesses from parties including, but not limited to, ARCO (BP); Beatrice Fund for Environmental Liabilities; Conoco; Conserv; Estech, Inc.; Kaiser Aluminum & Chemical Corporation; Kerr-McGee Inc.; PPG Industries, Inc.; The Williams Companies; CF; and certain other private parties. Our subsidiaries have already received and anticipate receiving amounts pursuant to the indemnification agreements for certain of their expenses incurred to date as well as future anticipated expenditures. We record potential indemnifications as an offset to the established accruals when they are realizable or realized.

***Louisiana Parishes Coastal Zone Cases***

Several Louisiana parishes and the City of New Orleans have filed lawsuits against hundreds of oil and gas companies seeking regulatory, restoration and compensatory damages in connection with historical oil, gas and sulfur mining and transportation operations in the coastal zone of Louisiana. Mosaic is the corporate successor to certain companies which performed these types of operations in the coastal zone of Louisiana. Mosaic has been named in two of the lawsuits filed to date. In addition, in several other cases, historical oil, gas and sulfur operations which may have been related to Mosaic's corporate predecessors have been identified in the complaints. Based upon information known to date, Mosaic has contractual indemnification rights against third parties for any loss or liability arising out of these claims pursuant to indemnification agreements entered into by Mosaic's corporate predecessor(s) with third parties. There may also be insurance contracts which may respond to some or all of the claims. However, the financial ability of the third party indemnitors, the extent of potential insurance coverage and the extent of potential liability from these claims is currently unknown.

In September 2019, counsel for several of the parishes announced that an agreement had been reached to settle the claims against Mosaic and its corporate predecessors, subject to approval by the participating parishes and the State of Louisiana. In connection with that settlement agreement, the proposed settlement payment obligations would be paid by third party indemnitors.

***Phosphate Mine Permitting in Florida***

Denial of the permits sought at any of our mines, issuance of the permits with cost-prohibitive conditions, substantial delays in issuing the permits, legal actions that prevent us from relying on permits or revocation of permits may create challenges for us to mine the phosphate rock required to operate our Florida and Louisiana phosphate plants at desired levels or increase our costs in the future.

***The South Pasture Extension Mine Litigation.*** In November 2016, the Army Corps of Engineers (the "**Corps**") issued a federal wetlands permit under the Clean Water Act for mining an extension of our South Pasture phosphate rock mine in central Florida. On December 20, 2016, the Center for Biological Diversity, ManaSota-88, People for Protecting Peace River and Suncoast Waterkeeper (collectively, "**NGO Plaintiffs**") issued a 60-day notice of intent to sue the Corps and the U.S. Fish and Wildlife Service (the "**Service**") under the federal Endangered Species Act regarding actions taken by the Corps and the Service in connection with the issuance of the permit. On March 15, 2017, the NGO Plaintiffs filed a complaint against the Corps, the Service and the U.S. Department of the Interior (collectively "**Government Defendants**") in the U.S. District Court for the Middle District of Florida, Tampa Division. The complaint alleges that various actions taken by the Corps and the Service in connection with the issuance of the permit, including in connection with the Service's biological opinion and the Corps' reliance on that biological opinion, violated substantive and procedural requirements of the federal Clean Water Act ("**CWA**"), the National Environmental Policy Act ("**NEPA**") and the Endangered Species Act (the "**ESA**"), and were arbitrary, capricious, an abuse of discretion, and otherwise not in accordance with law, in violation of the Administrative Procedure Act (the "**APA**"). In their Complaint, the NGO Plaintiffs sought specific relief including (i) declarations that the Corps' decision to issue the permit violated the CWA, NEPA, the ESA and the APA and that its NEPA review violated the law; (ii) declarations that the Service's biological opinion violated applicable law and that the Corps' reliance on the biological opinion violated the ESA; (iii) orders that the Corps rescind the permit, that the Service withdraw its biological opinion and related analyses and prepare a biological opinion that complies with the ESA; and (iv) that the Corps be preliminarily and permanently enjoined from authorizing any further action under the permit until it complies fully with the requirements of the CWA, NEPA, the ESA and the APA. On March 31, 2017, Mosaic's motion for intervention was granted with no restrictions. Plaintiffs filed an amended complaint on June 2, 2017, without any new substantive allegations, and on June 28, 2017, Mosaic (as intervenor) and separately, the Government Defendants, filed answers to the amended complaint.

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**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

In June through July 2017, the parties filed competing Motions for Summary Judgment based on the administrative record developed for the challenged federal permits and approvals, consistent with the Administrative Procedures Act. On December 14, 2017, the U.S. District Court granted Mosaic's motion for summary judgment in favor of Mosaic and the Government Defendants, denied all claims raised by the NGO Plaintiffs, and denied the NGO Plaintiffs' motion to supplement the administrative record.

On February 12, 2018, the NGO Plaintiffs filed an appeal with the U.S. Court of Appeals for the Eleventh Circuit seeking to overturn the U.S. District Court's decision. Notably, the NGO Plaintiffs did not seek reversal of the Court's decision as to the Clean Water Act claims, but focused on the Endangered Species Act and National Environmental Policy Act claims for relief. The appellate case was fully briefed with close coordination between counsel for Mosaic and the Justice Department in developing the Appellants' Briefs and Reply Briefs. A mandatory mediation occurred on March 19, 2018, but no settlement was reached. Oral argument was held before the Eleventh Circuit Court of Appeals on May 22, 2019.

On November 4, 2019, the 11th Circuit U.S. Court of Appeals upheld the federal permits issued for Mosaic's South Pasture Extension Mine and the adequacy of the Area-wide Environmental Impact Statement (AEIS) that served as the NEPA support for three of Mosaic's new Florida phosphate mines. The Court of Appeals held that the Corps of Engineers' decision to issue the Clean Water Act 404 Permit and its reliance on the AEIS to satisfy the federal NEPA requirements were proper exercises of its authority.

On December 18, 2019, the NGO Plaintiffs filed a Petition for Rehearing *En Banc* seeking a rehearing before the entire 15-judge panel of the Court of Appeals. No responses to the Petition for Rehearing are allowed by Mosaic or the Government Defendants, unless requested by the Court.

On February 5, 2020, the 11th Circuit Court of Appeals issued its Order denying the Petition for Rehearing. The Appellants will have 90 days from February 5, 2020 to file a Petition for Writ of Certiorari with the U.S. Supreme Court; that deadline is May 5, 2020.

We believe the NGO Plaintiffs' claims in this case are without merit and we will continue to vigorously defend the Corps' issuance of the SPE Mine CWA 404 Permit and the Service's biological opinion. However, if the NGO Plaintiffs were to prevail in this case, we would be prohibited from continuing to mine the SPE Mine, and obtaining new or modified permits could significantly delay our resumption of mining and could result in more onerous mining conditions. This could have a material adverse effect on our future results of operations, reduce future cash flows from operations, and in the longer term, conceivably adversely affect our liquidity and capital resources.

***Brazil Legal Contingencies***

Our Brazilian subsidiaries are engaged in a number of judicial and administrative proceedings regarding labor, environmental, mining and civil claims that allege aggregate damages and/or fines of approximately \$900 million. We estimate that our probable aggregate loss with respect to these claims is approximately \$69.3 million, which is included in our accrued liabilities in our Condensed Consolidated Balance Sheet as of March 31, 2020.

Approximately \$607.4 million of the maximum potential loss relates to labor claims, such as in-house and third-party employees' judicial proceedings alleging the right to receive overtime pay, additional payment due to work in hazardous conditions, risk premium, profit sharing, additional payment due to night work, salary parity and wage differences. We estimate that our probable aggregate loss regarding these claims is approximately \$55.9 million, which is included in accrued liabilities in our Condensed Consolidated Balance Sheet as of March 31, 2020.

- Approximately \$5.9 million of the \$69.3 million of reserves relates to a collective lawsuit filed by the labor union in Tapira claiming workers are entitled to overtime pay because the work shift should include transportation time to travel to a facility in which no public transportation was available.
- Approximately \$3.9 million of these reserves relates to a collective lawsuit filed by the labor union in Rosário do Catete, Sergipe, claiming payment of overtime due to an irregular work shift in force until 2016. Both matters are currently before the Brazilian Labor Superior Court.

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**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

- Approximately \$2.1 million of these reserves relates to a class action filed by one of the unions claiming additional payment for occupational hazard due to the alleged exposure of workers to explosive gases at the Company's potash mine at Rosário do Catete, Sergipe.
- Approximately \$2.2 million of these reserves relates to a lawsuit filed by the labor union in Catalão claiming overtime hours could not be banked for use later. The lawsuit is in the enforcement phase and the Company is negotiating a settlement with the Union.

Based on Brazil legislation and the current status of similar labor cases involving unrelated companies, we believe we have recorded adequate loss contingency reserves sufficient to cover our estimate of probable losses. If the status of similar cases involving unrelated companies were to adversely change in the future, our maximum exposure could increase and additional accruals could be required.

The environmental judicial and administrative proceedings claims allege aggregate damages and/or fines in excess of \$115 million; however, we estimate that our probable aggregate loss regarding these claims is approximately \$4.1 million, which has been accrued as of March 31, 2020.

The mining judicial and administrative proceedings claims allege aggregate damages and/or fines of approximately \$13 million. We estimate that our probable aggregate loss regarding these claims is approximately \$0.1 million, which has been accrued as of March 31, 2020.

Our Brazilian subsidiaries also have certain other civil contingent liabilities with respect to judicial, administrative and arbitration proceedings and claims related to contract disputes, pension plan matters, real state disputes and other civil matters arising in the ordinary course of business. These claims allege aggregate damages in excess of \$144 million. We estimate that the probable aggregate loss with respect to these matters is approximately \$9.2 million.

***Uberaba Judicial Settlement***

In 2013, the Federal Public Prosecutor filed a public civil action requesting that the Company adopt several measures to mitigate soil and water contamination related to the Gypstack at our Uberaba facility, located in the State of Minas Gerais, including compensation for the alleged social and environmental damages. In 2014, our predecessor subsidiary in Brazil entered into a judicial settlement with the Federal Public Prosecutor, the State of Minas Gerais public prosecutor and the federal environmental agency. Under this agreement, we agreed to implement remediation measures such as: constructing a liner under the Gypstack water ponds and lagoons, and monitoring the groundwater and soil quality. We also agreed to create a private reserve of natural heritage and to pay compensation in the amount of approximately \$0.3 million, which was paid in July 2018. We are currently acting in compliance with our obligations under the judicial settlement and expect them to be completed by December 31, 2023.

***Uberaba EHS Class Action***

In 2013, the State of Minas Gerais public prosecutor filed a class action claiming that our predecessor company in Brazil did not comply with labor safety rules and working hour laws. This claim was based on an inspection conducted by the Labor and Employment Ministry in 2010, following which we were fined for not complying with several labor regulations. We filed our defense, claiming that we complied with these labor regulations and that the assessment carried out by the inspectors in 2010 was abusive. Following the initial hearing, the court ordered an examination to determine whether there has been any non-compliance with labor regulations. The examination is currently pending. The amount involved in the proceeding is \$27.9 million.

***Brazil Tax Contingencies***

Our Brazilian subsidiaries are engaged in a number of judicial and administrative proceedings relating to various non-income tax matters. We estimate that our maximum potential liability with respect to these matters is approximately \$344 million, of which \$166 million is subject to an indemnification agreement entered into with Vale S.A in connection with the Acquisition.

Approximately \$233 million of the maximum potential liability relates to a Brazilian federal value added tax, PIS and COFINS, and tax credit cases, while the majority of the remaining amount relates to various other non-income tax cases such as value-added taxes. The maximum potential liability can increase with new audits. Based on Brazil legislation and the current status of similar tax cases involving unrelated taxpayers, we believe we have recorded adequate loss contingency reserves sufficient to

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**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

cover our estimate of probable losses, which are immaterial. If the status of similar tax cases involving unrelated taxpayer changes in the future, additional accruals could be required.

**Other Claims**

We also have certain other contingent liabilities with respect to judicial, administrative and arbitration proceedings and claims of third parties, including tax matters, arising in the ordinary course of business. We do not believe that any of these contingent liabilities will have a material adverse impact on our business or financial condition, results of operations, and cash flows.

**17. Business Segments**

The reportable segments are determined by management based upon factors such as products and services, production processes, technologies, market dynamics, and for which segment financial information is available for our chief operating decision maker.

We evaluate performance based on the operating earnings of the respective business segments, which includes certain allocations of corporate selling, general and administrative expenses. The segment results may not represent the actual results that would be expected if they were independent, stand-alone businesses. Intersegment eliminations, including profit on intersegment sales, mark-to-market gains/losses on derivatives, debt expenses, Streamsong Resort® results of operations and the results of the China and India distribution businesses are included within Corporate, Eliminations and Other. For a description of our business segments, see Note 1 to the Condensed Consolidated Financial Statements.

Segment information for the three months ended March 31, 2020 and 2019 was as follows:

	Phosphates	Potash	Mosaic Fertilizantes	Corporate, Eliminations and Other (a)	Total
<b>Three months ended March 31, 2020</b>					
Net sales to external customers	\$ 537.3	\$ 438.6	\$ 731.1	\$ 91.1	\$ 1,798.1
Intersegment net sales	82.1	3.0	—	(85.1)	—
Net sales	619.4	441.6	731.1	6.0	1,798.1
Gross margin	(82.9)	109.1	66.5	(51.3)	41.4
Canadian resource taxes	—	31.7	—	—	31.7
Gross margin (excluding Canadian resource taxes)	(82.9)	140.8	66.5	(51.3)	73.1
Operating earnings (loss)	(106.8)	94.2	29.0	(82.6)	(66.2)
Capital expenditures	137.9	98.3	25.3	2.0	263.5
Depreciation, depletion and amortization expense	114.4	70.1	28.2	5.1	217.8
<b>Three months ended March 31, 2019</b>					
Net sales to external customers	\$ 598.1	\$ 497.3	\$ 698.0	\$ 106.3	\$ 1,899.7
Intersegment net sales	207.9	6.2	—	(214.1)	—
Net sales	806.0	503.5	698.0	(107.8)	1,899.7
Gross margin	54.8	185.4	52.4	16.9	309.5
Canadian resource taxes	—	46.9	—	—	46.9
Gross margin (excluding Canadian resource taxes)	54.8	232.3	52.4	16.9	356.4
Operating earnings (loss)	43.5	175.8	27.3	(44.5)	202.1
Capital expenditures	120.4	140.4	51.8	1.3	313.9
Depreciation, depletion and amortization expense	103.5	78.3	31.5	4.8	218.1
<b>Total Assets</b>					
As of March 31, 2020	\$ 7,914.9	\$ 6,726.4	\$ 3,214.4	\$ 1,119.8	\$ 18,975.5
As of December 31, 2019	7,183.5	7,219.2	3,974.9	920.9	19,298.5

(a) The “Corporate, Eliminations and Other” category includes the results of our ancillary distribution operations in India and China. For the three months ended March 31, 2020, distribution operations in India and China had revenue of



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**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)**

\$76.5 million and gross margin of \$2.0 million. For the three months ended March 31, 2019, distribution operations in India and China had revenue of \$93.2 million and gross margin of \$9.0 million.

Financial information relating to our operations by geographic area is as follows:

<i>(in millions)</i>	<b>Three Months Ended March 31,</b>	
	<b>2020</b>	<b>2019</b>
<i>Net sales<sup>(a)</sup>:</i>		
Brazil	\$ 712.7	\$ 678.0
Canpotex <sup>(b)</sup>	146.4	257.6
Canada	117.3	136.1
Australia	41.0	56.0
China	39.4	65.1
India	37.2	27.8
Argentina	28.0	25.8
Mexico	24.9	44.4
Paraguay	16.3	21.4
Colombia	14.2	16.5
Japan	11.9	—
Peru	11.4	20.1
Honduras	7.0	4.5
Thailand	4.4	5.1
Other	24.7	31.4
Total international countries	1,236.8	1,389.8
United States	561.3	509.9
Consolidated	<u>\$ 1,798.1</u>	<u>\$ 1,899.7</u>

<sup>(a)</sup> Revenues are attributed to countries based on location of customer.

<sup>(b)</sup> Canpotex is the export association of the Saskatchewan potash producers.

Net sales by product type are as follows:

<i>(in millions)</i>	<b>Three Months Ended March 31,</b>	
	<b>2020</b>	<b>2019</b>
<i>Sales by product type:</i>		
Phosphate Crop Nutrients	\$ 547.2	\$ 524.6
Potash Crop Nutrients	471.0	572.1
Crop Nutrient Blends	287.3	293.4
Specialty Products <sup>(a)</sup>	315.9	319.5
Phosphate Rock	6.5	7.0
Other <sup>(b)</sup>	170.2	183.1
	<u>\$ 1,798.1</u>	<u>\$ 1,899.7</u>

<sup>(a)</sup> Includes sales of MicroEssentials®, K-Mag, Aspire and animal feed ingredients.

<sup>(b)</sup> Includes sales of industrial potash, nitrogen and other products.

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**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the material under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Annual Report on Form 10-K of The Mosaic Company filed with the Securities and Exchange Commission for the year ended December 31, 2019 (the "**10-K Report**") and the material under Item 1 of Part I of this report.

Throughout the discussion below, we measure units of production, sales and raw materials in metric tonnes, which are the equivalent of 2,205 pounds, unless we specifically state we mean long ton(s), which are the equivalent of 2,240 pounds. In the following tables, there are certain percentages that are not considered to be meaningful and are represented by "NM."

**Results of Operations**

The following table shows the results of operations for the three months ended March 31, 2020 and March 31, 2019:

(in millions, except per share data)	Three months ended			
	March 31, 2020		2020-2019	
	2020	2019	Change	Percent
Net sales	\$ 1,798.1	\$ 1,899.7	\$ (101.6)	(5)%
Cost of goods sold	1,756.7	1,590.2	166.5	10 %
Gross margin	41.4	309.5	(268.1)	(87)%
Gross margin percentage	2%	16%		
Selling, general and administrative expenses	67.9	93.5	(25.6)	(27)%
Other operating expense	39.7	13.9	25.8	186 %
Operating (loss) earnings	(66.2)	202.1	(268.3)	NM
Interest expense, net	(41.1)	(47.0)	5.9	(13)%
Foreign currency transaction (loss) gain	(214.2)	22.6	(236.8)	NM
Other income (expense)	4.5	(1.1)	5.6	NM
(Loss) earnings from consolidated companies before income taxes	(317.0)	176.6	(493.6)	NM
(Benefit from) provision for income taxes	(133.0)	46.6	(179.6)	NM
(Loss) earnings from consolidated companies	(184.0)	130.0	(314.0)	NM
Equity in net (loss) of nonconsolidated companies	(20.0)	(0.1)	(19.9)	NM
Net (loss) earnings including noncontrolling interests	(204.0)	129.9	(333.9)	NM
Less: Net (loss) attributable to noncontrolling interests	(1.0)	(0.9)	(0.1)	11 %
Net (loss) earnings attributable to Mosaic	\$ (203.0)	\$ 130.8	\$ (333.8)	NM
Diluted net (loss) earnings per share attributable to Mosaic	\$ (0.54)	\$ 0.34	\$ (0.88)	NM
Diluted weighted average number of shares outstanding	378.8	387.4		

**Overview of Consolidated Results for the three months ended March 31, 2020 and 2019**

For the three months ended March 31, 2020, Mosaic had a net loss of \$203.0 million, or \$(0.54) per diluted share, compared to net earnings of \$130.8 million, or \$0.34 per diluted share, for the prior year period. The current period net loss was impacted by \$312 million, or \$(0.48) per diluted share, related to the following notable items:

- Foreign currency transaction loss of \$214 million, or \$(0.38) per diluted share
- Unrealized loss on derivatives of \$51 million, or \$(0.09) per diluted share
- Depreciation expense of \$22 million, or \$(0.03) per diluted share, related to the acceleration of the closure of our K1 and K2 mine shafts at our Esterhazy, Saskatchewan mine as we ramp up K3
- Other operating expenses of \$16 million, or \$(0.04) per diluted share, related to maintaining closed and indefinitely idled facilities

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- Other operating expenses of \$9 million, or \$(0.02) per diluted share, related to an increase in reserves for legal contingencies of the Acquired Business (as defined below)
- Idle plant costs of \$5 million, or \$(0.01) per diluted share, related to the government-mandated shutdown on March 16, 2020, of our Miski Mayo phosphate rock mine in Peru due to the COVID-19 outbreak
- Discrete income tax benefit of \$28 million, or \$0.08 per diluted share
- Other non-operating income of \$5 million, or \$0.01 per diluted share, related to a realized gain on RCRA trust securities

During the three months ended March 31, 2019, our results included:

- Foreign currency transaction gains of \$23 million, or \$0.05 per diluted share
- Unrealized gains on derivatives of \$25 million, or \$0.05 per diluted share
- Other operating income of \$11 million, or \$0.03 per diluted share, related to the fair value adjustment for the estimated earn-out obligation to Vale, partially offset by other operating expenses of \$8 million, or \$(0.02) per diluted share, related to our acquisition (the “*Acquisition*”) of Vale Fertilizantes S.A. (now known as Mosaic Fertilizantes P&K S.A. or the “*Acquired Business*”)
- Expenses of \$9 million, or \$(0.02) per diluted share related to the Gypstack at our Uncle Sam facility in Louisiana

Significant factors affecting our results of operations and financial condition are listed below. Certain of these factors are discussed in more detail in the following sections of this Management’s Discussion and Analysis of Financial Condition and Results of Operations.

In addition to the items noted above, our operating results during the three months ended March 31, 2020, were unfavorably impacted in our Potash segment by lower average selling prices compared to the prior year period. Selling prices began declining in the first half of 2019 due to adverse weather conditions in North America and have continued to decline in the current year due to a full product pipeline and a delay in the settlement of the supply agreement with China. Potash sales volumes increased in North America in the current year period due to a strong winter fill program compared to the same period in the prior year. The prior year period suffered from the adverse weather conditions mentioned above, which resulted in a late spring season compared to the 2018 period and full product pipelines. Export sales volumes declined in the current year from the same period in the prior year, due to the delay in the China contract settlement and adequate inventory in key markets.

Operating results were unfavorably impacted in our Phosphates segment, primarily due to a significant decrease in average selling prices compared to the same period in the prior year. Phosphate selling prices declined in the first quarter of 2020 compared to the same period in the prior year due to continued softness in market conditions early in the quarter and full product pipelines. Selling prices declined throughout 2019 due to reduced demand as a result of the adverse weather conditions in North America, which significantly delayed fertilizer application and increased supply due to new capacity coming online. In the first quarter of 2020, selling prices have risen from the low levels seen at the end of 2019, but they are still below the same period of the prior year. Operating results in the current year period were favorably impacted by increased sales volumes in North America, which experienced a late fall application season driving sales early in the first quarter of 2020. Sales volumes have also been positively impacted by few shipments into North America in the current year quarter compared to the same period in the prior year due to competitors' production declines. In addition, raw material costs, primarily sulfur, were favorable in the first quarter of 2020, compared to the same period in the prior year.

For the three months ended March 31, 2020, operating results were favorably impacted by our Mosaic Fertilizantes segment. Sales volumes increased compared to the same period in the prior year, due to better farmer economics and a delayed application season in the fourth quarter of 2019. Operating results were also favorably impacted by lower raw material costs in the current year compared to the prior year period. Operating results were unfavorably impacted by lower average selling prices in the current year compared to the prior year period, driven by international pricing trends and the mix of products sold.

### *Other Highlights*

- We have experienced limited adverse financial and operational COVID-19 related impacts to our operating facilities, employees, supply chain and logistics in the first quarter of 2020 as agriculture, including fertilizer

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production, has been deemed an "essential business" because of the role it plays in the production of food. The Company implemented measures that are intended to provide for the immediate health and safety of our employees, including working remotely and alternating work schedules in order to minimize the number of employees at one location. In an effort to contain the spread of the virus, many government authorities, at locations where we do business, have issued "social distancing or shelter in place" orders. In accordance with such orders, operations at our Miski Mayo mine in Peru were closed on March 16, 2020. We expect Miski Mayo to resume operations in mid-May. Our Patrocino operations in Brazil were also closed for ten days, restarting operations on April 7, 2020. These closures have resulted in minimal disruptions to our operations. There has also been a sudden and severe drop in oil demand which could lead to a significant decline in production, and may impact the availability and price of sulfur in the second half of 2020. Sulfur is a key raw material input used in the production of our phosphate products.

- The Company is exercising balance sheet discipline through the current period of economic uncertainty by taking actions that increased cash on hand to over \$1 billion. We are also diligently managing working capital requirements and capital expenditures, which are approximately \$50 million lower than the same period in the prior year.
- We continue to execute well and drive toward our 2021 operational targets. Mosaic Fertilizantes is on track to achieve the \$50 million in transformational savings targeted for 2020. The Esterhazy K3 mine development project continues to progress, with the third automated miner placed into service in the first quarter of 2020.

### *Phosphates Net Sales and Gross Margin*

The following table summarizes the Phosphates segment's net sales, gross margin, sales volume, selling prices and raw material prices:

(in millions, except price per tonne or unit)	Three months ended			
	March 31, 2020		2020-2019	
	2020	2019	Change	Percent
Net sales:				
North America	\$ 381.7	\$ 398.2	\$ (16.5)	(4)%
International	237.7	407.8	(170.1)	(42)%
Total	619.4	806.0	(186.6)	(23)%
Cost of goods sold	702.3	751.2	(48.9)	(7)%
Gross margin	\$ (82.9)	\$ 54.8	\$ (137.7)	NM
Gross margin as a percentage of net sales	(13)%	7%		
Sales volumes <sup>(a)</sup> (in thousands of metric tonnes)				
DAP/MAP	1,332	1,141	191	17 %
Specialty <sup>(b)</sup>	587	649	(62)	(10)%
Total finished product tonnes	1,919	1,790	129	7 %
Rock	169	192	(23)	(12)%
Total Phosphates Segment Tonnes <sup>(a)</sup>	2,088	1,982	106	5 %
Realized prices (\$/tonne)				
Average finished product selling price (destination) <sup>(a)</sup>	\$ 317	\$ 442	\$ (125)	(28)%
DAP selling price (fob plant) <sup>(a)</sup>	\$ 274	\$ 373	\$ (99)	(27)%
Average rock selling price (destination) <sup>(a)</sup>	\$ 69	\$ 74	\$ (5)	(7)%
Average cost per unit consumed in cost of goods sold:				
Ammonia (metric tonne)	\$ 309	\$ 352	\$ (43)	(12)%
Sulfur (long ton)	\$ 78	\$ 153	\$ (75)	(49)%
Blended rock (metric tonne)	\$ 62	\$ 61	\$ 1	2 %
Production volume (in thousands of metric tonnes) - North America	1,861	1,992	(131)	(7)%

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<sup>(a)</sup> Includes intersegment sales volumes.

<sup>(b)</sup> Includes sales volumes of MicroEssentials® and animal feed ingredients.

### *Three months ended March 31, 2020 and March 31, 2019*

The Phosphates segment's net sales were \$619.4 million for the three months ended March 31, 2020, compared to \$806.0 million for the three months ended March 31, 2019. The decrease in net sales was primarily due to lower selling prices in the current year period, which impacted net sales by approximately \$220 million, partially offset by higher sales volumes in the current year period, which favorably impacted net sales by approximately \$35 million.

Our average finished product selling price was \$317 per tonne for the three months ended March 31, 2020, a decrease of 28% from the same period a year ago, due to the factors discussed in the Overview.

The Phosphates segment's sales volumes of finished products increased by 7% for the three months ended March 31, 2020, compared to the same period in the prior year, due to the factors discussed in the Overview.

Gross margin for the Phosphates segment decreased to \$(82.9) million for the three months ended March 31, 2020, from \$54.8 million for the three months ended March 31, 2019. The decrease in gross margin in the current year period was primarily due to the impact of lower finished product prices of approximately \$220 million, which was partially offset by lower raw material costs of approximately \$70 million, as further discussed below. In addition, gross margin was unfavorably impacted by higher conversion cost of approximately \$15 million, primarily due to operations at our Bartow facility being curtailed for a portion of the quarter. Gross margin in the current year period was favorably impacted by approximately \$20 million, due to higher sales volumes compared to the prior year, and lower idle plant costs of approximately \$10 million in the current year period.

The average consumed price for ammonia for our North American operations decreased to \$309 per tonne for the three months ended March 31, 2020, from \$352 in the same period a year ago. We typically purchase approximately one-third of our ammonia from various suppliers in the spot market, with the remaining two-thirds either purchased through an ammonia supply agreement or produced internally at our Faustina, Louisiana location. The average consumed sulfur price for our North American operations decreased to \$78 per long ton for the three months ended March 31, 2020, from \$153 in the same period a year ago. The purchase prices of these raw materials are driven by global supply and demand. The consumed ammonia and sulfur prices also include transportation, transformation, and storage costs.

The average consumed cost of purchased and produced phosphate rock increased to \$62 per tonne for the three months ended March 31, 2020, compared to \$61 per tonne for the three months ended March 31, 2019. For the three months ended March 31, 2020, our North American phosphate rock production increased to 3.4 million tonnes from 2.8 million tonnes for the same period of the prior year. Production in the prior year was impacted by operational challenges caused by moving into new mining areas.

The Phosphates segment's production of crop nutrient dry concentrates and animal feed ingredients decreased slightly to 1.9 million tonnes for the three months ended March 31, 2020, from 2.0 million tonnes in the prior year period. Our operating rate for processed phosphate production decreased to 75% for the three months ended March 31, 2020, from 82% for the same period in 2019, as we curtailed production due to slow market conditions early in the quarter.

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### **Potash Net Sales and Gross Margin**

The following table summarizes the Potash segment's net sales, gross margin, sales volume and selling price:

(in millions, except price per tonne or unit)	Three months ended			
	March 31, 2020		2020-2019	
	2020	2019	Change	Percent
Net sales:				
North America	\$ 282.5	\$ 235.2	\$ 47.3	20 %
International	159.1	268.3	(109.2)	(41)%
Total	441.6	503.5	(61.9)	(12)%
Cost of goods sold	332.5	318.1	14.4	5 %
Gross margin	\$ 109.1	\$ 185.4	\$ (76.3)	(41)%
Gross margin as a percentage of net sales	25%	37%		
Sales volume <sup>(a)</sup> (in thousands of metric tonnes)				
MOP	1,709	1,729	(20)	(1)%
Specialty <sup>(b)</sup>	190	132	58	44 %
Total Potash Segment Tonnes	1,899	1,861	38	2 %
Realized prices (\$/tonne)				
Average finished product selling price (destination)	\$ 233	\$ 271	\$ (38)	(14)%
MOP selling price (fob mine)	\$ 200	\$ 243	\$ (43)	(18)%
Production volume (in thousands of metric tonnes)	2,068	2,254	(186)	(8)%

<sup>(a)</sup> Includes intersegment sales volumes.

<sup>(b)</sup> Includes sales volumes of K-mag, Aspire and animal feed ingredients.

#### *Three months ended March 31, 2020 and March 31, 2019*

The Potash segment's net sales decreased to \$441.6 million for the three months ended March 31, 2020, compared to \$503.5 million in the same period a year ago. The decrease was due to lower selling prices, which had an unfavorable impact on net sales of approximately \$90 million, partially offset by higher sales volumes, which had a favorable impact on net sales of approximately \$25 million.

Our average finished product selling price was \$233 per tonne for the three months ended March 31, 2020, compared to \$271 per tonne for the same period a year ago, as a result of the factors described in the Overview.

The Potash segment's sales volumes of finished products increased slightly to 1.90 million tonnes for the three months ended March 31, 2020, compared to 1.86 million tonnes in the same period a year ago, due to an increase in the sales of specialty products in the current year period.

Gross margin for the Potash segment decreased to \$109.1 million for the three months ended March 31, 2020, from \$185.4 million in the same period of the prior year. The decrease in gross margin in the current year period is primarily due to approximately \$90 million of lower selling prices, partially offset by a favorable sales volume impact of approximately \$20 million. In addition, gross margin was negatively impacted by approximately \$25 million of higher fixed cost absorption, plant spending and foreign currency impacts in the current year. This was partially offset by approximately \$15 million related to favorable Canadian resource taxes and royalties in the current year period compared to the prior year.

We had expense of \$31.7 million from Canadian resource taxes for the three months ended March 31, 2020, compared to \$46.9 million in the same period a year ago. Canadian royalty expense decreased to \$8.2 million for the three months ended March 31, 2020, compared to \$11.2 million for the three months ended March 31, 2019. The fluctuations in Canadian resource taxes are a result of a decrease in average selling prices and margins, due to the factors discussed in the Overview. The decrease in royalties is due to the reduction in sales revenue and lower production, as a described below.

We incurred \$32.7 million in brine inflow management expenses, including depreciation on brine assets, at our Esterhazy mine during the three months ended March 31, 2020, compared to \$36.3 million for the three months ended March 31, 2019. We have been effectively managing the brine inflows at Esterhazy since 1985, and from time to time we experience changes to the amounts and patterns of brine inflows. Inflows continue to be within the range of our historical experience. Brine inflow expenditures continue to reflect the cost of addressing changing inflow patterns, including inflows from below our mine workings, which can be more complex and costly to manage. Our past investments in remote injection and increased pumping capacities facilitate our management of the brine inflows and the amount of brine stored in the mine. We

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are continuing the expansion of capacity in our Potash segment with the K3 shaft at our Esterhazy mine. Once completed, this will provide us the opportunity to eliminate future brine inflow management costs by closing our K1 and K2 shafts in the future.

Our operating rate for potash production was 85% for the current year period, compared to 86% in the prior year period.

### *Mosaic Fertilizantes Net Sales and Gross Margin*

The following table summarizes the Mosaic Fertilizantes segment's net sales, gross margin, sales volume and selling price.

(in millions, except price per tonne or unit)	Three months ended		2020-2019	
	March 31, 2020		Change	Percent
	2020	2019		
Net Sales	\$ 731.1	\$ 698.0	\$ 33.1	5 %
Cost of goods sold	664.6	645.6	19.0	3 %
Gross margin	\$ 66.5	\$ 52.4	\$ 14.1	27 %
Gross margin as a percent of net sales	9%	8%		
Sales volume (in thousands of metric tonnes)				
Phosphate produced in Brazil	699	412	287	70 %
Potash produced in Brazil	75	72	3	4 %
Purchased nutrients for distribution	1,303	1,044	259	25 %
Total Mosaic Fertilizantes Segment Tonnes	2,077	1,528	549	36 %
Realized prices (\$/tonne)				
Average finished product selling price (destination)	\$ 352	\$ 457	\$ (105)	(23)%
Brazil MAP price (delivered price to third party)	\$ 330	\$ 483	\$ (153)	(32)%
Purchases ('000 tonnes)				
DAP/MAP from Mosaic	154	162	(8)	(5)%
MicroEssentials® from Mosaic	117	202	(85)	(42)%
Potash from Mosaic/Canpotex	293	452	(159)	(35)%
Average cost per unit consumed in cost of goods sold:				
Ammonia (metric tonne)	\$ 352	\$ 410	\$ (58)	(14)%
Sulfur (long ton)	\$ 117	\$ 213	\$ (96)	(45)%
Blended rock (metric tonne)	\$ 75	\$ 102	\$ (27)	(26)%
Production volume (in thousands of metric tonnes)	954	889	65	7 %

### *Three months ended March 31, 2020 and March 31, 2019*

The Mosaic Fertilizantes segment's net sales increased to \$731.1 million for the three months ended March 31, 2020, from \$698.0 million in the same period a year ago. The increase in net sales was due to higher sales volumes, which favorably impacted net sales by approximately \$200 million, partially offset by lower selling prices in the current year period, which unfavorably impacted net sales by approximately \$170 million.

Our average finished product selling price was \$352 per tonne for the three months ended March 31, 2020, compared to \$457 per tonne for the same period a year ago, as a result of the factors described in the Overview.

The Mosaic Fertilizantes segment's sales volumes of finished products increased to 2.1 million tonnes for the three months ended March 31, 2020, compared to 1.5 million tonnes in the same period a year ago, as a result of the factors described in the Overview.

Gross margin for the Mosaic Fertilizantes segment increased to \$66.5 million for the three months ended March 31, 2020, from \$52.4 million in the same period of the prior year. Gross margin increased approximately \$15 million in the current year period primarily due to a favorable impact from increased sales volumes of approximately \$20 million, the favorable impact of lower raw materials prices of approximately \$20 million and favorable foreign currency impacts of approximately \$25 million compared to the prior year period. These were partially offset by the negative impact of

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approximately \$40 million from lower sales prices and higher conversion costs, due to product mix, of approximately \$10 million compared to the prior year period.

The Mosaic Fertilizantes segment's production of crop nutrient dry concentrates and animal feed ingredients increased 7%, to 1.0 million tonnes, for the three months ended March 31, 2020, from 0.9 million tonnes in the prior year period. In the prior year, we had unplanned down time at our Taquari potash mine and Catalao chemical plant which did not repeat in the current year. For the three months ended March 31, 2020, our operating rate increased to 77%, compared to 72% in the same period of the prior year.

For the three months ended March 31, 2019, our Brazilian phosphate rock production increased to 1.0 million tonnes from 0.8 million tonnes for the prior year period, due to higher production across the majority of our mines. Also, in the prior year period, we had temporarily idled our Araxá and Patrocinio phosphate mines to address legislation regarding tailings dam safety, construction, environmental licenses and operations. Our mines returned to operations in the second and third quarters of 2019.

### ***Corporate, Eliminations and Other***

In addition to our three operating segments, we assign certain costs to Corporate, Eliminations and Other, which is presented separately in Note 17 to our Notes to Condensed Consolidated Financial Statements. Corporate, Eliminations and Other includes the results of the China and India distribution businesses, intersegment eliminations, including profit on intersegment sales, unrealized mark-to-market gains and losses on derivatives, debt expenses and Streamsong Resort® results of operations.

For the three months ended March 31, 2020, gross margin for Corporate, Eliminations and Other was a loss of \$51.3 million, compared to a gain of \$16.9 million for the same period in the prior year. The change was driven by a net unrealized loss of \$50.8 million in the current year period, primarily on foreign currency derivatives, compared to a net unrealized gain of \$24.9 million in the prior year period. Results were also impacted by a lower elimination of profit on intersegment sales in the current year period, which contributed to the change from the prior year by approximately \$13.4 million. Distribution operations in India and China had revenue of \$76.5 million and gross margin of \$2.0 million in the current year period, compared to revenue of \$93.2 million and gross margin of \$9.0 million in the prior year period.

### ***Other Income Statement Items***

(in millions)	Three months ended		2020-2019	
	March 31, 2020	March 31, 2019	Change	Percent
Selling, general and administrative expenses	\$ 67.9	\$ 93.5	\$ (25.6)	(27)%
Other operating expense	39.7	13.9	25.8	186 %
Interest expense	(50.8)	(54.9)	4.1	(7)%
Interest income	9.7	7.9	1.8	23 %
Interest expense, net	(41.1)	(47.0)	5.9	(13)%
Foreign currency transaction (loss) gain	(214.2)	22.6	(236.8)	NM
Other income (expense)	4.5	(1.1)	5.6	NM
(Benefit from) provision for income taxes	(133.0)	46.6	(179.6)	NM
Equity in net (loss) of nonconsolidated companies	(20.0)	(0.1)	(19.9)	NM

### ***Selling, General and Administrative Expenses***

Selling, general and administrative expenses were \$67.9 million for the three months ended March 31, 2020, compared to \$93.5 million in the same period of the prior year. The decrease from the prior year was primarily due to the reversal of compensation expense of approximately \$14 million related to lower total shareholder return-based long-term incentive awards, as the Company did not meet the performance hurdles for vesting in 2019. In 2020, we also changed our method of accounting for long-term performance awards to recognize the expense over the vesting period instead of

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at the date of grant. This resulted in lower expense of approximately \$15 million in the current year period, compared to the same period in the prior year.

### ***Other Operating Expense***

For the three months ended March 31, 2020, we had other operating expenses of \$39.7 million, compared to \$13.9 million for the same period in the prior year. The three months ended March 31, 2020 include an increase of approximately \$10 million related to costs for closed and indefinitely idled facilities and an increase of approximately \$10 million related to reserves for legal matters, compared to the prior year period.

The prior year quarter included income of \$11 million generated by the fair value adjustment for the estimated earn out obligations related to the Acquisition, partially offset by integration costs and costs incurred to capture synergies related to the Acquisition of approximately \$8 million.

### ***Foreign Currency Transaction Gain (Loss)***

We recorded a foreign currency transaction loss of \$214.2 million for the three months ended March 31, 2020, compared to a gain of \$22.6 million for the three months ended March 31, 2019. For the three months ended March 31, 2020, the loss was primarily the result of the effect of the strengthening of the U.S. dollar relative to the Canadian dollar on significant U.S. dollar-denominated intercompany loans, and the strengthening of the U.S. dollar relative to the Brazilian real on significant U.S. dollar-denominated payables held by our Brazilian subsidiaries. A portion of these foreign currency gains and losses recorded in the Condensed Consolidated Statement of (Loss) Earnings are offset in Accumulated Other Comprehensive Income (Loss) in equity.

For the three months ended March 31, 2019, the gain was primarily the result of the effect of the weakening of the U.S. dollar relative to the Canadian dollar on significant U.S. dollar-denominated intercompany loans, partially offset by the strengthening of the U.S. dollar relative to the Brazilian real on significant U.S. dollar-denominated payables held by our Brazilian subsidiaries.

### ***Equity in Net (Loss) Earnings of Nonconsolidated Companies***

For the three months ended March 31, 2020, we had equity in net loss of nonconsolidated companies of \$20.0 million compared to equity in net loss of nonconsolidated companies of \$0.1 million for the same period in the prior year. This decrease is primarily related to the operations at MWSPC, as they are not yet operating at full capacity.

### ***Provision for (Benefit from) Income Taxes***

<b>Three months ended</b>	<b>Effective Tax Rate</b>	<b>Provision for (Benefit from) Income Taxes</b>
March 31, 2020	42.0%	\$ (133.0)
March 31, 2019	26.4%	\$ 46.6

Income tax expense was a benefit of \$133.0 million and the effective tax rate was 42.0% for the three months ended March 31, 2020.

For the three months ended March 31, 2020, tax expense specific to the period was a benefit of approximately \$28.3 million. This consisted primarily of a tax benefit of \$25.1 million recorded in 2020 that relates to the impacts of the Coronavirus Aid, Relief, and Economic Security Act (“**CARES Act**”) to prior years. The CARES Act provides various tax relief measures to taxpayers impacted by COVID-19. Tax expense specific to the period also included a benefit of \$5.5 million related to release of the sequestration on AMT, which was partially offset by a share-based excess cost of \$1.7 million and changes in estimates related to prior years of \$0.6 million. In addition to items specific to the period, our income tax rate is impacted by the mix of earnings across the jurisdictions in which we operate, by a benefit associated with depletion, and by the impact of certain entities being taxed in both foreign jurisdictions and the U.S., including foreign tax credits for various taxes incurred.

Generally, for interim periods, income tax is equal to the total of (1) year-to-date pretax income multiplied by our forecasted effective tax rate plus (2) tax expense items specific to the period. In situations where we expect to report losses for which we do not expect to receive tax benefits, we are required to apply separate forecasted effective tax rates to those jurisdictions rather than including them in the consolidated effective tax rate. For the three months ended

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March 31, 2020, income tax expense was impacted by this set of rules, resulting in an additional cost of \$12.6 million compared to what would have been recorded under the general rule on a consolidated basis.

For the three months ended March 31, 2019, tax expense specific to the period was a benefit of approximately \$0.4 million. In addition to items specific to the period, our income tax rate was impacted by the mix of earnings across the jurisdictions in which we operate, by a benefit associated with depletion, and by the impact of certain entities being taxed in both foreign jurisdictions and the U.S., including foreign tax credits for various taxes incurred.

### *Critical Accounting Estimates*

The Condensed Consolidated Financial Statements are prepared in conformity with GAAP. In preparing the Condensed Consolidated Financial Statements, we are required to make various judgments, estimates and assumptions that could have a significant impact on the results reported in the Condensed Consolidated Financial Statements. We base these estimates on historical experience and other assumptions believed to be reasonable by management under the circumstances. Changes in these estimates could have a material effect on our Condensed Consolidated Financial Statements.

The basis for our financial statement presentation, including our significant accounting estimates, is summarized in Note 2 to the Condensed Consolidated Financial Statements in this report. A summary description of our significant accounting policies is included in Note 2 to the Consolidated Financial Statements in our 10-K Report. Further detailed information regarding our critical accounting estimates is included in Management's Discussion and Analysis of Results of Operations and Financial Condition in our 10-K Report.

### *Liquidity and Capital Resources*

As of March 31, 2020, we had cash and cash equivalents of \$1.1 billion, short-term debt of \$1.0 billion, long-term debt, including current maturities, of approximately \$4.6 billion, and stockholders' equity of approximately \$8.6 billion. We have a target liquidity buffer of up to \$3.0 billion, including cash and available committed credit lines. We expect our liquidity to fluctuate from time to time, especially in the first quarter of each year, to manage through the seasonality of our business. We also target debt leverage ratios that are consistent with investment grade credit ratings. Our capital allocation priorities include maintaining our investment grade ratings and financial strength, sustaining our assets, including ensuring the safety and reliability of our assets, investing to grow our business, either through organic growth or taking advantage of strategic opportunities, and returning excess cash to shareholders, including paying our dividend. During the three months ended March 31, 2020, we invested \$263.5 million in capital expenditures.

Funds generated by operating activities, available cash and cash equivalents, and our credit facilities continue to be our most significant sources of liquidity. We believe funds generated from the expected results of operations and available cash, cash equivalents and borrowings under our credit facilities, as needed, will be sufficient to finance our operations, including our capital expenditures, existing strategic initiatives and expected dividend payments, for the next 12 months. There can be no assurance, however, that we will continue to generate cash flows at or above current levels. As of March 31, 2020, we had \$1.6 billion available under our \$2.0 billion revolving credit facility. Our credit facilities, including the revolving credit facility and our term loans, require us to maintain certain financial ratios, as discussed in Note 10 of our Notes to Consolidated Financial Statements in our 10-K Report. We were in compliance with these ratios as of March 31, 2020.

All of our cash and cash equivalents are diversified in highly rated investment vehicles. Our cash and cash equivalents are held either in the U.S. or held by non-U.S. subsidiaries and are not subject to significant foreign currency exposures, as the majority are held in investments denominated in U.S. dollars as of March 31, 2020. These funds may create foreign currency transaction gains or losses, however, depending on the functional currency of the entity holding the cash. In addition, there are no significant restrictions that would preclude us from bringing these funds back to the U.S., aside from withholding taxes.

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The following table represents a comparison of the net cash provided by operating activities, net cash provided by or used in investing activities, and net cash used in or provided by financing activities for the three months ended March 31, 2020 and March 31, 2019:

(in millions)	Three months ended			
	March 31, 2020		2020-2019	
	2020	2019	Change	Percent
<b>Cash Flow</b>				
Net cash provided by (used in) operating activities	\$ 189.9	\$ (175.5)	\$ 365.4	NM
Net cash used in investing activities	(269.7)	(328.9)	59.2	(18)%
Net cash provided by financing activities	698.3	22.3	676.0	NM

### *Operating Activities*

During the three months ended March 31, 2020, net cash provided by operating activities was \$189.9 million, compared to net cash used by operating activities of \$175.5 million for the three months ended March 31, 2019. Our results of operations, after non-cash adjustments to net earnings, used \$3.7 million to cash flows from operating activities during the three months ended March 31, 2020, compared to a contribution of \$345.0 million as computed on the same basis for the prior year period. During the three months ended March 31, 2020, we had a favorable working capital change of \$193.6 million, compared to an unfavorable change of \$520.5 million during the three months ended March 31, 2019.

The change in working capital for the three months ended March 31, 2020, was primarily driven by an increase in accounts payable and accrued expenses of \$332.7 million, partially offset by an increase in other current and noncurrent assets of \$107.9 million. The increase in accounts payable and accrued expenses was due to an increase in product purchases by our international locations and by the impacts of noncash U.S. dollar transaction losses included in the net loss for the quarter. Working capital also benefited from a lack of seasonal inventory increases that are typically seen in the first quarter. The increase in other assets is primarily due to income tax receivables, as we have made payments in excess of our expected tax liabilities.

The change in working capital for the three months ended March 31, 2019, was primarily driven by an increase in inventories \$304.5 million, and a decrease in accounts payable and accrued liabilities of \$186.7 million. The increase in inventories was primarily due to building inventory volumes as of March 31, 2019. We had lower sales volumes in the first quarter of 2019 due to adverse weather conditions, which caused a delay in the spring season in North America and higher pipeline inventories. Accounts payable and accrued liabilities decreased due to the timing of tax payments and the payment of employee short-term incentives in the three months ended March 31, 2019. Accrued expenses also decreased due to lower customer prepayments in Brazil in the first quarter of 2019.

### *Investing Activities*

Net cash used in investing activities was \$269.7 million for the three months ended March 31, 2020, compared to \$328.9 million for the same period a year ago. We had capital expenditures of \$263.5 million for the three months ended March 31, 2020, compared to \$313.9 million in the prior year period. The decrease was due to certain deferring capital projects until later in the year and the timing of payments.

### *Financing Activities*

Net cash provided by financing activities for the three months ended March 31, 2020, was \$698.3 million, compared to \$22.3 million for the same period in the prior year. For the three months ended March 31, 2020, we had net proceeds from borrowings on short-term debt of \$972.8 million, compared to \$152.3 million in the prior year. During the current year quarter, to increase available cash on hand, we entered into short-term inventory and accounts receivable financing agreements under which we borrowed \$101.5 million and \$350.3 million, respectively, and had other short-term net borrowings of \$121 million. In response to the economic uncertainty created by the COVID-19 outbreak, we drew \$400 million on our revolving credit facility. We had net payments on structured accounts payable of \$241.3 million, compared to \$110.2 million in the prior year period. We also paid dividends of \$18.9 million in the current year period compared to \$9.6 million in the prior year period.

### *Debt Instruments, Guarantees and Related Covenants*

See Notes 12 and 18 to the Consolidated Financial Statements in our 10-K Report.

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### ***Financial Assurance Requirements***

In addition to various operational and environmental regulations related to our Phosphates segment, we are subject to financial assurance requirements. In various jurisdictions in which we operate, particularly Florida and Louisiana, we are required to pass a financial strength test or provide credit support, typically in the form of surety bonds, letters of credit, certificates of deposit or trust funds. Further information regarding financial assurance requirements is included in Management's Discussion and Analysis of Results of Operations and Financial Condition in our 10-K Report, under "EPA RCRA Initiative," and in Note 8 to our Condensed Consolidated Financial Statements in this report.

### ***Off-Balance Sheet Arrangements and Obligations***

Information regarding off-balance sheet arrangements and obligations is included in Management's Discussion and Analysis of Results of Operations and Financial Condition in our 10-K Report and Note 15 to our Condensed Consolidated Financial Statements in this report.

### ***Contingencies***

Information regarding contingencies is hereby incorporated by reference to Note 16 to our Condensed Consolidated Financial Statements in this report.

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### Forward-Looking Statements

#### **Cautionary Statement Regarding Forward Looking Information**

All statements, other than statements of historical fact, appearing in this report constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, among other things, statements about our expectations, beliefs, intentions or strategies for the future, including statements about proposed or pending future transactions or strategic plans, statements concerning our future operations, financial condition and prospects, statements regarding our expectations for capital expenditures, statements concerning our level of indebtedness and other information, and any statements of assumptions regarding any of the foregoing. In particular, forward-looking statements may include words such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "potential", "predict", "project" or "should". These statements involve certain risks and uncertainties that may cause actual results to differ materially from expectations as of the date of this filing.

Factors that could cause reported results to differ materially from those expressed or implied by the forward-looking statements include, but are not limited to, the following:

- business and economic conditions and governmental policies affecting the agricultural industry where we or our customers operate, including price and demand volatility resulting from periodic imbalances of supply and demand;
- the impact of the recent outbreak of the novel coronavirus COVID-19 on the global economy and our business, suppliers, customers, employee and the communities in which we operate, as further described in Part II, Item 1A of this 10-Q Report;
- the sudden and severe drop in oil demand which could lead to a significant decline in production, and its impact on the availability and price of sulfur, a key raw material input for our phosphate segment operations;
- because of political and economic instability in Brazil or changes in government policy in Brazil, our operations could be disrupted as higher costs of doing business could result, including those associated with implementation of new freight tables and new mining legislation;
- changes in farmers’ application rates for crop nutrients;
- changes in the operation of world phosphate or potash markets, including continuing consolidation in the crop nutrient industry, particularly if we do not participate in the consolidation;
- the expansion or contraction of production capacity or selling efforts by competitors or new entrants in the industries in which we operate, including the effects of actions by members of Canpotex to prove the production capacity of potash expansion projects, through proving runs or otherwise;
- the timely development and commencement of operations of production facilities in the Kingdom of Saudi Arabia, political and economic instability in the region, and in general the future success of current plans for the MWSPC joint venture and any future changes in those plans;
- build-up of inventories in the distribution channels for our products that can adversely affect our sales volumes and selling prices;
- the effect of future product innovations or development of new technologies on demand for our products;
- seasonality in our business that results in the need to carry significant amounts of inventory and seasonal peaks in working capital requirements, and may result in excess inventory or product shortages;
- changes in the costs, or constraints on supplies, of raw materials or energy used in manufacturing our products, or in the costs or availability of transportation for our products;
- declines in our selling prices or significant increases in costs that can require us to write down our inventories to the lower of cost or market, or require us to impair goodwill or other long-lived assets, or establish a valuation allowance against deferred tax assets;
- the effects on our customers of holding high cost inventories of crop nutrients in periods of rapidly declining market prices for crop nutrients;

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- the lag in realizing the benefit of falling market prices for the raw materials we use to produce our products that can occur while we consume raw materials that we purchased or committed to purchase in the past at higher prices;
- customer expectations about future trends in the selling prices and availability of our products and in farmer economics;
- disruptions to existing transportation or terminaling facilities, including those of Canpotex or any joint venture in which we participate;
- shortages or other unavailability of railcars, tugs, barges and ships for carrying our products and raw materials;
- the effects of and change in trade, monetary, environmental, tax and fiscal policies, laws and regulations;
- foreign exchange rates and fluctuations in those rates;
- tax regulations, currency exchange controls and other restrictions that may affect our ability to optimize the use of our liquidity;
- other risks associated with our international operations, including any potential and actual adverse effects related to the Miski Mayo mine;
- adverse weather conditions affecting our operations, including the impact of potential hurricanes, excessive heat, cold, snow, rainfall or drought;
- difficulties or delays in receiving, challenges to, increased costs of obtaining or satisfying conditions of, or revocation or withdrawal of required governmental and regulatory approvals, including permitting activities;
- changes in the environmental and other governmental regulation that applies to our operations, including federal legislation or regulatory action expanding the types and extent of water resources regulated under federal law and the possibility of further federal or state legislation or regulatory action affecting or related to greenhouse gas emissions, including carbon taxes or other measures that may be implemented in Canada or other jurisdictions in which we operate, or of restrictions or liabilities related to elevated levels of naturally-occurring radiation that arise from disturbing the ground in the course of mining activities or possible efforts to reduce the flow of nutrients into the Gulf of Mexico, the Mississippi River basin or elsewhere;
- the potential costs and effects of implementation of federal or state water quality standards for the discharge of nitrogen and/or phosphorus into Florida waterways;
- the financial resources of our competitors, including state-owned and government-subsidized entities in other countries;
- the possibility of defaults by our customers on trade credit that we extend to them or on indebtedness that they incur to purchase our products and that we guarantee, particularly when we are exiting our business operations or locations that produced or sold the products to that customer;
- any significant reduction in customers' liquidity or access to credit that they need to purchase our products;
- the effectiveness of the processes we put in place to manage our significant strategic priorities, including the expansion of our Potash business and our investment in MWSPC, and to successfully integrate and grow acquired businesses;
- actual costs of various items differing from management's current estimates, including, among others, asset retirement, environmental remediation, reclamation or other environmental obligations and Canadian resource taxes and royalties, or the costs of MWSPC, its existing or future funding and our commitments in support of such funding;
- the costs and effects of legal and administrative proceedings and regulatory matters affecting us, including environmental, tax or administrative proceedings, complaints that our operations are adversely impacting nearby farms, businesses, other property uses or properties, settlements thereof and actions taken by courts with respect to approvals of settlements, costs related to defending and resolving global audit, appeal or court activity, and other, and other further developments in legal proceedings and regulatory matters;

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- the success of our efforts to attract and retain highly qualified and motivated employees;
- strikes, labor stoppages or slowdowns by our work force or increased costs resulting from unsuccessful labor contract negotiations, and the potential costs and effects of compliance with new regulations affecting our workforce, which increasingly focus on wages and hours, healthcare, retirement and other employee benefits;
- brine inflows at our Esterhazy, Saskatchewan potash mine, as well as potential inflows at our other shaft mines;
- accidents or other incidents involving our properties or operations, including potential fires, explosions, seismic events, sinkholes, unsuccessful tailings management, ineffective mine safety procedures, or releases of hazardous or volatile chemicals;
- terrorism or other malicious intentional acts, including cybersecurity risks such as attempts to gain unauthorized access to, or disable, our information technology systems, or our costs of addressing malicious intentional acts;
- other disruptions of operations at any of our key production and distribution facilities, particularly when they are operating at high operating rates;
- changes in antitrust and competition laws or their enforcement;
- actions by the holders of controlling equity interests in businesses in which we hold a noncontrolling interest;
- changes in our relationships with other members of Canpotex or any joint venture in which we participate or their or our exit from participation in Canpotex or any such export association or joint venture, and other changes in our commercial arrangements with unrelated third parties;
- the adequacy of our property, business interruption and casualty insurance policies to cover potential hazards and risks incident to our business, and our willingness and ability to maintain current levels of insurance coverage as a result of market conditions, our loss experience and other factors;
- difficulties in realizing benefits under our long-term natural gas based pricing ammonia supply agreement with CF Industries, Inc., including the risks that the cost savings initially anticipated from the agreement may not be fully realized over the term of the agreement or that the price of natural gas or the market price for ammonia during the agreement's term are at levels at which the agreement's natural gas based pricing is disadvantageous to us, compared with purchases in the spot market; and
- other risk factors reported from time to time in our Securities and Exchange Commission reports.

Material uncertainties and other factors known to us are discussed in Item 1A, "Risk Factors," of our 10-K Report for the year ended December 31, 2019 and incorporated by reference herein as if fully stated herein.

We base our forward-looking statements on information currently available to us, and we undertake no obligation to update or revise any of these statements, whether as a result of changes in underlying factors, new information, future events or other developments.

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**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

We are exposed to the impact of fluctuations in the relative value of currencies, the impact of interest rates, fluctuations in the purchase price of natural gas, ammonia and sulfur consumed in operations, and changes in freight costs, as well as changes in the market value of our financial instruments. We periodically enter into derivatives in order to mitigate our foreign currency risks, interest rate risks and the effects of changing commodity prices, but not for speculative purposes. See Note 16 to the Consolidated Financial Statements in our 10-K Report and Note 12 to the Condensed Consolidated Financial Statements in this report.

**Foreign Currency Exchange Contracts**

Due to the global nature of our operations, we are exposed to currency exchange rate changes which may cause fluctuations in our earnings and cash flows. Our primary foreign currency exposures are the Canadian dollar and Brazilian real. To reduce economic risk and volatility on expected cash flows that are denominated in the Canadian dollar and Brazilian real, we use financial instruments that may include forward contracts, zero-cost collars and/or futures. Mosaic hedges cash flows on a declining basis, up to 18 months for the Canadian dollar and up to 12 months for the Brazilian real. We may enter into hedges of up to 36 months for expected Canadian dollar capital expenditures related to our Esterhazy K3 expansion program. Due to the Acquisition, Mosaic's exposure to the Brazilian real has increased and, as a result, the amount of foreign derivatives that we have entered into related to the Brazilian real has increased.

As of March 31, 2020, and December 31, 2019, the fair value of our major foreign currency exchange contracts was (\$67.1) million and \$(7.2) million, respectively. The table below provides information about Mosaic's significant foreign exchange derivatives.

(in millions US\$)	As of March 31, 2020					Fair Value	As of December 31, 2019				Fair Value
	Expected Maturity Date						Expected Maturity Date				
	Years ending December 31,						Years ending December 31,				
	2020	2021	2022	2023	2020		2021	2022	2023		
<b>Foreign Currency Exchange Forwards</b>											
<b>Canadian Dollar</b>						\$ (43.7)					\$ 7.6
Notional (million US\$) - short Canadian dollars	\$ 68.1	\$ —	\$ —	\$ —		\$ 72.3	\$ —	\$ —			
Weighted Average Rate - Canadian dollar to U.S. dollar	1.3214	—	—	—		1.3137	—	—			
Notional (million US\$) - long Canadian dollars	\$ 400.8	\$ 222.5	\$ 113.2	\$ 14.7		\$ 585.2	\$ 200.1	\$ 90.6			
Weighted Average Rate - Canadian dollar to U.S. dollar	1.3142	1.3121	1.3255	1.3569		1.3117	1.3093	1.3245			
<b>Foreign Currency Exchange Collars</b>											
<b>Canadian Dollar</b>						\$ (0.8)					\$ 0.2
Notional (million US\$) - long Canadian dollars	\$ —	\$ —	\$ —	\$ 30.4		\$ —	\$ —	\$ 22.8			
Weighted Average Participation Rate - Canadian dollar to U.S. dollar	—	—	—	1.3432		—	—	1.3483			
Weighted Average Protection Rate - Canadian dollar to U.S. dollar	—	—	—	1.2874		—	—	1.2800			

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<b>Indian Rupee</b>										\$ 0.1	\$ 0.0
Notional (million US\$)	\$ 5.0	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	
Weighted Average Participation Rate - Indian rupee to U.S. dollar	71.0000	—	—	—	—	—	—	—	—	—	
Weighted Average Protection Rate - Indian rupee to U.S. dollar	73.6000	—	—	—	—	—	—	—	—	—	
<b>Foreign Currency Exchange Non-Deliverable Forwards</b>											
<b>Brazilian Real</b>										\$ (24.0)	\$ (14.4)
Notional (million US\$) - short Brazilian real	\$ 387.0	\$ —	\$ —	\$ —	\$ —	\$ 464.4	\$ —	\$ —	\$ —	\$ —	
Weighted Average Rate - Brazilian real to U.S. dollar	4.6874	—	—	—	—	4.1616	—	—	—	—	
Notional (million US\$) - long Brazilian real	\$ 267.2	\$ 47.0	\$ —	\$ —	\$ —	\$ 366.5	\$ —	\$ —	\$ —	\$ —	
Weighted Average Rate - Brazilian real to U.S. dollar	4.1361	4.5701	—	—	—	4.0628	—	—	—	—	
<b>Indian Rupee</b>										\$ 1.3	\$ (0.6)
Notional (million US\$) - short Indian rupee	\$ 135.8	\$ —	\$ —	\$ —	\$ —	\$ 115.4	\$ —	\$ —	\$ —	\$ —	
Weighted Average Rate - Indian rupee to U.S. dollar	75.6063	—	—	—	—	71.9895	—	—	—	—	
<b>Total Fair Value</b>										<u>\$ (67.1)</u>	<u>\$ (7.2)</u>

Further information regarding foreign currency exchange rates and derivatives is included in Management's Discussion and Analysis of Financial Condition and Results of Operations in our 10-K Report and Note 12 to the Condensed Consolidated Financial Statements in this report.

### **Commodities**

As of March 31, 2020, and December 31, 2019, the fair value of our natural gas commodities contracts was \$(0.9) million and \$(4.0) million, respectively.

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The table below provides information about our natural gas derivatives which are used to manage the risk related to significant price changes in natural gas.

<b>(in millions)</b>	<b>As of March 31, 2020</b>				<b>Fair Value</b>	<b>As of December 31, 2019</b>				<b>Fair Value</b>
	<b>Expected Maturity Date</b>					<b>Expected Maturity Date</b>				
	<b>Years ending December 31,</b>					<b>Years ending December 31,</b>				
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>		<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	
<b>Natural Gas Swaps</b>					\$ (0.9)					\$ (4.0)
Notional (million MMBtu) - long	15.2	18.5	4.9	—		20.6	18.5	4.9	—	
Weighted Average Rate (US\$/MMBtu)	\$ 1.73	\$ 1.93	\$ 1.74	\$ —		\$ 1.92	\$ 1.98	\$ 1.83	\$ —	
<b>Total Fair Value</b>					<u>\$ (0.9)</u>					<u>\$ (4.0)</u>

Further information regarding commodities and derivatives is included in Management's Discussion and Analysis of Financial Condition and Results of Operations in our 10-K Report and Note 12 to the Condensed Consolidated Financial Statements in this report.

### **Interest Rates**

We manage interest expense through interest rate contracts to convert a portion of our fixed-rate debt into floating-rate debt. We also enter into interest rate swap agreements to hedge our exposure to changes in future interest rates related to anticipated debt issuances. As of March 31, 2020, and December 31, 2019, the fair value of our interest rate contracts was \$36.6 million and \$11.4 million, respectively. In April 2020, the interest swap contracts were terminated which resulted in a gain in excess of \$40 million. Further information regarding our interest rate contracts is included in Note 12 to the Condensed Consolidated Financial Statements in this report.

#### **ITEM 4. CONTROLS AND PROCEDURES**

##### **(a) Evaluation of Disclosure Controls and Procedures**

We maintain disclosure controls and procedures designed to ensure that information required to be disclosed in our filings under the Securities Exchange Act of 1934 is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and (ii) accumulated and communicated to management, including our principal executive officer and our principal financial officer, to allow timely decisions regarding required disclosures. Our management, with the participation of our principal executive officer and our principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this quarterly report on Form 10-Q. Our principal executive officer and our principal financial officer have concluded, based on such evaluations, that our disclosure controls and procedures were effective for the purpose for which they were designed as of the end of such period.

##### **(b) Changes in Internal Control Over Financial Reporting**

Our management, with the participation of our principal executive officer and our principal financial officer, have evaluated any changes in our internal control over financial reporting that occurred during the three months ended March 31, 2020 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. Our management, with the participation of our principal executive officer and principal financial officer, did not identify any such changes during the three months ended March 31, 2020.

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### **PART II. OTHER INFORMATION**

#### **ITEM 1. LEGAL PROCEEDINGS**

We have included information about legal and environmental proceedings in Note 13 to our Condensed Consolidated Financial Statements in this report. This information is incorporated herein by reference.

We are also subject to the following legal and environmental proceedings in addition to those described in Note 16 of our Condensed Consolidated Financial Statements in this report:

*Waters of the United States.* In June 2015, EPA and the U.S. Army Corps of Engineers (the “Corps”) jointly issued a final rule that proposed to clarify, but may actually expand, the scope of waters regulated under the federal Clean Water Act. The final rule (the “2015 Clean Water Rule”) became effective in August 2015, but has been challenged through numerous lawsuits. In October 2015, the U.S. Court of Appeals for the Sixth Circuit issued an order staying the effectiveness of the final rule nationwide pending adjudication of substantive challenges to the rule. In early 2017, the U.S. President issued an Executive Order directing EPA and the Corps to publish a proposed rule rescinding or revising the new rule. In June 2017, EPA and the Corps issued a proposed rule that would rescind the 2015 Clean Water Rule and re-codify regulatory text that existed prior to enactment of the 2015 Clean Water Rule. In November 2017, EPA issued a rule notice proposing to extend the applicability date of the 2015 Clean Water Rule for two years from the date of final action on the proposed rule, to provide continuity and regulatory certainty while agencies proceed to consider potential changes to the 2015 Clean Water Rule.

In January 2018, the U.S. Supreme Court unanimously held all challenges to the 2015 Clean Water Rule must be heard in federal district courts rather than in the federal courts of appeal, overruling a decision by the Sixth Circuit’s Court of Appeals. With the Sixth Circuit Court of Appeals no longer having jurisdiction, that court lifted its 2015 nationwide stay in February 2018. After the nationwide stay was lifted, a number of U.S. District Courts revived dormant litigation that challenged the 2015 Clean Water Rule. In June 2018, the U.S. District Court for the Southern District of Georgia entered an injunction against implementation of the 2015 Clean Water Rule covering 11 states, including Florida. As of September 2018, federal district courts have put the 2015 Clean Water Rule on hold in 28 states, the District of Columbia and the U.S. territories.

On December 11, 2018, EPA and the Corps issued a proposed rule to replace the 2015 Clean Water Rule, referred to as the “Navigable Waters Protection Rule”. The agencies’ stated interpretation for the proposed rule is to provide clarity, predictability and consistency so that the regulated community can better understand where the Clean Water Act applies and where it does not. EPA and the Corps received over 600,000 public comments on the proposed rule. A final, new rule has not yet been promulgated by EPA and the Corps.

On September 12, 2019, EPA and the Corps jointly issued a final regulation that repeals the 2015 Clean Water Rule and restores the previous regulatory regime. This regulation reestablishes national consistency by returning all jurisdictions to the longstanding regulatory framework that existed prior to the 2015 Clean Water Rule. The final rule takes effect sixty (60) days after publication in the Federal Register. A challenge to this legislation is possible.

The rule replacement for the 2015 WOTUS, called the “Navigable Waters Protection Rule” was finalized and issued jointly by EPA and the Corps on January 23, 2020. It will go into effect 60 days after it is published in the Federal Register. [Note: As of April 13, 2020, the rule had not yet been published in the Federal Register.] The final rule provides a distinction between federal waters and waters under the sole control of the States. It also clarifies the types of connections to perennial and intermittent tributaries that make lakes and ponds jurisdictional and clarifies the factors that determine when wetlands are considered “adjacent”.

In a departure from the 2018 proposed rule, the final regulation covers wetlands physically separated by natural or artificial barriers from another jurisdictional water. In part because the rule discards the “significant nexus test” established by the Supreme Court in *Rapanos v. United States*, legal challenges are expected in one or more U.S. District Courts to quickly stay the rule, preventing it from taking effect while those legal challenges proceed through the judicial system to the U.S. Supreme Court.

In the proposed rulemaking, the agencies provided a definition of the difference between federally regulated waterways and those waters that remain solely under state authority.

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We believe the 2015 Clean Water Rule, if not rescinded, may expand the types and extent of water resources regulated under federal law, thereby potentially expanding our permitting and reporting requirements, increasing our costs of compliance, including costs associated with wetlands and stream mitigation, lengthening the time necessary to obtain permits, and potentially restricting our ability to mine certain of our phosphate rock reserves.

*The South Pasture Extension Mine Litigation.* On January 8, 2020, the Hardee County Mining Coordinator issued a Notice of Violation (“NOV”) for the failure by Mosaic to proceed with reclamation of two designated Reclamation Units within the South Pasture Mine footprint. These two Reclamation Units comprise 166 acres of mined lands. The NOV cites noncompliance with the County Land Development Regulations and with the conditions of Development of Regional Impact (“DRI”) Development Order 12-21 that was issued in 2012 to authorize continued mining at the South Pasture Mine, continued operation of the South Pasture beneficiation plant, and to authorize mining at the South Pasture Mine Extension. Through the NOV, the County requested that Mosaic submit a revised reclamation plan and schedule to demonstrate when initial reclamation activities would be completed for the two Reclamation Units identified in the NOV.

The delay in meeting the required reclamation schedule at the two Reclamation Units is tied to the idling and eventual shutdown of the Plant City Fertilizer Plant and the idling of the South Pasture Mine beneficiation plant. The Plant City facility was first idled in late 2017 and in June 2019, Mosaic announced that the Plant City facility would be closed permanently.

Given the dependent relationship between the Plant City fertilizer plant and the South Pasture beneficiation plant, and facing adverse market conditions, Mosaic idled the South Pasture beneficiation plant in September 2018. Idling of the South Pasture Mine beneficiation plant in September 2018 resulted in no tailings sand being produced by the processing of phosphate matrix. As a result, there was no tailings sand available for use in sand backfilling reclamation at the South Pasture Mine, and specifically, the two Reclamation Units identified in the County’s January 8th NOV.

On March 10, 2020, Mosaic filed an “Application for Waiver and Reclamation Schedule Extension” to secure Board of County Commissioners (“BOCC”) approval of extended reclamation deadlines for the South Pasture Mine. The Application was supported by authority set forth in the County’s Land Development Regulations and Development Order 12-21. To obtain waiver relief from the BOCC, a quasi-judicial hearing will be required.

On March 23, 2020, the County Staff sent to Mosaic a Request for Additional Information (“RAI”) regarding the Application for Waiver. Since issuance of the RAI, there have been multiple conferences between Mosaic and Hardee County personnel to refine the scope of waiver relief warranted, identify a feasible reclamation compliance schedule for the South Pasture Mine, and to debate the issue of civil penalties for the reclamation noncompliance identified in the NOV.

## ITEM 1A. RISK FACTORS

Important risk factors that apply to us are outlined in Item 1A in our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 (the “10-K Report”). In addition to these risk factors, we include the following updated related to COVID-19:

### **The COVID-19 pandemic may materially adversely affect our business operations and financial condition**

The recent outbreak of the novel coronavirus COVID-19 has spread across the globe and has been declared a pandemic by the World Health Organization. In an effort to contain the spread of the virus, many government authorities, at locations where we do business, have issued “social distancing or shelter in place” orders which generally direct individuals to remain at their places of residence. The outbreak of the COVID-19 pandemic could significantly disrupt our operations, key suppliers or third-party logistics providers due to the spread of the virus, shelter in place orders, quarantines or other measures implemented to prevent the spread of the virus. In some instances, the pandemic has impacted our business. As part of a government mandates, our Patrocino operations in Brazil and Miski Mayo operations in Peru were temporarily suspended at the onset of the pandemic. Patrocino has since restarted operations on April 7, 2020. We expect Miski Mayo to resume operations in mid-May.

At this time, the Company has only experienced limited adverse financial and operational COVID-19 related conditions as fertilizer has been deemed an essential business because of the role it plays in the production of food. In the back half of 2020 there is a risk to global shipment volumes if the negative impact of COVID-19 on biofuel and related crop prices continues. Farmers are receiving substantial governmental support globally, which could mitigate the potential negative impact on fertilizer demand. We continue to see COVID-19 related risks to logistics, and isolated demand pockets impacted in part by the significant decline in oil prices.

The Company implemented measures that are intended to provide for the immediate health and safety of our employees, including working remotely and alternating work schedules in order to minimize the number of employees at one location which has resulted in minimal impact to our financial reporting systems, internal controls over financial reporting and disclosure controls and procedures.

The occurrence of any of these noted events and potentially others, could have a material adverse effect on our business, financial condition and results of operations. The extent to which the COVID-19 outbreak impacts our operations and financial results will depend on future developments that are highly uncertain, including new information concerning the severity of the virus and the actions taken to contain its impact.

### **Reduced oil refinery operating rates in the United States could have a material adverse impact on our business, financial condition or operating results**

Worldwide demand for oil is collapsing amid the COVID-19 pandemic and global economic slowdown. As a result of the low demand and excess supply, oil producers are also finding it increasingly difficult to store all the oil being pumped. Reduced oil refinery operating rates in the U.S. could result in decreased availability of molten sulfur, which could increase costs of sulfur procurement or decrease availability of sulfur needed in our phosphate production operations. While we have not yet become subject to such results in the sulfur procurement markets, procurement of sulfur at higher costs, if we are unable to pass those costs on in our product prices, or the reduction in the availability of sulfur for our use, could have a material adverse effect on our business, financial condition or operating results.

## ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Pursuant to our employee stock plans relating to the grant of employee stock options, stock appreciation rights, restricted stock unit awards, and other equity-based awards, we have granted and may in the future grant employee stock options to purchase shares of our Common Stock for which the purchase price may be paid by means of delivery to us by the optionee of shares of our Common Stock that are already owned by the optionee (at a value equal to market value on the

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date of the option exercise). During the periods covered by this report, no options to purchase shares of our Common Stock were exercised for which the purchase price was so paid.

On May 14, 2015, we announced our 2015 Repurchase Program, which allows us to repurchase up to \$1.5 billion of our Common Stock through open market purchases, accelerated share repurchase arrangements, privately negotiated transactions or otherwise. No repurchases were made in the three months ended March 31, 2020.

### **ITEM 4. MINE SAFETY DISCLOSURES**

Information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K is included in Exhibit 95 to this report.

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### ITEM 6. EXHIBITS

The following Exhibits are being filed herewith.

<b>Exhibit Index</b>			
<b>Exhibit No</b>	<b>Description</b>	<b>Incorporated Herein by Reference to</b>	<b>Filed with Electronic Submission</b>
3.i	Amended and Restated Bylaws of Mosaic, effective March 5, 2020	Exhibit 3.1 to Mosaic's Current Report on Form 8-K dated March 5, 2020 and filed on March 6, 2020(2)	
10.iii.a.	<a href="#"><u>Form of Restricted Stock Unit Award Agreement under the 2014 Incentive Plan, approved March 4, 2020</u></a>		X
10.iii.b.	<a href="#"><u>Form of TSR Stock Settled Performance Unit Award Agreement under the 2014 Incentive Plan, approved March 4, 2020</u></a>		X
10.iii.c.	<a href="#"><u>Form of TSR Cash Settled Performance Unit Award Agreement under the 2014 Incentive Plan, approved March 4, 2020</u></a>		X
10.iii.d.	<a href="#"><u>Form of Senior Management Severance and Change in Control Agreement, effective April 1, 2020</u></a>		X
31.1	<a href="#"><u>Certification Required by Rule 13a-14(a).</u></a>		X
31.2	<a href="#"><u>Certification Required by Rule 13a-14(a).</u></a>		X
32.1	<a href="#"><u>Certification Required by Rule 13a-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code.</u></a>		X
32.2	<a href="#"><u>Certification Required by Rule 13a-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code.</u></a>		X
95	<a href="#"><u>Mine Safety Disclosures</u></a>		X
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)		X
101.SCH	Inline XBRL Taxonomy Extension Schema Document		X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document		X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document		X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document		X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document		X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)		X

**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 thereunto duly authorized.

THE MOSAIC COMPANY

by:

/S/ CLINT C. FREELAND

\_\_\_\_\_  
Clint C. Freeland

Senior Vice President and Chief Financial Officer

(on behalf of the registrant and as principal accounting officer)

May 5, 2020

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**Section 2: EX-10.IIIA (EXHIBIT 10.IIIA)**

**THE MOSAIC COMPANY**

**RESTRICTED STOCK UNIT AWARD AGREEMENT (202[ ] Award)**

This **RESTRICTED STOCK UNIT AWARD AGREEMENT** (the "Award Agreement") is dated this \_\_\_\_ day of \_\_\_\_\_, 202[ ], from The Mosaic Company, a Delaware corporation (the "Company") to \_\_\_\_\_ (the "Participant"). The "Grant Date" shall be \_\_\_\_\_, 202[ ]. The "Performance Period" shall begin on the Grant Date and end on the date that is three (3) years after the Grant Date.

1. Award. The Company hereby grants to Participant an award of \_\_\_\_ restricted stock units ("RSUs"), each RSU representing the right to receive one share of common stock, par value \$.01 per share (the "Common Stock"), of the Company according to the terms and conditions set forth herein and in The Mosaic Company 2014 Stock and Incentive Plan (the "Plan"). The RSUs are granted under Sections 6(c) and (f) of the Plan. A copy of the Plan will be furnished upon request of Participant.

2. Vesting; Forfeiture; Early Vesting.

(a) Except as otherwise provided in this Award Agreement, the RSUs shall vest in accordance with the following schedule:

On Each of the Following Dates	Number of RSUs Vested
_____, _____	_____

(b) Except as provided in Sections 2(c), (d) and (e), if Participant ceases to be an employee of the Company or any

Affiliate, whether voluntary or involuntary and whether or not terminated for Cause, prior to vesting of the RSUs pursuant to Section 2(a) hereof, all of Participant's rights to all of the unvested RSUs shall be immediately and irrevocably forfeited.

(c) Notwithstanding Sections 2(a), 2(b) or anything else in this Award Agreement to the contrary, all of a Participant's unvested RSU's shall vest upon the date any of the following events occurs:

(i) Participant's death;

(ii) Participant is determined to be disabled under the Company's long-term disability plan; or

(iii) Participant retires from the Company at age sixty (60) or older with at least five years of service (or pursuant to early retirement with the consent of the Committee). In the event of such retirement, Participant will be treated as if he or she had continued in service through the applicable vesting period in Section 2(a) above, and the Shares underlying the RSUs will be issued in accordance with the applicable vesting schedule.

(d) Notwithstanding Sections 2(a), 2(b) or anything else in this Award Agreement to the contrary, in the event of a Change in Control (other than a Change in Control in connection with which the holders of Common Stock receive consideration consisting solely of shares of common stock that are registered under Section 12 of the Securities Exchange Act of 1934, as amended, (the "Exchange Act")) the Participant's RSUs shall vest effective as of the date of the Change in Control, provided that upon a Change in Control specified in Section 3(a)(iv), the Participant's RSUs shall vest effective immediately

prior to consummation of the liquidation or dissolutions provided that the liquidation or dissolution occurs.

(e) Notwithstanding Section 2(b) or anything else in this Award Agreement to the contrary, in the event Participant experiences a Qualified CIC Termination (other than a Change in Control listed in Section 2(d)) the Participant's RSUs shall vest as of the date of Participant's termination of employment.

### 3. Certain Definitions.

(a) "Change in Control" shall mean:

(i) a majority of the directors of the Company shall be persons other than persons (A) for whose election proxies shall have been solicited by the Board of Directors of the Company, or (B) who are then serving as directors appointed by the Board of Directors to fill vacancies on the Board of Directors caused by death or resignation (but not by removal) or to fill newly-created directorships,

(ii) 50% or more of the voting power of all of the outstanding shares of all classes and series of capital stock of the Company entitled to vote in the general election of directors of the Company, voting together as a single class (the "Voting Stock"), of the Company is acquired or beneficially owned by any person, entity or group (within the meaning of Section 13d(3) or 14(d)(2) of the Exchange Act other than (A) an entity in connection with a Business Combination in which clauses (A) and (B) of subparagraph (iii) apply or (B) a licensed broker/dealer or licensed underwriter who purchases shares of Voting Stock pursuant to an underwritten public offering solely for the purpose of resale to the public,

(iii) the consummation of a merger or consolidation of the Company with or into another entity, a sale or other disposition (in one transaction or a series of transactions) of all or substantially all of the Company's assets or a similar business combination (each, a "Business Combination"), in each case unless, immediately following such Business Combination, (A) all or substantially all of the beneficial owners of the Company's Voting Stock immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the voting power of the then outstanding shares of Voting Stock (or comparable voting equity interests) of the surviving or acquiring entity resulting from such Business Combination (including such beneficial ownership of an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets either directly or through one of more subsidiaries), in substantially the same proportions (as compared to the other beneficial owners of the Company's Voting Stock immediately prior to such Business Combination) as their beneficial ownership of the Company's Voting Stock immediately prior to such Business Combination, and (B) no person, entity or group beneficially owns, directly or indirectly, 50% or more of the voting power of the outstanding voting stock (or comparable equity interests) of the surviving or acquiring entity (other than a direct or indirect parent entity of the surviving or acquiring entity, that, after giving effect to the Business Combination, beneficially owns, directly or indirectly, 100% of the outstanding Voting Stock (or comparable equity interests) of the surviving or acquiring entity), or

(iv) approval by the Company's stockholders of a definitive agreement or plan to liquidate or dissolve the Company.

Notwithstanding the foregoing, a Change in Control shall not have occurred unless the event satisfies the definition of "change in control" under section 409A of the Internal Revenue Code of 1986, as amended, and any regulations, rules, or guidance thereunder (the "Code").

(b) “Qualified CIC Termination” shall mean (i) the Company’s termination of Participant’s employment without Cause (or Employee’s termination of employment for Good Reason), and (ii) such termination occurs either (A) upon, or within two years after, the occurrence of a Change in Control of the Company, or (B) at the time of, or following, the entry by the Company into a definitive agreement or plan for a Change in Control of the nature set forth in Section 3(a)(ii), (iii), or (iv) (so long as such Change in Control occurs within six months after the effective date of such termination).

(c) “Cause” shall mean (i) the willful and continued failure by Participant substantially to perform his or her duties and obligations (other than any such failure resulting from his or her incapacity due to physical or mental illness), (ii) Participant’s conviction or plea bargain of any felony or gross misdemeanor involving moral turpitude, fraud or misappropriation of funds or (iii) the willful engaging by Participant in misconduct which causes substantial injury to the Company or its Affiliates, its other employees or the employees of its Affiliates or its clients or the clients of its Affiliates, whether monetarily or otherwise. For purposes of this paragraph, no action or failure to act on Participant’s part shall be considered “willful” unless done or omitted to be done, by Participant in bad faith and without reasonable belief that his or her action or omission was in the best interests of the Company.

(d) “Good Reason” shall mean: (i) a material diminution in authority, duties, or responsibilities; (ii) a material change in geographic location where services are provided (the Company has determined this is any requirement by the Company that Participant move to a location more than fifty (50) miles away from Participant’s regular office location); or (iii) a material diminution in base salary. Good Reason shall not exist if (i) Participant expressly consents to such event in writing, (ii) Participant fails to object in writing to such event within sixty (60) days of its effective date, or (iii) Participant objects in writing to such event within sixty (60) days of its effective date but the Company cures such event within thirty (30) days after written notice from Participant. The written notice must describe the basis for Participant’s claim of Good Reason and identify what reasonable actions would be required to cure such Good Reason.

4. Restrictions on Transfer. The RSUs shall not be transferable other than by will or by the laws of descent and distribution. Each right under this Award Agreement shall be exercisable during Participant’s lifetime only by Participant or, if permissible under applicable law, by Participant’s legal representative. Until the date that the RSUs vest pursuant to Section 2 hereof, none of the RSUs or the shares of Common Stock issuable upon vesting thereof (the “Shares”) may be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of, and any purported sale, assignment, transfer, pledge, hypothecation or other disposition shall be void and unenforceable against the Company, and no attempt to transfer the RSUs or the Shares, whether voluntarily or involuntarily, by operation of law or otherwise, shall vest the purported transferee with any interest or right in or with respect to the RSUs or the Shares. Notwithstanding the foregoing, Participant may, in the manner established pursuant to the Plan, designate a beneficiary or beneficiaries to exercise the rights of Participant and receive any property distributable with respect to the RSUs upon the death of Participant, and Company Common Stock and any other property with respect to the RSUs upon the death of Participant shall be transferable to such beneficiary or beneficiaries or to the person or persons entitled thereto by the laws of descent and distribution, and none of the limitations of the preceding sentence shall in such event apply to such Company Common Stock or other property.

5. Adjustments. If any RSUs vest subsequent to any change in the number or character of the Common Stock of the Company (through any stock dividend or other distribution, recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of shares, or otherwise), Participant shall then receive upon such vesting the number and type of securities or other consideration which Participant would have received if such RSUs had vested prior to

the event changing the number or character of the outstanding Common Stock. In the event of a Change in Control in connection with which the holders of Common Stock receive consideration consisting solely of shares of common stock that are registered under Section 12 of the Exchange Act there shall be substituted for each share of Common Stock available upon vesting of the RSUs granted under this Award Agreement the number and class of shares into which each outstanding share of Common Stock shall be converted pursuant to such Change in Control.

6. Issuance.

(a) Issuance Upon Death Under Section 2(c)(i) or Disability Under Section 2(c)(ii). As soon as administratively practicable following the vesting of RSUs upon death or disability as defined under the Company's long-term disability plan, the Company shall cause to be issued Shares registered in the name of Participant or in the name of Participant's legal representatives, beneficiaries or heirs, as the case may be, evidencing such vested Shares (less any Shares withheld to pay withholding taxes).

(b) Issuance Other Than Upon Death and Disability. As soon as administratively practicable following the completion of the vesting schedule in Section 2(a), the Company shall cause to be issued, for vested RSUs, Shares registered in the name of Participant or in the name of Participant's legal representatives, beneficiaries or heirs, as the case may be, evidencing such vested whole Shares (less any Shares withheld to pay withholding taxes). The value of any fractional Shares shall be paid in cash at the same time.

(c) Change in Control.

(i) Notwithstanding the foregoing, if there is a Change in Control as described under Section 2(d), then Participant shall receive, within ten (10) days of the occurrence of such Change in Control, a cash payment from the Company in an amount based on the number of Shares vested under Section 2(d) multiplied by the highest per share price offered to stockholders of the Company in any transaction whereby the Change in Control takes place.

(ii) If there is a Change in Control as described under Section 2(e), then, within ten (10) days of Participant's Qualified CIC Termination, the Company shall promptly cause to be issued the number and class of whole shares determined under Section 5 hereof registered in the name of Participant or in the name of Participant's legal representatives, beneficiaries or heirs, as the case may be, subject to Section 8(a). The value of any fractional Shares shall be paid in cash at the same time. To the extent that Section 409A of the Code applies and Participant is a specified employee for purposes of section 409A of the Code, payment shall occur the first day of the seventh month following the date of the Participant's termination of employment (rather than within ten (10) days of Participant's Qualified CIC Termination).

Upon the issuance of Shares or payments under this Section, Participant's RSUs shall be cancelled.

7. Dividend Equivalents. Notwithstanding Section 6 hereof, for record dates that occur before a Share is issued in accordance with Section 6 hereof, Participant shall be entitled to receive, with respect to each Share that is so issued, dividend equivalent amounts if dividends are declared by the Board of Directors on the Company's Common Stock. The dividend equivalent amounts shall be an amount of cash per share that is issued pursuant to this Award Agreement equal to the dividends per share paid to common stockholders of the Company on a share of the Company's Common Stock during the Performance Period. The dividend equivalent amounts shall be accrued (without interest and earnings) rather than paid when a dividend is paid on a share of the Company's Common Stock. If a RSU is forfeited, the dividend equivalents on the RSU

are forfeited. The Company shall pay the dividend equivalents on a RSU when the Company issues a Share for the RSU.

8. Miscellaneous.

(a) Income Tax Matters.

(i) In order to comply with all applicable federal or state income tax laws or regulations, the Company may take such action as it deems appropriate to ensure that all applicable federal or state payroll, withholding, income or other taxes, which are the sole and absolute responsibility of Participant, are withheld or collected from Participant.

(ii) In accordance with the terms of the Plan, and such rules as may be adopted under the Plan, Participant may elect to satisfy Participant's federal and state income tax withholding obligations arising from the receipt of, or the lapse of restrictions relating to, the Shares (including but not limited to the payment of dividend equivalents) by having the Company withhold a portion of the Shares otherwise to be delivered having a Fair Market Value and/or cash otherwise to be paid equal to the amount of such taxes. The Company will not deliver any fractional Shares but will pay, in lieu thereof, the Fair Market Value of such fractional Shares. Participant's election must be made on or before the date that the amount of tax to be withheld is determined.

(iii) To the extent a payment is not paid within the short-term deferral period and is not exempt from Section 409A of the Code (such as the rule exempting payments made following an involuntary termination of up to two times pay) then Section 409A of the Code shall apply. The Company intends this Award Agreement to comply with Section 409A of the Code and will interpret this Award Agreement in a manner that complies with Section 409A of the Code. For example, the term "termination" shall be interpreted to mean a separation from service under section 409A of the Code and the six-month delay rule shall apply if applicable. Notwithstanding the foregoing, although the intent is to comply with section 409A of the Code, Participant shall be responsible for all taxes and penalties under this Award Agreement (the Company and its employees shall not be responsible for such taxes and penalties).

(b) Clawback. This Award Agreement, and any amounts received hereunder, shall be subject to recovery or other penalties pursuant to (i) any Company clawback policy, as may be adopted or amended from time to time, or (ii) any applicable law, rule or regulation or applicable stock exchange rule, including, without limitation, Section 304 of the Sarbanes-Oxley Act of 2002, Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any NYSE Listing Rule adopted pursuant thereto.

(c) Plan Provisions Control. In the event that any provision of the Award Agreement conflicts with or is inconsistent in any respect with the terms of the Plan, the terms of the Plan shall control. Any term not otherwise defined in this Award Agreement shall have the meaning ascribed to it in the Plan.

(d) Rationale for Grant. The RSUs granted pursuant to this Award Agreement is intended to offer Participant an incentive to put forth maximum efforts in future services for the success of the Company's business. The RSUs are not intended to compensate Participant for past services.

(e) No Rights of Stockholders. Neither Participant, Participant's legal representative nor a permissible assignee of this award shall have any of the rights and privileges of a stockholder of the Company with respect to the Shares, unless and until such Shares have been issued in accordance with the terms hereof.

(f) No Right to Employment. The issuance of the RSUs or the Shares shall not be construed as giving Participant the right to be retained in the employ of the Company or an Affiliate, nor will it affect in any way the right of the Company or an Affiliate to terminate such employment at any time, with or without Cause. In addition, the Company or an Affiliate may at any time dismiss Participant from employment free from any liability or any claim under the Plan or the Award Agreement. Nothing in the Award Agreement shall confer on any person any legal or equitable right against the Company or any Affiliate, directly or indirectly, or give rise to any cause of action at law or in equity against the Company or an Affiliate. The award granted hereunder shall not form any part of the wages or salary of Participant for purposes of severance pay or termination indemnities, irrespective of the reason for termination of employment. Under no circumstances shall any person ceasing to be an employee of the Company or any Affiliate be entitled to any compensation for any loss of any right or benefit under the Award Agreement or Plan which such employee might otherwise have enjoyed but for termination of employment, whether such compensation is claimed by way of damages for wrongful or unfair dismissal, breach of contract or otherwise. By participating in the Plan, Participant shall be deemed to have accepted all the conditions of the Plan and the Award Agreement and the terms and conditions of any rules and regulations adopted by the Committee and shall be fully bound thereby.

(g) Governing Law. The validity, construction and effect of the Plan and the Award Agreement, and any rules and regulations relating to the Plan and the Award Agreement, shall be determined in accordance with the internal laws, and not the law of conflicts, of the State of Delaware. Participant hereby submits to the nonexclusive jurisdiction and venue of the federal or state courts of Delaware to resolve any and all issues that may arise out of or relate to the Plan or the Award Agreement.

(h) Severability. If any provision of the Award Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or would disqualify the Award Agreement under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the purpose or intent of the Plan or the Award Agreement, such provision shall be stricken as to such jurisdiction or the Award Agreement, and the remainder of the Award Agreement shall remain in full force and effect.

(i) No Trust or Fund Created. Participant shall have no right, title, or interest whatsoever in or to any investments that the Company, its Subsidiaries, and/or its Affiliates may make to aid it in meeting its obligations under the Plan. Neither the Plan nor the Award Agreement shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate and Participant or any other person.

(j) Headings. Headings are given to the Sections and subsections of the Award Agreement solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Award Agreement or any provision thereof.

(k) Securities Matters. The Company shall not be required to deliver Shares until the requirements of any federal or state securities or other laws, rules or regulations (including the rules of any securities exchange) as may be determined by the Company to be applicable are satisfied.

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## Section 3: EX-10.IIIB (EXHIBIT 10.IIIB)

### THE MOSAIC COMPANY

#### TSR PERFORMANCE UNIT AWARD AGREEMENT (202[ ] Award)

(Total Shareholder Return)

This **PERFORMANCE UNIT AWARD AGREEMENT** (the “Award Agreement”) is made this \_\_\_\_ day of \_\_\_\_\_, 202[ ] (the “Grant Date”) from The Mosaic Company, a Delaware corporation (the “Company”), to \_\_\_\_ (“Participant”). The “Performance Period” shall begin on March 1, 2020 and end on February 28, 2023.

#### 1. Award.

(a) The Company hereby grants to Participant an award of \_\_\_\_ performance units (“Performance Units”), each Performance Unit representing the opportunity (provided the performance conditions described below are met) to receive a multiple

of one share of common stock (including a multiple of 1 and less than 1), par value \$.01 per share (the "Common Stock"), of the Company according to the terms and conditions set forth herein and in The Mosaic Company 2014 Stock and Incentive Plan (the "Plan"). The actual amount of Performance Units that become earned and vested may be higher or lower than the number of Performance Units awarded above, depending the multiple achieved (including a multiple of 1 and less than 1) as described below. The Performance Units are granted under Sections 6(d), (e) and (f) of the Plan. A copy of the Plan will be furnished upon request of Participant.

(b) Calculation of Shares (Performance Requirement). Provided Participant's Performance Units are not forfeited under Section 2, the number of shares of Common Stock ("Shares") issued to Participant in exchange for Performance Units (or the cash amount to be paid for Performance Units) shall be equal to the number of Performance Units awarded under Section 1, multiplied by the TSR Performance Factor, subject to the following restrictions and limitations.

(i) No Shares will be issued (and the Performance Units awarded under Section 1 shall be forfeited), if the Ending Value is less than 60% of the Starting Value (i.e., total shareholder return in the chart in Section 1(c) below is below -40%).

(ii) The maximum number of Shares that may be issued is twice the number of Performance Units awarded under Section 1. In addition to the foregoing, the number of Shares to be issued shall be reduced to the extent necessary so that (a) the value determined by multiplying the Ending Value times the number of Shares actually issued hereunder does not exceed (b) the Starting Value multiplied by 400%, multiplied by the number of Performance Units awarded under Section 1. (For example, if the Starting Value is \$50, the Ending Value is \$250, and Participant was awarded 100 Performance Units, this provision limits the Shares awarded to Participant to 80 Shares rather than 200 Shares.) Notwithstanding the foregoing, in the event that dividend equivalents ("Dividend Equivalents") are payable under Section 7 hereof, the maximum number of shares that may be issued pursuant to the limitations in the first two sentences of this clause (ii) and the amount of Dividend Equivalents otherwise payable shall both be reduced, in proportion to the relative Ending Value of the number of Performance Units otherwise issuable and the amount of Dividend Equivalents otherwise payable, to the extent necessary so that (A) the sum of (I) the Ending Value of the Shares actually issued hereunder plus (II) the amount of Dividend Equivalents actually paid hereunder shall not exceed (III) the Ending Value of twice the number of Performance Units awarded under Section 1, and (B) the sum of (I) the amount determined by multiplying the Ending Value times the number of Shares actually issued hereunder plus (II) the amount of Dividend Equivalents

actually paid hereunder does not exceed (III) the Starting Value multiplied by 400% multiplied by the number of Performance Units awarded under Section 1.

(iii) For purposes of this Award Agreement, the “Starting Value” shall be equal to the 30-day trading average of a share of Common Stock through the date prior to the start of the Grant Date.

(iv) For purposes of this Award Agreement, the “Ending Value” shall be equal to the sum of the following: (A) the 30-day trading average of a share of Common Stock through the last day of the Performance Period (the “Ending Price”) plus (B) Dividend Equivalent amounts as determined under Section 7. Notwithstanding the foregoing, in the event of a Change in Control described under Section 2(d), the Performance Period shall end on the date of the Change in Control. Furthermore, in the event of a Change in Control and Qualified CIC Termination described under Section 2(e), the Performance Period shall end on the date of Participant’s termination of employment. In the event of any Change in Control (whether under Section 2(d) or Section 2(e)), the Ending Price shall be an amount not less than the highest per share price offered to stockholders in any transaction whereby the Change in Control takes place.

(v) For purposes of this Award Agreement, the “TSR Performance Factor” shall be equal to the quotient of the Ending Value divided by the Starting Value, reduced by a performance hurdle as determined below:

(a) the TSR Performance Factor shall be reduced by one tenth (0.1) when the quotient of the Ending Value divided by the Starting Value equals 1.1 or less (*i.e.*, the payout percentage is reduced by 10% when total shareholder return in the chart in Section 1(c) below is 10% or less); and

(b) The TSR Performance Factor shall be reduced by the number interpolated on a straight line basis between one tenth (0.1) and zero corresponding to the quotient of the Ending Value divided by the Starting Value falling within the range starting at 1.1 and ending at 2 (*i.e.*, the performance hurdle is phased out as total shareholder return surpasses 10% and approaches 100% in the chart in Section 1(c) below).

(c) The above-described performance requirements and calculations are illustrated in the following chart:

TSR Performance Factor	% of Performance Units Earned
100% (or higher)	200%
90%	189%
80%	178%
70%	167%
60%	156%
50%	144%
40%	133%
30%	122%
20%	111%
10%	100%
0%	90%
-10%	80%
-20%	70%
-30%	60%
-40%	50%
-50% (or lower)	0%

(d) In addition to the foregoing performance requirements, Participant's Performance Units (and accompanying Dividend Equivalents) shall not vest unless the Committee determines that sum of the Adjusted Net Earnings for the Company for the completed three fiscal years (i.e., 2020, 2021 and 2022) within the Performance Period is a positive number.

2. Vesting; Forfeiture; Early Vesting.

(a) Except as otherwise provided in this Award Agreement, the Performance Units (and accompanying Dividend Equivalents) shall cease to be subject to any further requirement that Participant continue in employment with the Company or an Affiliate on the date that is three (3) years after the Grant Date (the "Service Completion Date"). However, the number of Participant's vested Performance Units (and accompanying Dividend Equivalents) shall not become determinable until the Committee certifies performance results under Section 1 above (which shall occur as soon as administratively practicable after the end of the Performance Period).

(b) Except as provided in Sections 2(c), (d) and (e), if Participant ceases to be an employee of the Company or any Affiliate, whether voluntary or involuntary and whether or not terminated for Cause, prior to the Service Completion Date, all of Participant's rights to all of the unvested Performance Units shall be immediately and irrevocably forfeited.

(c) Notwithstanding Sections 2(a), 2(b) or anything else in this Award Agreement to the contrary:

(i) all of a Participant's unvested Performance Units shall vest if Participant dies prior to the Service Completion Date;

(ii) all of a Participant's unvested Performance Units shall vest if Participant is determined to be disabled under the Company's long-term disability plan prior to the Service Completion Date; or

(iii) if Participant retires from the Company at age sixty (60) or older with at least five years of service (or pursuant to early retirement with the consent of the Committee), Participant will be deemed to have continued in service through the Service Completion Date, but the Performance Units shall only vest based on achievement of the performance criteria required in Section 1 above.

(d) Notwithstanding Sections 2(a), 2(b) or anything else in this Award Agreement to the contrary, in the event of a Change in Control (other than a Change in Control in connection with which the holders of Common Stock receive consideration consisting solely of shares of common stock that are registered under Section 12 of the Securities Exchange Act of 1934, as amended, (the "Exchange Act")) Participant's Performance Units shall vest effective as of the date of the Change in Control, provided that upon a Change in Control specified in Section 3(b)(iv), Participant's Performance Units shall vest effective immediately prior to consummation of the liquidation or dissolution provided that the liquidation or dissolution subsequently occurs.

(e) Notwithstanding Sections 2(a), 2(b) or anything else in this Award Agreement to the contrary, in the event Participant experiences a Qualified CIC Termination (other than following a Change in Control listed in Section 2(d)) Participant's Performance Units shall vest as of the date of Participant's termination of employment.

### 3. Certain Definitions.

(a) "Adjusted Net Earnings" shall mean net earnings for Total Mosaic determined in accordance with GAAP and reported in the Financial Statements before deducting (i) Expenses Related to M&A Activities, (ii) Non-Cash Write-offs of Long-Term Assets, (iii) Restructuring Charges otherwise included therein, (iv) Significant Legal Settlements and (v) Unrealized Derivative Gains and Losses.

(i) "*Expenses Related to M&A Activities*" shall mean any costs or expenses (including but not limited to due diligence, legal fees, financing costs and investment banking or consulting fees) relating to or arising from any actual or potential acquisition (in a single transaction or a series of related transactions) of:

- a subsidiary, business, division, line of business; or other business unit of another person; or
- an interest or investment in a joint venture, or an interest reflected or that would, if acquired, be reflected under GAAP as an equity method investments in a nonconsolidated company (in each case including but not limited to an increase in the amount or percentage of ownership of the Company in the joint venture or equity method investment, and irrespective of whether the interest or investment is in the form of debt or equity).

(ii) "*Financial Statements*" shall mean the financial statements of the Company as of and for the applicable calendar year included or incorporated by reference in the Company's annual reports on Form 10-K.

(iii) "*Non-Cash Write-offs of Long-Term Assets*" shall mean non-cash charges to Adjusted Net Earnings (other than any such noncash charge to the extent it represents a write-down or write-off of a current asset or an accrual of a reserve for cash expenditures in any future period), including but not limited to such write-offs of goodwill and fixed assets.

(iv) “*Restructuring Charges*” shall mean one time charges incurred in the current year directly related to achieving long term cost savings in the future, such as severance and reflected in the Financial Statements.

(v) “*Significant Legal Settlements*” shall mean, with respect to legal claims brought against the Company or any of its subsidiaries in a court of law or by a regulatory agency other than in the ordinary course of business, settlements or judgments involving the payment of settlement fees or judgment amounts, together with related legal costs and expenses incurred during the year in which the settlement or judgment occurs, of more than \$25 million.

(vi) “*Unrealized Derivative Gains and Losses*” shall include, but are not limited to, unrealized foreign currency and commodity related derivatives.

(vii) Results for “*Total Mosaic*” shall mean consolidated results for the Company and consolidated subsidiaries, except as otherwise specified.

(b) “Change in Control” shall mean:

(i) a majority of the directors of the Company shall be persons other than persons (A) for whose election proxies shall have been solicited by the Board of Directors of the Company, or (B) who are then serving as directors appointed by the Board of Directors to fill vacancies on the Board of Directors caused by death or resignation (but not by removal) or to fill newly-created directorships,

(ii) 50% or more of the voting power of all of the outstanding shares of all classes and series of capital stock of the Company entitled to vote in the general election of directors of the Company, voting together as a single class (the “Voting Stock”), of the Company is acquired or beneficially owned by any person, entity or group (within the meaning of Section 13d (3) or 14(d)(2) of the Exchange Act other than (A) an entity in connection with a Business Combination in which clauses (A) and (B) of subparagraph (iii) apply or (B) a licensed broker/dealer or licensed underwriter who purchases shares of Voting Stock pursuant to an underwritten public offering solely for the purpose of resale to the public,

(iii) the consummation of a merger or consolidation of the Company with or into another entity, a sale or other disposition (in one transaction or a series of transactions) of all or substantially all of the Company’s assets or a similar business combination (each, a “Business Combination”), in each case unless, immediately following such Business Combination, (A) all or substantially all of the beneficial owners of the Company’s Voting Stock immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the voting power of the then outstanding shares of Voting Stock (or comparable voting equity interests) of the surviving or acquiring entity resulting from such Business Combination (including such beneficial ownership of an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company’s assets either directly or through one of more subsidiaries), in substantially the same proportions (as compared to the other beneficial owners of the Company’s Voting Stock immediately prior to such Business Combination) as their beneficial ownership of the Company’s Voting Stock immediately prior to such Business Combination, and (B) no person, entity or group beneficially owns, directly or indirectly, 50% or more of the voting power of the outstanding voting stock (or comparable equity interests) of the surviving or acquiring entity (other than a direct or indirect parent entity of the surviving or acquiring entity, that, after giving effect to the Business Combination,

beneficially owns, directly or indirectly, 100% of the outstanding Voting Stock (or comparable equity interests) of the surviving or acquiring entity), or

(iv) approval by the Company's stockholders of a definitive agreement or plan to liquidate or dissolve the Company, provided that a "Change in Control" shall only be deemed to have occurred immediately prior to the consummation of such liquidation or dissolution, provided that such consummation subsequently occurs.

Notwithstanding the foregoing, a Change in Control shall not have occurred unless the event satisfies the definition of "change in control" under section 409A of the Internal Revenue Code of 1986, as amended, and any regulations, rules, or guidance thereunder (the "Code").

(c) "Qualified CIC Termination" shall mean (i) the Company's termination of Participant's employment without Cause (or Participant's termination of employment for Good Reason), and (ii) such termination occurs either (A) upon, or within two years after, the occurrence of a Change in Control of the Company, or (B) at the time of, or following, the entry by the Company into a definitive agreement or plan for a Change in Control of the nature set forth in Section 3(b)(ii), (iii), or (iv) (so long as such Change in Control occurs within six months after the effective date of such termination).

(d) "Cause" shall mean (i) the willful and continued failure by Participant substantially to perform his or her duties and obligations (other than any such failure resulting from his or her incapacity due to physical or mental illness), (ii) Participant's conviction or plea bargain of any felony or gross misdemeanor involving moral turpitude, fraud or misappropriation of funds or (iii) the willful engaging by Participant in misconduct which causes substantial injury to the Company or its Affiliates, its other employees or the employees of its Affiliates or its clients or the clients of its Affiliates, whether monetarily or otherwise. For purposes of this paragraph, no action or failure to act on Participant's part shall be considered "willful" unless done or omitted to be done, by Participant in bad faith and without reasonable belief that his or her action or omission was in the best interests of the Company.

(e) "Good Reason" shall mean: (i) a material diminution in authority, duties, or responsibilities; (ii) a material change in geographic location where services are provided (the Company has determined this is any requirement by the Company that Participant move to a location more than fifty (50) miles away from Participant's regular office location); or (iii) a material diminution in base salary. Good Reason shall not exist if (i) Participant expressly consents to such event in writing, (ii) Participant fails to object in writing to such event within sixty (60) days of its effective date, or (iii) Participant objects in writing to such event within sixty (60) days of its effective date but the Company cures such event within thirty (30) days after written notice from Participant. The written notice must describe the basis for Participant's claim of Good Reason and identify what reasonable actions would be required to cure such Good Reason.

4. Restrictions on Transfer. The Performance Units shall not be transferable other than by will or by the laws of descent and distribution. Each right under this Award Agreement shall be exercisable during Participant's lifetime only by Participant or, if permissible under applicable law, by Participant's legal representative. Until the date that the Shares are actually issued under this Award Agreement, none of the Performance Units or the Shares issuable upon vesting thereof may be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of, and any purported sale, assignment, transfer, pledge, hypothecation or other disposition shall be void and unenforceable against the Company, and no attempt to transfer the Performance Units or the Shares, whether voluntarily or involuntarily, by operation of law or otherwise, shall vest the purported transferee with any interest or right in or with respect to the Performance Units or the Shares. Notwithstanding the foregoing, Participant may, in the manner established pursuant to the Plan,

designate a beneficiary or beneficiaries to exercise the rights of Participant and receive any property distributable with respect to the Performance Units upon the death of Participant, and Company Common Stock and any other property with respect to the Performance Units upon the death of Participant shall be transferable to such beneficiary or beneficiaries or to the person or persons entitled thereto by the laws of descent and distribution, and none of the limitations of the preceding sentence shall in such event apply to such Company Common Stock or other property.

5. Adjustments. If any Performance Units vest subsequent to any change in the number or character of the Common Stock of the Company (through any dividend (other than a regular cash dividend) or other distribution (whether in the form of cash, Common Stock, or other securities or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of shares, or otherwise), Participant shall then receive upon such vesting the number and type of securities or other consideration which Participant would have received if such Performance Units had vested prior to the event changing the number or character of the outstanding Common Stock. In the event of a Change in Control in connection with which the holders of Common Stock receive consideration consisting solely of shares of common stock that are registered under Section 12 of the Exchange Act there shall be substituted for each share of Common Stock available upon vesting of the Performance Units granted under this Award Agreement the number and class of shares into which each outstanding share of Common Stock shall be converted pursuant to such Change in Control. In addition, the Committee shall adjust the Ending Value to appropriately reflect the adjustment provided for in the preceding sentence.

6. Issuance.

(a) Issuance Upon Death Under Section 2(c)(i) or Disability Under Section 2(c)(ii). As soon as administratively practicable following the vesting of Performance Units upon death or disability as defined under the Company's long-term disability plan, the Company shall cause to be issued Shares registered in the name of Participant or in the name of Participant's legal representatives, beneficiaries or heirs, as the case may be, evidencing such vested Shares (less any Shares withheld to pay withholding taxes).

(b) Issuance Where Participant Has Not Elected to Defer Award. Unless Participant has elected to defer the Performance Units under this Award Agreement, upon the first annual anniversary of the last day of the Performance Period, the Company shall cause to be issued Shares registered in the name of Participant or in the name of Participant's legal representatives, beneficiaries or heirs, as the case may be, evidencing such vested Shares (less any Shares withheld to pay withholding taxes).

(i) Certain Changes in Control. Notwithstanding the foregoing, if there is a Change in Control as described under Section 2(d), then Participant, or Participant's legal representatives, beneficiaries or heirs, as the case may be, shall receive, within ten (10) days after the occurrence of such Change in Control, a cash payment from the Company in an amount based on the number of Shares calculated under Section 1(b) multiplied by the Ending Price as determined under Section 1(b)(iv).

(ii) Qualified CIC Termination. Notwithstanding the foregoing, in the event of a Change in Control and Qualified CIC Termination described under Section 2(e), then Participant, or Participant's legal representatives, beneficiaries or heirs, as the case may be, shall receive, on the date that is six (6) months following Participant's Qualified CIC Termination, a cash payment from the Company in an amount based on the number of Shares calculated under Section 1(b) (as adjusted pursuant to Section 5) multiplied by the Ending Price as determined under Section 1(b)(iv), plus

interest accrued from the date of the Qualified CIC Termination until the payment date based on the annual short-term applicable federal rate in effect on the date of the Qualified CIC Termination.

(c) Issuance Where Participant Has Elected to Defer Award. Notwithstanding anything else to the contrary in this Award Agreement, if Participant has elected to defer the Performance Units to be issued under this Award Agreement, then the administration, recordkeeping, and issuance of deferred Performance Units shall be under and subject to the Plan and this Award Agreement, and paid as specified under Section 4 of the Mosaic LTI Deferral Plan (subject to adjustments as provided in Section 7 of this Award Agreement); provided, however, that in no event shall the deferral election permit Shares to be issued as of a date that is earlier than the issuance events specified in Section 6(a) above in the absence of a deferral election (the “minimum deferral period”). Subject to the minimum deferral period above, any such deferred awards shall generally be governed by the terms of the Mosaic LTI Deferral Plan.

(d) In General. Upon the issuance of Shares or payment of cash in the case of a Change in Control or Qualified CIC Termination (either by issuance, payment or by deferral), Participant’s Performance Units shall be cancelled. This Award Agreement is denominated in shares and is accounted for, for purposes of Section 4(d)(i) of the Plan, in the year of the Grant Date.

7. Dividend Equivalents. For record dates that occur before a Share is issued in accordance with Section 6 hereof (or, if the Performance Units are deferred as described in Section 6(c), before the date on which a Share would have been issued in accordance with Section 6 hereof but for such deferral), Participant shall be entitled to receive, with respect to each Share that is so issued, Dividend Equivalent amounts if dividends are declared by the Board of Directors on the Company’s Common Stock. Notwithstanding the foregoing, if there is a Change in Control as described under Section 2(d), Dividend Equivalent amounts shall only accrue for record dates that occur before the Change in Control. In the event of a Change in Control and Qualified CIC Termination described under Section 2(e), Dividend Equivalent amounts shall only accrue for record dates that occur before the Qualified CIC Termination. The Dividend Equivalent amounts shall be an amount of cash per share that is issued pursuant to this Award Agreement equal to the dividends per share paid or payable to common stockholders of the Company on a share of the Company’s Common Stock. The Dividend Equivalent amounts shall be accrued (without interest and earnings) rather than paid when a dividend is paid on a share of the Company’s Common Stock. If a Performance Unit is forfeited, the Dividend Equivalents on the Performance Unit are forfeited. Unless deferred under Section 6(c), the Company shall pay the Dividend Equivalents on a Performance Unit when the Company issues a Share for the Performance Unit or makes a cash payment in respect of the unit pursuant to Section 6.

(a) Issuance Where Participant Has Not Elected to Defer Award. Any Dividend Equivalents payable under Section 7 hereof shall be paid when the Company issues a Share for the Performance Unit (or pays cash in the case of a Change in Control or Qualified CIC Termination in the manner described in Section 6). The Company shall automatically deduct the amount necessary to cover all federal and state employment taxes due as of the issuance or payment date, whether or not the payment is deferred, to comply with FICA tax rules (for deferred awards this will occur based on a specified date and as permitted under 26 C.F.R. § 1.409A-3(j)(4)(vi) and (xi)).

(b) Issuance Where Participant Has Elected to Defer Award. If Participant has elected to defer the Performance Units under this Award Agreement, then Participant will no longer be eligible to receive Dividend Equivalents for record dates that occur after the cut-off events described above in this Section 7. For record dates that occur after the cut off events, Participant will be credited, for each Share that would otherwise have been issued but for Participant’s deferral election, with a recordkeeping amount of cash equal to the dividends per share paid or payable to common stockholders of the Company on a share of the

Company's Common Stock. This recordkeeping amount shall be paid out as of the payment dates specified under Section 4 of the Mosaic LTI Deferral Plan and shall be subject to the Mosaic LTI Deferral Plan, including Section 3.2(a) thereof (subject to the minimum deferral period described above in Section 6(c)). If Participant becomes entitled to a cash payment on account of a Change in Control described in Section 2(d) or a Change in Control and Qualified CIC Termination described in Section 2(e), the applicable cash payment shall not be credited with Dividend Equivalents for record dates that occur after the applicable cut-off events described above, but instead shall be credited with a recordkeeping amount of notional earnings, gains or losses in accordance with Participant's investment election under the Mosaic LTI Deferral Plan. Any amounts earned pursuant to Section 7 of this Award Agreement shall be paid out as of the payment dates specified under Section 4 of the Mosaic LTI Deferral Plan (subject to the minimum deferral period described above in Section 6(c)).

8. Miscellaneous.

(a) Income Tax Matters.

(i) Withholding. In order to comply with all applicable federal or state employment and income tax laws and regulations, the Company may take such action as it deems appropriate to ensure that all applicable federal or state payroll, withholding, income or other taxes, which are the sole and absolute responsibility of Participant, are withheld or collected from Participant.

(ii) Payment of Taxes Where Participant Has Not Elected to Defer Award. In accordance with the terms of the Plan, and such rules as may be adopted under the Plan, Participant may elect to satisfy Participant's federal and state income tax withholding obligations arising from the receipt of, or the lapse of restrictions relating to, the Shares (including but not limited to the payment of Dividend Equivalents) by having the Company withhold a portion of the Shares otherwise to be delivered having a Fair Market Value and/or cash otherwise to be paid equal to the amount of such taxes. The Company will not deliver any fractional Shares but will pay, in lieu thereof, the Fair Market Value of such fractional Shares. Participant's election must be made on or before the date that the amount of tax to be withheld is determined.

(iii) Payment of Taxes Where Participant Has Elected to Defer Award. If Participant has elected to defer the Performance Units under this Award Agreement, the Company shall pay federal and state employment taxes according to the Mosaic LTI Deferral Plan.

(iv) Section 409A. To the extent a payment is not paid within the short-term deferral period and is not exempt from section 409A of the Code (such as the rule exempting payments made following an involuntary termination of up to two times pay) then section 409A of the Code shall apply. The Company intends this Award Agreement to comply with section 409A of the Code and will interpret this Award Agreement in a manner that complies with section 409A of the Code. For example, the term "termination" shall be interpreted to mean a separation from service under section 409A of the Code and the six-month delay rule shall apply if applicable. Notwithstanding the foregoing, although the intent is to comply with section 409A of the Code, Participant shall be responsible for all taxes and penalties under this Award Agreement (the Company and its employees shall not be responsible for such taxes and penalties).

(b) Clawback. This Award Agreement, and any amounts received hereunder, shall be subject to recovery or other penalties pursuant to (i) any Company clawback policy, as may be adopted or amended from time to time, or (ii) any applicable law, rule or regulation or applicable stock exchange rule, including,

without limitation, Section 304 of the Sarbanes-Oxley Act of 2002, Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any NYSE Listing Rule adopted pursuant thereto.

(c) Plan Provisions Control. In the event that any provision of the Award Agreement conflicts with or is inconsistent in any respect with the terms of the Plan, the terms of the Plan shall control. Any term not otherwise defined in this Award Agreement shall have the meaning ascribed to it in the Plan.

(d) Rationale for Grant. The Performance Units granted pursuant to this Award Agreement is intended to offer Participant an incentive to put forth maximum efforts in future services for the success of the Company's business. The Performance Units are not intended to compensate Participant for past services.

(e) No Rights of Stockholders. Neither Participant, Participant's legal representative nor a permissible assignee of this award shall have any of the rights and privileges of a stockholder of the Company with respect to the Shares, unless and until such Shares have been issued in accordance with the terms hereof.

(f) No Right to Employment. The issuance of the Performance Units or the Shares shall not be construed as giving Participant the right to be retained in the employ of the Company or an Affiliate, nor will it affect in any way the right of the Company or an Affiliate to terminate such employment at any time, with or without Cause. In addition, the Company or an Affiliate may at any time dismiss Participant from employment free from any liability or any claim under the Plan or the Award Agreement. Nothing in the Award Agreement shall confer on any person any legal or equitable right against the Company or any Affiliate, directly or indirectly, or give rise to any cause of action at law or in equity against the Company or an Affiliate. The award granted hereunder shall not form any part of the wages or salary of Participant for purposes of severance pay or termination indemnities, irrespective of the reason for termination of employment. Under no circumstances shall any person ceasing to be an employee of the Company or any Affiliate be entitled to any compensation for any loss of any right or benefit under the Award Agreement or Plan which such employee might otherwise have enjoyed but for termination of employment, whether such compensation is claimed by way of damages for wrongful or unfair dismissal, breach of contract or otherwise. By participating in the Plan, Participant shall be deemed to have accepted all the conditions of the Plan and the Award Agreement and the terms and conditions of any rules and regulations adopted by the Committee and shall be fully bound thereby.

(g) Governing Law. The validity, construction and effect of the Plan and the Award Agreement, and any rules and regulations relating to the Plan and the Award Agreement, shall be determined in accordance with the internal laws, and not the law of conflicts, of the State of Delaware. Participant hereby submits to the nonexclusive jurisdiction and venue of the federal or state courts of Delaware to resolve any and all issues that may arise out of or relate to the Plan or the Award Agreement.

(h) Severability. If any provision of the Award Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or would disqualify the Award Agreement under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the purpose or intent of the Plan or the Award Agreement, such provision shall be stricken as to such jurisdiction or the Award Agreement, and the remainder of the Award Agreement shall remain in full force and effect.

(i) No Trust or Fund Created. Participant shall have no right, title, or interest whatsoever in or to any investments that the Company, its Subsidiaries, and/or its Affiliates may make to aid it in meeting its obligations under the Plan. Neither the Plan nor the Award Agreement shall create or be construed to create

a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate and Participant or any other person.

(j) Headings. Headings are given to the Sections and subsections of the Award Agreement solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Award Agreement or any provision thereof.

(k) Securities Matters. The Company shall not be required to deliver Shares until the requirements of any federal or state securities or other laws, rules or regulations (including the rules of any securities exchange) as may be determined by the Company to be applicable are satisfied.

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## Section 4: EX-10.IIC (EXHIBIT 10.IIC)

Cash-Settled March 2020

### THE MOSAIC COMPANY

#### CASH-SETTLED TSR PERFORMANCE UNIT AWARD AGREEMENT (202[ ] Award) (Total Shareholder Return)

This **CASH-SETTLED TSR PERFORMANCE UNIT AWARD AGREEMENT** (the “Award Agreement”) is made this \_\_\_\_ day of \_\_\_\_\_, 202[ ] (the “Grant Date”), from The Mosaic Company, a Delaware corporation (the “Company”) to \_\_\_\_\_ (“Participant”). The “Performance Period” shall begin on March 1, 2020 and end on February 28, 2023.

#### 1. Award.

(a) The Company hereby grants to Participant an award of \_\_\_\_ performance units (“Performance Units” or “Units”). Each Performance Unit represents the opportunity (provided the performance conditions described below are met) to receive the cash equivalent value of one share of common stock, par value \$.01 per share (the “Common Stock”), of the Company according to the terms and conditions set forth herein and in The Mosaic Company 2014 Stock and Incentive Plan (the “Plan”). The actual amount of Performance Units that become earned and vested may be higher or lower than the number of Performance Units awarded above, depending the multiple achieved (including a multiple of 1 and less than 1) as described below. The Performance Units are granted under Sections 6(d), (e) and (f) of the Plan. A copy of the Plan will be furnished upon request of Participant.

(b) Calculation of Earned Units (Performance Requirement). Provided Participant’s Performance Units are not forfeited under Section 2, Participant will earn that number of Performance Units determined by taking the number of Performance Units awarded under Section 1, multiplied by the TSR Performance Factor, subject to the following restrictions and limitations.

(i) No Performance Units will be earned (and the Performance Units awarded under Section 1 shall be forfeited), if the Ending Value is less than 60% of the Starting Value (*i.e.*, total shareholder return in the chart in Section 1(c) below is below -40%).

(ii) The maximum number of Performance Units that may be earned is twice the number of Performance Units awarded under Section 1. In addition to the foregoing, the number of Units earned shall be reduced to the extent necessary so that (a) the value determined by multiplying the Ending Value times the number of Units actually earned hereunder does not exceed (b) the Starting Value multiplied by 400%, multiplied by the number of Performance Units awarded under Section 1. (For example, if the Starting Value is \$50, the Ending Value is \$250, and Participant was awarded 100 Performance Units, this provision limits the Units earned to Participant to 80 Units rather than 200 Units.) Notwithstanding the foregoing, in the event that dividend equivalents (“Dividend Equivalents”) are payable under Section 7 hereof, the maximum number of Performance Units that may be earned pursuant to the limitations in the first two sentences of this clause (ii) and the amount of Dividend Equivalents otherwise payable shall both be reduced, in proportion to the relative Ending Value of the number of Units otherwise earned and the amount of Dividend Equivalents otherwise payable, to the extent necessary so that (A) the sum of (I) the Ending Value of the Units actually earned hereunder plus (II) the amount of Dividend Equivalents actually paid

hereunder shall not exceed (III) the Ending Value of twice the number of Performance Units awarded under Section 1, and (B) the sum of (I) the amount determined by multiplying the Ending Value times the number of Units actually earned hereunder plus (II) the amount of Dividend Equivalents actually paid hereunder

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does not exceed (III) the Starting Value multiplied by 400% multiplied by the number of Performance Units awarded under Section 1.

(iii) For purposes of this Award Agreement, the “Starting Value” shall be equal to the 30-day trading average of a share of Common Stock through the date prior to the start of the Grant Date.

(iv) For purposes of this Award Agreement, the “Ending Value” shall be equal to the sum of the following: (A) the 30-day trading average of a share of Common Stock through the last day of the Performance Period (the “Ending Price”) plus (B) Dividend Equivalent amounts as determined under Section 7. Notwithstanding the foregoing, in the event of a Change in Control described under Section 2(d), the Performance Period shall end on the date of the Change in Control. Furthermore, in the event of a Change in Control and Qualified CIC Termination described under Section 2(e), the Performance Period shall end on the date of Participant’s termination of employment. In the event of any Change in Control (whether under Section 2(d) or Section 2(e)), the Ending Price shall be an amount not less than the highest per share price offered to stockholders in any transaction whereby the Change in Control takes place.

(v) For purposes of this Award Agreement, the “TSR Performance Factor” shall be equal to the quotient of the Ending Value divided by the Starting Value, reduced by a performance hurdle as determined below:

(a) the TSR Performance Factor shall be reduced by one tenth (0.1) when the quotient of the Ending Value divided by the Starting Value equals 1.1 or less (*i.e.*, the payout percentage is reduced by 10% when total shareholder return in the chart in Section 1(c) below is 10% or less); and

(b) The TSR Performance Factor shall be reduced by the number interpolated on a straight line basis between one tenth (0.1) and zero corresponding to the quotient of the Ending Value divided by the Starting Value falling within the range starting at 1.1 and ending at 2 (*i.e.*, the performance hurdle is phased out as total shareholder return surpasses 10% and approaches 100% in the chart in Section 1(c) below).

(c) The above-described performance requirements and calculations are illustrated in the following chart:

TSR Performance Factor	% of Performance Units Earned
100% (or higher)	200%
90%	189%
80%	178%
70%	167%
60%	156%
50%	144%
40%	133%
30%	122%
20%	111%
10%	100%
0%	90%
-10%	80%
-20%	70%
-30%	60%
-40%	50%
-50% (or lower)	0%

(d) In addition to the foregoing performance requirements, Participant's Performance Units (and accompanying Dividend Equivalents) shall not vest unless the Committee determines that sum of the Adjusted Net Earnings for the Company for the completed three fiscal years (i.e., 2020, 2021 and 2022) within the Performance Period is a positive number.

## 2. Vesting; Forfeiture; Early Vesting.

(a) Except as otherwise provided in this Award Agreement, the Performance Units (and accompanying Dividend Equivalents) shall cease to be subject to any further requirement that Participant continue in employment with the Company or an Affiliate on the date that is three (3) years after the Grant Date (the "Service Completion Date"). However, the number of Participant's vested Performance Units (and accompanying Dividend Equivalents) shall not become determinable until the Committee certifies performance results under Section 1 above (which shall occur as soon as administratively practicable after the end of the Performance Period).

(b) Except as provided in Sections 2(c), (d) and (e), if Participant ceases to be an employee of the Company or any Affiliate, whether voluntary or involuntary and whether or not terminated for Cause, prior to the Service Completion Date, all of Participant's rights to all of the unvested Performance Units shall be immediately and irrevocably forfeited.

(c) Notwithstanding Sections 2(a), 2(b) or anything else in this Award Agreement to the contrary:

(i) all of a Participant's unvested Performance Units shall vest if Participant dies prior to the Service Completion Date;

(ii) all of a Participant's unvested Performance Units shall vest if Participant is determined to be disabled under the Company's long-term disability plan prior to the Service Completion Date; or

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(iii) if Participant retires from the Company at age sixty (60) or older with at least five years of service (or pursuant to early retirement with the consent of the Committee), Participant will be deemed to have continued in service through the Service Completion Date, but the Performance Units shall only vest based on achievement of the performance criteria required in Section 1 above.

(d) Notwithstanding Sections 2(a), 2(b) or anything else in this Award Agreement to the contrary, in the event of a Change in Control (other than a Change in Control in connection with which the holders of Common Stock receive consideration consisting solely of shares of common stock that are registered under Section 12 of the Securities Exchange Act of 1934, as amended, (the "Exchange Act")) Participant's Performance Units shall vest effective as of the date of the Change in Control, provided that upon a Change in Control specified in Section 3(b)(iv), Participant's Performance Units shall vest effective immediately prior to consummation of the liquidation or dissolution provided that the liquidation or dissolution subsequently occurs.

(e) Notwithstanding Sections 2(a), 2(b) or anything else in this Award Agreement to the contrary, in the event Participant experiences a Qualified CIC Termination (other than following a Change in Control listed in Section 2(d)) Participant's Performance Units shall vest as of the date of Participant's termination of employment.

3. Certain Definitions.

(a) “Adjusted Net Earnings” shall mean net earnings for Total Mosaic determined in accordance with GAAP and reported in the Financial Statements before deducting (i) Expenses Related to M&A Activities, (ii), Non-Cash Write-offs of Long-Term Assets, (iii) Restructuring Charges otherwise included therein, (iv) Significant Legal Settlements and (v) Unrealized Derivative Gains and Losses.

(i) “*Expenses Related to M&A Activities*” shall mean any costs or expenses (including but not limited to due diligence, legal fees, financing costs and investment banking or consulting fees) relating to or arising from any actual or potential acquisition (in a single transaction or a series of related transactions) of:

- a subsidiary, business, division, line of business; or other business unit of another person; or
- an interest or investment in a joint venture, or an interest reflected or that would, if acquired, be reflected under GAAP as an equity method investments in a nonconsolidated company (in each case including but not limited to an increase in the amount or percentage of ownership of the Company in the joint venture or equity method investment, and irrespective of whether the interest or investment is in the form of debt or equity).

(ii) “*Financial Statements*” shall mean the financial statements of the Company as of and for the applicable calendar year included or incorporated by reference in the Company’s annual reports on Form 10-K.

(iii) “*Non-Cash Write-offs of Long-Term Assets*” shall mean non-cash charges to Adjusted Net Earnings (other than any such noncash charge to the extent it represents a write-down or write-off of a current asset or an accrual of a reserve for cash expenditures in any future period), including but not limited to such write-offs of goodwill and fixed assets.

(iv) “*Restructuring Charges*” shall mean one time charges incurred in the current year directly related to achieving long term cost savings in the future, such as severance and reflected in the Financial Statements.

(v) “*Significant Legal Settlements*” shall mean, with respect to legal claims brought against the Company or any of its subsidiaries in a court of law or by a regulatory agency other than in the ordinary course of business, settlements or judgments involving the payment of settlement fees or judgment amounts, together with related legal costs and expenses incurred during the year in which the settlement or judgment occurs, of more than \$25 million.

(vi) “*Unrealized Derivative Gains and Losses*” shall include, but are not limited to, unrealized foreign currency and commodity related derivatives.

(vii) Results for “*Total Mosaic*” shall mean consolidated results for the Company and consolidated subsidiaries, except as otherwise specified.

(b) “Change in Control” shall mean:

(i) a majority of the directors of the Company shall be persons other than persons (A) for whose election proxies shall have been solicited by the Board of Directors of the Company, or (B) who are then serving as directors appointed by the Board of Directors to fill vacancies on the Board of Directors caused by death or resignation (but not by removal) or to fill newly-created directorships,

(ii) 50% or more of the voting power of all of the outstanding shares of all classes and series of capital stock of the Company entitled to vote in the general election of directors of the Company, voting together as a single class (the “Voting Stock”), of the Company is acquired or beneficially owned by any person, entity or group (within the meaning of Section 13d (3) or 14(d)(2) of the Exchange Act other than (A) an entity in connection with a Business Combination in which clauses (A) and (B) of subparagraph (iii) apply or (B) a licensed broker/dealer or licensed underwriter who purchases shares of Voting Stock pursuant to an underwritten public offering solely for the purpose of resale to the public,

(iii) the consummation of a merger or consolidation of the Company with or into another entity, a sale or other disposition (in one transaction or a series of transactions) of all or substantially all of the Company’s assets or a similar business combination (each, a “Business Combination”), in each case unless, immediately following such Business Combination, (A) all or substantially all of the beneficial owners of the Company’s Voting Stock immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the voting power of the then outstanding shares of Voting Stock (or comparable voting equity interests) of the surviving or acquiring entity resulting from such Business Combination (including such beneficial ownership of an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company’s assets either directly or through one of more subsidiaries), in substantially the same proportions (as compared to the other beneficial owners of the Company’s Voting Stock immediately prior to such Business Combination) as their beneficial ownership of the Company’s Voting Stock immediately prior to such Business Combination, and (B) no person, entity or group beneficially owns, directly or indirectly, 50% or more of the voting power of the outstanding voting stock (or comparable equity interests) of the surviving or acquiring entity (other than a direct or indirect parent entity of the surviving or acquiring entity, that, after giving effect to the Business Combination, beneficially owns, directly or indirectly, 100% of the outstanding Voting Stock (or comparable equity interests) of the surviving or acquiring entity), or

(iv) approval by the Company’s stockholders of a definitive agreement or plan to liquidate or dissolve the Company, provided that a “Change in Control” shall only be deemed to have occurred immediately prior to the consummation of such liquidation or dissolution, provided that such consummation subsequently occurs.

Notwithstanding the foregoing, a Change in Control shall not have occurred unless the event satisfies the definition of “change in control” under section 409A of the Internal Revenue Code of 1986, as amended, and any regulations, rules, or guidance thereunder (the “Code”).

(c) “Qualified CIC Termination” shall mean (i) the Company’s termination of Participant’s employment without Cause (or Participant’s termination of employment for Good Reason), and (ii) such termination occurs either (A) upon, or within two years after, the occurrence of a Change in Control of the

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Company, or (B) at the time of, or following, the entry by the Company into a definitive agreement or plan for a Change in Control of the nature set forth in Section 3(b)(ii), (iii), or (iv) (so long as such Change in Control occurs within six months after the effective date of such termination).

(d) “Cause” shall mean (i) the willful and continued failure by Participant substantially to perform his or her duties and obligations (other than any such failure resulting from his or her incapacity due to physical or mental illness), (ii) Participant’s conviction or plea bargain of any felony or gross misdemeanor involving moral turpitude, fraud or misappropriation of funds or (iii) the willful engaging by Participant in misconduct which causes substantial injury to the Company or its Affiliates, its other employees or the employees of its Affiliates or its clients or the clients of its Affiliates, whether monetarily or otherwise. For purposes of this paragraph, no action or failure to act on Participant’s part shall be considered “willful” unless done or omitted to be done, by Participant in bad faith and without reasonable belief that his or her action or omission was in the best interests of the Company.

(e) “Good Reason” shall mean: (i) a material diminution in authority, duties, or responsibilities; (ii) a material change in geographic location where services are provided (the Company has determined this is any requirement by the Company that Participant move to a location more than fifty (50) miles away from Participant’s regular office location); or (iii) a material diminution in base salary. Good Reason shall not exist if (i) Participant expressly consents to such event in writing, (ii) Participant fails to object in writing to such event within sixty (60) days of its effective date, or (iii) Participant objects in writing to such event within sixty (60) days of its effective date but the Company cures such event within thirty (30) days after written notice from Participant. The written notice must describe the basis for Participant’s claim of Good Reason and identify what reasonable actions would be required to cure such Good Reason.

4. Restrictions on Transfer. The Performance Units shall not be transferable other than by will or by the laws of descent and distribution. Each right under this Award Agreement shall be exercisable during Participant’s lifetime only by Participant or, if permissible under applicable law, by Participant’s legal representative. No attempt to transfer the Performance Units, whether voluntarily or involuntarily, by operation of law or otherwise, shall vest the purported transferee with any interest or right in or with respect to the Performance Units. Notwithstanding the foregoing, Participant may, in the manner established pursuant to the Plan, designate a beneficiary or beneficiaries to exercise the rights of Participant and receive any property distributable with respect to the Performance Units upon the death of Participant.

5. Adjustments. If any Performance Units vest subsequent to any change in the number or character of the Common Stock of the Company (through any dividend (other than a regular cash dividend) or other distribution (whether in the form of cash, Common Stock, or other securities or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of shares, or otherwise), Participant shall then receive upon such vesting the cash value of that number and type of securities or other consideration which Participant would have received if such Performance Units had vested prior to the event changing the number or character of the outstanding Common Stock. In the event of a Change in Control in connection with which the holders of Common Stock receive consideration consisting solely of shares of common stock that are registered under Section 12 of the Exchange Act there shall be substituted for each share of Common Stock convertible to cash upon vesting of the Performance Units granted under this Award Agreement the number and class of shares into which each outstanding share of Common Stock shall be converted pursuant to such Change in Control. In addition, the Committee shall adjust the Ending Value to appropriately reflect the adjustment provided for in the preceding sentence.

6. Payment.

(a) Payment Upon Death Under Section 2(c)(i) or Disability Under Section 2(c)(ii). As soon as administratively practicable following the vesting of Performance Units upon death or disability as defined under the Company's long-term disability plan, the Company shall cause to be paid the cash value of vested Performance Units (less any amounts withheld to pay withholding taxes).

(b) Payment Where Participant Has Not Elected to Defer Award. Unless Participant has elected to defer the Performance Units under this Award Agreement, as soon as practical after the end of the Performance Period but no later than the last day of the calendar year in which the Performance Period ends, the Company shall cause to be paid the cash value of vested Performance Units (less any amounts withheld to pay withholding taxes).

(i) Certain Changes in Control. Notwithstanding the foregoing, if there is a Change in Control as described under Section 2(d), then Participant, or Participant's legal representatives, beneficiaries or heirs, as the case may be, shall receive, within ten (10) days after the occurrence of such Change in Control, a cash payment from the Company in an amount based on the number of Units calculated under Section 1(b) multiplied by the Ending Price as determined under Section 1(b)(iv).

(ii) Qualified CIC Termination. Notwithstanding the foregoing, in the event of a Change in Control and Qualified CIC Termination described under Section 2(e), then Participant, or Participant's legal representatives, beneficiaries or heirs, as the case may be, shall receive, on the date that is six (6) months following Participant's Qualified CIC Termination, a cash payment from the Company in an amount based on the number of Units calculated under Section 1(b) (as adjusted pursuant to Section 5) multiplied by the Ending Price as determined under Section 1(b)(iv), plus interest accrued from the date of the Qualified CIC Termination until the payment date based on the annual short-term applicable federal rate in effect on the date of the Qualified CIC Termination.

(c) Payment Where Participant Has Elected to Defer Award. Notwithstanding anything else to the contrary in this Award Agreement, if Participant has elected to defer the Performance Units to be under this Award Agreement, then the administration, recordkeeping, and issuance of deferred Performance Units shall be under and subject to the Plan and this Award Agreement, and paid as specified under Section 4 of the Mosaic LTI Deferral Plan (subject to adjustments as provided in Section 7 of this Award Agreement); provided, however, that in no event shall the deferral election permit amounts to be paid as of a date that is earlier than the payment events specified in Section 6(a) above in the absence of a deferral election (the "minimum deferral period"). Subject to the minimum deferral period above, any such deferred awards shall generally be governed by the terms of the Mosaic LTI Deferral Plan.

(d) In General. Upon payment (or, if the Performance Units are deferred as described in Section 6(c), before the date on which payment would have been made in accordance with Section 6 hereof but for such deferral), Participant's Performance Units shall be cancelled. This Award Agreement is denominated in shares of Common Stock and is accounted for, for purposes of Section 4(d)(i) of the Plan, in the year of the Grant Date.

7. Dividend Equivalents. For record dates that occur before a payment in accordance with Section 6 hereof (or, if the Performance Units are deferred as described in Section 6(c), before the date on which payment would have been made in accordance with Section 6 hereof but for such deferral), Participant shall be entitled to receive, with respect to each Performance Unit that is converted to cash, Dividend Equivalent amounts if dividends are declared by the Board of Directors on the Company's Common Stock. Notwithstanding the foregoing, if there is a Change in Control as described under Section 2(d), Dividend Equivalent amounts shall only accrue for record dates that occur before the Change in Control. In the event

of a Change in Control and Qualified CIC Termination described under Section 2(e), Dividend Equivalent amounts shall only accrue for record dates that occur before the Qualified CIC Termination. The Dividend Equivalent amounts shall be an amount of cash per share of Common Stock that is converted to cash pursuant to this Award Agreement equal to the dividends per share paid or payable to common stockholders of the Company on a share of the Company's Common Stock. The Dividend Equivalent amounts shall be accrued (without interest and earnings) rather than paid when a dividend is paid on a share of the Company's Common Stock. If a Performance Unit is forfeited, the Dividend Equivalents on the Performance Unit are forfeited. Unless deferred under Section 6(c), the Company shall pay the Dividend Equivalents on a Performance Unit when the Company makes a cash payment in respect of that unit pursuant to Section 6.

(a) Payment Where Participant Has Not Elected to Defer Award. Any Dividend Equivalents payable under Section 7 hereof shall be paid when the Company converts Performance Units to cash under Section 6. The Company shall automatically deduct the amount necessary to cover all federal and state employment taxes due as of the payment date, whether or not the payment is deferred, to comply with FICA tax rules (for deferred awards this will occur based on a specified date and as permitted under 26 C.F.R. § 1.409A-3(j)(4)(vi) and (xi)).

(b) Payment Where Participant Has Elected to Defer Award. If Participant has elected to defer the Performance Units under this Award Agreement, then Participant will no longer be eligible to receive Dividend Equivalents for record dates that occur after the cut-off events described above in this Section 7. For record dates that occur after the cut off events, Participant will be credited, for each Performance Unit that would otherwise have been converted to cash but for Participant's deferral election, with a recordkeeping amount of cash equal to the dividends per share paid or payable to common stockholders of the Company on a share of the Company's Common Stock. This recordkeeping amount shall be paid out as of the payment dates specified under Section 4 of the Mosaic LTI Deferral Plan and shall be subject to the Mosaic LTI Deferral Plan, including Section 3.2(a) thereof (subject to the minimum deferral period described above in Section 6(c)). If Participant becomes entitled to a cash payment on account of a Change in Control described in Section 2(d) or a Change in Control and Qualified CIC Termination described in Section 2(e), the applicable cash payment shall not be credited with Dividend Equivalents for record dates that occur after the applicable cut-off events described above, but instead shall be credited with a recordkeeping amount of notional earnings, gains or losses in accordance with Participant's investment election under the Mosaic LTI Deferral Plan. Any amounts earned pursuant to Section 7 of this Award Agreement shall be paid out as of the payment dates specified under Section 4 of the Mosaic LTI Deferral Plan (subject to the minimum deferral period described above in Section 6(c)).

8. Miscellaneous.

(a) Income Tax Matters.

(i) Withholding. In order to comply with all applicable federal or state employment and income tax laws and regulations, the Company may take such action as it deems appropriate to ensure that all applicable federal or state payroll, withholding, income or other taxes, which are the sole and absolute responsibility of Participant, are withheld or collected from Participant.

(ii) Payment of Taxes Where Participant Has Not Elected to Defer Award. In accordance with the terms of the Plan, and such rules as may be adopted under the Plan, Participant may elect to satisfy Participant's federal and state income tax withholding obligations arising from the receipt of, or the lapse of restrictions relating to, the Performance Unit (including but not limited to the payment of Dividend Equivalents) by having the Company withhold a portion of the cash otherwise

to be paid equal to the amount of such taxes. Participant's election must be made on or before the date that the amount of tax to be withheld is determined.

(iii) Payment of Taxes Where Participant Has Elected to Defer Award. If Participant has elected to defer the Performance Units under this Award Agreement, the Company shall pay federal and state employment taxes according to the Mosaic LTI Deferral Plan.

(iv) Section 409A. To the extent a payment is not paid within the short-term deferral period and is not exempt from section 409A of the Code (such as the rule exempting payments made following an involuntary termination of up to two times pay) then section 409A of the Code shall apply. The Company intends this Award Agreement to comply with section 409A of the Code and will interpret this Award Agreement in a manner that complies with section 409A of the Code. For example, the term "termination" shall be interpreted to mean a separation from service under section 409A of the Code and the six-month delay rule shall apply if applicable. Notwithstanding the foregoing, although the intent is to comply with section 409A of the Code, Participant shall be responsible for all taxes and penalties under this Award Agreement (the Company and its employees shall not be responsible for such taxes and penalties).

(b) Clawback. This Award Agreement, and any amounts received hereunder, shall be subject to recovery or other penalties pursuant to (i) any Company clawback policy, as may be adopted or amended from time to time, or (ii) any applicable law, rule or regulation or applicable stock exchange rule, including, without limitation, Section 304 of the Sarbanes-Oxley Act of 2002, Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any NYSE Listing Rule adopted pursuant thereto.

(c) Plan Provisions Control. In the event that any provision of the Award Agreement conflicts with or is inconsistent in any respect with the terms of the Plan, the terms of the Plan shall control. Any term not otherwise defined in this Award Agreement shall have the meaning ascribed to it in the Plan.

(d) Rationale for Grant. The Performance Units granted pursuant to this Award Agreement is intended to offer Participant an incentive to put forth maximum efforts in future services for the success of the Company's business. The Performance Units are not intended to compensate Participant for past services.

(e) No Rights of Stockholders. Neither Participant, Participant's legal representative nor a permissible assignee of this award shall have any of the rights and privileges of a stockholder of the Company.

(f) No Right to Employment. The issuance of the Performance Units shall not be construed as giving Participant the right to be retained in the employ of the Company or an Affiliate, nor will it affect in any way the right of the Company or an Affiliate to terminate such employment at any time, with or without Cause. In addition, the Company or an Affiliate may at any time dismiss Participant from employment free from any liability or any claim under the Plan or the Award Agreement. Nothing in the Award Agreement shall confer on any person any legal or equitable right against the Company or any Affiliate, directly or indirectly, or give rise to any cause of action at law or in equity against the Company or an Affiliate. The award granted hereunder shall not form any part of the wages or salary of Participant for purposes of severance pay or termination indemnities, irrespective of the reason for termination of employment. Under no circumstances shall any person ceasing to be an employee of the Company or any Affiliate be entitled to any compensation for any loss of any right or benefit under the Award Agreement or Plan which such employee might otherwise have enjoyed but for termination of employment, whether such compensation is claimed by way of damages for wrongful or unfair dismissal, breach of contract or otherwise. By participating in the Plan, Participant shall be deemed to have accepted all the conditions of the Plan and the Award Agreement and the terms and conditions of any rules and regulations adopted by the Committee and shall be fully bound thereby.

(g) Governing Law. The validity, construction and effect of the Plan and the Award Agreement, and any rules and regulations relating to the Plan and the Award Agreement, shall be determined in accordance with the internal laws, and not the law of conflicts, of the State of Delaware. Participant hereby submits to the nonexclusive jurisdiction and venue of the federal or state courts of Delaware to resolve any and all issues that may arise out of or relate to the Plan or the Award Agreement.

(h) Severability. If any provision of the Award Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or would disqualify the Award Agreement under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the purpose or intent of the Plan or the Award Agreement, such provision shall be stricken as to such jurisdiction or the Award Agreement, and the remainder of the Award Agreement shall remain in full force and effect.

(i) No Trust or Fund Created. Participant shall have no right, title, or interest whatsoever in or to any investments that the Company, its Subsidiaries, and/or its Affiliates may make to aid it in meeting its obligations under the Plan. Neither the Plan nor the Award Agreement shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate and Participant or any other person.

(j) Headings. Headings are given to the Sections and subsections of the Award Agreement solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Award Agreement or any provision thereof.

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## **Section 5: EX-10.IIID (EXHIBIT 10.IIID)**

### **SENIOR MANAGEMENT SEVERANCE AND CHANGE IN CONTROL AGREEMENT**

This Senior Management Severance and Change in Control Agreement (“Agreement”) is made and entered into effective as of the \_\_\_ day of \_\_\_\_\_, 20\_\_ (“Agreement Date”) between **THE MOSAIC COMPANY** (the “Company”), having its principal place of business in Florida, and [**Employee**] (“Employee”), a resident of [Residence], for the purpose of providing for certain benefits in the event of termination of Employee’s employment by the Company without Cause or by Employee for Good Reason, according to the terms, conditions, and obligations set forth below.

#### **RECITALS**

**WHEREAS**, the Company has employed Employee as [Title] and Employee desires to serve in that capacity;

**WHEREAS**, Employee is a key member of the management of the Company and is expected to devote substantial skill and effort to the affairs of the Company, and the Company desires to recognize the significant personal contribution that Employee makes and is expected to continue to make to further the best interests of the Company and its shareholders;

**WHEREAS**, as a further term and condition of Employee’s employment, the Company desires to provide Employee the opportunity to receive certain benefits upon termination of Employee’s employment by the Company without Cause or by Employee for Good Reason, according to the terms, conditions, and obligations set forth below;

**WHEREAS**, it is desirable and in the best interests of the Company and its shareholders to continue to obtain the benefits of Employee’s services and attention to the affairs of the Company.

**WHEREAS**, it is desirable and in the best interests of the Company and its shareholders to provide inducement for Employee (1) to remain in the service of the Company in the event of any proposed or anticipated change in control of the Company and (2) to remain in the service of the Company in order to facilitate an orderly transition in the event of a change in control of the Company;

**WHEREAS**, it is desirable and in the best interests of the Company and its shareholders that Employee be in a position to make judgments and advise the Company with respect to proposed changes in control of the Company without regard to the possibility that Employee’s employment may be terminated without compensation in the event of certain changes in control of the

Company;

**WHEREAS**, Employee understands that Employee's receipt of the benefits provided for in this Agreement depends on, among other things, Employee's willingness to execute a General Release of Claims (in the form attached hereto as Exhibit A) in favor of the Company upon termination;

**WHEREAS**, Employee agrees to and abide by the Non-Competition, Non-Solicitation, Non-Defamation and Confidentiality Agreement independently executed by the Employee;

**WHEREAS**, it is desirable and in the best interests of the Company and its shareholders to protect confidential, proprietary and trade secret information of the Company, to prevent unfair competition by former executives of the Company following separation of their employment with the Company and to secure cooperation from former executives with respect to matters related to their employment with the Company; and

**WHEREAS**, Employee understands that nothing in this Agreement limits the Company's right to terminate Employee's employment at any time and for any reason.

**NOW THEREFORE**, in consideration of Employee's employment with the Company and the foregoing premises, the mutual covenants set forth below, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Employee and the Company agree as follows:

## **AGREEMENT**

1. Limited Right to Certain Benefits upon Termination. Nothing in this Agreement guarantees Employee's continued employment with the Company or otherwise limits the Company's right to terminate Employee's employment at any time and for any reason. In the event of termination of Employee's employment by the Company without Cause or by Employee for Good Reason (as each term is defined below), however, Employee shall be eligible to receive certain benefits upon satisfaction of certain conditions, as set forth in this Agreement below. Such benefits are not available to Employee under this Agreement in the event of a termination by the Company with Cause, by Employee without Good Reason, or due to Employee's death or disability.

2. Termination by Company for "Cause." In the event the Company terminates Employee's employment for Cause, the Company's obligations to Employee hereunder shall terminate, except as to amounts already earned by but unpaid to Employee as of the effective date of termination. Employee's continuing obligations to the Company under this Agreement and the Non-Competition, Non-Solicitation, Non-Defamation and Confidentiality Agreement independently executed by Employee, however, shall remain in full force and effect. For purposes of this Agreement, Cause means a good faith determination by the Company of an act or omission by Employee amounting to:

- (i) a material breach of any of Employee's obligations to the Company under the terms of this Agreement;
- (ii) the gross neglect or willful failure or refusal of Employee to perform the duties of Employee's position or such other duties reasonably assigned to Employee by the Company;
- (iii) any act of personal dishonesty taken by Employee and intended to result in substantial personal enrichment of Employee at the expense of the Company;
- (iv) any willful or intentional act that could reasonably be expected to injure the reputation, business, or business relationships of the Company or Employee's reputation or business relationships;
- (v) perpetration of an intentional and knowing fraud against or affecting the Company or any customer, supplier, client, agent, or employee thereof;
- (vi) conviction (including conviction on a *nolo contendere*, no contest, or similar plea) of a felony or any crime involving fraud, dishonesty, or moral turpitude; or
- (vii) material breach of the Company's Code of Business Conduct and Ethics.

3. Termination by the Company Due To Employee's Death or Disability. Employee's employment shall terminate immediately upon Employee's death or upon a finding and declaration by the Company,

determined in good faith and subject to applicable law, that Employee is unable to carry out Employee's essential job functions to any substantial degree by reason of illness or disability. In either such case, the Company's obligations to Employee hereunder shall terminate, except as to amounts already earned by but unpaid to Employee, as of the effective date of termination. Employee's continuing obligations to the Company under this Agreement and the Non-Competition, Non-Solicitation, Non-Defamation and Confidentiality Agreement independently executed by Employee, however, shall remain in full force and effect.

4. Termination by the Company without Cause. The Company may elect to involuntarily terminate Employee's employment without Cause at any time, with or without prior notice to Employee, in which case Employee shall receive amounts already earned by but unpaid to Employee as of the effective date of termination and be eligible for the following additional benefits:

(a) Severance.

[(i)] Employee shall be eligible to receive an amount equal to one and one-half times Employee's annual base salary in effect as of the date of termination.

[(ii)] If Employee's termination is a Qualified CIC Termination, Employee shall be eligible to receive an amount equal to an additional \_\_\_\_<sup>1</sup> times Employee's annual base salary in effect as of the date of termination.]

(b) Additional Payout.

[(i)] Employee shall be eligible to receive a payout equal to one and one-half times Employee's annual target bonus percent established for the bonus year prior to the bonus year in which Employee's date of termination is effective (or such greater percent as shall be designated by the Compensation Committee of the Company's Board of Directors from time to time) multiplied by Employee's annual base salary in effect as of the date of termination.

[(ii)] If Employee's termination is a Qualified CIC Termination, Employee shall be eligible to receive an amount equal to an additional \_\_\_\_<sup>1</sup> times Employee's annual target bonus percent for the prior bonus year (or such greater percent as shall be designated by the Compensation Committee of the Company's Board of Directors from time to time) multiplied by Employee's annual base salary in effect as of the date of termination.]

<sup>1</sup> One/Chief Executive Officer; one-half/other participating executive officers; to be deleted for other participants unless otherwise authorized.

- (c) If Employee is participating in any Company-provided life insurance or health flexible spending account programs, then Employee may elect to continue coverage under such programs (in accordance with the terms of those programs). In addition, if Employee is participating in any Company-provided group medical and/or dental plans subject to Consolidated Omnibus Budget Reconciliation Act of 1986, as amended, or similar state law (“COBRA”), and Employee timely elects coverage and satisfies all enrollment and payment procedures, then the Company will reimburse Employee for a portion of the premium costs to continue coverage under its medical and/or dental plans equal to the portion the Company would pay for such coverage as if Employee were an active employee, from the date of termination until the earlier of (i) twelve (12) months following the date of termination or (ii) the date on which Employee is no longer eligible for COBRA; provided, however, that if the termination is a Qualified CIC Termination then instead of reimbursing Employee for the Company’s portion, the Company will pay Employee an amount equal to 18 months the premium costs to continue coverage under its medical and/or dental plans and its life insurance plans equal to the portion the Company would pay for such coverage as if Employee were an active employee.
- (d) If Employee was employed by the Company for three months or more during the fiscal year in which the termination of employment is effective (or, in the case of a Qualified CIC Termination, one day or more during such fiscal year), the Company will pay to Employee a pro rata portion (based on the number of months of employment during such fiscal year, with employment on any day of a month being deemed a month of employment) of any annual bonus that would have been payable to Employee for such fiscal year based on actual performance under the Management Incentive Plan (or a successor to such plan) determined upon completion of the fiscal year as if Employee had been in the employ of the Company for the full fiscal year (no amount shall be payable if Employee was employed for less than three months or, in the case of a Qualified CIC Termination, less than one day during such fiscal year).
- (e) The Company will pay Employee any unused earned vacation as of the date of Employee’s termination of employment, in accordance with the policies and practices of the Company in effect from time to time.
- (f) The Company will offer Employee reasonable outplacement services commensurate with Employee’s position and experience for a period ending the earlier of (i) twelve (12) months following Employee’s termination of employment, or (ii) Employee finds new employment, up to a maximum of \$25,000 (cash will not be paid in lieu of outplacement services); provided, however, that if the termination is a Qualified CIC Termination then instead of paying for reasonable outplacement services the Company will pay Employee \$25,000.
- (g) If Employee’s termination is a Qualified CIC Termination and Employee is covered under an executive life insurance plan and/or an executive disability plan, upon a Qualified CIC Termination the Company will pay Employee an amount equal to 18 months the premium costs to continue coverage under these executive life insurance and/or executive disability plan equal to the portion the Company would pay for such coverage as if Employee were an active employee. If Employee’s termination is a Qualified CIC Termination and Employee has not received reimbursement for an executive physical examination in the year of Employee’s termination, the Company will pay Employee \$10,000. If Employee’s termination is a Qualified CIC Termination and

Employee has not received reimbursement for financial planning in year of Employee's termination, the Company will pay Employee \$12,000.

- (h) The amount of any severance payable to Employee under Section 4 shall be reduced on a dollar-for-dollar basis by the amount of any other compensation or remuneration Employee receives from the Company for work performed as an employee, independent contractor, or consultant during the twelve (12) months following Employee's termination of employment, and by any other compensation to which Employee may be entitled under any other severance plan or program of the Company.
- (i) The Company shall pay the severance payment under Section 4(a)(i) on the date that is sixty (60) days after the date of Employee's termination of employment. The Company shall pay the severance payment under Section 4(a)(ii) on the date that is six (6) months after the date of Employee's termination of employment. The Company shall pay the bonuses under Section 4(b) and Section 4(d) during the calendar year after the end of the fiscal year to which the bonuses relate at the same time as other salaried employees are paid their bonuses. The Company shall reimburse premiums as provided under Section 4(c) and pay reasonable outplacement costs as provided under Section 4(f) beginning as of the date of Employee's termination of employment; provided, however, that if Employee's termination is a Qualified CIC Termination the amounts will be paid on the date that is six (6) months after the date of Employee's termination of employment. The Company shall pay the Employee the accrued vacation under Section 4(e) within 60 days following termination of employment. If Employee's termination is a Qualified CIC Termination, the Company shall pay the amounts under Section 4(g) on the date that is six (6) months after the date of Employee's termination of employment. Notwithstanding the foregoing, the Company is not required to make any payments due on or after the date that is sixty (60) days after the date of Employee's termination of employment unless by that date Employee has signed, provided to the Company, and not rescinded a General Release of Claims in favor of the Company attached as Exhibit A (and the rescission period has expired). In addition, each payment by the Company made on and after the date of Employee's termination of employment is conditioned upon (i) Employee cooperating with the transition of Employee's duties and responsibilities for the Company, and (ii) Employee continuing to abide by all of Employee's obligations to the Company, including without limitation the non-disclosure, non-competition, and non-solicitation covenants contained in Section 8 of this Agreement.

The payments under this Section 4 are conditioned upon the lapse of a substantial risk of forfeiture (Employee's involuntary termination or Qualified CIC Termination, which also requires an involuntary termination). To the extent any payment is not paid within the short-term deferral period and is not exempt from Section 409A of the Internal Revenue Code of 1986, as amended, and any regulations, rules, or guidance thereunder (the "Code") (such as the rule exempting payments made following an involuntary termination of up to two times pay) then Section 409A of the Code shall apply. The Company intends this Agreement to comply with Section 409A of the Code and will interpret this Agreement in a manner that complies with Section 409A of the Code. For example, to the extent required, "termination" and related terms shall mean a separation from service as defined under Section 409A of the Code.

- (j) Notwithstanding anything in this Agreement to the contrary, if Employee is a specified employee (as defined under Section 409A of the Code) at the time of Employee's

termination of employment, to the extent payments under Section 4 are subject to Section 409A of the Code, the payments shall be made as of the later of (i) the date of payment provided for in Section 4(i), or (ii) the first day of the seventh month following the date of Employee's termination of employment.

- (k) Any amounts payable hereunder will be subject to required withholdings, deductions, and tax reporting requirements.
- (l) Notwithstanding any other provision of this Agreement, if the payments under this Agreement, or under any other agreement with, or plan of, the Company or its affiliates ("Total Payments"), would constitute an "excess parachute payment" that is subject to the tax ("Excise Tax") imposed by Section 4999 of Code, then the Company will determine whether Employee's best net benefit when taking into account the effect of the Excise Tax ("Best Net Benefit") is (i) to receive the payments provided for under this Agreement, or (ii) to have payments under this Agreement reduced and forfeited to reduce or avoid the Excise Tax. If the Best Net Benefit is achieved by reducing payments, the reduction shall be made by first reducing and forfeiting payments under this Section 4 not subject to Section 409A of the Code and, if additional reductions are necessary to achieve the Best Net Benefit, then reducing and forfeiting payments under this Section 4 subject to Section 409A. In no event shall payments subject to Section 409A of the Code be forfeited before all payments not subject to Section 409A of the Code have been forfeited. Payments shall be forfeited in the following sequence, provided that if a payment subject to Section 409A of the Code comes before a payment not subject to it, the payment subject to Section 409A shall be moved and placed at the end of the list: first under Section 4(g), second under Section 4(f), third under Section 4(c), fourth under Section 4(a), fifth under Section 4(e), sixth under Section 4(b), and seventh under Section 4(d).

For purposes of this Agreement, Qualified CIC Termination means (i) the Company's termination of Employee's employment without Cause (or Employee's termination of employment for Good Reason), and (ii) such termination occurs either (1) upon, or within two years after, the occurrence of a Change in Control of the Company (as defined in Section 7 below), or (2) at the time of, or following, the entry by the Company into a definitive agreement or plan for a Change in Control of the nature set forth in Section 7(b) or (c) below (so long as such Change in Control occurs within six months after the effective date of such termination).

5. Termination by the Employee with Good Reason. Employee may terminate Employee's employment with the Company for "Good Reason," which, for purposes of this Agreement shall mean:

- (a) a material diminution in authority, duties, or responsibilities;
- (b) a material change in geographic location where services are provided (the Company has determined this is any requirement by the Company that Employee move his regular office to a location more than 50 miles from Employee's Company office as of the Agreement Date); or
- (c) a material diminution in base salary.

Good Reason shall not exist if (i) Employee expressly consents to such event in writing, (ii) Employee fails to object in writing to such event within sixty (60) days of its effective date, or (iii) Employee objects

in writing to such event within sixty (60) days of its effective date but the Company cures such event within thirty (30) days after written notice from Employee. The written notice must describe the basis for Employee's claim of Good Reason and identify what reasonable actions would be required to cure such Good Reason. Employee agrees to continue to perform the duties of Employee's position and to otherwise cooperate with the Company throughout this entire notice period. If the Good Reason is not cured by the Company and Employee then terminates employment effective within thirty (30) days following the expiration of the Company's cure period, Employee shall receive amounts already earned by but unpaid to Employee as of the effective date of termination and be paid or reimbursed for additional benefits in the same manner as set forth in Sections 4(a) through 4(j) above.

6. Termination by Employee without Good Reason. Employee may elect to terminate Employee's employment at any time and for any reason, upon thirty (30) days' prior written notice to the Company. Employee agrees to continue to perform the duties of Employee's position and to otherwise cooperate with the Company throughout this entire notice period. The Company may, however, upon receiving such notice of termination, elect to make the termination effective at any earlier time during the notice period. In either case if such termination is without Good Reason, salary and benefits shall be paid to Employee through Employee's effective termination date only, and the Company shall have no further obligation to Employee. Employee's continuing obligations to the Company under this Agreement and the Non-Competition, Non-Solicitation, Non-Defamation and Confidentiality Agreement independently executed by Employee, however, shall remain in full force and effect.

7. Change in Control. A "Change in Control" shall occur when

- (a) a majority of the directors of the Company shall be persons other than persons
  - (i) for whose election proxies shall have been solicited by the Board of Directors of the Company or
  - (ii) who are then serving as directors appointed by the Board of Directors to fill vacancies on the Board of Directors caused by death or resignation (but not by removal) or to fill newly-created directorships,
- (b) 50% or more of the voting power of the outstanding shares of all classes and series of capital stock of the Company entitled to vote in the general election of directors of the Company, voting together as a single class (the "Voting Stock") of the Company is acquired or beneficially owned by any person, entity or group (within the meaning of Section 13d(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended, (the "Exchange Act")) other than (i) an entity in connection with a Business Combination in which clauses (x) and (y) of subparagraph (c) apply or (ii) a licensed broker/dealer or licensed underwriter who purchases shares of Voting Stock pursuant to an underwritten public offering solely for the purpose of resale to the public,
- (c) the consummation of a merger or consolidation of the Company with or into another entity, a sale or other disposition (in one transaction or a series of transactions) of all or substantially all of the Company's assets or a similar business combination (each, a "Business Combination"), in each case unless, immediately following such Business Combination, (x) all or substantially all of the beneficial owners of the Company's Voting Stock immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the voting power of the then outstanding shares of voting stock (or comparable voting equity interests) of the surviving or acquiring entity resulting

from such Business Combination (including such beneficial ownership of an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets either directly or through one of more subsidiaries), in substantially the same proportions (as compared to the other beneficial owners of the Company's Voting Stock immediately prior to such Business Combination) as their beneficial ownership of the Company's Voting Stock immediately prior to such Business Combination, and (y) no person, entity or group that is unaffiliated with Cargill beneficially owns, directly or indirectly, 50% or more of the voting power of the outstanding voting stock (or comparable equity interests) of the surviving or acquiring entity (other than a direct or indirect parent entity of the surviving or acquiring entity, that, after giving effect to the Business Combination, beneficially owns, directly or indirectly, 100% of the outstanding voting stock (or comparable equity interests) of the surviving or acquiring entity), or

(d) approval by the shareholders of a definitive agreement or plan to liquidate or dissolve the Company.

8. Governing Law. This Agreement shall be governed by and construed under Florida law, without regard to its conflict of laws principles. In the event that any provision of this Agreement is held unenforceable, such provision shall be severed and shall not affect the validity or enforceability of the remaining provisions. In the event that any provision is held to be overbroad, such provision shall be deemed amended to narrow its application to the extent necessary to render the provision enforceable according to applicable law.

9. Taxes.

(a) The Company may withhold from any amounts payable under this Agreement such federal, state and local income and employment taxes as the Company shall determine is required to be withheld pursuant to any applicable law or regulation.

(b) This Agreement is intended to satisfy the requirements of Section 409A(a)(2), (3) and (4) of the Code, including current and future guidance and regulations interpreting such provisions. To the extent that any provision of this Agreement fails to satisfy those requirements, the provision shall automatically be modified in a manner that, in the good-faith opinion of the Company, brings the provision into compliance with those requirements while preserving as closely as possible the original intent of the provision and this Agreement. In particular, and without limiting the preceding sentence, any payment under this Agreement that would otherwise be treated as deferred compensation under Section 409A of the Code shall be delayed until the first day of the seventh month after the date of "separation from service" as determined under said Section 409A, such as is provided in Section 4(a) and 4(b) above.

10. Jurisdiction and Venue. The parties agree that any litigation in any way relating to this Agreement shall be brought and venued exclusively in federal or state court in Florida, and Employee hereby consents to the personal jurisdiction of these courts and waives any objection that such venue is inconvenient or improper.

11. Clawback. This Agreement, and any amounts received hereunder, shall be subject to recovery or other penalties pursuant to (i) any Company clawback policy, as may be adopted or amended from time to time, or (ii) any applicable law, rule or regulation or applicable stock exchange rule, including, without

limitation, Section 304 of the Sarbanes-Oxley Act of 2002, Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any NYSE Listing Rule adopted pursuant thereto.

12. Entire Agreement. This Agreement, along with the Non-Competition, Non-Solicitation, Non-Defamation and Confidentiality Agreement independently executed by Employee, contain the entire understanding and agreement of the Employee and the Company with respect to these matters and supersedes any previous agreements or understandings, whether written or oral, between them on the same subjects.

13. Survival. The covenants contained in Sections 8 through 17 of this Agreement and the Non-Competition, Non-Solicitation, Non-Defamation and Confidentiality Agreement independently executed by Employee, shall remain in full force and effect after the termination of Employee's employment with the Company and after any termination or expiration of this Agreement. Employee and the Company acknowledge and understand that, unless expressly stated above, Employee's obligations hereunder shall not be affected by the reasons for, circumstances of, or identity of the party who initiates the termination of Employee's employment with the Company.

14. No Waiver; Amendment. The Company's waiver or failure to enforce the terms of this Agreement in one instance shall not constitute a waiver of its rights under the Agreement with respect to other violations. This Agreement may be amended only in a writing signed by Employee and an authorized officer or director of the Company.

15. Assignment. This Agreement shall be binding upon the legal representatives of Employee. This Agreement may be transferred, assigned or delegated, in whole or in part, by the Company to its successors and assigns, and the rights and obligations of this Agreement shall be binding upon and inure to the benefit of any successors or assigns of the Company, and Employee will remain bound to fulfill Employee's obligations hereunder. Employee may not, however, transfer or assign his rights or obligations under this Agreement.

16. Dispute Resolution. The parties agree that any disputes arising under this Agreement will be resolved in federal or state court in Florida including any dispute arising under this Agreement during the two-year period following a Change in Control.

17. Waiver of Jury Trial. Employee and Company hereby knowingly, voluntarily and intentionally waive any right either may have to a trial by jury with respect to any litigation related to or arising out of, under or in conjunction with this Agreement.

18. Read and Understood. Employee has read this Agreement carefully and understands each of its terms and conditions. Employee has sought independent legal counsel of Employee's choice to the extent Employee deemed such advice necessary in connection with the review and execution of this Agreement.

19. Term. The "Term" of this Agreement shall be the period from the Agreement Date through March 31, 2023; provided, however, if a Change in Control occurs during the Term, the Term of this Agreement shall automatically be extended until the second anniversary of the occurrence of the Change in Control.

**IN WITNESS WHEREOF**, the parties have executed this Agreement effective as of the Agreement Date set forth above.

\_\_\_\_\_  
**[Employee]**

**THE MOSAIC COMPANY**

By: \_\_\_\_\_

Its: \_\_\_\_\_

## Exhibit A

### GENERAL RELEASE OF CLAIMS

In consideration of the mutual promises and terms and conditions stated in the Senior Management Severance and Change in Control Agreement executed by and between The Mosaic Company (the "Company"), having its principal place of business in Florida, and [Employee] ("Employee"), a resident of [Residence], accompanying this General Release ("Release"), and contingent upon the timely receipt of the fully executed original of this Release, which is not timely rescinded by Employee as set forth in Section 5, Employee and Company agree as follows:

#### **Section 1. NON-ADMISSION.**

This Agreement and Release shall not in any way be construed as an admission by Company of any liability or wrongdoing of any kind to Employee, and none of the parties will ever contend that it does constitute such an admission.

#### **Section 2 GENERAL RELEASE OF ALL CLAIMS.**

(a) Employee, on Employee's own behalf and on behalf of anyone who could claim by or through Employee, fully and finally releases, acquits and forever discharges Company, its subsidiaries and affiliates and their respective past, present and future directors, officers, executives, attorneys, agents and representatives, Employee benefit programs/plans/trusts and their respective successors and assigns, and all persons acting by, through, under or in concert with any of them (collectively the "Releasees") to the fullest extent permitted by law from any and all actions, suits, claims, costs and expenses (including but not limited to attorneys' fees), damages (including but not limited to liquidated damages or punitive damages), and liabilities of any nature whatsoever, known or unknown, suspected or unsuspected, fixed or contingent, which Employee ever had or now has, by reason of any matter, cause or thing whatsoever up through the date Employee executes this Agreement (except any claims under federal and state law that may not be released as a matter of law) (a "Claim" or collectively "Claims") against each or any of the Releasees, including, without limitation, (1) any Claim under the Mosaic Employment Dispute Resolution Program; (2) any Claims arising from rights under federal, state and/or local laws, including but not limited to those related to **claims for salary, wages, compensation, monetary relief, employment, benefits, including but not limited to any claims for benefits under, or contribution to, bonuses, merit and longevity increases, and all other benefits of all kind, earnings, back pay, front pay, compensatory damages, punitive damages, damage to character, damage to reputation, liquidated and other damages, emotional distress, mental anguish, depression, injury, impairment in locating employment, financial loss, pain and suffering, injunctive and declaratory relief, interest, attorneys' fees and costs**, any form of whistleblower reprisal, retaliation, harassment or discrimination on any basis, or any related cause of action, and any labor code provisions, including but not limited to, any alleged violation of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §2000e et seq., the Age Discrimination in Employment Act, as amended, ("ADEA"), the Older Worker Benefit Protection Act, as amended ("OWBPA"), the Americans with Disabilities Act as amended, ("ADA") the Genetic Information Nondiscrimination Act of 2008 ("GINA"), the Occupational Safety and Health Act ("OSHA"), the Equal Pay Act, as

amended (“EPA”), the Family and Medical Leave Act, as amended (“FMLA”), the Federal False Claims Act, as amended (“FFCA”), the Fair Credit Reporting Act, as amended, the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“COBRA”), the Sarbanes-Oxley Act of 2002 (“SOX”), the Health Insurance Portability and Accountability Act of 1996, as amended (“HIPAA”), the Fair Labor Standards Act (“FLSA”), the Florida Health Insurance Coverage Continuation Act, as amended (“FHICCA”), Florida Civil Rights Act (Florida Statute § 760.01-760.11), Florida’s Whistleblower Act (Florida Statute § 448.102), the Employee Retirement Income Security Act, 29 U.S.C. § 1001 et seq. (this release does not release the employee’s rights to benefits earned under a benefit plan but does release all fiduciary and administrative claims with respect to such plan, the plan fiduciaries, and the Company), and any provision of any state or United States constitutions; (3) any Claims grounded in contract or tort theories or otherwise rooted in common law; and/or (4) any other Claim of any kind whatsoever, including but not limited to any claim for damages or declaratory or injunctive relief of any kind.

(b) Nothing in this Agreement is intended to: (1) release any rights or claims that may arise after the date that this Agreement and Release is signed; (2) constitute an unlawful waiver of any of Employee’s rights under any laws; (3) waive Employee’s right to file an administrative charge with the Equal Employment Opportunity Commission (“EEOC”) or administrative agency under applicable law, including a challenge to the validity of this Agreement, or participate in any agency investigation, although Employee does waive and release their right to recover any monetary or other damages from Released Parties under such applicable law; or (4) prevent or interfere with Employee’s right to provide truthful testimony, if under subpoena or court order to do so, or respond as otherwise provided by law.

(c) Employee understands and agrees that, except as expressly stated in this Agreement and Release, any and all claims which Employee has, had, or might have had against any of the Releasees occurring up through the date Employee signs this Agreement are fully released and discharged by this Agreement and Release.

### **Section 3. COMPLIANCE WITH PRIOR AGREEMENTS.**

Employee agrees that Employee remains governed by the terms of the Employee Confidential Information, Inventions, and Original Works of Authorship Agreement and the Restrictive Covenant Agreement entered into by Employee, the terms of which are incorporated in this Agreement and Release by reference.

### **Section 4. VOLUNTARY AND KNOWING ACTION.**

Prior to signing this Release, Company specifically advises Employee to consult with an attorney for the purpose of reviewing this Agreement and advising Employee of Employee’s rights and obligations. Employee understands that Employee has 21 calendar days to review this Agreement and Release from the date of Employee’s receipt of this Agreement and Release. Employee may execute this Agreement and Release prior to the end of the 21-day period but is not required to do so by Company. The payments or benefits specified in the Senior Management Severance and Change in Control Agreement are contingent upon (i) return of the signed Release by Employee after having been given 21 days to consider the Release after receiving it, and (ii) Employee has not rescinded this Release subsequent to signature pursuant to Section 5 of this

Release. Employee acknowledges that in executing this Release, Employee has read this Release carefully and understands each of its terms and conditions. Employee has not relied upon any representation or statement made by any of Company's agents, representatives or attorneys with regard to the subject matter of the Release, and that Employee is voluntarily, and without any coercion or duress, entering into this Release.

**Section 5. RESCISSION.**

**Employee understands that this Release covers the release of any claims alleging a violation of the Age Discrimination in Employment Act, 29 U.S.C. §621, et seq. based upon events occurring in the course of Employee's employment with Company.** Employee further understands that Employee has the right to rescind this Release within 7 calendar days of Employee signing it. Said rescission may be delivered in person or by certified mail, return receipt requested, and post marked within the 7- day period, to:

Senior Employment and Labor Counsel  
The Mosaic Company  
13830 Circa Crossing Drive  
Lithia, FL 33547

This Release shall not become effective and enforceable until the rescission period has expired. If Employee rescinds this Release, Employee will not be entitled to the consideration described in the Senior Management Severance and Change in Control Agreement.

**Section 6. SUCCESSORS.**

This Agreement and Release shall be binding upon and inures to the benefit of Company and Employee and upon their respective heirs, administrators, representatives, executors, successors and assigns.

**Section 7. ASSIGNMENT.**

Employee has not assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim or any portion or interest in a Claim. This Release is personal to Employee and may not be assigned by Employee.

**Section 8. GOVERNING LAW.**

This Agreement and Release is made and entered into in the State of Florida and shall in all respects be interpreted, enforced and governed by the laws of the United States and the laws of the State of Florida to the extent said laws are not in conflict with said federal laws.

**Section 9. SEVERABILITY.**

Whenever possible, each provision of this Release shall be interpreted in such a manner as to be effective and valid under applicable law and to carry out each provision to the greatest extent possible, but if any provision of this Release is held to be void, invalid, illegal or for any other reason unenforceable, the parties agree that the validity, legality and enforceability of the remaining provisions of this Release will not be affected or impaired, and will be interpreted so as to effect,

as closely as possible, the intent of the parties. Further, any provision found to be invalid, illegal, or unenforceable shall be deemed, without further action on the part of the parties, to be modified, amended, and/or limited to the minimum extent necessary to render such clauses and/or provisions valid and enforceable. However, if Employee's release of claims set forth in this Release is held invalid, illegal, or unenforceable, Company may void this Release.

**Section 10. COOPERATION CLAUSE.**

Employee agrees to cooperate in good faith and to timely respond to reasonable requests from or inquiries by Company, its assignee and counsel for assistance and information in connection with any matter involving litigation, administrative proceedings, arbitration or governmental investigations other than in matters in which the dispute is solely between the Employee and Company. The Employee's cooperation shall include being reasonably available for, without limitation, interviews, depositions, and trial testimony. Should Employee be called to testify by or on behalf of Company as a witness before any tribunal or in any formal legal proceeding, Employee will be reimbursed for the reasonable costs of all associated travel.

**PLEASE READ CAREFULLY. THIS GENERAL RELEASE INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS. BY SIGNING BELOW, EMPLOYEE ACKNOWLEDGES THAT EMPLOYEE WAS ADVISED TO CONSULT WITH AN ATTORNEY FOR THE PURPOSE OF REVIEWING THIS RELEASE AND ADVISING EMPLOYEE OF EMPLOYEE'S RIGHTS AND OBLIGATIONS AND THAT EMPLOYEE HAS HAD THE OPPORTUNITY TO DO SO.**

Dated: \_\_\_\_\_  
[Employee]

This instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

**THE MOSAIC COMPANY**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

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**Section 6: EX-31.1 (EXHIBIT 31.1)**

**Exhibit 31.1**

**Certification Required by Rule 13a-14(a)**

I, James "Joc" C. O'Rourke, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Mosaic Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to

make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 5, 2020

/s/ James "Joc" C. O'Rourke

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**James "Joc" C. O'Rourke**  
**Chief Executive Officer and President**  
The Mosaic Company

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## **Section 7: EX-31.2 (EXHIBIT 31.2)**

**Exhibit 31.2**

### **Certification Required by Rule 13a-14(a)**

**I, Clint C. Freeland, certify that:**

1. I have reviewed this quarterly report on Form 10-Q of The Mosaic Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material

respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 5, 2020

/s/ Clint C. Freeland

**Clint C. Freeland**

**Senior Vice President and Chief Financial Officer**

The Mosaic Company

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## **Section 8: EX-32.1 (EXHIBIT 32.1)**

**Exhibit 32.1**

**Certification of Chief Executive Officer Required by Rule 13a-14(b)  
and Section 1350 of Chapter 63 of Title 18 of the United States Code**

**I, James "Joc" C. O'Rourke, the Chief Executive Officer and President** of The Mosaic Company, certify that (i) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 of The Mosaic Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of The Mosaic Company.

May 5, 2020

/s/ James "Joc" C. O'Rourke

James "Joc" C. O'Rourke  
 Chief Executive Officer and President  
 The Mosaic Company

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## Section 9: EX-32.2 (EXHIBIT 32.2)

Exhibit 32.2

**Certification of Chief Financial Officer Required by Rule 13a-14(b)  
 and Section 1350 of Chapter 63 of Title 18 of the United States Code**

I, **Clint C. Freeland, the Senior Vice President and Chief Financial Officer** of The Mosaic Company, certify that (i) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 of The Mosaic Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of The Mosaic Company.

May 5, 2020

/s/ **Clint C. Freeland**

**Clint C. Freeland**

**Senior Vice President and Chief Financial Officer**

The Mosaic Company

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## Section 10: EX-95 (EXHIBIT 95)

Exhibit 95

### MINE SAFETY DISCLOSURES

The following table shows, for each of our U.S. mines that is subject to the Federal Mine Safety and Health Act of 1977 ("**MSHA**"), the information required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K. Section references are to sections of MSHA.

	<u>Potash Mine</u>	<u>Florida Phosphate Rock Mines</u>			
	<u>Carlsbad, New Mexico</u>	<u>Four Corners</u>	<u>South Fort Meade</u>	<u>Wingate</u>	<u>South Pasture</u>
<b>Three Months Ended March 31, 2020</b>					
Section 104 citations for violations of mandatory health or safety standards that could significantly and substantially contribute to the cause and effect of a mine safety or health hazard (#)	2	4	—	1	—
Section 104(b) orders (#)	—	—	—	—	—
Section 104(d) citations and orders (#)	—	—	—	—	—
Section 110(b)(2) violations (#)	—	—	—	—	—
Section 107(a) orders (#)	—	—	—	—	—

Proposed assessments under MSHA (whole dollars)	\$	0	\$	7,226	\$	—	\$	581	\$	20,483
Mining-related fatalities (#)		—		—		—		—		—
Section 104(e) notice		No		No		No		No		No
Notice of the potential for a pattern of violations under Section 104(e)		No		No		No		No		No
Legal actions before the Federal Mine Safety and Health Review Commission (“FMSHRC”) initiated (#)		—		—		—		—		1
Legal actions before the FMSHRC resolved (#)		—		—		—		—		—
Legal actions pending before the FMSHRC, end of period:										
Contests of citations and orders referenced in Subpart B of 29 CFR Part 2700 (#)		—		—		—		—		1
Contests of proposed penalties referenced in Subpart C of 29 CFR Part 2700 (#)		—		—		—		—		—
Complaints for compensation referenced in Subpart D of 29 CFR Part 2700 (#)		—		—		—		—		—
Complaints of discharge, discrimination or interference referenced in Subpart E of 29 CFR Part 2700 (#)		—		—		—		—		—
Applications for temporary relief referenced in Subpart F of 29 CFR Part 2700 (#)		—		—		—		—		—
Appeals of judges’ decisions or orders referenced in Subpart H of 29 CFR Part 2700 (#)		—		—		—		—		—
Total pending legal actions (#)		—		—		—		—		1

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