

TELUS CORP
Form SUPPL
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PROSPECTUS SUPPLEMENT

To a Short Form Base Shelf Prospectus dated November 15, 2013

New Issue

April 1, 2014

TELUS Corporation

\$500,000,000 3.20% Notes, Series CO due April 5, 2021

\$500,000,000 4.85% Notes, Series CP due April 5, 2044

(unsecured)

The 3.20% Notes, Series CO due April 5, 2021 (the Series CO Notes) and 4.85% Notes, Series CP due April 5, 2044 (the Series CP Notes) of TELUS Corporation (TELUS or the Company) are offered under this prospectus supplement (the Offering). Any reference to the Notes contained in this prospectus supplement refers to both the Series CO Notes and the Series CP Notes unless the context indicates otherwise.

The Series CO Notes will bear interest from their issuance date at the rate of 3.20% per annum payable in equal semi-annual instalments (except for the first interest payment) on April 5 and October 5 of each year (each, a Series CO Interest Payment Date). The first interest payment on the Series CO Notes in the amount of \$8,043,835.62 will be due on October 5, 2014. See Details of the Offering . **The effective yield on the Series CO Notes if held to maturity will be 3.242%.**

The Series CP Notes will bear interest from their issuance date at the rate of 4.85% per annum payable in equal semi-annual instalments (except for the first interest payment) on April 5 and October 5 of each year (each, a Series CP Interest Payment Date , and together with the Series CO Interest Payment Date, the Interest Payment Dates and each, an Interest Payment Date). The first interest payment on the Series CP Notes in the amount of \$12,191,438.36 will be due on October 5, 2014. See Details of the Offering . **The effective yield on the Series CP Notes if held to maturity will be 4.858%.**

TELUS maintains its registered office at Floor 5, 3777 Kingsway, Burnaby, British Columbia, V5H 3Z7 and its executive office at Floor 8, 555 Robson Street, Vancouver, British Columbia, V6B 3K9.

This Offering is being made in all of the provinces of Canada and in the United States. See Plan of Distribution .

The Notes offered hereby will generally be qualified investments under the *Income Tax Act* (Canada). See Eligibility for Investment .

This Offering is made by a Canadian issuer that is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare this prospectus supplement, and the short form base shelf prospectus to which it relates, in accordance with the disclosure requirements of Canada. Prospective investors in the United States should be aware that such requirements are different from those of the United States. The financial statements incorporated herein have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and thus they may not be comparable to

financial statements of United States companies.

Prospective investors in the United States should be aware that the acquisition of the Notes of either series described herein may have tax consequences both in the United States and in Canada. Such consequences for investors who are resident in, or citizens of, the United States may not be fully described herein.

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The enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that the Company is incorporated or organized under the laws of the Province of British Columbia, that some or all of its officers and directors may be residents of Canada, that some or all of the agents or experts named herein may be residents of Canada, and that all or a substantial portion of the assets of the Company and such persons may be located outside the United States.

The securities offered pursuant to this prospectus supplement have not been approved or disapproved by the United States Securities and Exchange Commission (the SEC) nor has the SEC passed upon the accuracy or adequacy of this prospectus supplement or the short form base shelf prospectus to which this prospectus supplement relates. Any representation to the contrary is a criminal offense.

The Series CO Notes may be redeemed, at the option of the Company, in whole at any time or in part from time to time prior to March 5, 2021, at the redemption price described herein. The Series CO Notes may be redeemed, at the option of the Company, at any time on or after March 5, 2021, in whole or from time to time, in part, at 100% of their principal amount. In addition, accrued and unpaid interest, if any, will be paid to the date fixed for redemption.

The Series CP Notes may be redeemed, at the option of the Company, in whole at any time or in part from time to time prior to October 5, 2043, at the redemption price described herein. The Series CP Notes may be redeemed, at the option of the Company, at any time on or after October 5, 2043, in whole or from time to time, in part, at 100% of their principal amount. In addition, accrued and unpaid interest, if any, will be paid to the date fixed for redemption.

In the event of certain changes affecting Canadian withholding taxes in respect of either or both series of Notes, the affected series of Notes will be redeemable at the option of the Company, in whole, but not in part, at 100% of their respective outstanding principal amount plus accrued and unpaid interest, if any, and applicable Additional Amounts (as defined herein), if any, to the date fixed for redemption.

The Company will be required to make an offer to repurchase a particular series of Notes at a price equal to 101% of its outstanding principal amount plus accrued and unpaid interest to the date of repurchase upon the occurrence of a Change of Control Triggering Event (as defined herein). See [Details of the Offering](#) [Repurchase upon Change of Control Triggering Event](#).

The Notes of each series will be unsecured and unsubordinated obligations of the Company, will rank pari passu in right of payment with all existing and future unsecured and unsubordinated obligations of the Company and will be senior in right of payment to all existing and future subordinated indebtedness of the Company, but will be effectively subordinated to all existing and future obligations of, or guaranteed by, the Company's subsidiaries.

An investment in the Notes bears certain risks. See [Risk Factors](#) on page S-12 of this prospectus supplement.

	Price to Public	Agents Fees ⁽¹⁾	Net Proceeds to the Company ⁽¹⁾⁽²⁾⁽³⁾
Series CO Notes, per \$1,000 principal amount	\$ 997.39	\$ 3.70	\$ 993.69
Series CP Notes, per \$1,000 principal amount	\$ 998.74	\$ 5.00	\$ 993.74
Total	\$ 998,065,000	\$ 4,350,000	\$ 993,715,000

Notes:

- (1) TELUS has agreed to indemnify the Agents (as defined herein) against certain liabilities. See [Plan of Distribution](#).
- (2) Consisting of the purchase price of 99.739% (or \$498,695,000) less the Agents' fees in respect of the Series CO Notes, and 99.874% (or \$499,370,000) less the Agents' fees in respect of the Series CP Notes.
- (3) Before deducting expenses of the issue estimated at \$1,724,000 which, together with the Agents' fees, will be paid from the general funds of the Company.

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There is no market through which the Notes of either series may be sold and purchasers may not be able to resell the Notes of either series purchased under this prospectus supplement and the short form base shelf prospectus to which it relates. This may affect the pricing of the Notes of each series in the secondary market, the transparency and availability of trading prices, the liquidity of the Notes of each series, and the extent of issuer regulation. See Risk Factors on page S-12 of this prospectus supplement.

TD Securities Inc., RBC Dominion Securities Inc., Scotia Capital Inc., CIBC World Markets Inc., BMO Nesbitt Burns Inc., HSBC Securities (Canada) Inc., J.P. Morgan Securities Canada Inc., National Bank Financial Inc., Desjardins Securities Inc., Laurentian Bank Securities Inc. and Wells Fargo Securities Canada, Ltd. (collectively, the Agents), as agents, conditionally offer the Notes of each series subject to prior sale, on a best efforts basis if, as and when issued and sold by TELUS in accordance with the conditions of the agency agreement described under Plan of Distribution and subject to the approval of certain legal matters on behalf of TELUS by Norton Rose Fulbright Canada LLP, Toronto, Ontario, the Company's Canadian counsel, and Paul, Weiss, Rifkind, Wharton & Garrison LLP, New York, New York, the Company's U.S. counsel, and on behalf of the Agents by Osler, Hoskin & Harcourt LLP of Toronto, Ontario and New York, New York, the Agents' Canadian and U.S. counsel. Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the Notes of each series will be available for delivery in book-entry form only on closing of this Offering, which is expected to occur on or about April 4, 2014 or such other date as may be agreed upon by TELUS and the Agents.

In connection with this Offering, the Agents may, subject to applicable law, over-allot or effect transactions which stabilize or maintain the market price of the Notes of each series offered at levels other than those that might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See Plan of Distribution.

Each of the Agents, other than Laurentian Bank Securities Inc. and Wells Fargo Securities Canada, Ltd., is an affiliate of a financial institution which is a lender to the Company under a \$2 billion unsecured credit facility with a syndicate of 14 financial institutions (the 2011 Credit Facility). Consequently, the Company may be considered to be a connected issuer of each Agent other than Laurentian Bank Securities Inc. and Wells Fargo Securities Canada, Ltd. for purposes of securities legislation of the provinces of Canada. See Plan of Distribution.

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CURRENCY

Unless otherwise indicated, all references to \$ or dollar in this prospectus supplement refer to the Canadian dollar and all references to U.S.\$ or U.S. dollar in this prospectus supplement refer to the United States dollar. For information purposes, the noon exchange rate as reported by the Bank of Canada on March 31, 2014 was U.S.\$1.00 = \$1.1053.

DOCUMENTS INCORPORATED BY REFERENCE

This prospectus supplement is deemed to be incorporated by reference into the accompanying short form base shelf prospectus of TELUS dated November 15, 2013 (the short form base shelf prospectus) solely for the purposes of this Offering. Other documents are also incorporated or deemed to be incorporated by reference into the short form base shelf prospectus and reference should be made to the short form base shelf prospectus for full particulars thereof.

The following documents, which have been filed by the Company with securities commissions or similar authorities in Canada, are also specifically incorporated by reference into and form an integral part of the short form base shelf prospectus, as supplemented by this prospectus supplement:

- (a) the annual information form of the Company dated March 14, 2014 for the year ended December 31, 2013;
- (b) the audited consolidated financial statements of the Company as at and for the years ended December 31, 2013 and December 31, 2012, together with the report of the independent registered public accounting firm thereon and the notes thereto;
- (c) Management's Discussion and Analysis of financial results for the year ended December 31, 2013;
- (d) the information circular dated March 13, 2013 prepared in connection with the Company's annual and special meeting held on May 9, 2013;
- (e) the indicative term sheet in respect of each of the Series CO Notes and the Series CP Notes (collectively, the Indicative Term Sheets) prepared for potential investors in connection with this Offering; and
- (f) the Final Term Sheets (as defined below).

The Indicative Term Sheets are not a part of this prospectus supplement to the extent that the contents of the Indicative Term Sheets have been modified or superseded by a statement contained in this prospectus supplement.

The Indicative Term Sheets did not include a number of terms of this Offering. The terms of this Offering have been finalized, including to reflect an aggregate principal amount of \$500 million of Series CO Notes and \$500 million of Series CP Notes. The Company has prepared final term sheets in respect of each of the Series CO Notes and the Series CP Notes (collectively, the Final Term Sheets) to reflect the final terms of the Offering discussed above. Copies of the Final Term Sheets can be viewed under the Company's profile on www.sedar.com.

Any statement contained in the short form base shelf prospectus, in this prospectus supplement or in any document incorporated or deemed to be incorporated by reference in the short form base shelf prospectus for the purpose of this Offering shall be deemed to be modified or superseded, for purposes of this prospectus supplement, to the extent that a statement contained herein or in the short form base shelf prospectus or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein or in the short form base shelf prospectus modifies or supersedes such prior statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purposes that the modified

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or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this prospectus supplement, except as so modified or superseded.

WHERE YOU CAN FIND MORE INFORMATION

Information has been incorporated by reference in the accompanying short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of this prospectus supplement, together with the short form base shelf prospectus and documents incorporated by reference therein, may be obtained on request without charge from the Executive Vice-President, Chief Legal Officer and Corporate Secretary of TELUS at Floor 5, 3777 Kingsway, Burnaby, British Columbia, V5H 3Z7 (telephone 604.697.8029). Copies of these documents are also available electronically on SEDAR at www.sedar.com and on EDGAR at www.sec.gov.

FORWARD-LOOKING STATEMENTS

This prospectus supplement and the short form base shelf prospectus to which it relates, together with the documents incorporated by reference herein and therein, contain forward-looking statements about expected future events and the financial and operating performance of TELUS. Forward-looking statements include, but are not limited to, statements relating to annual targets, outlook, guidance and updates, the Company's multi-year dividend growth program, the Company's multi-year share purchase programs, and trends. Forward-looking statements are typically identified by the words assumption, goal, guidance, objective, outlook, strategy, target and other similar expressions or future or conditional verbs such as aim, anticipate, believe, could, expect, intend, may, plan, seek, should, strive and will. By their nature, forward-looking statements are subject to inherent risks and uncertainties, and require the Company to make assumptions. There is significant risk that assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause future performance, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed. Except as required by law, the Company disclaims any intention or obligation to update or revise any forward-looking statements, and reserves the right to change, at any time at its sole discretion, its current practice of updating annual targets and guidance. The Company's general outlook and assumptions for 2014 are described in the Company's Management's Discussion and Analysis of financial results for the year ended December 31, 2013. Factors that could cause actual performance to differ materially include, but are not limited to:

Competition including: continued intense rivalry across all services among established telecommunications companies, advanced wireless services (AWS) entrants, cable-TV providers, other communications companies and emerging over-the-top (OTT) services; active price and brand competition; the Company's ability to continue to retain customers through an enhanced customer service experience; network access line (NAL) losses; subscriber additions and retention volumes and associated costs for wireless, TV and high-speed Internet services; pressures on wireless average revenue per subscriber unit per month (ARPU) from promotional activity from competitors and market conditions, flat-rate pricing trends for voice and data, inclusive long distance plans for voice, and increasing availability of Wi-Fi networks for data; ability to obtain and offer content across multiple devices on wireless and TV platforms at a reasonable cost; and competition for wireless spectrum.

Regulatory approvals and developments including: the federal government's stated intention to further increase wireless competition, reduce roaming costs on wireless networks in Canada and require further unbundling of TV channels; the Competition Bureau's recommendation to the Canadian Radio-television and Telecommunications Commission (CRTC) that it should implement remedies to provide more favourable roaming access terms to entrant service providers; future spectrum auctions (including limitations on incumbent wireless providers, advantages provided to new and foreign participants and the amount and cost of spectrum acquired); restrictions on the purchase, sale and transfer of spectrum licences; the outcome of the

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CRTC review of mandated wholesale services, including consideration of mandated competitor access to fibre-to-the-premise facilities; vertical integration by competitors into broadcast content ownership and timely and effective enforcement of regulatory safeguards; ongoing monitoring and compliance with restrictions on non-Canadian ownership of the Common Shares; increased foreign control of certain AWS wireless entrants; interpretation and application of tower sharing and roaming rules; conflicts between non-harmonized provincial consumer protection legislation and the new CRTC mandatory national wireless code (the Wireless Code), which came into effect on December 2, 2013; uncertainty around the outcome of the legal challenge to the retroactivity of the Wireless Code to contracts entered into between June 2012 and December 2, 2013; and a possible increase in or acceleration of costs of wireless customer acquisition and retention resulting from maximum two-year contracts required under the Wireless Code.

Technological substitution including: reduced utilization and increased commoditization of traditional wireline voice local and long distance services; increasing numbers of households that have only wireless and/or Internet-based telephone services; continuation of wireless voice ARPU declines such as through substitution to messaging and OTT applications, such as, Skype; substitution to Wi-Fi services from wireless services; and OTT IP services that may displace TV and entertainment services.

Technology including: subscriber demand for data that challenges wireless network and spectrum capacity, and service levels; reliance on systems and information technology; technology options, evolution paths and roll-out plans for wireline and wireless networks (including broadband initiatives, such as fibre to the home, and wireless small cell deployment); reliance on wireless network access agreements; choice of suppliers and suppliers' ability to maintain and service their product lines; wireless handset supplier concentration and market power; the performance of long-term evolution (LTE) wireless technology; the Company's plan to address its near-term spectrum deficiency in certain geographical areas with recently acquired spectrum (including the spectrum in the 700 MHz band to be acquired) and redeployment of existing spectrum holdings, while in the longer term, the Company anticipates the need to obtain additional spectrum capacity through future spectrum auctions or from third parties to address increasing demand for data; deployment and operation of new wireless networks and success of new products, new services and supporting systems; network reliability and change management (including migration risks to new, more efficient Internet data centres (IDCs) and realizing the expected benefits); timing and costs of decommissioning of certain legacy wireline networks, systems and services to reduce operating costs; timing and costs of decommissioning of CDMA and iDEN wireless networks to redeploy spectrum and reduce operating costs, and the associated subscriber migration and retention risks; availability of resources and ability to build out adequate broadband capacity; and success of upgrades and evolution of TELUS TV[®] technology, which depends on third-party suppliers.

Economic growth and fluctuations including: the strength and persistence of economic growth in Canada that may be influenced by economic developments outside of Canada; future interest rates; pension investment returns, funding and discount rates; and Canada-U.S. dollar exchange rates.

Capital expenditure levels, including potential outlays for spectrum licences in spectrum auctions or from third parties, due to the Company's wireless deployment strategy for LTE and future technologies, wireline broadband initiatives, subscriber demand for data, new IDC initiatives, and the Industry Canada wireless spectrum auction for the 2,500-2,690 MHz bands currently expected in April 2015.

Financing and debt requirements including the ability to carry out refinancing activities.

Ability to sustain dividend growth program of circa 10% per annum through 2016, and the ability to sustain and complete multi-year share purchase programs through 2016. These programs may be affected by factors such as regulatory and government decisions, competitive environment, reasonable economic performance in Canada, the Company's earnings and free cash flow, and levels of capital expenditures and spectrum licence purchases. Quarterly dividend decisions are subject to the Company's Board of Directors' assessment and determination based on the Company's financial situation and outlook. Share purchase programs may be affected by the change in the Company's intention to purchase shares, and the assessment and determination of the Company's Board of Directors from time to time. Consequently, there can be no assurance that these programs will be maintained through 2016.

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Human resource matters including recruitment, retention and appropriate training in a highly competitive industry.

Ability to successfully implement cost reduction initiatives and realize planned savings net of restructuring and other like costs, without losing customer service focus or negatively impacting business operations. Initiatives include: the Company's earnings enhancement program to drive improvements in earnings before interest, income taxes, depreciation and amortization (EBITDA) of \$250 million by the end of 2015; business integrations; business process outsourcing; internal offshoring and reorganizations; procurement initiatives; and consolidation of real estate.

Process risks including: reliance on legacy systems and ability to implement and support new products and services and business operations; the Company's ability to implement effective change management for system replacements and upgrades, process redesigns and business integrations; implementation of large enterprise deals that may be adversely impacted by available resources and degree of co-operation from other service providers; the Company's ability to successfully manage operations in foreign jurisdictions; information security breaches, including data loss or theft; and real estate joint venture development risks.

Tax matters including: tax law that may be subject to differing interpretation and the tax authority's interpretation that may be different from the Company's; changes in tax laws including tax rates; elimination of income tax deferrals through the use of different tax year-ends for operating partnerships and corporate partners; and international tax complexity and compliance.

Business continuity events including: the Company's ability to maintain customer service and operate our networks in the event of human-caused threats such as electronic attacks and human errors; equipment failures; supply chain disruptions; natural disaster threats, epidemics and pandemics; and the effectiveness of business continuity and disaster recovery plans and responses.

Litigation and legal matters including the ability to successfully defend class actions pending against TELUS.

Acquisitions or divestitures including the ability to successfully integrate acquisitions or complete divestitures in a timely manner, and realizing expected strategic benefits.

Health, safety and environmental developments; and other risk factors discussed herein and listed from time to time in the Company's reports and public disclosure documents including the Company's annual report, annual information form, and other filings with securities commissions or similar regulatory authorities in Canada (on SEDAR at www.sedar.com) and in its filings with the SEC in the United States, including Form 40-F (on EDGAR at www.sec.gov).

For further information, see the section entitled "Risks and risk management" in the Company's Management's Discussion and Analysis of financial results for the year ended December 31, 2013.

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The following summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information contained elsewhere in this prospectus supplement and the accompanying short form base shelf prospectus to which it relates and in the documents incorporated by reference herein and therein. Unless the context otherwise indicates, references in this prospectus supplement to TELUS or the Company are references to TELUS Corporation, its consolidated subsidiaries and predecessor companies. References to \$ or dollar are to Canadian dollars and references to U.S.\$ or U.S. dollar are to United States dollars.

Recent Developments**Spectrum Acquisition**

TELUS has secured 30 spectrum licences equating to a national average of 16.6 MHz in Canada's recently concluded 700 MHz spectrum auction (the 700 MHz Spectrum Licences). These 20-year 700 MHz Spectrum Licences, which are being acquired for \$1.14 billion, are expected to enable TELUS to deliver enhanced mobile broadband connectivity to its consumer and business customers nationwide, building on its existing national 4G LTE network. Today, TELUS delivers 4G LTE to more than 80% of Canada's population. The addition of this 700 MHz spectrum will enable TELUS to expand its LTE coverage into rural areas, extending TELUS' national 4G LTE network to 97% of the population over time.

TELUS' national average of 16.6 MHz of spectrum in the 700 MHz band is comprised of the following licences:

Region	Frequency Blocks	Spectrum Acquisition
Southern Ontario, Northern Ontario, Northern Quebec, New Brunswick, Nova Scotia & PEI, Newfoundland & Labrador	C2	10 MHz
Yukon, Northwest Territories & Nunavut	C	10 MHz
British Columbia, Alberta, Eastern Ontario, Southern Quebec, Eastern Quebec	C, D, E	20 MHz
Saskatchewan, Manitoba	A, B, D, E	30 MHz

Twenty percent of the acquisition cost for the 700 MHz Spectrum Licences was paid on March 5, 2014. The balance will be paid on April 2, 2014 and funded by a drawdown from the 2011 Credit Facility.

Leadership Progression

The Company announced on March 31, 2014 that Brian Canfield will be retiring as Chair of the Board of Directors of TELUS (the Board) and will not be standing for re-election at the Company's annual general meeting on May 8, 2014 (AGM). Coincident with Mr. Canfield's retirement, Darren Entwistle will assume the role of Executive Chair and R.H. (Dick) Auchinleck will assume the role of independent Lead Director. As well, Joe Natale will be promoted to President and Chief Executive Officer (CEO) effective May 8, 2014, reporting to the Executive Chair. The Board has also nominated Mr. Natale for election as director at the AGM. The Board has developed new position descriptions for the roles of Executive Chair, Lead Director and President and CEO. As Executive Chair, Mr. Entwistle will have both Board and executive functions, while the independent Lead Director, Mr. Auchinleck, will be responsible for ensuring that the Board functions independently of management.

The Offering

Issue \$500 million aggregate principal amount of Series CO Notes.

\$500 million aggregate principal amount of Series CP Notes.

Interest Interest accrues on the Series CO Notes at a rate of 3.20% per annum and is payable in arrears in equal semi-annual instalments (except for the first interest payment) on April 5

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and October 5 of each year. The first interest payment on the Series CO Notes in the amount of \$8,043,835.62 will be due on October 5, 2014.

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Interest accrues on the Series CP Notes at a rate of 4.85% per annum and is payable in arrears in equal semi-annual instalments (except for the first interest payment) on April 5 and October 5 of each year. The first interest payment on the Series CP Notes in the amount of \$12,191,438.36 will be due on October 5, 2014.

Maturity

The Series CO Notes will mature on April 5, 2021.

The Series CP Notes will mature on April 5, 2044.

Ranking

The Notes of each series will be unsecured and unsubordinated obligations of the Company, will rank pari passu in right of payment with all existing and future unsecured and unsubordinated obligations of the Company and will be senior in right of payment to all existing and future subordinated indebtedness of the Company, but will be effectively subordinated to all existing and future obligations of, or guaranteed by, the Company's subsidiaries.

Optional Redemption

The Series CO Notes may be redeemed at the option of the Company, in whole at any time, or in part from time to time, prior to March 5, 2021 on not fewer than 30 nor more than 60 days' prior notice, at a redemption price equal to the greater of (a) the Discounted Value (as defined in Details of the Offering - Optional Redemption) of the Series CO Notes, or (b) 100% of the principal amount thereof. The Series CO Notes may be redeemed, at the option of the Company, at any time on or after March 5, 2021, in whole or from time to time, in part, on not fewer than 30 nor more than 60 days' prior notice, at 100% of their principal amount. In addition, accrued and unpaid interest, if any, will be paid to the date fixed for redemption.

The Series CP Notes may be redeemed at the option of the Company, in whole at any time, or in part from time to time, prior to October 5, 2043 on not fewer than 30 nor more than 60 days' prior notice, at a redemption price equal to the greater of (a) the Discounted Value (as defined in Details of the Offering - Optional Redemption) of the Series CP Notes, or (b) 100% of the principal amount thereof. The Series CP Notes may be redeemed, at the option of the Company, at any time on or after October 5, 2043, in whole or from time to time, in part, on not fewer than 30 nor more than 60 days' prior notice, at 100% of their principal amount. In addition, accrued and unpaid interest, if any, will be paid to the date fixed for redemption.

In the event of certain changes to the tax laws of Canada or any province thereof in respect of either series of Notes or both, TELUS may, under certain circumstances, redeem the Notes of each series affected, in whole, but not in part, at 100% of their respective outstanding principal amount, together with accrued and unpaid interest, if any, and Additional Amounts (as defined herein), if any, to the date fixed for redemption. See Details of the Offering - Tax Redemption .

Change of Control

The Company will be required to make an offer to repurchase a particular series of Notes at a price equal to 101% of its outstanding principal amount plus accrued and unpaid interest to the date of

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repurchase upon the occurrence of a Change of Control Triggering Event (as defined herein). See [Details of the Offering](#) [Repurchase upon Change of Control Triggering Event](#) .

Certain Covenants

The Indenture (as defined herein) pursuant to which the Notes of each series will be issued will contain certain covenants that, among other things, limit the ability of the Company and certain material subsidiaries to grant security in respect of Indebtedness (as defined herein) and to enter into Sale and Lease-Back Transactions (as defined herein) and limit the ability of such subsidiaries to incur new Indebtedness. See [Details of the Offering](#) [Negative Pledge](#) , [Limitation on Restricted Subsidiary Indebtedness](#) , and [Limitation on Sale and Lease-Back Transactions](#) .

Use of Proceeds

The total net proceeds to be received by the Company from this Offering are estimated to be approximately \$993,715,000 after payment of commissions to the Agents but before deduction of the expenses of this Offering. The net proceeds will be used (a) to repay the approximately \$914 million of indebtedness to be drawn from the 2011 Credit Facility on April 2, 2014 to fund a portion of the purchase price of the 700 MHz Spectrum Licences, and (b) for general corporate purposes.

Pending any such use of the net proceeds, the Company will invest the net proceeds in bank deposits and short-term marketable securities. See [Use of Proceeds](#) .

Conflicts of Interest

As described above, a portion of the net proceeds of this Offering will be used to repay indebtedness of the Company under the 2011 Credit Facility. Certain affiliates of the Agents are lenders under the 2011 Credit Facility. As a result, one or more affiliates of the Agents may receive more than 5% of the net proceeds from this Offering in the form of the repayment of indebtedness. Accordingly, this Offering is being made pursuant to Rule 5121 of the Financial Industry Regulatory Authority ([FINRA](#)). The appointment of a qualified independent underwriter is not necessary in connection with this Offering because the conditions of Rule 5121(a)(1)(C) of FINRA are satisfied.

Form and Denomination

The Notes of each series will be issued in the form of one or more fully registered global securities to be held by, or on behalf of, CDS Clearing and Depository Services Inc. The Notes of each series will be issued only in fully registered form, without coupons, in denominations of \$1,000 of principal amount and any integral multiple thereof.

Governing Law

Ontario, Canada.

RISK FACTORS

Prospective investors in the Notes of either series should consider carefully the matters set forth in the section entitled [Risk Factors](#) in this prospectus supplement and the sections entitled [Risks and risk management](#) in the Company's [Management's Discussion and Analysis of financial results for the year ended December 31, 2013](#), which is being incorporated by reference herein.

Table of Contents**RECENT DEVELOPMENTS****Spectrum Acquisition**

TELUS has secured 30 spectrum licences equating to a national average of 16.6 MHz in Canada's recently concluded 700 MHz spectrum auction. These 20-year 700 MHz Spectrum Licences, which are being acquired for \$1.14 billion, are expected to enable TELUS to deliver enhanced mobile broadband connectivity to its consumer and business customers nationwide, building on its existing national 4G LTE network. Today, TELUS delivers 4G LTE to more than 80% of Canada's population. The addition of this 700 MHz spectrum will enable TELUS to expand its LTE coverage into rural areas, extending TELUS' national 4G LTE network to 97% of the population over time.

TELUS' national average of 16.6 MHz of spectrum in the 700 MHz band is comprised of the following licences:

Region	Frequency Blocks	Spectrum Acquisition
Southern Ontario, Northern Ontario, Northern Quebec, New Brunswick, Nova Scotia & PEI, Newfoundland & Labrador	C2	10 MHz
Yukon, Northwest Territories & Nunavut	C	10 MHz
British Columbia, Alberta, Eastern Ontario, Southern Quebec, Eastern Quebec	C, D, E	20 MHz
Saskatchewan, Manitoba	A, B, D, E	30 MHz

Twenty percent of the acquisition cost for the 700 MHz Spectrum Licences was paid on March 5, 2014. The balance will be paid on April 2, 2014 and funded by a drawdown from the 2011 Credit Facility.

Leadership Progression

The Company announced on March 31, 2014 that Brian Canfield will be retiring as Chair of the Board and will not be standing for re-election at the Company's AGM on May 8, 2014. Coincident with Mr. Canfield's retirement, Darren Entwistle will assume the role of Executive Chair and R.H. (Dick) Auchinleck will assume the role of independent Lead Director. As well, Joe Natale will be promoted to President and CEO effective May 8, 2014, reporting to the Executive Chair. The Board has also nominated Mr. Natale for election as director at the AGM. The Board has developed new position descriptions for the roles of Executive Chair, Lead Director and President and CEO. As Executive Chair, Mr. Entwistle will have both Board and executive functions, while the independent Lead Director, Mr. Auchinleck, will be responsible for ensuring that the Board functions independently of management.

Table of Contents**CONSOLIDATED CAPITALIZATION**

The following table sets forth the cash and temporary investments, net, and the capitalization of TELUS as at December 31, 2013 on an actual basis and on an as adjusted basis to give effect to (i) this Offering, (ii) the acquisition of the 700 MHz Spectrum Licences, (iii) the use of proceeds of this Offering to repay the approximately \$914 million of indebtedness to be drawn from the 2011 Credit Facility on April 2, 2014, to fund a portion of the purchase price of the 700 MHz Spectrum Licences, and (iv) the reduction in amounts arising from arm s-length securitization trust. This table should be read in conjunction with the audited consolidated financial statements of the Company as at and for the years ended December 31, 2013 and December 31, 2012, together with the report of the independent registered public accounting firm thereon and the notes thereto. All U.S. dollar amounts have been translated into Canadian dollars based on the monthly closing rate of exchange as reported by the Bank of Canada on December 31, 2013 (U.S.\$1.00 = \$1.0636).

	As at December 31, 2013	
	Actual	As adjusted (millions)
Cash and temporary investments, net	\$ 336	\$ 420 ⁽¹⁾
Amounts arising from arm s-length securitization trust	400	100 ⁽²⁾
Total short-term debt	400	100 ⁽²⁾
Long-term debt		
Series CO Notes offered hereby		500
Series CP Notes offered hereby		500
TELUS Corporation Notes		
Series CD: 4.95% due March 2017	695	695
Series CE: 5.95% due April 2015	499	499
Series CG: 5.05% due December 2019	993	993
Series CH: 5.05% due July 2020	995	995
Series CI: 3.65% due May 2016	597	597
Series CJ: 3.35% due March 2023	497	497
Series CK: 3.35% due April 2024	1,088	1,088
Series CL: 4.40% due April 2043	595	595
Series CM: 3.60% due January 2021	397	397
Series CN: 5.15% due November 2043	395	395
TELUS Corporation Commercial Paper		529 ⁽²⁾
TELUS Corporation Credit Facilities		
TELUS Communications Inc. Debentures		
Series 2: 11.90% due November 2015	125	125
Series 3: 10.65% due June 2021	174	174
Series 5: 9.65% due April 2022	245	245
Series B: 8.80% due September 2025	198	198
Total long-term debt	7,493	9,022
Total debt	7,893	9,122
Owners equity:		
Common Shares	5,296	5,296
Contributed surplus	149	149
Retained earnings	2,539	2,539
Accumulated other comprehensive income	31	31
Total owners equity	8,015	8,015

Total capitalization	\$ 15,572	\$ 16,717
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Note:

- (1) Assuming the repayment of the approximately \$914 million of indebtedness to be drawn from the 2011 Credit Facility on April 2, 2014, cash and temporary investments, net, includes \$84 million arising from the issue of the Series CO Notes

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and Series CP Notes offered hereby (calculated as the gross proceeds raised in this Offering less the amount of the 2011 Credit Facility to be repaid). The amount reflected does not deduct issue costs related to this Offering.

- (2) The \$300 million reduction in amounts arising from arm s-length securitization trust was funded by new commercial paper on March 3, 2014. As at the date of this prospectus supplement, the amount of commercial paper outstanding was approximately \$876 million.

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Table of Contents**PRICE RANGE AND TRADING VOLUMES**

The Common Shares are listed and posted for trading on the Toronto Stock Exchange (the "TSX") under the symbol "T" and the New York Stock Exchange (the "NYSE") under the symbol "TU". The following table sets forth the reported high and low closing sale prices and the aggregate volume of trading of the Common Shares on the TSX during the 12 months preceding the date of this prospectus.

Common Shares⁽¹⁾

	Price Range		Volume
	High (\$)	Low (\$)	
2013			
March	71.47	68.41	14,864,640
April ⁽²⁾	70.56	35.46	17,862,493
May	37.69	36.10	25,939,864
June	35.81	29.82	61,572,035
July	31.95	30.65	42,031,015
August	33.10	30.63	39,337,587
September	35.56	33.15	40,755,570
October	36.84	33.73	24,457,926
November	37.56	36.15	24,225,296
December	37.42	35.71	19,133,336
2014			
January	38.93	36.28	21,311,045
February	39.28	37.05	23,777,198
March	40.35	38.39	18,610,941

Notes:

- (1) The Non-Voting Shares were exchanged for Common Shares as part of a plan of arrangement and were delisted from the NYSE on February 4, 2013 and the TSX on February 8, 2013.
- (2) On March 14, 2013, TELUS announced that its board of directors approved a two-for-one stock split of the outstanding Common Shares. On April 16, 2013, TELUS shareholders received one additional Common Share for each Common Share owned on the record date of April 15, 2013.

USE OF PROCEEDS

The total net proceeds to be received by the Company from this Offering are estimated to be approximately \$993,715,000 after payment of commissions to the Agents but before deduction of the expenses of this Offering. The net proceeds will be used (a) to repay the approximately \$914 million of indebtedness to be drawn from the 2011 Credit Facility on April 2, 2014 to fund a portion of the purchase price of the 700 MHz Spectrum Licences, and (b) for general corporate purposes. The 700 MHz Spectrum Licences have a term of 20 years and are being acquired for \$1.14 billion. Pending any such use of the net proceeds, the Company will invest the net proceeds in bank deposits and short-term marketable securities.

EARNINGS COVERAGE RATIO

The following consolidated earnings coverage ratio, which gives effect to this Offering as though it had occurred at the beginning of such period, has been calculated for the 12-month period ended December 31, 2013. The earnings coverage ratio refers to the ratio of (i) consolidated net income attributable to equity shares before borrowing costs and income taxes, and (ii) borrowing costs. Borrowing costs include interest payable in respect of the indebtedness to be incurred on April 2, 2014 under the 2011 Credit Facility.

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For the 12-month period ended December 31, 2013, the Company's consolidated net income attributable to equity shares before borrowing costs and income taxes was \$2,163 million. Borrowing costs for such 12-month period were \$436 million.

Twelve-month period ended	December 31,
Earnings coverage ratio	2013
	5.0 times

The earnings coverage ratio at December 31, 2013 also gives pro forma effect to the issuance, repayment and redemption of all long-term debt of the Company since the date of the financial statements for the 12-month period ended December 31, 2013. The earnings coverage ratio set out above does not purport to be indicative of earnings coverage ratios for any future periods.

RISK FACTORS

An investment in the Notes of either series offered hereby involves certain risks. In addition to the other information contained in this prospectus supplement and in the section entitled "Risks and risk management" in the Company's Management's Discussion and Analysis of financial results for the year ended December 31, 2013, which section is being incorporated herein by reference, prospective investors should carefully consider the following factors in evaluating TELUS and its business before making an investment in the Notes of either series.

Structural Subordination of Notes

The Notes of each series will be obligations exclusively of the Company. The Company's existing operations are currently conducted through its subsidiaries. The Company's ability to meet its debt service obligations, including payment of principal and interest on the Notes of each series, is dependent upon the cash flow of its subsidiaries and the payment of funds by its subsidiaries to the Company in the form of loans, dividends, fees or otherwise. The Company's subsidiaries are separate and distinct legal entities and will have no obligation, contingent or otherwise, to pay any amounts due pursuant to the Notes of either series or to make any funds available therefor, whether in the form of loans, dividends or otherwise. Because the Company's subsidiaries will not guarantee the payment of principal of or interest on the Notes of either series, any right of the Company to receive assets of the subsidiaries upon their bankruptcy, receivership, liquidation or reorganization (and the consequent right of the holders of the Notes of each series (collectively, the "Noteholders") to participate in the distribution of proceeds from those assets) will be effectively subordinated to the claims of such subsidiaries' creditors (including tax authorities, trade creditors and lenders).

Bankruptcy and Related Laws

The Company is incorporated under the laws of the Province of British Columbia and its principal operating assets are located in Canada.

The rights of the Trustee (as defined herein) to enforce remedies are likely to be significantly impaired by the restructuring, receivership, liquidation and other provisions of applicable Canadian bankruptcy, insolvency, restructuring and other similar legislation if the benefit of such legislation is sought with respect to the Company. For example, both the *Bankruptcy and Insolvency Act (Canada)* and the *Companies Creditors Arrangement Act (Canada)* contain provisions enabling an insolvent person to obtain a stay of proceedings as against its creditors and others and to prepare and file a proposal or plan to restructure and/or compromise obligations for consideration by all or some of its creditors to be voted on by the various classes of its creditors. Such a restructuring proposal or plan, if accepted by the requisite majorities of creditors and if approved by the court, would be binding on persons who might not otherwise be willing to accept it. Moreover, both statutes permit, in

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certain circumstances, the insolvent debtor to retain possession and administration of its property, even though it may be in default under the applicable debt instrument.

The powers of the court under applicable Canadian bankruptcy, insolvency, restructuring and other similar legislation (including the *Bankruptcy and Insolvency Act* (Canada) and particularly under the *Companies Creditors Arrangement Act* (Canada)) have generally been exercised broadly to protect a debtor entity from actions taken by creditors and other parties. Accordingly, it is impossible to predict if payments under the Notes of either series would be made following commencement of or during such a proceeding, whether or when the Trustee could exercise its rights under the Indenture or whether and to what extent Noteholders would be compensated for any delay, in payments of principal and interest.

No Public Market

There is no established trading market for the Notes of either series. The Company does not intend to have the Notes of either series listed for trading on any securities exchange or quoted on any automated dealer quotation system. The Agents have advised the Company that they presently intend to make a market in the Notes of each series, but the Agents are not obligated to do so and any such market-making activities may be discontinued at any time without notice at the sole discretion of the Agents. Accordingly, no assurance can be given as to the prices or liquidity of, or trading markets for, the Notes of each series. The liquidity of any market for the Notes of either series will depend upon the number of holders of such series of Notes, the interest of securities dealers in making a market in the Notes of either series and other factors. The absence of an active market for the Notes of either series could adversely affect their market price and liquidity.

Credit Ratings

There can be no assurance that the credit ratings assigned to the Notes of either series will remain in effect for any given period of time or that the ratings will not be withdrawn or revised at any time. Real or anticipated changes in credit ratings on the Notes of either series may affect the market value of the applicable Notes. In addition, real or anticipated changes in credit ratings can affect the cost at which TELUS can access the capital markets. See Credit Ratings .

Repurchase upon Change of Control Triggering Event

In the event that the Company is required to offer to repurchase the Notes of either series upon the occurrence of a Change of Control Triggering Event, it may not have sufficient funds to repurchase the Notes of either series in cash at such time. In addition, the Company's ability to repurchase the Notes of either series for cash may be limited by applicable law.

Interest Rate Risks

Prevailing interest rates will affect the market price or value of the Notes of either series. The market price or value of the Notes of either series will decline as prevailing interest rates for comparable debt instruments rise, and will increase as prevailing interest rates for comparable debt instruments decline.

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DETAILS OF THE OFFERING

The following description of the Notes of each series is a brief summary of their material attributes and characteristics, which does not purport to be complete and is qualified in its entirety by reference to the Indenture (as defined below). The following summary uses words and terms which have been defined in the Indenture. For full particulars, reference is made to the short form base shelf prospectus and to the Indenture.

General

Each series of Notes will be issued under its own supplemental indenture (each, a Supplemental Indenture) which, for purposes of that series, will supplement the terms and conditions in the trust indenture dated May 22, 2001 (the Trust Indenture) between the Company and Montreal Trust Company of Canada (now Computershare Trust Company of Canada), as trustee (the Trustee). Each Supplemental Indenture will be entered into between the Company and the Trustee, will be dated the issuance date of the applicable series of Notes, and will provide for, among other things, the creation and issuance of the applicable series of Notes. The Trust Indenture is described in the short form base shelf prospectus. References herein to the Indenture refer to the Trust Indenture as supplemented by the applicable Supplemental Indenture. The Company may, from time to time, without the consent of the holders of a particular series of Notes, create and issue additional Notes of that same series under the applicable Supplemental Indenture, having the same terms and conditions as the Notes of that series in all respects, except for such variations to such terms and conditions as may be required, in the reasonable opinion of the Company, to reflect the different issue dates of such additional Notes of such series and the then existing Notes of such series and any intention that all such additional Notes of a series and the then existing Notes of such series be fungible for trading purposes. Additional Notes of a series issued in this manner will be consolidated with and form a single series with the then existing Notes of that series and, if the Company acting reasonably determines that it is advisable or advantageous to do so, the Company may accept such additional Notes of a series and the then existing Notes of the same series in exchange for consolidated and restated replacement Notes reflecting the terms and conditions of such additional Notes and the then existing Notes, in each case, of the same series.

Principal, Maturity and Interest

The Series CO Notes will be initially limited to \$500,000,000 aggregate principal amount (provided that the Company may in the future issue additional Series CO Notes up to any additional amount determined by the Company without the consent of existing holders of the Series CO Notes), and will mature on April 5, 2021. The Series CO Notes will bear interest at the rate of 3.20% per annum from their issuance date, payable in equal semi-annual instalments (except for the first interest payment) on April 5 and October 5 of each year to holders of record on March 20 and September 19, respectively. The first interest payment on the Series CO Notes will be due on October 5, 2014 and will represent accrued interest from, and including, April 4, 2014 to, but excluding, October 5, 2014 and will be in the amount of \$8,043,835.62.

The Series CP Notes will be initially limited to \$500,000,000 aggregate principal amount (provided that the Company may in the future issue additional Series CP Notes up to any additional amount determined by the Company without the consent of existing holders of the Series CP Notes), and will mature on April 5, 2044. The Series CP Notes will bear interest at the rate of 4.85% per annum from their issuance date, payable in equal semi-annual instalments (except for the first interest payment) on April 5 and October 5 of each year to holders of record on March 20 and September 19, respectively. The first interest payment on the Series CP Notes will be due on October 5, 2014 and will represent accrued interest from, and including, April 4, 2014 to, but excluding, October 5, 2014 and will be in the amount of \$12,191,438.36.

Principal and interest on the Notes will be payable in lawful money of Canada. The issuance date for each series of Notes will be on or about April 4, 2014.

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On maturity, the Company will repay the indebtedness represented by the Notes of a particular series by paying the Trustee in Canadian dollars an amount equal to the principal amount of the outstanding Notes of such series plus any accrued and unpaid interest thereon. Interest will be computed on the basis of a 365-day year. The yearly rate of interest that is equivalent to the rate payable under the Notes of a particular series is the rate payable multiplied by the actual number of days in the year and divided by 365 and is disclosed herein solely for the purpose of providing the disclosure required by the *Interest Act* (Canada).

The Notes of each series will be issued only in fully registered form, without coupons, in denominations of \$1,000 of principal amount and any integral multiple thereof.

Optional Redemption

The Series CO Notes may be redeemed at any time prior to March 5, 2021 at the option of the Company, in whole at any time or in part from time to time, on not fewer than 30 nor more than 60 days prior notice at a redemption price equal to the greater of (a) the Discounted Value of the Series CO Notes, or (b) 100% of the outstanding principal amount of Series CO Notes to be redeemed. The Series CO Notes may be redeemed at any time on or after March 5, 2021 at the option of the Company, in whole or from time to time, in part, on not fewer than 30 nor more than 60 days prior notice at a redemption price equal to 100% of the outstanding principal amount of the Series CO Notes. In addition, accrued and unpaid interest, if any, will be paid to the date fixed for redemption.

The Series CP Notes may be redeemed at any time prior to October 5, 2043 at the option of the Company, in whole at any time or in part from time to time, on not fewer than 30 nor more than 60 days prior notice at a redemption price equal to the greater of (a) the Discounted Value of the Series CP Notes, or (b) 100% of the outstanding principal amount of Series CP Notes to be redeemed. The Series CP Notes may be redeemed at any time on or after October 5, 2043 at the option of the Company, in whole or from time to time, in part, on not fewer than 30 nor more than 60 days prior notice at a redemption price equal to 100% of the outstanding principal amount of the Series CP Notes. In addition, accrued and unpaid interest, if any, will be paid to the date fixed for redemption.

In the case of a redemption for less than all of the Notes of the particular series, the Notes of such series to be redeemed will be selected by the Trustee in such manner as the Trustee deems appropriate.

Discounted Value shall mean an amount equal to the sum of the present values of all remaining scheduled payments of principal and interest (not including any portion of the payment of interest accrued as of the redemption date) from the redemption date of the Notes of a particular series to the respective due dates for such payments until maturity of that series of Notes computed on a semi-annual basis by discounting such payments (assuming a 365-day year) to the redemption date of that particular series of Notes at the Government of Canada Yield plus 30 basis points (in the case of the Series CO Notes) and 46 basis points (in the case of the Series CP Notes).

Government of Canada Yield shall mean, with respect to any redemption date, the mid market yield to maturity on the third business day (the Determination Date) preceding the redemption date of the particular series of Notes, compounded semi-annually, which a non-callable Government of Canada Bond would carry if issued, in Canadian dollars in Canada, at 100% of its principal amount on such date with a term to maturity which most closely approximates the remaining term to maturity of the particular series of Notes from such redemption date as quoted by a dealer selected from time to time by the Company and approved by the Trustee at noon (Toronto time) on such Determination Date.

Tax Redemption

The Notes of each series may be redeemed, in whole, but not in part, at the option of TELUS at any time, on not fewer than 30 nor more than 60 days prior written notice, at 100% of the outstanding principal amount,

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together with accrued and unpaid interest thereon to the redemption date, in the event TELUS delivers to the Trustee an opinion of independent Canadian tax counsel experienced in such matters to the effect that TELUS has become or would become obligated to pay, on the next date on which any amount would be payable with respect to the applicable series of outstanding Notes any Additional Amounts (as defined herein) as a result of a change in the laws (including any regulations promulgated thereunder) of Canada, or any province or territory thereof or therein or any agency thereof or therein having the power to tax, or any change in any official position regarding the application or interpretation of such laws or regulations, which change is announced or becomes effective on or after the date of the original issuance of the applicable series of Notes; provided that TELUS determines, in its business judgment, that the obligation to pay such Additional Amounts cannot be avoided by the use of reasonable measures available to TELUS (not including substitution of the obligor under the applicable series of Notes).

Repurchase upon Change of Control Triggering Event

If a Change of Control Triggering Event (as defined herein) occurs with respect to a series of Notes, unless the Company has exercised its optional right to redeem all of the Notes of that series as described under **Optional Redemption** or **Tax Redemption** above, the Company will be required to make an offer to repurchase all or, at the option of the holder of that series of Notes, any part (equal to \$1,000 or an integral multiple thereof) of each holder's Notes of that series pursuant to the offer described below (the **Change of Control Offer**) on the terms set forth in the applicable Supplemental Indenture. In the Change of Control Offer, the Company will be required to offer payment in cash equal to 101% of the aggregate outstanding principal amount of Notes of the series to be repurchased together with accrued and unpaid interest on such series of Notes to the date of repurchase.

Within 30 days following any Change of Control Triggering Event, the Company will be required to give written notice to holders of the applicable series of Notes describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase the Notes of the applicable series on the date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is given. The Company must comply with the requirements of applicable securities laws and regulations in connection with the repurchase of the Notes of the particular series as a result of a Change of Control Triggering Event. To the extent that the provisions of any such applicable securities laws and regulations conflict with the Change of Control (as defined herein) provisions, the Company will be required to comply with such laws and regulations and will not be deemed to have breached its obligations to repurchase such series of Notes by virtue of such conflict.

The Company will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if a third party makes such an offer substantially in the manner, at the times and in compliance with the requirements for a Change of Control Offer (and for at least the same purchase price payable in cash) and such third party purchases all Notes of such series properly tendered and not withdrawn under its offer.

Change of Control shall mean the occurrence of any one of the following: (a) the direct or indirect sale, transfer, conveyance, lease or other disposition (other than by way of consolidation, amalgamation or merger), in one or a series of related transactions, of all or substantially all of the property and assets of the Company and its Subsidiaries (as defined in the short form base shelf prospectus), taken as a whole, to any person or group of persons acting jointly or in concert for purposes of such transaction (other than to the Company and its Subsidiaries); or (b) the consummation of any transaction including, without limitation, any consolidation, amalgamation, merger or issue of voting shares the result of which is that any person or group of persons acting jointly or in concert for purposes of such transaction (other than the Company and its Subsidiaries) becomes the beneficial owner, directly or indirectly, of more than 50% of the voting shares of the Company, measured by voting power rather than number of shares (but shall not include the creation of a holding company or similar transaction that does not involve a change in the beneficial ownership of the Company).

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Change of Control Triggering Event shall mean the occurrence of both a Change of Control and a Rating Event.

Investment Grade Rating shall mean a rating equal to or higher than Baa3 (or the equivalent) by Moody's Investors Service Inc. (Moody's), BBB- (or the equivalent) by Standard & Poor's Rating Services, a division of The McGraw-Hill Companies Inc. (S&P), or BBB (low) (or the equivalent) by DBRS Limited (DBRS), or the equivalent investment grade credit rating from any other Specified Rating Agency.

Rating Event shall mean the rating of the particular series of Notes is lowered to below an Investment Grade Rating by at least two out of three of the Specified Rating Agencies if there are three Specified Rating Agencies or all of the Specified Rating Agencies if there are less than three Specified Rating Agencies (the Required Threshold) on any day within the 60-day period (which 60-day period will be extended so long as the rating of Notes of such series is under publicly announced consideration for a possible downgrade by such number of the Specified Rating Agencies which, together with Specified Rating Agencies which have already lowered their ratings on the Notes of such series as aforesaid, would aggregate in number the Required Threshold, but only to the extent that, and for so long as, a Change of Control Triggering Event would result if such downgrade were to occur) after the earlier of (a) the occurrence of a Change of Control, and (b) public notice of the occurrence of a Change of Control or of the Company's intention or agreement to effect a Change of Control.

Specified Rating Agencies shall mean each of Moody's, S&P and DBRS as long as, in each case, it has not ceased to rate the Notes of the particular series or failed to make a rating of Notes of the particular series publicly available for reasons outside of the Company's control; provided that if one or more of Moody's, S&P or DBRS ceases to rate the applicable series of Notes or fails to make a rating of the applicable series of Notes publicly available for reasons outside of the Company's control, the Company may select any other designated rating organization within the meaning of National Instrument 41-101 of the Canadian Securities Administrators as a replacement agency for such one or more of them, as the case may be.

Purchase of Notes

The Company may, at any time and from time to time, purchase Notes of either series in the market (which may include purchases from or through an investment dealer or a firm holding membership on a recognized stock exchange) or by tender or private contract, at any price, subject to applicable law.

Defeasance

The provisions described under **Description of Debt Securities - Defeasance** in the short form base shelf prospectus are applicable to the Notes of each series, including the condition that the Company will deliver to the Trustee an opinion of counsel to the effect that the applicable holders of such series of Notes will not recognize income, gain or loss for Canadian or United States federal income tax purposes as a result of such defeasance and will be subject to Canadian and United States federal income tax on the same basis as if such defeasance had not occurred.

Events of Default

Events of Default are described in the short form base shelf prospectus under **Description of Debt Securities - Events of Default** and reference is made to that section for a list of the events which constitute an Event of Default with respect to the Notes of each series.

Negative Pledge

The Indenture contains provisions to the effect that the Company will not, nor will it permit any Restricted Subsidiary (as defined herein) to, create or assume any Lien (as defined in the short form base shelf prospectus)

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upon any present or future Principal Property (as defined in the short form base shelf prospectus) or any Property (as defined in the short form base shelf prospectus) which, together with any other Property subject to Liens in the same transaction or a series of related transactions, would in the aggregate constitute a Principal Property, of the Company or any Restricted Subsidiary, to secure Indebtedness (as defined in the short form base shelf prospectus) of the Company or a Restricted Subsidiary unless the Notes of each series (together with, if the Company shall so determine, any other Indebtedness of the Company or any Restricted Subsidiary ranking equally with the Notes of each series then existing or thereafter created), shall be concurrently secured equally and ratably with (or prior to) such other Indebtedness so long as such Lien is outstanding.

The restrictions set forth above shall not apply to certain permitted Liens (each, a Permitted Lien), including:

- (i) Liens existing on the issuance date for the Notes (namely, on or about April 4, 2014);
- (ii) Liens on any Property of any Person (as defined in the short form base shelf prospectus) existing at the time such Person becomes a Restricted Subsidiary, or at the time such Person amalgamates or merges with the Company or a Restricted Subsidiary, which Liens are not created in contemplation of such Person becoming a Restricted Subsidiary or effecting such amalgamation or merger;
- (iii) Liens on any Property existing at the time such Property is acquired by the Company or a Restricted Subsidiary, or Liens to secure the payment of all or any part of the purchase price of such Property upon the acquisition of such Property by the Company or a Restricted Subsidiary or to secure any Indebtedness incurred prior to, at the time of, or within 270 days after, the later of the date of acquisition of such Property and the date such Property is placed in service, for the purpose of financing all or any part of the purchase price thereof, or Liens to secure any Indebtedness incurred for the purpose of financing the cost to the Company or a Restricted Subsidiary of improvements to such acquired Property or to secure any Indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of construction of the Property subject to such Liens;
- (iv) Liens securing any Indebtedness of a Restricted Subsidiary owing to the Company or to another Restricted Subsidiary;
- (v) Liens on Property of the Company or a Restricted Subsidiary securing Indebtedness or other obligations issued by Canada or the United States of America or any state or any department, agency or instrumentality or political subdivision of Canada or the United States of America or any state, or by any other country or any political subdivision of any other country, for the purpose of financing all or any part of the purchase price of, or, in the case of real property, the cost of construction on or improvement of, any property or assets subject to the Liens, including Liens incurred in connection with pollution control, industrial revenue or similar financings;
- (vi) Liens securing any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Indebtedness secured by any Permitted Lien, including those referred to in the foregoing clauses (i), (ii), (iii), (iv) and (v); provided, however, that such new Lien is limited to the Property which was subject to the prior Lien immediately before such extension, renewal or replacement, and provided, further, that the principal amount of Indebtedness secured by the prior Lien immediately prior to such extension, renewal or replacement is not increased; and
- (vii) any other Liens not otherwise qualifying as a Permitted Lien provided that, at the applicable time, the sum of (without duplication) (x) the aggregate principal amount of the Indebtedness secured by all such other Liens, plus (y) the Attributable Debt (as defined in the short form base shelf prospectus) determined at such time of the then outstanding Unrestricted Sale and Lease-Back Transactions (as defined herein) to which the Company or a Restricted Subsidiary is a party, plus (z) the then outstanding principal amount of all other Indebtedness of Restricted Subsidiaries incurred in compliance with Limitation on Restricted Subsidiary Indebtedness below (other than any Indebtedness of Restricted Subsidiaries excluded from the calculations of such limitation on Restricted

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Subsidiary Indebtedness pursuant to the provisos contained therein), does not exceed 15% of the then applicable Consolidated Net Tangible Assets (as defined in the short form base shelf prospectus).

Restricted Subsidiary means (a) TELUS Communications Inc., (b) TELUS Communications Company, and (c) at any time any other Subsidiary (as defined in the short form base shelf prospectus) of the Company if, at the end of the most recent fiscal quarter for which the Company has issued its financial statements, the total assets of such Subsidiary exceeds 10% of the consolidated assets of the Company and its Subsidiaries, determined in accordance with Canadian generally accepted accounting principles consistently applied.

Limitation on Restricted Subsidiary Indebtedness

The Indenture contains provisions to the effect that TELUS shall not permit any Restricted Subsidiary to, directly or indirectly, create, incur or assume any Indebtedness, unless after giving effect to the incurrence of such Indebtedness and the application of the proceeds therefrom, the sum of (without duplication) (x) the aggregate principal amount of Indebtedness of all Restricted Subsidiaries, plus (y) the then outstanding principal amount of Indebtedness of TELUS secured by Liens (other than any Lien constituting a Permitted Lien under any of clauses (a) to (cc) inclusive of the definition of Permitted Liens), plus (z) Attributable Debt relating to then outstanding Unrestricted Sale and Lease-Back Transactions of TELUS, would not exceed 15% of Consolidated Net Tangible Assets. This restriction does not affect the Permitted Indebtedness (as defined in the applicable Supplemental Indenture) of Restricted Subsidiaries, which is (1) Indebtedness secured by any Lien constituting a Permitted Lien under any of clauses (a) to (cc) inclusive of the definition of Permitted Liens, (2) Indebtedness (excluding Indebtedness outstanding under commercial paper programs) of any Person existing on the date of the Supplemental Indenture or at the time such Person becomes a Restricted Subsidiary, (3) Indebtedness owing to TELUS or to another Restricted Subsidiary, (4) commercial paper issued by the Restricted Subsidiaries not to exceed in the aggregate \$1 billion, and (5) any extension, renewal or replacement (including successive extensions, renewals or replacements), in whole or in part, of any Indebtedness of the Restricted Subsidiaries referred to in any of the preceding clauses (1), (2), (3) or (4) (provided that the principal amount of such Indebtedness immediately prior to such extension, renewal or replacement is not increased).

Limitation on Sale and Lease-Back Transactions

Neither the Company nor any Restricted Subsidiary may enter into any Sale and Lease-Back Transaction, except for:

- (i) any Sale and Lease-Back Transaction constituting a specified Permitted Lien under the Indenture; or
- (ii) any Sale and Lease-Back Transaction that is not otherwise permitted under clauses (i) above or (iii) below and in respect of which the Company or such Restricted Subsidiary would, at the time it enters into such Sale and Lease-Back Transaction, be entitled to create a Lien on the Principal Property (or the properties, as the case may be) subject to such Sale and Lease-Back Transaction to secure Indebtedness at least equal in amount to the Attributable Debt in respect of such Sale and Lease-Back Transaction without being required to equally and rateably secure the particular series of Notes pursuant to the negative pledge described above (any Sale and Lease-Back Transaction entered into in compliance with this paragraph being an Unrestricted Sale and Lease-Back Transaction); or
- (iii) any Sale and Lease-Back Transaction if the Company or such Restricted Subsidiary shall apply or cause to be applied, in the case of a sale or transfer for cash, an amount equal to the greater of the fair market value of the Principal Property (or the properties, as the case may be) sold or transferred and leased back pursuant to such Sale and Lease-Back Transaction or the net proceeds of such Sale and Lease-Back Transaction and, in the case of a sale or transfer otherwise than for cash, an amount equal to the fair market value of the Principal Property (or the properties, as the case may be) sold or transferred and leased back pursuant to such Sale and Lease-Back Transaction, to (x) the retirement (other than any mandatory retirement), within 180 days after the effective date of such Sale and Lease-

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Back Transaction, of Indebtedness of the Company (which may but need not include the Debt Securities (as defined in the short form base shelf prospectus) of any series) ranking on a parity with, or prior to, the particular series of Notes and owing to a Person other than the Company or any Affiliate (as defined in the short form base shelf prospectus) of the Company, or (y) the purchase, construction or improvement of real property or personal property used by the Company or the Restricted Subsidiaries in the ordinary course of business.

Other Covenants

In addition to the covenants of the Company described above under Limitation on Restricted Subsidiary Indebtedness, under Negative Pledge, which supersedes the provisions described under Description of Debt Securities Negative Pledge in the accompanying short form base shelf prospectus, and under Limitation on Sale and Lease-Back Transactions, which supersedes the provisions described under Description of Debt Securities Limitation on Sale and Lease-Back Transactions in the accompanying short form base shelf prospectus, there are certain additional covenants which are applicable to the Notes of each series that are described in the short form base shelf prospectus and reference is made to that document for descriptions of such covenants.

Book-Entry System

The Notes of each series will be issued in the form of one or more fully registered global securities (each, a Global Note) to be held by, or on behalf of, CDS Clearing and Depository Services Inc. (CDS), as depository and registered in the name of CDS's nominee. Direct and indirect participants in CDS, including The Depository Trust Company (DTC), Euroclear Bank S.A./N.V., as operator of the Euroclear System (Euroclear) and Clearstream Banking, societe anonyme (Clearstream, Luxembourg), on behalf of their respective accountholders, will record beneficial ownership of the applicable Notes on behalf of their respective accountholders.

DTC, Euroclear and Clearstream, Luxembourg

Noteholders may hold their Notes of either series through the accounts maintained by DTC, Euroclear or Clearstream, Luxembourg in CDS only if they are participants of those systems, or indirectly through organizations which are participants of those systems.

DTC, Euroclear and Clearstream, Luxembourg will hold omnibus book-entry positions on behalf of their participants through customers securities accounts in their respective depositories, which in turn will hold such positions in customers securities accounts in the names of the nominees of the depositories on the books of CDS. All securities in DTC, Euroclear or Clearstream, Luxembourg are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts.

Transfers of a particular series of Notes by persons holding through Euroclear or Clearstream, Luxembourg participants will be effected through CDS, in accordance with CDS rules, on behalf of the relevant European international clearing system by its depositories; however, such transactions will require delivery of transfer instructions to the relevant European international clearing system by the participant in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transfer meets its requirements, deliver instructions to its depositories to take action to effect transfer of the particular series of Notes on its behalf by delivering such series of Notes through CDS and receiving payment in accordance with its normal procedures for next-day funds settlement. Payments with respect to a particular series of Notes held through Euroclear or Clearstream, Luxembourg will be credited to the cash accounts of Euroclear participants or Clearstream, Luxembourg participants, as the case may be, in accordance with the relevant system's rules and procedures, to the extent received by its depositories.

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Although the Company will make all payments of principal and interest on the Notes in Canadian dollars, holders of Notes held through DTC will receive such payments in U.S. dollars, except as set forth below. Canadian dollar payments received by CDS will be exchanged into U.S. dollars and paid directly to DTC in accordance with procedures established from time to time by CDS and DTC. All costs of conversion will be borne by holders of Notes held through DTC who receive payments in U.S. dollars. Holders of Notes held through DTC may elect, through procedures established from time to time by DTC and its participants, to receive Canadian dollar payments, in which case such Canadian dollar amounts will be transferred directly to Canadian dollar accounts designated by such holders to DTC.

All information in this prospectus supplement on DTC, Euroclear or Clearstream, Luxembourg reflects the Company's understanding of the policies of such organizations which may change at any time without notice.

Payments

Payments of interest and principal on a Global Note will be made to CDS or its nominee, as the case may be, as registered holder of the particular Global Note. As long as CDS or its nominee is the registered owner of a Global Note, CDS or its nominee, as the case may be, will be considered the sole legal owner of such Global Note for the purposes of receiving payments of interest and principal on the particular series of Notes and for all other purposes under the Indenture and the particular series of Notes other than with respect to the payment of Additional Amounts which will be determined based on amounts received by an applicable Noteholder or beneficial owner of Notes, as described below under the heading "Additional Amounts". Interest payments on Global Notes will be made by electronic funds transfer on the day interest is payable and delivered to CDS or its nominee, as the case may be.

The Company understands that CDS or its nominee, upon receipt of any payment of interest or principal in respect of a Global Note, will credit participants' accounts, on the date interest or principal is payable, with payments in amounts proportionate to their respective beneficial interest in the principal amount of such Global Note as shown on the records of CDS or its nominee. The Company also understands that payments of interest and principal by participants to the owners of beneficial interests in such Global Note held through such participants will be governed by standing instructions and customary practices and will be the responsibility of such participants. The responsibility and liability of the Company in respect of payments on Notes of either series represented by Global Notes is limited solely and exclusively, while the particular series of Notes are registered in Global Note form, to making payment of any interest and principal due on such Global Note to CDS or its nominee.

If definitive Notes of either series are issued instead of or in place of Global Notes, payments of interest on each definitive Note of each series will be made by electronic funds transfer, if agreed to by the Noteholder of the particular series, or by cheque dated the relevant Interest Payment Date and mailed to the address of such Noteholder appearing in the register maintained by the registrar for the particular series of Notes, at the close of business on the last day of the month immediately preceding the month in which the relevant Interest Payment Date occurs.

The Trustee will act, pursuant to the Indenture, as the registrar and paying agent. Payment of principal at maturity will be made at the principal office of the Trustee in the City of Calgary, Alberta (or in such other city or cities as may from time to time be designated by the Company) against surrender of the Notes of the particular series. If the due date for payment of any amount of principal or interest on any Note is not, at the place of payment, a business day (being a day other than a Saturday, Sunday or a day on which financial institutions at the place of payment are authorized or obligated by law or regulation to close) such payment will be made on the next business day and the applicable Noteholder shall not be entitled to any further interest or other payment in respect of such delay.

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Additional Amounts

All payments made by TELUS under or with respect to the Notes of each series will be made free and clear of and without withholding or deduction for or on account of any present or future tax, duty, levy, impost, assessment or other governmental charge imposed or levied by or on behalf of the Government of Canada or of any province or territory thereof or therein or by any authority or agency thereof or therein having power to tax (collectively, Taxes) unless TELUS is required to withhold or deduct Taxes by law or by the interpretation or administration thereof by the relevant government authority or agency. For each series of Notes, if TELUS is so required to withhold or deduct any amount for or on account of Taxes from any payment made under or with respect to such series of Notes, TELUS will pay such additional amounts (Additional Amounts) as may be necessary so that the net amount received by each applicable Noteholder or beneficial owner (including Additional Amounts) after such withholding or deduction will not be less than the amount the applicable Noteholder or beneficial owner would have received if such Taxes had not been withheld or deducted; provided that no Additional Amounts will be payable with respect to:

any payment to a Noteholder or beneficial owner who is liable for such Taxes in respect of such Note (1) by reason of such Noteholder or beneficial owner being a person with whom TELUS is not dealing at arm's length for the purposes of the *Income Tax Act (Canada)* or (2) by reason of the existence of any present or former connection between such Noteholder or beneficial owner (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of power over, such Noteholder or beneficial owner, if such Noteholder or beneficial owner is an estate, trust, partnership, limited liability company or corporation) and Canada or any province or territory thereof or therein or agency thereof or therein other than the mere acquisition, holding, use or ownership or deemed holding, use or ownership, or receiving payments or enforcing any rights in respect of such Note as a non-resident or deemed non-resident of Canada or any province or territory thereof or therein or agency thereof or therein;

any payment to a Noteholder or beneficial owner who is a specified shareholder of TELUS or who does not deal at arm's length with a specified shareholder of TELUS as defined in subsection 18(5) of the *Income Tax Act (Canada)*;

any Note presented for payment more than 30 days after the later of (1) the date on which such payment first becomes due or (2) if the full amount of the monies payable has not been paid to the Noteholders on or prior to such date, the date on which the full amount of such monies has been paid to the Noteholders, except to the extent that the Noteholder thereof would have been entitled to such Additional Amounts on presenting the same for payment on the last day of such period of 30 days;

any estate, inheritance, gift, sales, transfer, excise or personal property tax or any similar tax;

any Taxes imposed as a result of the failure of a Noteholder or beneficial owner to comply with certification, identification, declaration or similar reporting requirements concerning the nationality, residence, identity or connection with Canada or any province or territory thereof or therein or agency thereof or therein of the Noteholder or beneficial owner of such Note, if such compliance is required by statute or by regulation, as a precondition to reduction of, or exemption, from such Taxes;

any Taxes which are payable otherwise than by withholding or deduction from any payment made under or with respect to the Notes;
or

any combination of the above items,

nor will such Additional Amounts be paid with respect to any payment on any Note to a Noteholder or beneficial owner who is a fiduciary or partnership or other than the sole beneficial owner of such Note to the extent that a beneficiary or settlor with respect to such fiduciary, or a member of such partnership or a beneficial owner thereof would not have been entitled to receive a payment of such Additional Amounts had such beneficiary, settlor, member or beneficial owner received directly its beneficial or distributive share of such payment.

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Where Tax is payable pursuant to Regulation 803 of the Tax Act by a Noteholder or beneficial owner of the Notes in respect of any amount payable under the Notes to the Noteholder (other than by reason of a transfer of the Notes to a person resident in Canada with whom the transferor does not deal at arm's length for the purposes of such Act), but no Additional Amount is paid in respect of such Tax, TELUS will pay to the Noteholder an amount equal to such Tax within 45 days after receiving from the Noteholder a notice containing reasonable particulars of the Tax so payable, provided such Noteholder or beneficial owner would have been entitled to receive Additional Amounts on account of such Tax but for the fact that it is payable otherwise than by deduction or withholding from payments made under or with respect to the Notes.

Whenever in the Indenture or in any Note in either series there is mention, in any context, of the payment of principal of, or premium, interest or any other amount on any Note in either series, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The obligation to pay Additional Amounts will survive any termination or discharge of the Indenture or the redemption, repayment or purchase of the Notes of either series.

Governing Law

Each of the Indenture and the Notes of each series are governed by, and construed in accordance with, the laws of the Province of Ontario.

ELIGIBILITY FOR INVESTMENT

In the opinion of Norton Rose Fulbright Canada LLP and Osler, Hoskin & Harcourt LLP, the Notes, if issued on the date hereof, would be qualified investments under the *Income Tax Act* (Canada) (the Tax Act) and the regulations thereunder for trusts governed by registered retirement savings plans (RRSPs), registered retirement income funds (RRIFs), registered disability savings plans, registered education savings plans, deferred profit sharing plans (other than trusts governed by deferred profit sharing plans for which any of the employers is the Company or is an employer with whom the Company does not deal at arm's length, within the meaning of the Tax Act) and tax-free savings accounts (TFSA's).

Notwithstanding the foregoing, if a Note is a prohibited investment for a RRSP, RRIF or TFSA, the annuitant under the RRSP or RRIF or the holder of the TFSA, as the case may be, may be subject to a penalty tax under the Tax Act. Generally, the Notes will not be a prohibited investment for an RRSP, an RRIF or a TFSA provided that, for purposes of the Tax Act, the annuitant of the RRSP or RRIF or the holder of the TFSA (as the case may be) (a) deals at arm's length with the Company and (b) does not have a significant interest (within the meaning of subsection 207.01(4) of the Tax Act) in the Company.

Prospective investors should consult their own tax advisors with respect to the prohibited investment rules, having regard to their particular circumstances.

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CERTAIN CANADIAN AND UNITED STATES INCOME TAX CONSIDERATIONS

Certain Canadian Federal Income Tax Considerations

In the opinion of Norton Rose Fulbright Canada LLP and Osler, Hoskin & Harcourt LLP, the following is a general summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act to a beneficial owner of Notes (including entitlement to all payments thereunder) acquired hereunder who, at all relevant times, for the purposes of the Tax Act, deals at arm's length with the Company (a Holder). Notes held by financial institutions (as defined in section 142.2 of the Tax Act) will generally not be capital property to such holders and will generally be subject to special rules contained in the Tax Act. This summary does not take into account these special rules and holders to whom these rules may be relevant should consult their own tax advisors.

This summary is based on the current provisions of the Tax Act, the regulations thereunder (the Regulations) and counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the CRA) published in writing prior to the date hereof. This summary also takes into account all specific proposals to amend the Tax Act and Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (collectively, the Proposed Tax Amendments) and assumes that all Proposed Tax Amendments will be enacted in the form proposed. No assurances can be given that the Proposed Tax Amendments will be enacted or will be enacted as proposed. Other than the Proposed Tax Amendments, this summary does not take into account or anticipate any changes in law or the administrative policies or assessing practices of the CRA, whether by judicial, legislative, governmental or administrative decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular holder and no representations with respect to the income tax consequences to any particular holder are made. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective investors in Notes should consult their own tax advisors with respect to their own particular circumstances.

Residents of Canada

The following portion of the summary is generally applicable to a Holder who, at all relevant times, for the purposes of the Tax Act, is or is deemed to be resident in Canada, holds the Notes as capital property, and is not affiliated with the Company (a Resident Holder). Generally, the Notes will be capital property to a Resident Holder provided the Resident Holder does not acquire or hold the Notes in the course of carrying on a business or as part of an adventure or concern in the nature of trade. Certain Resident Holders whose Notes might not otherwise qualify as capital property may be entitled to obtain such qualification in certain circumstances by making the irrevocable election permitted by subsection 39(4) of the Tax Act to deem the Notes and every other Canadian security, as defined in the Tax Act, owned by such Resident Holder in the taxation year in which the election is made, and in all subsequent taxation years, to be capital property. This summary is not applicable to a holder (i) an interest in which is a tax shelter investment as defined in the Tax Act, (ii) that has elected to report its Canadian tax results in a currency other than Canadian currency under the functional currency rules under the Tax Act, or (iii) that enters into, with respect to the Notes, a derivative forward agreement as defined in the Tax Act.

Taxation of Interest on the Notes

A Resident Holder that is a corporation, partnership, unit trust or trust of which a corporation or partnership is a beneficiary will be required to include in computing its income for a taxation year any interest on a Note that accrues or is deemed to accrue to the Resident Holder to the end of that taxation year, or becomes receivable or is received by the Resident Holder before the end of that taxation year, to the extent that such amount was not otherwise included in the Resident Holder's income for a preceding taxation year.

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Any other Resident Holder, including an individual or a trust (other than trusts described in the preceding paragraph), will be required to include in computing its income for a taxation year any interest on a Note that is received or receivable by such Resident Holder in that year (depending upon the method regularly followed by the Resident Holder in computing income), to the extent that such amount was not otherwise included in the Resident Holder's income for a preceding taxation year.

A Resident Holder that is a Canadian-controlled private corporation (as defined in the Tax Act) may be liable for a refundable tax on investment income. For this purpose, investment income will generally include interest income.

On a disposition or deemed disposition of a Note, including a redemption, a payment on maturity, or a repurchase, a Resident Holder will generally be required to include in computing its income for the taxation year in which the disposition occurs the amount of interest accrued on the Note from the date of the last interest payment to the date of disposition to the extent that such amount has not otherwise been included in the Resident Holder's income for the taxation year or a preceding taxation year.

In addition, any amount paid by the Company to a Resident Holder as a penalty or bonus because of the repayment of all or part of the principal amount of a Note before its maturity (including as a result of the Company's exercise of a redemption right or as a result of the Company being required to repurchase the Notes as a result of a Change of Control) will generally be deemed to be interest received by a Resident Holder at that time and will be required to be included in computing the Resident Holder's income as described above to the extent such amount can reasonably be considered to relate to, and does not exceed the value at the time of payment of, the interest that would have been paid or payable by the Company on the Note for a taxation year ending after that time.

Disposition of Notes

In general, on a disposition or deemed disposition, including a redemption, payment on maturity or repurchase, a Resident Holder will realize a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any accrued interest and any amounts included in the Resident Holder's income on such disposition or deemed disposition as interest, exceed (or are less than) the adjusted cost base of the Note to the Resident Holder immediately before the disposition or deemed disposition and any reasonable costs of disposition.

Generally, one half of the amount of any capital gain (a taxable capital gain) realized by a Resident Holder in a taxation year must be included in the Resident Holder's income in that year and, subject to and in accordance with the provisions of the Tax Act, one half of the amount of any capital loss (an allowable capital loss) realized by a Resident Holder in a taxation year must be deducted from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses in excess of taxable capital gains in any particular year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years to the extent and under the circumstances described in the Tax Act. A capital gain realized by an individual or a trust (other than specified trusts) may give rise to a liability for alternative minimum tax.

As discussed above, a Resident Holder that is a Canadian-controlled private corporation (as defined in the Tax Act) may be liable for an additional refundable tax on investment income. For this purpose, investment income will generally include taxable capital gains.

Non-Residents of Canada

The following portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the application of the Tax Act, is not, and is not deemed to be, a resident of Canada, has not and will

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not use or hold the Notes in or in the course of carrying on business in Canada, deals at arm's length with any person resident in Canada to whom the Holder disposes of a Note and is not a specified shareholder (as defined in subsection 18(5) of the Tax Act) of the Company or a person who does not deal at arm's length with such specified shareholder (a Non-Resident Holder). Special rules, which are not discussed below, may apply to a non-resident of Canada that is an insurer which carries on business in Canada and elsewhere. This summary assumes that no interest paid on the Notes will be in respect of a debt or other obligation to pay an amount to a person with whom the Company does not deal at arm's length within the meaning of the Tax Act.

Amounts which are, or are deemed to be, interest for purposes of the Tax Act paid or credited by the Company on the Notes to a Non-Resident Holder that deals at arm's length with the Company at the time such interest is paid or credited will not be subject to non-resident withholding tax and no non-resident withholding tax will apply to the proceeds received by a Non-Resident Holder on a disposition of a Note, including a redemption, payment on maturity or repurchase. For the purposes of the Tax Act, related persons (as defined in the Tax Act) are deemed not to deal at arm's length and it is a question of fact whether persons not related to each other deal at arm's length.

No other tax on income or gains under the Tax Act will be payable by a Non-Resident Holder on interest, principal, premium, bonus or penalty on a Note or on the proceeds received by a Non-Resident Holder on the disposition of a Note, including a redemption, payment on maturity or repurchase.

Certain United States Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax considerations relating to the purchase, ownership, and disposition of a Note by a U.S. holder (as defined below) that purchases such Note pursuant to, and at the price set forth on the cover of, this prospectus supplement and holds the Note as a capital asset (generally, property held for investment) within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the Code). This summary is based upon the Code, regulations of the Treasury Department promulgated or proposed thereunder, administrative pronouncements, and judicial decisions, all as currently in effect and all of which are subject to change or different interpretations, possibly with retroactive effect. This summary does not describe all of the U.S. federal income tax considerations that may be relevant to U.S. holders (as defined below) in light of their particular circumstances or to holders subject to special treatment under U.S. federal income tax law, such as banks, financial institutions; insurance companies; traders or dealers in securities or currencies; partnerships and their partners; regulated investment companies; real estate investment trusts; tax-exempt organizations; persons holding a Note as part of a straddle, hedge, conversion, constructive sale, or other integrated security transaction for U.S. federal income tax purposes; persons subject to the alternative minimum tax; U.S. expatriates; or persons having a functional currency other than the U.S. dollar.

For purposes of this summary, a U.S. holder is a beneficial owner of a Note that is (i) an individual who is a citizen or resident alien of the U.S. as determined for U.S. federal income tax purposes (which includes a green card holder), (ii) a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, that is created in or organized under the law of the U.S., any State thereof, or the District of Columbia, (iii) an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source, or (iv) a trust (A) the administration of which is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust, or (B) that elected to be subject to tax as a United States person under the Code.

If a partnership, or other entity or arrangement treated as a partnership for U.S. federal income tax purposes, owns a Note, the tax treatment of the partner in the partnership will depend upon the status of the partner and the activities of the partnership. Partners in a partnership that own a Note should consult their own tax advisors as to the particular U.S. federal income tax consequences applicable to them.

This summary does not constitute, and should not be considered as, legal or tax advice to holders of notes. Prospective investors should consult their own tax advisors with regard to the application of the tax

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considerations discussed below to their particular situations as well as the application of any state, local, foreign or other tax laws, including gift and estate tax laws.

Payment of Interest

In general, each payment of interest (including any Additional Amounts) on a Note will be included in the gross income of a U.S. holder as ordinary income at the time it is accrued or received, in accordance with such holder's method of accounting for U.S. federal income tax purposes.

A U.S. holder that uses the cash method of tax accounting will be required to include in income the U.S. dollar value of each Canadian dollar interest payment based on the spot rate of exchange on the date such interest payment is received, regardless of whether the payment is converted into U.S. dollars. If the interest payment is converted upon the date of receipt, a U.S. holder generally should not be required to recognize foreign currency gain or loss in respect of the interest income.

A U.S. holder that uses the accrual method of tax accounting will generally be required to include interest income on the Note in Canadian dollars and translate such accrued interest income into U.S. dollars at the average exchange rate for the accrual period (or, with respect to an accrual period that spans two taxable years, at the average exchange rate for the partial period within the relevant taxable year). Such a holder will recognize exchange gain or loss with respect to any accrued interest income on the date that payment in respect of such interest income is received in an amount equal to the difference between (i) the U.S. dollar value of such payment, based on the spot rate of exchange on the date such payment is received, and (ii) the U.S. dollar value of the amount of interest income accrued in respect of such payment. Any such foreign currency gain or loss will generally be treated as U.S. source ordinary income or loss. Notwithstanding the rule regarding the translation of accrued interest income described above, an accrual method U.S. holder may elect to translate accrued interest income using the spot rate in effect on the last day of the accrual period (or, with respect to an accrual period that spans two taxable years, using the spot rate in effect on the last day of the relevant taxable year). If such election is made and the last day of an accrual period is within five business days of the date of receipt of the accrued interest, a U.S. holder may translate such interest using the spot rate in effect on the date of such receipt. This election must be applied consistently to all debt instruments from year to year and cannot be changed without consent of the U.S. Internal Revenue Service (the "IRS").

Sale, Exchange, Redemption or Other Taxable Disposition of a Note

Upon the sale, exchange, redemption or other taxable disposition of a Note, a U.S. holder will generally recognize capital gain or loss equal to the difference between (i) the amount realized on such disposition (other than (a) amounts attributable to accrued interest not previously included in income, which will be subject to tax as foreign source interest income, as discussed above, and (b) exchange gain or loss with respect to the principal amount of the Note, as discussed below) and (ii) such holder's adjusted tax basis in the Note. A U.S. holder's adjusted tax basis in a Note will generally be the U.S. dollar value of the Canadian dollar purchase price on the date of purchase calculated at the spot rate of exchange on that date. A U.S. holder that purchases a Note with previously owned Canadian dollars will generally recognize gain or loss in an amount equal to the difference, if any, between such holder's tax basis in such Canadian dollars and the U.S. fair market value of such Note on the date of purchase. Any such gain or loss will generally be ordinary income or loss and will not be treated as interest income or expense. The conversion of U.S. dollars into Canadian dollars and the immediate use of those Canadian dollars to purchase a Note will generally not result in a taxable gain or loss to the U.S. holder. Upon the sale, exchange, redemption, or other taxable disposition of a Note for Canadian dollars, the amount realized by a U.S. holder will be the U.S. dollar value of the Canadian dollars received calculated at the spot rate of exchange on the date of disposition.

Except as discussed below in connection with foreign currency gain or loss on a sale, exchange, redemption, or other taxable disposition of a Note, such gain or loss attributable to the sale, exchange, redemption, or other

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taxable disposition of a Note will be long-term gain or loss if the U.S. holder's holding period for the Note exceeds one year. Gain or loss, if any, recognized by a U.S. holder will generally be treated as U.S. source gain or loss, as the case may be, for U.S. foreign tax credit limitation purposes. For non-corporate U.S. holders, including individuals, long-term capital gains generally are taxed at a lower rate than ordinary income. The deductibility of capital losses is subject to limitations under the Code.

U.S. holders are required to recognize any gain or loss attributable to changes in currency exchange rates upon the sale, exchange, redemption, or other taxable disposition of a Note. Such gain or loss will be subject to tax as U.S. source ordinary income or loss. Exchange gain or loss with respect to the principal amount of a Note will generally equal the difference between: (i) the U.S. dollar value of the Canadian dollar purchase price of the Note determined using the spot exchange rate on the date of the sale, exchange, redemption, or other taxable disposition, and (ii) the U.S. dollar value of the Canadian dollar purchase price of the Note, determined using the spot exchange rate on the date the U.S. holder purchased the Note. Such gain or loss will be recognized only to the extent of the total gain or loss realized by the U.S. holder on a sale, exchange, redemption, or other taxable disposition of the Note.

Notes Subject to Contingencies

In certain circumstances (see *Details of the Offering Tax Redemption*; and *Details of the Offering Change of Control*), the Company may be obligated to pay a U.S. holder additional amounts in excess of stated interest or principal on the Notes. It is possible that the Company's obligation to make additional payments on the Notes could implicate the provisions of Treasury regulations relating to contingent payment debt instruments. If the Notes were characterized as contingent payment debt instruments, a U.S. holder might, among other things, be required to accrue interest income at a higher rate than the stated interest rate on the Notes and to treat any gain recognized on the sale or other disposition of a Note as ordinary income rather than as capital gain.

The Company intends to take the position that the likelihood of additional payments on the Notes is remote, and thus, that the Notes should not be treated as contingent payment debt instruments. The Company's determination that these contingencies are remote is binding on a U.S. holder unless the holder discloses its contrary position in the manner required by applicable Treasury regulations. The Company's determination, however, is not binding on the IRS, and if the IRS were to challenge this determination, a U.S. holder might be required to treat income realized on the taxable disposition of a Note before the resolution of the contingencies as ordinary income rather than capital gain. In the event a contingency occurs, it would affect the amount and timing of income recognized by a U.S. holder. If any contingent amounts are in fact paid, a U.S. holder will be required to recognize such amounts as income.

This disclosure assumes that the Company's determination that the contingencies are remote is correct. The Treasury regulations applicable to contingent payment debt instruments have not been the subject of authoritative interpretation, however, and the scope of the regulations is not certain. U.S. holders are urged to consult their tax advisor regarding the possible application of the contingent payment debt instrument rules to the Notes.

Backup Withholding and Reporting Obligations

A U.S. holder may be subject to backup withholding with respect to payments received from certain U.S. paying agents of principal and interest made on a Note, or the proceeds of a sale or exchange of a Note before maturity, unless such U.S. holder (a) is a corporation or comes within certain other exempt categories and, when required, certifies to this fact or (b) provides a correct U.S. taxpayer identification number ("TIN"), certifies, under penalties of perjury, that such U.S. holder is not subject to backup withholding, and otherwise complies with applicable requirements of the backup withholding rules. A U.S. holder that does not provide us with a correct TIN or an adequate basis for exemption may be subject to penalties imposed by the IRS. Backup withholding is not an additional tax and will be credited against a U.S. holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

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Certain U.S. holders that are individuals are required to report information relating to an interest in a note, subject to certain exceptions (including an exception for a note held in accounts maintained by certain financial institutions, such as a U.S. brokerage account). U.S. holders are urged to consult their tax advisors regarding the effect, if any, of the relevant U.S. federal income tax legislation on their ownership and disposition of the notes.

Additional Tax on Passive Income

U.S. holders that are individuals, estates or trusts, and whose income exceeds certain thresholds, are required to pay an additional 3.8% tax on, among other items, interest income and capital gains from the sale or other disposition of a Note, subject to certain limitations and exceptions. U.S. holders are urged to consult their tax advisors regarding the effect, if any, of the relevant U.S. federal income tax legislation on their ownership and disposition a Note.

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PLAN OF DISTRIBUTION (CONFLICTS OF INTEREST)

Under an agreement dated April 1, 2014 between the Agents and the Company (the Agency Agreement), the Agents have agreed to act as agents of the Company to offer the Notes of each series for sale to the public on a best efforts basis, if, as and when issued by the Company, subject to compliance with all necessary legal requirements and in accordance with the terms and conditions of the Agency Agreement. The offering price of the Notes of each series was established by negotiation between the Company and the Agents. The Agents will receive a fee equal to \$3.70 for each \$1,000 principal amount of Series CO Notes sold, and a fee equal to \$5.00 for each \$1,000 principal amount of Series CP Notes sold.

The obligations of the Agents under the Agency Agreement may be terminated in their discretion on the basis of their assessment of the state of the financial markets and also upon the occurrence of certain stated events. While the Agents have agreed to use their best efforts to sell the Notes of each series offered under this prospectus supplement, the Agents will not be obligated to purchase any Notes of either series which are not sold.

This Offering is being made in all the provinces of Canada and in the United States pursuant to a multijurisdictional disclosure system implemented by securities regulatory authorities in Canada and the United States. Subject to applicable law, the Agents may offer the Notes of either series outside Canada and the United States. No sales will be effected in any province of Canada by any Agent not duly registered as a securities dealer under the laws of such province, other than sales effected pursuant to the exemptions from the registration requirements under the laws of such province.

The Notes of each series are offered subject to certain conditions, including the right of the Company to reject orders in whole or in part.

In connection with this Offering, the Agents may, subject to applicable laws, effect transactions that are intended to stabilize or maintain the market price of the Notes of each series at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The Company and the Agents have agreed to indemnify each other against certain liabilities, including liabilities under Canadian provincial securities legislation and the U.S. Securities Act of 1933, as amended. There is no public market for the Notes of either series and the Company does not intend to list the Notes of either series on any exchange.

Each of the Agents, other than Laurentian Bank Securities Inc. and Wells Fargo Securities Canada, Ltd., is an affiliate of a financial institution which is a lender to the Company under the 2011 Credit Facility. Consequently, the Company may be considered to be a connected issuer of each Agent other than Laurentian Bank Securities Inc. and Wells Fargo Securities Canada, Ltd. for purposes of securities legislation of the provinces of Canada.

The 2011 Credit Facility consists of a \$2 billion unsecured revolving credit facility maturing November 3, 2016 (as of December 31, 2013, \$2 billion remains available). Approximately \$914 million of indebtedness will be drawn from the 2011 Credit Facility on April 2, 2014 to fund a portion of the purchase price of the 700 MHz Spectrum Licences. TELUS is and has been in compliance with the terms of the 2011 Credit Facility. None of the lenders under the 2011 Credit Facility or the Agents were involved in the Company's decision to distribute the Notes offered hereby. The Agents negotiated the terms and conditions of this Offering and will not benefit in any manner from this Offering other than the payment of their fees as described above. The net proceeds will be used (a) to repay the approximately \$914 million of indebtedness to be drawn from the 2011 Credit Facility on April 2, 2014 to fund a portion of the purchase price of the 700 MHz Spectrum Licences, and (b) for general corporate purposes. The syndicate of financial institutions under the 2011 Credit Facility, each of whom is an affiliate of an Agent (other than Laurentian Bank Securities Inc. and Wells Fargo Securities Canada, Ltd.) will benefit from this Offering since the net proceeds of this Offering will be used to repay the approximately \$914 million of indebtedness to be drawn from the 2011 Credit Facility on April 2, 2014 to fund a portion of the purchase price of the 700 MHz Spectrum Licences. The proceeds of this Offering will not be applied for the benefit of the Agents or their affiliates, other than as described above.

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As described above, a portion of the net proceeds of this Offering will be used to repay indebtedness of the Company under the 2011 Credit Facility. Certain affiliates of the Agents are lenders under the 2011 Credit Facility. As a result, one or more affiliates of the Agents may receive more than 5% of the net proceeds from this Offering in the form of the repayment of indebtedness. Accordingly, this Offering is being made pursuant to Rule 5121 of the FINRA. The appointment of a qualified independent underwriter is not necessary in connection with this Offering because the conditions of Rule 5121(a)(1)(C) of FINRA are satisfied.

Certain of the Agents and their respective affiliates may have in the past performed, and may in the future perform, various financial advisory, investment banking and commercial lending services for TELUS and its affiliates in the ordinary course of business, for which they have received and will receive customary fees and commissions.

LEGAL MATTERS

Certain legal matters in connection with this Offering will be passed upon on behalf of the Company by Norton Rose Fulbright Canada LLP, Toronto, Ontario, the Company's Canadian counsel, and Paul, Weiss, Rifkind, Wharton & Garrison LLP, New York, New York, the Company's U.S. counsel, and on behalf of the Agents by Osler, Hoskin & Harcourt LLP, Toronto, Ontario and New York, New York, the Agents' Canadian and U.S. counsel. The partners and associates of each of Norton Rose Fulbright Canada LLP and Osler, Hoskin & Harcourt LLP as a group each beneficially own, directly or indirectly, less than 1% of the outstanding securities of the Company.

AUDITORS, REGISTRAR AND TRANSFER AGENT

The auditor for the Company is Deloitte LLP, Independent Registered Public Accounting Firm, 1055 Dunsmuir Street, Suite 2800, Vancouver, British Columbia V7X 1P4. Deloitte LLP are independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

Registers for the registration and transfer of the Notes issued in registered form will be kept at the principal offices of the Trustee in the City of Calgary, Alberta.

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SHORT FORM BASE SHELF PROSPECTUS

New Issue

November 15, 2013

TELUS Corporation

\$3,000,000,000

Debt Securities Preferred Shares Common Shares Warrants to Purchase Equity Securities Warrants to Purchase Debt Securities Share Purchase Contracts Share Purchase or Equity Units

TELUS Corporation ("TELUS" or the "Company") may offer and issue from time to time any bonds, debentures, notes or other evidences of indebtedness of any kind, nature or description (collectively, "Debt Securities"), preferred shares or common shares (collectively, the "Equity Securities"), warrants to purchase Equity Securities and warrants to purchase Debt Securities (collectively, the "Warrants"), share purchase contracts and share purchase or equity units (all of the foregoing, collectively, the "Securities") of up to \$3,000,000,000 aggregate initial offering price of Securities (or the equivalent thereof in one or more foreign currencies or composite currencies, including United States dollars) during the 25 month period that this short form base shelf prospectus (the "Prospectus"), including any amendments thereto, is valid. Securities may be offered separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of sale and set forth in an accompanying shelf prospectus supplement (a "Prospectus Supplement").

The specific terms of the Securities with respect to a particular offering will be set out in the applicable Prospectus Supplement and may include, where applicable (i) in the case of Debt Securities, the specific designation, aggregate principal amount, the currency or the currency unit for which the Debt Securities may be purchased, the maturity, interest provisions, authorized denominations, offering price, covenants, events of default, any terms for redemption or retraction, any exchange or conversion terms, whether the debt is senior or subordinated and any other terms specific to the Debt Securities being offered; (ii) in the case of common shares of TELUS ("Common Shares"), the number of Common Shares offered and the offering price; (iii) in the case of Equity Securities other than Common Shares, the designation of the particular class and series, the number of shares offered, the issue price, dividend rate, if any, and any other terms specific to the Equity Securities being offered; (iv) in the case of Warrants, the designation, number and terms of the Equity Securities or Debt Securities purchasable upon exercise of the Warrants, any procedures that will result in the adjustment of these numbers, the exercise price, dates and periods of exercise, the currency in which the Warrants are issued and any other specific terms; (v) in the case of share purchase contracts, the designation, number and terms of the Equity Securities to be purchased under the share purchase contract, any procedures that will result in the adjustment of these numbers, the purchase price and purchase date or dates of the Equity Securities, any requirements of the purchaser to secure its obligations under the share purchase contract and any other specific terms; and (vi) in the case of share purchase or equity units, the terms of the component share purchase contract and Debt Securities or third party obligations, any requirements of the purchaser to secure its obligations under the share purchase contract by the Debt Securities or third party obligations and any other specific terms. Where required by statute, regulation or policy, and where Securities are offered in currencies other than Canadian dollars, appropriate disclosure of foreign exchange rates applicable to such Securities will be included in the Prospectus Supplement describing such Securities.

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All information permitted under applicable securities laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus. Each Prospectus Supplement will be deemed to be incorporated by reference into this Prospectus as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains.

TELUS has filed an undertaking with the British Columbia Securities Commission that it will not distribute Securities that, at the time of distribution, are novel specified derivatives or asset-backed securities without pre-clearing with the applicable regulator the disclosure to be contained in the Prospectus Supplement pertaining to the distribution of such Securities.

For the purpose of calculating the Canadian dollar equivalent of the aggregate principal amount of Securities issued under this Prospectus from time to time, Securities denominated in or issued in, as applicable, a currency (the Securities Currency) other than Canadian dollars will be translated into Canadian dollars using the Bank of Canada noon rate of exchange of Canadian dollars with the Securities Currency in effect as of noon (Toronto time) on the date of issue of such Securities.

TELUS is incorporated under the laws of the Province of British Columbia. It maintains its registered office at Floor 5, 3777 Kingsway, Burnaby, British Columbia, V5H 3Z7 and its executive office at Floor 8, 555 Robson Street, Vancouver, British Columbia, V6B 3K9.

This offering is made by a Canadian issuer that is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare this Prospectus in accordance with the disclosure requirements of Canada. Prospective investors in the United States should be aware that such requirements are different from those of the United States. The financial statements included or incorporated herein have been prepared using International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS-IASB), and they are subject to Canadian and United States auditing and auditor independence standards. They may not be comparable to financial statements of United States companies.

Prospective investors should be aware that acquisition of the Securities described herein may have tax consequences both in the United States and in Canada. Such consequences for investors who are resident in, or citizens of, the United States may not be described fully herein.

The enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that TELUS is incorporated or organized under the laws of the Province of British Columbia, that some or all of its officers and directors may be residents of Canada, that some or all of the underwriters or experts named in this Prospectus and/or in a Prospectus Supplement may be residents of Canada, and that all or a substantial portion of the assets of TELUS and said persons may be located outside the United States.

THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR HAS THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Brian Canfield, a director of the Company who is signing the certificate attached hereto under Part 5 of National Instrument 41-101, resides outside of Canada. Although Mr. Canfield has appointed TELUS Corporation, Floor 5, 3777 Kingsway, Burnaby, British Columbia, V5H 3Z7 as his agent for service of process in Canada, it may not be possible for investors to enforce judgments obtained in Canada against Mr. Canfield.

This Prospectus constitutes a public offering of the Securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such Securities. The Company may offer and sell Securities to or through underwriters or dealers and also may offer and sell certain Securities directly to other purchasers or through agents. A Prospectus Supplement relating to each issue of Securities offered thereby will set forth the names of any underwriters, dealers or agents involved in the sale of such Securities and the compensation of any such underwriters, dealers or agents. The Common Shares are listed on the Toronto Stock Exchange (TSX) under the symbol T and the New York Stock Exchange (the NYSE) under the symbol TU. Unless otherwise specified in the applicable Prospectus Supplement, Securities other than the Common Shares will not be listed on any securities exchange.

The offering of Securities hereunder is subject to approval of certain legal matters on behalf of TELUS by Norton Rose Fulbright Canada LLP, Toronto, Ontario and by Paul, Weiss, Rifkind, Wharton & Garrison LLP, New York, New York.

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Unless the context otherwise indicates, references in this Prospectus to TELUS or the Company are references to TELUS Corporation, its consolidated subsidiaries and predecessor companies.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents of the Company, which have been filed by the Company with the securities commissions or similar regulatory authorities in each of the provinces of Canada, are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- (a) the annual information form of the Company dated March 15, 2013 for the year ended December 31, 2012;
- (b) the audited consolidated financial statements of the Company as at and for the years ended December 31, 2012 and December 31, 2011, together with the report of the independent registered chartered accountants thereon and the notes thereto;
- (c) Management's Discussion and Analysis of financial results for the year ended December 31, 2012;
- (d) the unaudited condensed interim consolidated financial statements of the Company as at and for the three-month and nine-month periods ended September 30, 2013 and September 30, 2012 together with the notes thereto;
- (e) Management's Discussion and Analysis of financial results for the three-month and nine-month periods ended September 30, 2013;
- (f) the information circular dated March 13, 2013 prepared in connection with the Company's annual and special meeting held on May 9, 2013;

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- (g) the information circular dated March 22, 2012 prepared in connection with the Company's annual and special meeting held on May 9, 2012;
- (h) the information circular dated August 30, 2012 prepared in connection with the Company's class meeting of the holders of non-voting shares (the Non-Voting Shares) and a general meeting of the Company held on October 17, 2012; and
- (i) the material change report of the Company dated February 7, 2013 announcing the completion of the Company's exchange of its Non-Voting Shares into Common Shares on a one-for-one basis.

Any documents of the types referred to above, and similar material, together with any material change reports (excluding confidential reports), business acquisition reports filed by the Company pursuant to the requirements of securities legislation of any province of Canada, and any other disclosure document which the Company has filed pursuant to an undertaking to a securities regulatory authority of any province of Canada, in each case, after the date of this Prospectus and prior to the date on which this Prospectus ceases to be effective, shall be deemed to be incorporated by reference into this Prospectus. In addition, to the extent indicated in any Report on Form 6-K filed with the United States Securities and Exchange Commission (the SEC) or in any Report on Form 40-F filed with the SEC, any information included therein shall be deemed to be incorporated by reference in this Prospectus.

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Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this Prospectus, except as so modified or superseded.

A Prospectus Supplement containing the specific terms of an offering of Securities, updated disclosure of earnings coverage ratios, if applicable, and other information relating to the Securities, will be delivered to prospective purchasers of such Securities together with this Prospectus and will be deemed to be incorporated into this Prospectus as of the date of such Prospectus Supplement only for the purpose of the offering of the Securities covered by that Prospectus Supplement.

Upon a new annual information form and the related annual financial statements being filed by the Company with and, where required, accepted by, the applicable securities regulatory authorities during the currency of this Prospectus, the previous annual information form, the previous annual financial statements and all interim financial statements, and the accompanying Management's Discussion and Analysis, and material change reports filed prior to the commencement of the Company's financial year in which the new annual information form is filed, and information circulars and business acquisition reports filed prior to the commencement of the Company's financial year in respect of which the new annual information form is filed, shall be deemed no longer to be incorporated into this Prospectus for purposes of further offers and sales of Securities hereunder. Upon interim financial statements and the accompanying Management's Discussion and Analysis being filed with the applicable securities regulatory authorities during the currency of this Prospectus, all interim financial statements and the accompanying Management's Discussion and Analysis filed prior to the new interim financial statements will be deemed no longer to be incorporated into this Prospectus for purposes of further offers and sales of Securities hereunder. Upon the Company filing an information circular in connection with an annual general meeting, the information circular filed in connection with the previous annual general meeting (unless such information circular also related to a special meeting) will be deemed no longer to be incorporated into this Prospectus for purposes of further offers and sales of the Securities hereunder.

In addition to its continuous disclosure obligations under the securities laws of the provinces of Canada, TELUS is subject to the information requirements of the *United States Securities Exchange Act of 1934*, as amended, and in accordance therewith files reports and other information with the SEC. Under the multijurisdictional disclosure system adopted by the United States, such reports and other information may be prepared in accordance with the disclosure requirements of Canada, which requirements are different from those of the United States. Such reports and other information, when filed by TELUS in accordance with such requirements, can be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C., 20549. Copies of such material can be obtained at prescribed rates from such public reference facilities of the SEC at 100 F Street, N.E., Washington, D.C., 20549. In addition, such materials are also available to the public on the SEC's website at www.sec.gov. The Common Shares are listed on the New York Stock Exchange and reports and other information concerning TELUS can be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York, 10005.

Prospective investors should rely only on the information contained in or incorporated by reference in this Prospectus or any applicable Prospectus Supplement. The Company has not authorized anyone to provide prospective investors with different or additional information. The Company is not making an offer of the Securities in any jurisdiction where the offer is not permitted by law. Prospective investors should not assume that the information contained in or incorporated by reference in this Prospectus or any applicable Prospectus Supplement is accurate as of any date other than the date on the front of this Prospectus or the applicable Prospectus Supplement.

Any template version of any marketing materials (as such terms are defined in National Instrument 41-101 *General Prospectus Requirements*) filed after the date of a Prospectus Supplement and before the termination of the

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distribution of the Securities offered pursuant to such Prospectus Supplement (together with this Prospectus) is deemed to be incorporated by reference in such Prospectus Supplement.

REFERENCE TO CURRENCY

Unless the context otherwise requires, all references herein to currency are references to Canadian dollars. For Securities issued in other than Canadian currency, potential purchasers should be aware that foreign exchange fluctuations are likely to occur from time to time and that the Company does not make any representation with respect to currency values from time to time. Investors should consult their own advisors with respect to the potential risk of currency fluctuations.

FORWARD-LOOKING STATEMENTS

This Prospectus, together with the documents incorporated by reference herein, contain forward-looking statements about expected future events and the financial and operating performance of TELUS. Forward-looking statements include, but are not limited to, statements relating to annual guidance and updates, the Company's multi-year dividend growth program, the Company's multi-year share purchase program, and trends. Forward-looking statements are typically identified by the words such as assumption, goal, guidance, objective, outlook, strategy, target, other similar expressions or future or conditional verbs such as aim, anticipate, believe, could, expect, intend, may, plan, seek, will. By their nature, forward-looking statements are subject to inherent risks and uncertainties, and require the Company to make assumptions. There is significant risk that assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause future performance, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed. Except as required by law, the Company disclaims any intention or obligation to update or revise any forward-looking statements, and reserves the right to change, at any time at its sole discretion, its current practice of updating annual targets and guidance. Annual targets, guidance and related assumptions, as well as risk factors and CEO goals, are described in the Company's Management's Discussion and Analysis of financial results in respect of the Company's most recent annual financial statements and in Management's Discussion and Analysis of financial results in respect of the Company's interim financial statements filed thereafter. Factors that could cause actual performance to differ materially include, but are not limited to:

- **Competition** including: continued intense rivalry across all services among established telecommunications companies, advanced wireless services (AWS) entrants, cable-TV providers, other communications companies and emerging over-the-top (OTT) services; active price and brand competition; the Company's ability to continue to retain customers through an enhanced customer service experience; network access line (NAL) losses; subscriber additions and retention volumes and associated costs for wireless, TV and high-speed Internet services; pressures on wireless average revenue per subscriber unit per month (ARPU) from promotional activity from competitors, flat-rate pricing trends for voice and data, inclusive long distance plans for voice, and increasing availability of Wi-Fi networks for data; levels of smartphone sales and associated subsidy levels; and ability to obtain and offer content across multiple devices on wireless and TV platforms at a reasonable cost.
- **Regulatory approvals and developments** including: the federal government's stated intention to reduce roaming costs on wireless networks in Canada and to require further unbundling of TV channels; future spectrum auctions and rules for the 700 MHz and 2,500-2,690 MHz bands (including limitations on incumbent wireless providers, advantages provided to foreign participants and the amount and cost of spectrum acquired); restrictions on the purchase, sale and transfer of spectrum licences; the outcome of the Canadian Radio-television and Telecommunications Commission (CRTC) review of mandated wholesale services, including consideration of mandated competitor access to fibre-to-the-premise facilities; vertical integration by competitors into broadcast content ownership and timely and effective enforcement of regulatory safeguards; ongoing monitoring and compliance with restrictions on non-Canadian ownership of the Common Shares; increased foreign control of certain AWS wireless entrants; interpretation and application of tower sharing and roaming rules; potential conflicts between non-harmonized provincial consumer protection legislation and the new CRTC mandatory national wireless code, which is effective

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December 2, 2013; uncertainty around the outcome of the legal challenge to the retroactivity of the wireless code to contracts entered into between June 2012 and December 2, 2013; and a possible increase in costs of wireless customer acquisition and retention resulting from maximum two-year contracts required under the wireless code.

- Technological substitution including: reduced utilization and increased commoditization of traditional wireline voice local and long distance services; increasing numbers of households that have only wireless and/or internet-based telephone services; continuation of wireless voice ARPU declines such as through substitution to messaging and OTT applications like Skype; substitution to Wi-Fi services from wireless services; and OTT IP services that may cannibalize TV and entertainment services.
- Technology including: subscriber demand for data that challenges wireless network and spectrum capacity, and service levels; reliance on systems and information technology; technology options, evolution paths and roll-out plans for wireline and wireless networks (including broadband and wireless small cell deployment); reliance on wireless network access agreements; choice of suppliers and suppliers' ability to maintain and service their product lines; wireless handset supplier concentration and market power; the performance of long-term evolution (LTE) wireless technology; the Company's spectrum deficiency in certain geographical areas and the need to obtain additional spectrum licences through auctions or from third parties; dependence of TELUS's rural LTE roll-out strategy on acquiring spectrum in the 700 MHz band; deployment and operation of new wireless networks and success of new products, new services and supporting systems; network reliability and change management (including migration risks to new, more efficient Internet data centres (IDCs) and realizing the expected benefits); timing of decommissioning of iDEN and CDMA wireless networks to redeploy spectrum and reduce operating costs, and the associated subscriber migration and retention risks, availability of resources and ability to build out adequate broadband capacity; and success of upgrades and evolution of TELUS TV® technology, which depends on third-party suppliers.
- Economic growth and fluctuations including: the strength and persistence of economic growth in Canada that may be influenced by economic developments outside of Canada; future interest rates; pension investment returns and funding; and Canada-U.S. dollar exchange rates.
- Capital expenditure levels, as well as potential outlays for spectrum licences in future auctions or from third parties, due to the Company's wireless deployment strategy for LTE and future technologies, wireline broadband initiatives, subscriber demand for data, new IDC initiatives, and Industry Canada wireless spectrum auctions for the 700 MHz band currently expected to commence in January 2014 and the 2,500-2,690 MHz bands currently expected in late 2014 or early 2015.
- Financing and debt requirements including the ability to carry out refinancing activities.
- Ability to sustain dividend growth program of circa 10% per annum through 2016, and the ability to sustain and complete multi-year share purchase programs through 2016. These programs may be affected by factors such as regulatory and government decisions, competitive environment, reasonable economic performance in Canada, the Company's earnings and free cash flow and capital expenditures and spectrum licence purchases. Quarterly dividend decisions are subject to the Company's Board of Directors' assessment and determination based on the Company's financial situation and outlook. Share purchase programs may be affected by the change in the Company's intention to purchase shares, and the assessment and determination of the Company's Board of Directors from time to time.
- Human resource matters including recruitment, retention and appropriate training in a highly competitive industry.
- Ability to successfully implement cost reduction initiatives and realize planned savings net of restructuring and other like costs, without losing customer service focus or negatively impacting client care. Initiatives include: the Company's earnings enhancement program to drive improvements in earnings before interest, income taxes, depreciation and amortization (EBITDA) of \$250 million by the end of 2015; business integrations; business process outsourcing; internal offshoring and reorganizations; procurement

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initiatives; and consolidation of real estate.

- Process risks including: reliance on legacy systems and ability to implement and support new products and services; implementation of large enterprise deals that may be adversely impacted by available resources and

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degree of co-operation from other service providers; the Company's ability to successfully manage operations in foreign jurisdictions; and real estate joint venture development risks.

- **Tax matters** including: a general tendency by tax collection authorities to adopt more aggressive auditing practices; possible increases in corporate income tax rates; elimination of income tax deferrals through the use of different tax year-ends for operating partnerships and corporate partners and international tax complexity and compliance.
- **Business continuity events** including: human-caused threats such as electronic attacks and human errors; equipment failures; supply chain disruptions; natural disaster threats; and the effectiveness of business continuity and disaster recovery plans and responses.
- **Acquisitions or divestitures** including the ability to successfully integrate acquisitions or complete divestitures in a timely manner, and to realize expected strategic benefits.
- **Health, safety and environmental developments; Litigation and legal matters;** and other risk factors discussed herein and listed from time to time in the Company's reports and public disclosure documents including the Company's annual report, annual information form, and other filings with securities commissions or similar regulatory authorities in Canada (on SEDAR at www.sedar.com) and in its filings with the SEC in the United States, including Form 40-F (on EDGAR at www.sec.gov).

For further information, see the section entitled "Risks and risk management" in the Company's Management's Discussion and Analysis of financial results for the year ended December 31, 2012, as well as updates in Management's Discussion and Analysis of financial results for the period ended September 30, 2013.

TELUS CORPORATION

TELUS was incorporated under the *Company Act* (British Columbia) (the "BC Company Act") on October 26, 1998 under the name BCT.TELUS Communications Inc. ("BCT"). On January 31, 1999, pursuant to a court-approved plan of arrangement under the *Canada Business Corporations Act* among BCT, BC TELECOM Inc. ("BC TELECOM") and the former Alberta based TELUS Corporation ("TC"), BCT acquired all of the shares of BC TELECOM and TC in exchange for common shares and non-voting shares of BCT, and BC TELECOM was dissolved. On May 3, 2000, BCT changed its name to TELUS Corporation and in February 2005, the Company transitioned under the *Business Corporations Act* (British Columbia), successor to the BC Company Act. On February 4, 2013, in accordance with the terms of a court-approved plan of arrangement under the *Business Corporations Act* (British Columbia), TELUS exchanged all of its issued and outstanding Non-Voting Shares into Common Shares on a one-for-one basis. On May 9, 2013, TELUS amended its Articles and Notice of Articles to eliminate the Non-Voting Shares from the authorized share structure of the Company and increased the maximum number of authorized Common Shares from 1,000,000,000 to 2,000,000,000, and to incorporate certain housekeeping or administrative amendments. TELUS maintains its registered office at Floor 5, 3777 Kingsway, Burnaby, British Columbia and its executive office at Floor 8, 555 Robson Street, Vancouver, British Columbia.

TELUS is one of Canada's largest telecommunications companies, providing a wide range of telecommunications services and products including wireless, data, Internet protocol, voice and television.

USE OF PROCEEDS

Except as may otherwise be set forth in a Prospectus Supplement, the net proceeds to be received by the Company from the issue and sale from time to time of Securities will be added to the general funds of the Company to be used to repay existing indebtedness of TELUS, to fund capital expenditures and for other general corporate purposes. Each Prospectus Supplement will contain specific information concerning the use of proceeds from that sale of Securities.

EARNINGS COVERAGE RATIOS

The following consolidated earnings coverage ratios have been calculated for the 12-month periods ended December 31, 2012 and September 30, 2013. The earnings coverage ratio refers to the ratio of (i) consolidated net income attributable to equity shares before borrowing costs and income taxes, and (ii) borrowing costs.

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For the 12-month periods ended December 31, 2012 and September 30, 2013, the Company's consolidated net income attributable to equity shares before borrowing costs and income taxes was \$2,130 million and \$2,120 million, respectively. Borrowing costs for each of these 12-month periods was \$392 million and \$388 million, respectively.

Twelve-month periods ended	December 31, 2012	September 30, 2013
Earnings coverage ratios	5.4 times	5.5 times

The earnings coverage ratio at December 31, 2012 gives a pro forma effect to the issuance, repayment and redemption of all long-term debt of the Company from the date of the December 31, 2012 financial statements to September 30, 2013. The earnings coverage ratios set out above do not give effect to any offering of Securities pursuant to this Prospectus and do not purport to be indicative of earnings coverage ratios for any future periods. The information presented herein for the 12-month period ended September 30, 2013 is based on unaudited financial information.

PRIOR SALES

The information presented below in respect of the number and weighted average price of shares has been adjusted to reflect the Company's two-for-one stock split effected on April 16, 2013, and aggregates actual post-split information with information for the period before April 16 adjusted to take into account the two-for-one stock split. Pursuant to the Company's various employee stock option plans, during the 12 month period before the date of this Prospectus, the Company issued 438,972 Non-Voting Shares on the exercise of 1,215,612 options at a weighted average price of \$18.50 per share and issued 2,386,263 Common Shares on the exercise of 5,195,956 options at a weighted average price of \$17.68 per share. On December 11, 2012, the Company issued 3.35% notes Series CJ due March 25, 2023 in an aggregate principal amount of \$500 million. On February 4, 2013, the Company exchanged all of its issued and outstanding Non-Voting Shares into Common Shares on a one-for-one basis resulting in the issuance of 302 million Common Shares. On April 1, 2013, the Company issued 3.35% notes Series CK due April 1, 2024 in an aggregate principal amount of \$1.1 billion and 4.40% notes Series CL due April 1, 2043 in an aggregate principal amount of \$600 million.

MARKET PRICE AND TRADING VOLUME

The Common Shares are listed for trading on the TSX under the symbol **T** and the NYSE under the symbol **TU**. The following table sets forth the reported high and low closing sale prices and the aggregate volume of trading of the Common Shares on the TSX during the 12 months preceding the date of this Prospectus.

Common Shares⁽¹⁾

	Price Range		Volume
	High (\$)	Low (\$)	
2012			
November	65.60	63.06	35,910,652
December	65.93	64.19	10,368,023
2013			
January	67.39	64.05	11,292,020
February	70.89	66.00	15,774,711
March	71.47	68.41	14,864,640
April ⁽²⁾	70.56	35.46	17,862,493
May	37.69	36.10	25,939,864
June	35.81	29.82	61,572,035
July	31.95	30.65	42,031,015
August	33.10	30.63	39,337,587
September	35.56	33.15	40,755,570
October	36.84	33.73	24,457,926
November 1-14	37.26	36.15	12,902,772

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Notes:

- (1) The Non-Voting Shares were exchanged for Common Shares as part of a plan of arrangement and were delisted from the NYSE on February 4, 2013 and the TSX on February 8, 2013.
- (2) On March 14, 2013, TELUS announced that its board of directors approved a two-for-one stock split of the outstanding Common Shares. On April 16, 2013, TELUS shareholders received one additional Common Share for each Common Share owned on the record date of April 15, 2013.

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DESCRIPTION OF DEBT SECURITIES

The following description of the terms of Debt Securities sets forth certain general terms and provisions of Debt Securities in respect of which a Prospectus Supplement will be filed. The particular terms and provisions of Debt Securities offered by any Prospectus Supplement will be described in the Prospectus Supplement filed in respect of such Debt Securities.

Debt Securities will be issued under an indenture dated May 22, 2001 (the Trust Indenture) between the Company and Montreal Trust Company of Canada (now Computershare Trust Company of Canada), as trustee (the Trustee), as supplemented by supplemental indentures applicable to specific Debt Securities (together with the Trust Indenture, the Indenture). The following summary of certain provisions of the Trust Indenture does not purport to be complete and is qualified in its entirety by reference to the Trust Indenture and any applicable supplemental indentures. All capitalized terms are as defined in the Trust Indenture (unless otherwise defined herein).

General

The Trust Indenture provides that Debt Securities may be issued thereunder from time to time in one or more series. Specific terms and conditions which apply to such series will be set out in a supplement to the Trust Indenture. The Debt Securities will be direct, unconditional and, unless otherwise indicated in the relevant Prospectus Supplement, unsecured obligations of the Company. As of September 30, 2013, \$6,000 million principal amount of Debt Securities are outstanding under the Trust Indenture.

The Prospectus Supplement relating to the particular Debt Securities offered thereby will describe the terms of such Debt Securities, including, where applicable:

- (i) the designation, aggregate principal amount and denominations of such Debt Securities;
- (ii) the price at which such Debt Securities will be issued or whether such Debt Securities will be issued on a non-fixed price basis;
- (iii) the date or dates on which such Debt Securities will mature and the portion (if less than all of the principal amount) of such Debt Securities to be payable upon declaration of an acceleration of maturity;
- (iv) the currency or currencies in which such Debt Securities are being sold and in which the principal of (and premium, if any), and interest, if any, on, such Debt Securities will be payable, whether the holder of any such Debt Securities or the Company may elect the currency in which payments thereon are to be made and, if so, the manner of such election;
- (v) whether the Debt Securities of such series are interest bearing and, in the case of interest bearing Debt Securities, the rate or rates (which may be fixed or variable) per annum at which such Debt Securities will bear interest, if any;
- (vi) the date from which interest on such Debt Securities, whether payable in cash, in kind, or in shares, will accrue, the date or dates on which such interest will be payable and the date on which payment of such interest will commence;
- (vii) the dates on which and the price or prices at which such Debt Securities will, pursuant to any required repayment provisions, or may, pursuant to any repurchase or redemption provisions, be repurchased, redeemed or repaid and the other terms and provisions of any such optional repurchase or redemption or required repayment;
- (viii) any special provisions for the payment of additional interest with respect to such Debt Securities;

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- (ix) any additional covenants included for the benefit of holders of such Debt Securities;
- (x) the general terms or provisions, if any, pursuant to which such Debt Securities are to be guaranteed or secured;
- (xi) any additional events of default provided with respect to such Debt Securities;
- (xii) any exchange on which Debt Securities of a series will be listed;

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- (xiii) terms for any conversion or exchange into other securities;
- (xiv) subordination terms, if any, of the Debt Securities of such series;
- (xv) any special tax implications of or any special tax provision, or indemnities relating to Debt Securities of such series; and
- (xvi) any other terms of such Debt Securities.

Payment

Unless otherwise specified in the applicable Prospectus Supplement, payment of principal of (and premium, if any on) Debt Securities will be made in the designated currency against surrender of such Debt Securities at the place or places specified in the applicable Prospectus Supplement. Unless otherwise indicated in the Prospectus Supplement related thereto, payment of any instalment of interest on Debt Securities will be made to the Person (as defined below) in whose name such Debt Security is registered at the close of business on the record date for such interest and may be made by electronic funds transfer.

Negative Pledge

The Trust Indenture contains provisions to the effect that the Company will not, nor will it permit any Restricted Subsidiary (as defined under Certain Definitions below) to, create or assume any Lien (as defined under Certain Definitions below) (other than Permitted Liens (as defined herein)) upon any present or future Principal Property (as defined under Certain Definitions below), or any Property (as defined under Certain Definitions below), which, together with any other Property subject to Liens in the same transaction or a series of related transactions, would in the aggregate constitute a Principal Property, of the Company or any Restricted Subsidiary, to secure Indebtedness (as defined under Certain Definitions below) of the Company or a Restricted Subsidiary (the Negative Pledge) unless the Debt Securities, other than Debt Securities which by their terms do not have the benefit of the Negative Pledge (together with, if the Company shall so determine, any other Indebtedness of the Company or any Restricted Subsidiary ranking at least equally with the Debt Securities then existing or thereafter created), shall be concurrently secured equally and ratably with (or prior to) such other Indebtedness so long as such Lien is outstanding.

The restrictions set forth above shall not apply to Permitted Liens , which are defined in the Trust Indenture to include:

- (i) with respect to any series of Debt Securities, Liens existing on the Closing Date (as defined below) for such series;
- (ii) Liens on any Property of any Person existing at the time such Person becomes a Restricted Subsidiary, or at the time such Person amalgamates or merges with the Company or a Restricted Subsidiary, which Liens are not created in contemplation of such Person becoming a Restricted Subsidiary or effecting such amalgamation or merger;
- (iii) Liens on any Property, including any improvements from time to time on such property, existing at the time such Property is acquired by the Company or a Restricted Subsidiary, including any acquisition by means of amalgamation, consolidation or merger, or Liens to secure the payment of all or any part of the purchase price of such Property upon the acquisition of such Property by the Company or a Restricted Subsidiary or to secure any Indebtedness incurred prior to, at the time of, or within 270 days after, the later of the date of acquisition of such Property and the date such Property is placed in service, for the purpose of financing all or any part of the purchase price thereof, or Liens to secure any Indebtedness incurred for the purpose of financing the cost to the Company or a Restricted Subsidiary of improvements to such acquired Property or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of construction of the Property subject to such Liens;
- (iv) Liens securing any Indebtedness of a Restricted Subsidiary owing to the Company or to another Restricted Subsidiary;

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- (v) Liens on Property of the Company or a Restricted Subsidiary securing indebtedness or other obligations issued by Canada or the United States of America or any province, state or any department, agency or instrumentality or political subdivision of Canada or the United States of America or any state, or by any

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other country or any political subdivision of any other country, for the purpose of financing all or any part of the purchase price of, or, in the case of real property, the cost of construction on or improvement of, any property or assets subject to the Liens, including Liens incurred in connection with pollution control, industrial revenue or similar financings;

- (vi) Liens securing any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Permitted Lien pursuant to the Trust Indenture; provided, however, that such new Lien is limited to the Property which was subject to the prior Lien immediately before such extension, renewal or replacement, and provided, further, that the principal amount of Indebtedness secured by the prior Lien immediately prior to such extension, renewal or replacement is not increased;
- (vii) any other Liens not otherwise qualifying as a Permitted Lien provided that, at the applicable time, the aggregate principal amount of the Indebtedness secured by all such other Liens, when added to the Attributable Debt determined at such time of the then outstanding Unrestricted Sale and Lease-Back Transactions (as defined under Certain Definitions below) to which the Company or a Restricted Subsidiary is a party, does not exceed 15% of the then applicable Consolidated Net Tangible Assets (as defined under Certain Definitions below);
- (viii) any interest or title of a lessor in the property subject to any capitalized lease or operating lease; and
- (ix) any other Liens identified in the Prospectus Supplement relating to the series of Debt Securities issued.

Limitation on Sale and Lease-Back Transactions

Neither the Company nor any Restricted Subsidiary may enter into any Sale and Lease-Back Transaction (as defined under Certain Definitions below), except for:

- (i) any Sale and Lease-Back Transaction constituting a Permitted Lien under the Trust Indenture (other than clause (vii) or (viii)) under Negative Pledge above;
- (ii) any Sale and Lease-Back Transaction that is not otherwise permitted under clause (i) above or (iii) below, and in respect of which the Company or such Restricted Subsidiary would be entitled, in the manner described under Negative Pledge above, to incur Indebtedness secured by a Lien on the applicable Property at least equal in amount to the Attributable Debt in respect of such Sale and Lease-Back Transaction without equally and ratably securing the Debt Securities (any Sale and Lease-Back Transaction entered into in compliance with this clause (ii) being an Unrestricted Sale and Lease-Back Transaction); or
- (iii) any Sale and Lease-Back Transaction if the Company or such Restricted Subsidiary shall apply or cause to be applied, in the case of such sale or transfer for cash, an amount equal to the greater of the fair market value of the Principal Property sold or transferred and leased back pursuant to such Sale and Lease-Back Transaction or the net proceeds of such Sale and Lease-Back Transaction and, in the case of such sale or transfer otherwise than for cash, an amount equal to the fair market value of the Principal Property sold or transferred and leased back pursuant to such Sale and Lease-Back Transaction, to (a) the retirement (other than any mandatory retirement), within 180 days after the effective date of such Sale and Lease-Back Transaction, of Indebtedness of the Company (which may but need not include any Debt Securities) ranking on a parity with, or prior to, such Debt Securities and owing to a Person other than the Company or any Affiliate of the Company, or (b) the purchase, construction or improvement of real property or personal property used by the Company or its Restricted Subsidiaries in the ordinary course of business.

Modification of the Trust Indenture

With certain exceptions, the Trust Indenture, the rights and obligations of the Company and the rights of the holders of a particular series of Debt Securities may be modified by the Company with the consent of the holders of not less than a majority in aggregate principal amount of such series of Debt Securities or a majority in principal amount of such series voted at a duly constituted meeting; but no such modification may be

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made which would: (i) reduce in any manner the amount of, or change the currency of payment of, or delay the time of any payments (whether of principal, premium, interest or otherwise); (ii) change the definition of or the manner of calculating amounts (including any

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change in the applicable rate or rates of interest) to which any holder is entitled; or (iii) reduce the above-stated percentage of Debt Securities of such series, in each case without the consent of the holder of each Debt Security of such series so affected or the consent of 100% of the principal amount of such the Debt Securities of such series voted at a duly constituted meeting.

Events of Default

The Trust Indenture provides that an event of default with respect to any series of Debt Securities means any one of the following events (whatever the reason for such event of default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgement, decree or order of any government authority):

- (i) a default in the payment by the Company of the principal of (or premium, if any, on) any Debt Securities of such series when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise, or in any obligation to repurchase Debt Securities of such series when required pursuant to the Indenture;
- (ii) a default in the payment by the Company of interest on any Debt Securities of such series when the same becomes due and payable, and such default continues for a period of 30 days;
- (iii) a default by the Company in the performance of or breach of any other covenant or agreement of the Company with respect to such series of Debt Securities and such default or breach continues for a period of 60 days after written notice to the Company by the Trustee or the holders of at least 25% of the unpaid aggregate principal amount of the outstanding Debt Securities of such series;
- (iv) if any representation or warranty made by the Company in relation to a series of Debt Securities was incorrect in any material respect when made and, if it is capable of being corrected with reference to the presently existing facts and circumstances, such representation or warranty is not corrected within 60 days after written notice to the Company by the Trustee or the holders of at least 25% of the unpaid aggregate principal amount of the outstanding Debt Securities of such series;
- (v) any failure by the Company or any Subsidiary to pay when due or within any applicable grace period, any payment of Indebtedness of the Company or any Subsidiary in an aggregate principal amount in excess of US\$75 million (or its equivalent in any other currency or currencies), or any default occurs in respect of any Indebtedness of the Company or any Subsidiary in respect of any series of Debt Securities having an aggregate principal amount exceeding US\$75 million (or its equivalent in any other currency or currencies) after the expiration of any applicable grace period, if such default has resulted in such Indebtedness in excess of such aggregate principal amount becoming due prior to its stated maturity;
- (vi) a distress, attachment, execution or other similar legal process for any amount exceeding US\$75 million (or its equivalent in any other currency or currencies) is levied or enforced against any part of the Property of the Company or any Subsidiary and such distress, attachment, execution or similar legal process has not been paid out, satisfied or withdrawn within 60 days of the date of such levy or enforcement; or
- (vii) certain events of bankruptcy, insolvency or reorganization of the Company or any Subsidiary.

The Company is required to file with the Trustee an annual officers' certificate as to the absence of certain defaults under the Trust Indenture.

The Trust Indenture provides that if an event of default (other than an event of default specified in clause (vii) above in relation to the Company) shall occur and be continuing with respect to a series of Debt Securities issued thereunder, the Trustee may in its discretion and shall upon request of the holders of not less than 25% in principal amount of the outstanding Debt Securities of such series declare the principal of, together with accrued interest on, all Debt Securities of such series to be due and payable. In certain cases, the holders of a majority in aggregate principal

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amount of such series of Debt Securities or a majority in principal amount of such series voted at a duly constituted meeting may on behalf of the holders of all such Debt Securities waive any past default or event of default and rescind and annul any such declaration and its consequences.

The Trust Indenture further provides that if an event of default specified in clause (vii) above in relation to the Company occurs, the principal of and any accrued interest on the Debt Securities then outstanding shall become

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immediately due and payable; provided however that at any time after an automatic acceleration with respect to the Debt Securities has been made, the holders of a majority in aggregate principal amount of such series of Debt Securities or a majority in principal amount of such series voted at a duly constituted meeting may, under certain circumstances, rescind and annul such acceleration and its consequences.

The Trust Indenture contains a provision entitling the Trustee, subject to its duty during a default to act with the required standard of care, to be indemnified by the holders of Debt Securities of such series before proceeding to exercise any right or power under the Trust Indenture at the request of such holders. The Trust Indenture provides that no holder of Debt Securities of any series may pursue a remedy with respect to the Trust Indenture except in the case of failure of the Trustee to act.

Defeasance

Defeasance of Certain Obligations

If the supplement to the Trust Indenture so provides, the Company may elect, with respect to any series of Debt Securities, either to be (a) discharged from its obligations in respect of such Debt Securities, or (b) released from its obligations under positive and negative covenants (other than its covenant to maintain its existence and pay the principal, premium, interest and other amounts on such Debt Securities) and the occurrence of certain events will be deemed not to be or result in a default or event of default. Following such election, the Company will be so discharged or released, provided:

- (i) the Company has, at least 91 days prior to such discharge becoming effective, irrevocably deposited with the Trustee, as specific security pledged for, and dedicated solely to, the due payment and ultimate satisfaction of all of its obligations under the Indenture with respect to the Debt Securities of the series affected, and free and clear of any Lien, (a) funds in the currency or currencies in which such Debt Securities are payable, and/or (b) an amount of direct obligations of, or obligations the payment of principal of and interest, if any, on which are fully guaranteed by, the government that issued the currency or currencies in which Debt Securities of such series are payable, and that are not subject to prepayment, redemption or call, as will together with the predetermined and certain income to accrue thereon without consideration of any reinvestment thereof, be sufficient (in the case of such obligations, through the payment of interest and principal thereunder) to pay (x) the principal of (and premium, if any) and interest and other amounts on the outstanding Debt Securities of the particular series on their stated due dates or maturity, as the case may be, and (y) any mandatory prepayments on the day on which such prepayments are due and payable;
- (ii) the Company shall have delivered to the Trustee an opinion of counsel to the effect that the holders of the Debt Securities affected will not recognize income, gain or loss for Canadian federal income tax purposes as a result of such defeasance in respect of the Company's obligations and will be subject to Canadian federal income tax on the same basis as if such defeasance had not occurred;
- (iii) such defeasance will not result in a breach or violation of, or constitute a default under, the Trust Indenture or any other material agreement or instrument to which the Company is a party or by which it is bound;
- (iv) no event of default with respect to the Debt Securities of such series or event that, with notice or lapse of time, would become such an event of default shall have occurred and be continuing on the date of such deposit;
- (v) if the Debt Securities affected are listed on any stock exchange or securities exchange, the Company shall have delivered to the Trustee an opinion of counsel to the effect that such deposit and defeasance will not cause such Debt Securities to be delisted; and
- (vi) the Company shall have delivered to the Trustee an officers' certificate and an opinion of counsel, each stating that all conditions precedent to the defeasance have been satisfied.

Other Defeasance Arrangements

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If so described in the Prospectus Supplement related to Debt Securities of a specific series, the Company may enter into certain other arrangements providing for the due payment and ultimate satisfaction of its obligations with

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respect to such series of Debt Securities by the deposit with the Trustee of funds or obligations of the type referred to under **Defeasance of Certain Obligations** above. The Prospectus Supplement will more fully describe the provisions, if any, relating thereto.

Amalgamation, Consolidation, Conveyance, Transfer or Lease

The Trust Indenture provides that the Company will not consolidate, merge or amalgamate with any other Person or effect any conveyance, sale, transfer or lease of its Property substantially as an entirety, unless, in such case:

- (i) the Person formed by such consolidation or amalgamation or with which the Company is merged (or the Person that leases or that acquires by conveyance, sale or transfer the Property of the Company substantially as an entirety) (such Person being referred to as the **Successor Corporation**) is a corporation organized and validly existing under the laws of Canada or any province thereof;
- (ii) the **Successor Corporation** shall expressly, by supplemental indenture, assume and become bound by the obligations of the Company under the terms of the Indenture;
- (iii) after giving effect to such transaction no default or event of default is or will be occurring under the Trust Indenture or in respect of the Debt Securities of any series; and
- (iv) the Company delivers to the Trustee an officer's certificate and opinion of counsel confirming that the foregoing conditions have been met.

Governing Law

The Trust Indenture is governed by, and construed in accordance with, the laws of the Province of Ontario.

Certain Definitions

Affiliate means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person.

Attributable Debt shall mean, in respect of a Sale and Lease-Back Transaction, at the time of determination, the Capital Lease Obligations under the Capital Lease resulting from such Sale and Lease-Back Transaction as reflected on the consolidated balance sheet of the Company. Attributable Debt may be reduced by the present value of the rental obligations, calculated on the same basis that any sublessee has for all or part of the same property.

Capital Lease means a lease that is required to be capitalized for financial reporting purposes in accordance with Canadian generally accepted accounting principles consistently applied.

Capital Lease Obligations means indebtedness represented by obligations under a Capital Lease. The amount of indebtedness will be the capitalized amount of the obligations determined in accordance with Canadian generally accepted accounting principles consistently applied.

Closing Date means the date on which the Debt Securities are issued.

Consolidated Net Tangible Assets means the consolidated total assets of TELUS and its Subsidiaries as reflected in TELUS' most recent consolidated balance sheet preceding the date of determination prepared in accordance with Canadian generally accepted accounting principles consistently applied, less (a) current liabilities, excluding the amount of those which are by their terms extendable or renewable at the option of the obligor to a date more than 12 months after the date as of which the amount is being determined and current maturities of long-term debt and Capital Lease Obligations, and (b) goodwill, tradenames, trademarks, patents, minority interests of others, unamortized debt discount and expense and other similar intangible assets, excluding any investments in permits, licenses and the subscriber base.

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Indebtedness means, with respect to any Person, (without duplication) (a) any liability of such Person (1) for borrowed money, or under any reimbursement obligation relating to a letter of credit, or (2) evidenced by a bond, note,

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debenture or similar instrument (including a purchase money obligation arising in connection with the acquisition of any businesses, properties or assets of any kind, other than a trade payable or a current liability arising in the ordinary course of business), or (3) for the payment of Capital Lease Obligations; (b) any liability of others described in the preceding clause (a) that the Person has guaranteed or that is otherwise its legal liability; (c) any amendment, supplement, modification, deferral, renewal, extension or refunding of any liability of the types referred to in clauses (a) and (b) above; and (d) in the case of any Restricted Subsidiary, the aggregate amount at which any preference shares of such Restricted Subsidiary are redeemable or retractable at the option of the holder (excluding any such preference shares that are owned by the Company or any Restricted Subsidiary).

Lien means any mortgage, pledge, lien, security interest, charge or other encumbrance or preferential arrangement (including any conditional sale or other title retention agreement or lease in the nature thereof other than a title retention agreement in connection with the purchase of goods in the ordinary course of business which is outstanding for not more than 90 days).

Person means any natural person, corporation, firm, partnership, joint venture or other unincorporated association, trust, government or governmental authority and pronouns have a similar extended meaning.

Principal Property means at any time any Property which has a fair market value or a book value in excess of US\$5 million (or its equivalent in any other currency or currencies).

Property means any asset, revenue or any other property or property right or interest, whether tangible or intangible, real or personal, including, without limitation, any right to receive income.

Restricted Subsidiary means (a) TELUS Communications Inc. and (b) at any time any other Subsidiary of TELUS, if at the end of the most recent fiscal quarter for which the Company has issued its financial statements, the total assets of such Subsidiary exceeds 10% of the consolidated assets of TELUS and its Subsidiaries, determined in accordance with Canadian generally accepted accounting principles consistently applied, provided that Restricted Subsidiary shall not include any Subsidiary that is principally engaged in the wireless business or TELUS Quebec Inc.

Sale and Lease-Back Transaction means any transaction or series of related transactions pursuant to which the Company or any Restricted Subsidiary sells or transfers any Principal Property, or any Property which together with any other Property subject to the same transaction or series of related transactions would in the aggregate constitute a Principal Property, of the Company or such Restricted Subsidiary to any Person and leases back such Principal Property (or other Properties) by way of a Capital Lease Obligation but does not include (a) any Sale and Lease-Back Transaction between the Company and its Restricted Subsidiaries or between Restricted Subsidiaries, or (b) any Sale and Lease-Back Transaction where the term of the lease back is less than three years.

Subsidiary means any company or other business entity which the Company owns or controls (either directly or through one or more other Subsidiaries) more than 50% of the issued share capital or other ownership interest, in each case having ordinary voting power to elect directors, managers or trustees of such company or other business entity (whether or not capital stock or other ownership interest or any other class or classes shall or might have voting power upon the occurrence of any contingency).

DESCRIPTION OF SHARE CAPITAL

General

The following sets forth the terms and provisions of the existing capital of the Company. The particular terms and provisions of the Equity Securities offered by a Prospectus Supplement and the extent to which these general terms and provisions apply will be described in such Prospectus Supplement. The Company is authorized under its Notice of Articles to issue up to 1,000,000,000 shares of each class of first preferred shares (the First Preferred Shares), second preferred shares (the Second Preferred Shares) and up to 2,000,000,000 Common Shares. Certain of the rights and attributes of each class are described below.

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First Preferred Shares

Shares Issuable in Series

The First Preferred Shares may be issued at any time or from time to time in one or more series. Before any shares of a series are issued, the Board of Directors of the Company shall fix the number of shares that will form such series and shall, subject to the limitations set out in the articles of the Company, determine the designation, rights, privileges, restrictions and conditions to be attached to the First Preferred Shares of such series, except that no series shall be granted the right to vote at a general meeting of the shareholders of the Company or the right to be convertible or exchangeable for Common Shares, directly or indirectly.

Priority

The First Preferred Shares of each series shall rank on a parity with the First Preferred Shares of every other series with respect to dividends and return of capital and shall be entitled to a preference over the Second Preferred Shares and the Common Shares and over any other shares ranking junior to the First Preferred Shares with respect to priority in payment of dividends and in the distribution of assets in the event of liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding-up its affairs.

Voting Rights

Except as required by law, holders of the First Preferred Shares as a class shall not be entitled to receive notice of, to attend or to vote at any meeting of the shareholders of the Company, provided that the rights, privileges, restrictions and conditions attached to the First Preferred Shares as a class may be added to, changed or removed only with the approval of the holders of the First Preferred Shares given in such manner as may then be required by law, subject to a minimum requirement that such approval be given by resolution signed by the holders of not less than two-thirds of the First Preferred Shares then outstanding, or passed by an affirmative vote of at least two-thirds of the votes cast at a meeting of the holders of the First Preferred Shares duly called for that purpose.

Second Preferred Shares

Shares Issuable in Series

The Second Preferred Shares may be issued at any time or from time to time in one or more series. Before any shares of a series are issued, the Board of Directors of the Company shall fix the number of shares that will form such series and shall, subject to the limitations set out in the articles of the Company, determine the designation, rights, privileges, restrictions and conditions to be attached to the Second Preferred Shares of such series, except that no series shall be granted the right to vote at a general meeting of the shareholders of the Company or the right to be convertible or exchangeable for Common Shares, directly or indirectly.

Priority

The Second Preferred Shares of each series shall rank on a parity with the Second Preferred Shares of every other series with respect to dividends and return of capital and shall, subject to the prior rights of the holders of the First Preferred Shares, be entitled to a preference over the Common Shares and over any other shares ranking junior to the Second Preferred Shares with respect to priority in payment of dividends and in the distribution of assets in the event of liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding-up its affairs.

Voting Rights

Except as required by law, holders of the Second Preferred Shares as a class shall not be entitled to receive notice of, to attend or to vote at any meeting of the shareholders of the Company, provided that the rights, privileges, restrictions and conditions attached to the Second Preferred Shares as a class may be added to, changed or removed only with the approval of the holders of the Second Preferred Shares given in such manner as may then be required by law, subject to a minimum requirement that such approval be given by resolution signed by the holders of not less than two-thirds of the Second Preferred Shares then outstanding, or passed by an affirmative vote of at least two-thirds of the votes cast at a meeting of the holders of the Second Preferred Shares duly called for that purpose.

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Common Shares

Priority

The holders of Common Shares shall be entitled to participate equally with each other as to dividends and the Company shall pay dividends thereon, as and when declared by the Board of Directors of the Company out of monies properly applicable to the payment of dividends, in amounts per share and at the same time on all such Common Shares at the time outstanding as the Board of Directors of the Company may from time to time determine. In the event of the liquidation, dissolution or winding-up of the Company or other distribution of assets of the Company among its shareholders for the purpose of winding-up its affairs, all the property and assets of the Company which remain after payment to the holders of any shares ranking in priority to the Common Shares in respect of payment upon liquidation, dissolution or winding-up of all amounts attributed and properly payable to such holders of such other shares in the event of such liquidation, dissolution or winding-up or distribution, shall be paid and distributed equally, share for share, to the holders of the Common Shares, without preference or distinction.

Voting Rights

The holders of the Common Shares shall be entitled to receive notice of and to attend (in person or by proxy) and be heard at all general meetings of the shareholders of the Company (other than separate meetings of the holders of shares of any other class of shares of the Company or any other series of shares of such other class of shares) and to vote at all such general meetings with each holder of Common Shares being entitled to one vote per Common Share held at all such meetings.

Ownership and Voting Restrictions

Non-Canadian persons shall not beneficially own or control, otherwise than by way of security only, in the aggregate more than the Restricted Percentage (as defined below) of the issued and outstanding voting shares of the Company (the non-Canadian share constraint). The Restricted Percentage is the maximum percentage of the issued and outstanding voting shares of the Company that may be beneficially owned or controlled, otherwise than by way of security only, by non-Canadian persons without rendering any subsidiary of the Company ineligible to operate as a telecommunications common carrier pursuant to the *Telecommunications Act*, or to be granted a licence under the *Broadcasting Act* or the *Radiocommunication Act*.

The power of the Company to issue any voting shares and to restrict the right of any holder of voting shares of the Company to transfer or vote such voting shares is as provided in the Telecommunications Regulations, the Broadcasting Direction and the Radiocommunication Regulations, as amended from time to time (collectively, the Applicable Regulations) or in the articles of the Company. The Company has the power to suspend voting rights, to refuse the transfer of shares, to redeem or purchase, or to sell or to require the sale of voting shares of the Company as provided in the Applicable Regulations or the articles of the Company, for the purpose of ensuring that any subsidiary of the Company is not ineligible to operate as a telecommunications common carrier pursuant to the *Telecommunications Act* or, or to be granted a licence under the *Broadcasting Act* or the *Radiocommunication Act*.

In addition to declarations which may be requested by the Company pursuant to the Applicable Regulations, the Company may request that a person who: (1) is or proposes to be a registered holder of voting shares of the Company; (2) holds or proposes to hold or is believed by the Company to hold voting shares of the Company on behalf of another person, other than as a registered holder; (3) subscribes for voting shares of the Company; (4) requests registration of a transfer of voting shares of the Company; (5) requests a change in registration of voting shares of the Company; or (6) elects to convert or exchange any securities into or for voting shares of the Company, to file a declaration with the Company or its transfer agent within the time limit prescribed in the request. The person to whom a request is made pursuant to the articles of the Company shall submit the declaration in a form authorized by the Company, and shall contain the information requested by the Company to enable the Company to determine whether the non-Canadian share constraint is being or may be contravened.

Notwithstanding any other provision of the articles of the Company or the rules or operating procedures established pursuant to the articles of the Company, a contravention of the non-Canadian share constraint shall have no consequences except those that are expressly provided for in the articles of the Company or the Applicable Regulations. For greater certainty but without limiting the generality of the foregoing: (1) no transfer, issue or

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ownership of, and no title to, voting shares of the Company; (2) no resolution of shareholders (except to the extent that the result thereof is affected as a result of a determination pursuant to the Applicable Regulations to suspend the voting rights of any voting shareholders); and (3) no act of the Company, including any transfer of property to or by the Company, shall be invalid or otherwise affected by any contravention of the non-Canadian share constraint or the failure to make the adjustment in voting as may be required or permitted pursuant to the Applicable Regulations.

In administering the ownership restriction provisions of the articles of the Company and the Applicable Regulations, including, without limitation, in making any directors' determination, the Company and any of its directors, officers, employees and agents may rely on, among other things, the Company's central securities register.

The ownership restriction provisions of the articles of the Company shall cease to be binding on the Company and its shareholders upon the repeal of the Applicable Regulations, and shall cease to be applicable and binding to the extent permitted by all of the *Telecommunications Act*, the *Radiocommunication Act* and the *Broadcasting Act*, from time to time.

TELUS Shareholder Rights Plan

TELUS first adopted a shareholder rights plan in March 2000. In May 2010, the holders of the Common Shares and Non-Voting Shares ratified a substantially similar shareholder rights plan. On May 9, 2013, the holders of the Common Shares approved the amendment of, and reconfirmation of, the shareholder rights plan (the Rights Plan), which among other things, reflects the elimination of the Non-Voting Share class from TELUS' authorized share structure. Under the Rights Plan, TELUS issued one right (a Right) in respect of each Common Share outstanding as at such date. The Rights Plan expires upon the conclusion of TELUS' annual meeting in 2019 and is subject to shareholder confirmation every three years. The Rights will separate from the Common Shares and will be exercisable eight trading days after a person has acquired, or commences to acquire, 20% or more of the Common Shares, other than by acquisition pursuant to a takeover bid permitted by the Rights Plan (a Permitted Bid). The acquisition by any person (an Acquiring Person) of more than 20% of the Voting Shares (as defined in the Rights Plan), other than by way of a Permitted Bid, is referred to as a Flip-in Event. Any Rights held by an Acquiring Person will become void upon the occurrence of a Flip-in Event. Eight trading days after the occurrence of the Flip-in Event, each Right (other than those held by the Acquiring Person), will permit the purchase of \$320 worth of Common Shares for \$160 (i.e. at a 50% discount).

DESCRIPTION OF WARRANTS

This section describes the general terms that will apply to any Warrants for the purchase of Equity Securities (the Equity Warrants) or for the purchase of Debt Securities (the Debt Warrants).

Warrants may be offered separately or together with Equity Securities or Debt Securities, as the case may be. Each series of Warrants will be issued under a separate Warrant agreement to be entered into between the Company and one or more banks or trust companies acting as Warrant agent. The applicable Prospectus Supplement will include details of the Warrant agreements covering the Warrants being offered. The Warrant agent will act solely as the agent of the Company and will not assume a relationship of agency with any holders of Warrant certificates or beneficial owners of Warrants. The specific terms of the Warrants, and the extent to which the general terms described in this section apply to those Warrants, will be set forth in the applicable Prospectus Supplement.

Original purchasers of Equity Warrants or Debt Warrants (if offered separately) will be granted a contractual right of rescission against the Company in respect of the conversion, exchange or exercise of such Equity Warrant or Debt Warrant. The contractual right of rescission will entitle such original purchasers to receive the amount paid upon conversion, exchange or exercise, upon surrender of the underlying securities gained thereby, in the event that this Prospectus (as supplemented or amended) contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under section 131 of the *Securities Act* (British Columbia), and is in addition to any other right or remedy available to original purchasers under section 131 of the *Securities Act* (British Columbia) or otherwise at law.

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In an offering of Warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the Warrant is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages and consult with a legal adviser.

Equity Warrants

The particular terms of each issue of Equity Warrants will be described in the related Prospectus Supplement. This description will include, where applicable:

- (i) the designation and aggregate number of Equity Warrants;
- (ii) the price at which the Equity Warrants will be offered;
- (iii) the currency or currencies in which the Equity Warrants will be offered;
- (iv) the designation and terms of the Equity Securities purchasable upon exercise of the Equity Warrants;
- (v) the date on which the right to exercise the Equity Warrants will commence and the date on which the right will expire;
- (vi) the number of Equity Securities that may be purchased upon exercise of each Equity Warrant and the price at which and currency or currencies in which that amount of securities may be purchased upon exercise of each Equity Warrant;
- (vii) the designation and terms of any securities with which the Equity Warrants will be offered, if any, and the number of the Equity Warrants that will be offered with each security;
- (viii) the date or dates, if any, on or after which the Equity Warrants and the related securities will be transferable separately;
- (ix) whether the Equity Warrants are subject to redemption or call and, if so, the terms of such redemption or call provisions;
- (x) material United States and Canadian tax consequences of owning the Equity Warrants; and
- (xi) any other material terms or conditions of the Equity Warrants.

Debt Warrants

The particular terms of each issue of Debt Warrants will be described in the related Prospectus Supplement. This description will include, where applicable:

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- (i) the designation and aggregate number of Debt Warrants;
- (ii) the price at which the Debt Warrants will be offered;
- (iii) the currency or currencies in which the Debt Warrants will be offered;
- (iv) the aggregate principal amount, currency or currencies, denominations and terms of the series of Debt Securities that may be purchased upon exercise of the Debt Warrants;
- (v) the designation and terms of any securities with which the Debt Warrants will be offered, if any, and the number of the Debt Warrants that will be offered with each security;
- (vi) the date or dates, if any, on or after which the Debt Warrants and the related securities will be transferable separately;
- (vii) the principal amount of Debt Securities that may be purchased upon exercise of each Debt Warrant and the price at which and currency or currencies in which that principal amount of securities may be purchased upon exercise of each Debt Warrant;

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- (viii) the date on which the right to exercise the Debt Warrants will commence and the date on which the right will expire;
- (ix) the minimum or maximum amount of Debt Warrants that may be exercised at any one time;
- (x) whether the Debt Warrants will be subject to redemption or call, and, if so, the terms of such redemption or call provisions;
- (xi) material United States and Canadian tax consequences of owning the Debt Warrants; and
- (xii) any other material terms or conditions of the Debt Warrants.

DESCRIPTION OF SHARE PURCHASE CONTRACTS

AND SHARE PURCHASE OR EQUITY UNITS

The Company may issue share purchase contracts, including contracts obligating holders to purchase from the Company, and the Company to sell to the holders, a specified number of Equity Securities, at a future date or dates, or similar contracts issued on a prepaid basis (in each case, Share Purchase Contracts). The price per Equity Security and the number of Equity Securities may be fixed at the time the Share Purchase Contracts are issued or may be determined by reference to a specific formula set forth in the Share Purchase Contracts. The Share Purchase Contracts will require either the share purchase price be paid at the time the Share Purchase Contracts are issued or that payment be made at a specified future date. The Share Purchase Contracts may be issued separately or as part of units consisting of a Share Purchase Contract and Debt Securities or obligations of third parties (including U.S. treasury securities) (the Share Purchase or Equity Units), and may or may not serve as collateral for a holder's obligations. The Share Purchase Contracts may require holders to secure their obligations thereunder in a specified manner. The Share Purchase Contracts also may require the Company to make periodic payments to the holders of the Share Purchase Contracts or vice versa, and such payments may be unsecured or refunded on some basis.

The applicable Prospectus Supplement will describe the terms of the Share Purchase Contracts or Share Purchase or Equity Units. The description in the Prospectus Supplement will not necessarily be complete, and reference will be made to the Share Purchase Contracts, and, if applicable, collateral, depositary or custodial arrangements, relating to the Share Purchase Contracts or Share Purchase or Equity Units. Material United States and Canadian federal income tax considerations applicable to the holders of the Share Purchase or Equity Units and the Share Purchase Contracts will also be discussed in the applicable Prospectus Supplement.

Original purchasers of Share Purchase Contracts or Share Purchase or Equity Units will be granted a contractual right of rescission against the Company in respect of the conversion, exchange or exercise of such Share Purchase Contract or Share Purchase or Equity Unit. The contractual right of rescission will entitle such original purchasers to receive the amount paid upon conversion, exchange or exercise, upon surrender of the underlying securities gained thereby, in the event that this Prospectus (as supplemented or amended) contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under section 131 of the *Securities Act* (British Columbia), and is in addition to any other right or remedy available to original purchasers under section 131 of the *Securities Act* (British Columbia) or otherwise at law.

In an offering of Share Purchase Contracts or Share Purchase or Equity Units, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the Share Purchase Contracts or Share Purchase or Equity Units are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages and consult with a legal adviser.

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DENOMINATIONS, REGISTRATION AND TRANSFER

The Securities will be issued in fully registered form without coupons attached in either global or definitive form and in denominations and integral multiples as set out in the applicable Prospectus Supplement (unless otherwise provided with respect to a particular series of Debt Securities pursuant to the provisions of the Trust Indenture, as supplemented by a supplemental indenture). Other than in the case of book-entry only securities, Securities may be presented for registration of transfer (with the form of transfer endorsed thereon duly executed) in the city specified for such purpose at the office of the registrar or transfer agent designated by the Company for such purpose with respect to any issue of Securities referred to in the Prospectus Supplement. No service charge will be made for any transfer, conversion or exchange of the Securities but the Company may require payment of a sum to cover any transfer tax or other governmental charge payable in connection therewith. Such transfer, conversion or exchange will be effected upon such registrar or transfer agent being satisfied with the documents of title and the identity of the Person making the request. If a Prospectus Supplement refers to any registrar or transfer agent designated by the Company with respect to any issue of Securities, the Company may at any time rescind the designation of any such registrar or transfer agent and appoint another in its place or approve any change in the location through which such registrar or transfer agent acts.

In the case of book-entry only securities, a global certificate or certificates representing the Securities will be held by a designated depository for its participants. The Securities must be purchased or transferred through such participants, which includes securities brokers and dealers, banks and trust companies. The depository will establish and maintain book-entry accounts for its participants acting on behalf of holders of the Securities. The interests of such holders of Securities will be represented by entries in the records maintained by the participants. Holders of Securities issued in book-entry only form will not be entitled to receive a certificate or other instrument evidencing their ownership thereof, except in limited circumstances. Each holder will receive a customer confirmation of purchase from the participants from which the Securities are purchased in accordance with the practices and procedures of that participant.

RISK FACTORS

Prospective investors in the Securities should consider carefully the matters set forth in the section entitled "Risks and risk management" in Management's Discussion and Analysis of financial results in respect of the Company's most recent annual financial statements and in Management's Discussion and Analysis of financial results in respect of the Company's interim financial statements filed thereafter, each of which is incorporated by reference in this Prospectus.

PLAN OF DISTRIBUTION

The Company may sell the Securities to or through underwriters or dealers, and also may sell Securities to one or more other purchasers directly or through agents. Each Prospectus Supplement will set forth the terms of the offering, including the name or names of any underwriters or agents, the purchase price or prices of the Securities and the proceeds to the Company from the sale of the Securities.

The Securities may be sold, from time to time in one or more transactions at a fixed price or prices which may be changed or at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices.

Underwriters, dealers and agents who participate in the distribution of the Securities may be entitled under agreements to be entered into with the Company to indemnification by the Company against certain liabilities, including liabilities under securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. Such underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for, the Company in the ordinary course of business.

In connection with any offering of Securities, the underwriters or agents may, subject to applicable law, over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

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LEGAL MATTERS

Certain legal matters in connection with any offering hereunder will be passed upon by Norton Rose Fulbright Canada LLP, Toronto, Ontario and by Paul, Weiss, Rifkind, Wharton & Garrison LLP, New York, New York for the Company.

PURCHASERS STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages, if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser. Rights and remedies also may be available to purchasers under U.S. law and purchasers may wish to consult with a U.S. lawyer for particulars of these rights.

DOCUMENTS FILED AS PART OF THE REGISTRATION STATEMENT

The following documents have been or will be filed with the SEC as part of the Registration Statement of which this Prospectus forms a part: the documents referred to under "Documents Incorporated by Reference"; consent of Deloitte LLP; powers of attorney from directors and officers of the Company; and the Indenture. The Form F-X of the Company and the Form F-X of Computershare Trust Company of Canada have also separately been filed with the SEC.

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CERTIFICATE OF TELUS CORPORATION

Dated: November 15, 2013

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of all the provinces of Canada.

(Signed) DARREN ENTWISTLE

President and Chief Executive Officer

(Signed) JOHN GOSSLING

Executive Vice-President
and Chief Financial Officer

On behalf of the Board of Directors

(Signed) BRIAN A. CANFIELD

Director

(Signed) WILLIAM A. MACKINNON

Director

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James T. Prokopanko Retired President and Chief Executive Officer The Mosaic Company	Mr. Prokopanko is the retired President and Chief Executive Officer of Mosaic. Mr. Prokopanko held this position from January 2007 until his resignation effective August 5, 2015, when he became Mosaic's Senior Advisor until his planned retirement in January 2016. He joined us as our Executive Vice President and Chief Operating Officer in July 2006, serving in such offices until he was elected President and Chief Executive Officer. Previously, he was a Corporate Vice President of Cargill from 2004 to 2006. He was Cargill's Corporate Vice President with executive responsibility for procurement from 2002 to 2006 and a leader of Cargill's Ag Producer Services Platform from 1999 to 2006. After joining Cargill in 1978, he served in a wide range of leadership positions, including being named Vice President of the North American crop inputs business in 1995. During his Cargill career, Mr. Prokopanko was engaged in retail agriculture businesses in Canada, the United States, Brazil, Argentina and the United Kingdom. Mr. Prokopanko is the sole director who is a member of management.
Age: 62	
Director Since: October 2004	
2015 Meeting Attendance: 100%	
Independent: No	
Mosaic Committee Membership:	Skills and Qualifications:
• Environmental, Health, Safety and Sustainable Development	Executive Leadership – As former President and Chief Executive Officer, he provides the Board his leadership experience and his knowledge of Mosaic and the fertilizer industry developed over his years of service with Mosaic.
	Agriculture/Fertilizer Business – Longstanding experience in the agriculture and fertilizer industry through executive and operational roles for Cargill.
	Other Board Service:
	• Vulcan Materials Company (Compensation Committee; Governance Committee)
	• Xcel Energy Inc. (Audit Committee; Operations, Nuclear, Environmental and Safety Committee)

DIRECTOR STOCK OWNERSHIP GUIDELINES

We have stock ownership guidelines for non-employee directors. These guidelines call for each director to acquire shares with a value of at least five times the annual base cash retainer within five years of becoming a director which, based on our current director compensation program, would be \$900,000 for our non-executive Chairman of the Board and \$450,000 for each other non-employee director. For purposes of computing a director's holdings under our stock ownership guidelines, restricted stock units ("RSUs") (whether vested or unvested) owned by a director are included. The following table shows information about each non-employee director's status with respect to the ownership guidelines at February 29, 2016:

Director	Shares Included Under		Value (1) in Excess of Guidelines
	#	Value (1)	
Nancy E. Cooper (2)	12,361	\$606,889	\$156,889
Gregory E. Ebel (2)	12,986	\$633,475	\$183,475
Timothy S. Gitzel (2)	18,543	\$633,918	\$183,918
William R. Graber	23,559	\$912,261	\$462,261
Denise C. Johnson	7,321	\$327,857	(2)
Emery N. Koenig	20,155	\$1,023,428	\$573,428
Robert L. Lumpkins	39,127	\$1,256,801	\$356,801
William T. Monahan	37,866	\$1,134,886	\$684,886
James T. Prokopanko (3)			
James L. Popowich	23,120	\$778,330	\$328,330
David T. Seaton	15,637	\$776,543	\$351,543

Steven M. Seibert	23,443	\$902,913	\$477,913
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(1) Under our stock ownership guidelines for non-employee directors, RSUs are valued at the date of grant and other shares are valued at their date of purchase.

(2) Director has not yet completed five years of service. Ms. Cooper, Mr. Ebel, Mr. Gitzel and Ms. Johnson will complete five years of service on October 6, 2016, October 4, 2017, October 3, 2018 and May 15, 2019, respectively, if they remain as directors of Mosaic.

(3) Mr. Prokopanko was our President and Chief Executive officer from January 1, 2015 until August 5, 2015 and then served as our Senior Advisor until his planned retirement in January 2016. His stock ownership is reflected under "Executive Stock Ownership Guidelines" on page 51 in our Compensation Discussion and Analysis.

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Our stock ownership guidelines for executive officers, including executive officers who are directors, are described under “Executive Stock Ownership Guidelines” on page 51 in our Compensation Discussion and Analysis.

CORPORATE GOVERNANCE

Our Board oversees the management of our business and determines overall corporate policies. The Board’s primary responsibilities are directing our fundamental operating, financial and other corporate strategies and evaluating the overall effectiveness of our management.

We review our corporate governance principles and practices on a regular basis. As one example of our Board’s ongoing consideration of potential changes to our corporate governance practices and engagement with our stockholders on these matters, consistent with our own philosophical beliefs about shareholders’ rights, we recently adopted a proxy access bylaw which will be effective beginning with our 2017 annual meeting of stockholders.

Set forth below is a detailed description of our key governance policies and practices.

Board Independence

The New York Stock Exchange (“NYSE”) listing standards require our Board to formally determine each year which directors of Mosaic are independent. In addition to meeting the minimum standards of independence adopted by the NYSE, we do not consider a director “independent” unless our Board affirmatively determines that the director has no material relationship with us that would prevent the director from being considered independent.

Our Board has adopted Director Independence Standards setting forth specific criteria by which the independence of our directors will be determined. These criteria include restrictions on the nature and extent of any affiliations directors and their immediate family members may have with us, our independent accountants, or any commercial or non-profit entity with which we have a relationship. A copy of our Director Independence Standards is available on our website at www.mosaicco.com under the “Investors – Corporate Overview – Governance Documents” caption.

Our Board, as recommended by the Corporate Governance and Nominating Committee, has determined that our directors, Nancy E. Cooper, Gregory L. Ebel, Timothy S. Gitzel, William R. Graber, Denise C. Johnson, Emery N. Koenig, Robert L. Lumpkins, William T. Monahan, James L. Popowich, David T. Seaton and Steven M. Seibert, are each “independent” under the NYSE rules and our Director Independence Standards and have no material relationships with us that would prevent the directors from being considered independent. In making its independence recommendations, our Corporate Governance and Nominating Committee reviewed all of our directors’ relationships with us based primarily on a review of each director’s response to questions regarding employment, business, familial, compensation and other relationships with us and our management. James (“Joc”) C. O’Rourke is not independent because he is our current President and Chief Executive Officer. James T. Prokopanko is not independent because he is our former President and Chief Executive Officer.

Board Oversight of Risk

It is the role of management to operate the business, including managing the risks arising from our business, and the role of our Board to oversee management’s actions.

Management’s ERM Committee assists us in achieving our business objectives by creating a systematic approach to anticipate, analyze and review material risks. The ERM Committee consists of a cross-functional team of our executives and senior leaders. The ERM Committee has the responsibility for establishing the context of our ERM process, as well as identifying, analyzing, evaluating and ensuring that appropriate protocols are in place to mitigate the risks.

Our Board is responsible for oversight of our management of enterprise risk. Our Board provides guidance with regard to our enterprise risk management practices; our strategy and related risks; and significant operating, financial, legal, regulatory, legislative and other risk-related matters relating to our business. As an integral part of the Board’s oversight of enterprise risk management, the Board has directed the ERM Committee to review its activities with the full Board on a periodic basis, and the Board monitors management’s processes, reviews management’s risk analyses and evaluates our ERM performance. In addition, regularly-scheduled meetings of our Board from time to time include an in-depth review of one or more significant enterprise risk focus topics.

Pursuant to their respective charters, committees of our Board assist in the Board’s oversight of risk:

In accordance with its charter and NYSE governance requirements, our Audit Committee regularly reviews with management, our Vice President – Risk Advisory and Assurance Services, and our independent registered public

accounting firm, the quality and adequacy of our system of internal accounting, financial, disclosure and operational

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controls, including policies, procedures and systems to assess, monitor and manage business risks, as well as compliance with the applicable provisions of the Sarbanes-Oxley Act of 2002, and discusses with management and our Vice President – Risk Advisory and Assurance Services policies regarding risk assessment and risk management. Our Environmental, Health, Safety and Sustainable Development (“EHSS”) Committee oversees management’s plans, programs and processes to evaluate and manage EHSS risks to our business, operations and products; the quality of management’s processes for identifying, assessing, monitoring and managing the principal EHSS risks in our businesses; and management’s objectives and plans (including means for measuring performance) for implementing our EHSS risk management programs.

Our Corporate Governance and Nominating Committee oversees succession planning for our CEO and oversees from a corporate governance perspective the manner in which the Board and its committees review and assess enterprise risk.

Our Compensation Committee oversees risks related to our executive and employee compensation policies and practices, as well as succession planning for senior management other than our CEO.

Each of these Committees reports to the full Board on significant matters discussed at their respective meetings, including matters relating to risk oversight.

Committees of the Board of Directors

Our Board has four standing committees:

• Audit;

• Compensation;

• Corporate Governance and Nominating; and

• Environmental, Health, Safety and Sustainable Development.

Each of these Committees plays a significant role in the discharge of our Board’s duties and obligations. Each of the committees routinely meets in private session without the CEO or other members of management in attendance. Each of the four committees operates under a written charter. The charters are available on our website at www.mosaicco.com under the “Investors – Corporate Overview – Governance Documents” caption.

Audit Committee

Five Members:

Nancy E. Cooper, Chair

Gregory L. Ebel

Timothy S. Gitzel

William R. Graber

William T. Monahan

The Board has determined that all of the Audit Committee’s members meet the independence and experience requirements of the NYSE and the SEC.

The Board has further determined that each of Nancy E. Cooper, Gregory L. Ebel and William R. Graber qualifies as an “audit committee financial expert” within the meaning of Item 407(d) of Regulation S-K promulgated by the SEC.

Meetings During 2015: Eight

Key Responsibilities:

appointment, retention, compensation and oversight of the work of our independent registered public accounting firm;

reviewing the scope and results of the annual independent audit and quarterly reviews of our financial statements with the independent registered public accounting firm, management and internal auditor;

reviewing the internal audit plan and audit results;

reviewing the quality and adequacy of internal control systems with management, the internal auditor and the independent registered public accounting firm;

reviewing with the independent registered public accounting firm and management the application and impact of new and proposed accounting rules, regulations, disclosure requirements and reporting practices on our financial statements and reports; and

reviewing the Audit Committee Report included in this Proxy Statement.

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Compensation Committee

Five Members:

William T. Monahan, Chair
 Gregory L. Ebel
 Denise C. Johnson
 James L. Popowich
 David T. Seaton

None of our Compensation Committee's members are officers or employees of ours, and all of its members, including its Chair, meet the independence requirements of the NYSE and the SEC.

Meetings During 2015: Five

Key Responsibilities:

Assists the Board in oversight of compensation of our executives and employees and other significant human resource strategies and policies. This includes, among other matters, the principles, elements and proportions of total compensation to our CEO as well as other executive officers, the evaluation of our CEO's performance and broad-based compensation, benefits and rewards and their alignment with our business and human resource strategies. The responsibilities of our Compensation Committee include, among others:

Chief Executive Officer Compensation:

- w reviewing and recommending to our independent directors the amount and mix of direct compensation paid to our CEO; and
- w establishing the amount and mix of executive benefits and perquisites for our CEO.

Other Executive Officers' Compensation. Establishing the amount and nature of direct compensation and benefit programs for our other executive officers.

Severance, Change-in-Control and Other Termination Arrangements:

- w reviewing and recommending to our independent directors the levels of compensation under severance, change-in-control and other termination arrangements for our CEO;
- w establishing any change-in-control and other termination arrangements for our other executive officers; and
- w adopting appropriate forms of agreements reflecting such arrangements.

Incentive Plans:

- w reviewing and recommending to our Board performance goals and associated payout percentages under short- and long-term incentive plans for executive officers;
- w recommending to our independent directors awards under these plans to our CEO; and
- w approving awards under these plans to our other executive officers.

Other Benefit Plans. Overseeing the design and administration of our stock option, incentive and other executive benefit plans.

Also oversees:

- our public disclosure of compensation matters in our proxy statements;
- our solicitation of stockholder approval of compensation matters, including the advisory Say-on-Pay Proposal included in this Proxy Statement as Proposal No. 5;
- risks related to our executive and employee compensation policies and practices, including the design of executive and employee compensation programs to mitigate financial, stockholder, reputation and operation risks; and
- succession planning for our senior management other than the CEO and related risks.

Additional information about our Compensation Committee's responsibilities and its processes and procedures for consideration and determination of executive compensation is included in our Compensation Discussion and Analysis, under "Executive Compensation Governance - Process and Roles."

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Delegations of Authority

Our Compensation Committee's charter provides that it may delegate its authority to a subcommittee of its members.

Our Compensation Committee also may delegate its authority when authorized to do so by one of our compensation plans. Our 2014 Stock and Incentive Plan and 2004 Omnibus Stock and Incentive Plan each expressly permits the committee to delegate authority as it deems appropriate.

Our Compensation Committee has from time to time delegated authority to its Chair to review and approve particular matters, including services and fees of its independent compensation consultant.

Our Compensation Committee has also from time to time delegated to certain members of senior management the authority to grant long-term equity awards within prescribed parameters to certain employees. The employees to whom such awards have been made have not included any of our executive officers.

Corporate Governance and Nominating Committee

Six Members:

Robert L. Lumpkins, Chair
Nancy E. Cooper
Timothy S. Gitzel
William R. Graber
Emery N. Koenig
Steven M. Seibert

All of the members of the Corporate Governance and Nominating Committee are independent.

Meetings During 2015: Five

Key Responsibilities:

recommending to the Board a set of corporate governance principles and providing ongoing oversight of governance;
recommending to the Board nominees for director;
recommending to the Board all committee assignments;
developing a compensation and benefits program for the Board;
overseeing the Board and committee annual evaluation process;
overseeing from a corporate governance perspective the manner in which the Board and its Committees review and assess enterprise risk;
reviewing and approving certain transactions involving related persons; and
reviewing the succession plan for the CEO.

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Environmental, Health, Safety and Sustainable Development Committee

Six Members:

Steven M. Seibert, Chair
Denise C. Johnson
Emery N. Koenig
James T. Prokopanko
James L. Popowich
David T. Seaton

Meetings During 2015: Four

Key Responsibilities:

Provides oversight of our environmental, health, safety and sustainable development (“EHSS”) strategic vision and performance, including the safety and health of employees and contractors; environmental performance; the systems and processes designed to manage EHSS risks, commitments, public responsibilities and compliance; relationships with and impact on communities with respect to EHSS matters; public policy and advocacy strategies related to EHSS issues; and achieving societal support of major projects. Its responsibilities include, among others:

- overseeing the effectiveness of management’s systems, policies and processes that support our EHSS goals, commitments and compliance obligations;
- conducting an annual environment, health and safety management system review;
- reviewing with management compliance with environmental, health and safety laws, and pending or threatened environmental, health and safety proceedings;
- overseeing management’s responses to significant emerging EHSS issues;
- reviewing sustainability issues, including product stewardship;
- reviewing our interactions relating to EHSS matters with communities, customers and other key stakeholders; and
- overseeing the management of EHSS risks.

Other Policies and Practices Relating to the Board of Directors

Board Leadership Structure

As provided in our Corporate Governance Guidelines, our Board retains the right to exercise its discretion in combining or separating the offices of Chairman and CEO. Our Board believes that this issue is part of the succession planning process and that it is in the best interests of Mosaic for the Board to make a determination when it elects a new CEO.

At the present time, we have separated these two offices, with Mr. Lumpkins serving as our non-executive Chairman and Mr. O’Rourke serving as our CEO. In continuing the separation of the offices of Chairman and CEO, our Board has taken into account a number of factors, including:

- Separating these positions allows our non-executive Chairman to focus on the Board’s role of providing advice to, and independent oversight of, management; and
- The time and effort our CEO needs to devote to the management and operation of Mosaic, and the development and implementation of our business strategies.

In his role as non-executive Chairman, Mr. Lumpkins, among other things:

- Leads the Board’s process for assessing the performance of the CEO;
- Acts as a liaison between the Board and senior management;
- Establishes, prior to the commencement of each year and in consultation with the Corporate Governance and Nominating Committee, a schedule of agenda subjects to be discussed during the year;
- Establishes the agenda for each regular Board meeting;
- Presides over each Board meeting; and
- Presides over private sessions of the non-management directors at regular Board meetings.

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Evaluation of Board Performance

In order to continue to evaluate and improve the effectiveness of the Board, under the guidance of the Corporate Governance and Nominating Committee, our directors annually evaluate the Board's performance, including the performance of each Board committee. The evaluation process includes a survey of the individual views of directors, a summary of which is then shared with the Board, as well as peer review of individual directors. The Corporate Governance and Nominating Committee annually evaluates its own performance as well as the performance of the Board as a whole, including peer review, and each other Board committee annually evaluates its own performance.

Private Sessions of Non-Management Directors

The non-management directors meet in private session at each regular Board meeting without the CEO or other members of management in attendance. Our Chairman of the Board, Robert L. Lumpkins, presides at these sessions. Similarly, all Board committees regularly meet in executive session without management. In addition, our independent directors meet separately in executive session without the presence of any other non-management directors at least annually.

Compensation of Directors

Non-Employee Directors. The Corporate Governance and Nominating Committee reviews our director compensation program on an annual basis to ensure that it is competitive with market practices. Although matters of director compensation ultimately are the responsibility of the full Board, the Corporate Governance and Nominating Committee evaluates director compensation levels, makes recommendations regarding the structure of director compensation, and develops a director pay philosophy that is aligned with the interests of our stockholders. Although our director compensation program is reviewed annually, our Corporate Governance and Nominating Committee expects that, absent special circumstances, director compensation levels would be adjusted no more frequently than every two years.

As provided in our Corporate Governance Guidelines, our Corporate Governance and Nominating Committee, in making recommendations regarding director compensation, is guided by three goals:

- Compensation should fairly pay directors for work required for a company of our size and scope;

- Compensation should align directors' interests with the long-term interests of stockholders; and

- The structure of compensation should be simple, transparent and easy for our stockholders to understand.

In the course of conducting its review of director compensation, the Corporate Governance and Nominating Committee from time to time reviews various formal studies regarding director compensation practices at public companies, as well as a variety of other data sources. Our Corporate Governance and Nominating Committee also has the sole authority to select, retain and terminate an independent compensation consultant and to approve the consultant's fees and other retention terms. In addition, our Corporate Governance and Nominating Committee routinely seeks information from management on matters for consideration by our Corporate Governance and Nominating Committee. Our Senior Vice President, General Counsel and Corporate Secretary participates in meetings of our Corporate Governance and Nominating Committee but is not generally present during private sessions. No changes to our director compensation policy were made in 2015. We have included a description of our non-employee director compensation under "Director Compensation" on page 29.

Employee Directors. Employee directors (currently Mr. O'Rourke) receive no fees or remuneration for service on the Board or any committee of the Board.

Attendance

Directors are expected to regularly attend Board meetings and meetings of committees on which they serve and to spend the time necessary to properly discharge their responsibilities. In addition to attendance at Board and committee meetings, directors discharge their responsibilities throughout the year by personal meetings and telephone contact with our executive officers and others regarding our business and affairs. Our full Board held five regular and three special meetings during 2015. Each director was present for at least 94% of the aggregate number of meetings of the Board and committees of the Board of which such director was a member that occurred during 2015 and subsequent to the election of such director to the Board.

All directors and director nominees for election or re-election to the Board at an annual meeting of stockholders are expected to attend that annual meeting. Last year, all of our then-serving directors attended the 2015 Annual Meeting.

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Majority Vote Standard for Election of Directors

Our Bylaws provide that in uncontested elections a nominee for director will be elected to our Board if the number of votes cast “FOR” the nominee’s election exceeds the number of votes cast “AGAINST” that nominee’s election. The vote standard for directors in a contested election (an election in which the number of nominees for director is greater than the number of directors to be elected) is a plurality of the votes cast at the meeting.

In accordance with our Corporate Governance Guidelines, our Board will nominate for election or re-election as a director only candidates who agree to tender, promptly following their failure to receive the required vote for election or re-election at the next meeting at which they would face election or re-election, an irrevocable resignation letter that will be effective upon acceptance by our Board. In addition, our Board will fill director vacancies and new directorships only with candidates who agree to tender the same form of resignation letter, promptly following their appointment to our Board.

Our Corporate Governance Guidelines further provide that if an incumbent director fails to receive the required vote for re-election, our Corporate Governance and Nominating Committee will act within 90 days after certification of the stockholder vote to determine whether to accept the director’s resignation, and will submit a recommendation for prompt consideration by our Board. Our Corporate Governance and Nominating Committee and our Board may consider any factors they deem relevant in deciding whether to accept a director’s resignation. Our Board expects the director whose resignation is under consideration to abstain from participating in any decision regarding his or her resignation.

Thereafter, our Board will promptly disclose its decision and decision-making process regarding whether to accept the director’s resignation offer (and the reason(s) for rejecting the resignation offer, if applicable) in a Form 8-K furnished to the SEC.

If directors constituting less than a quorum of the members of our Corporate Governance and Nominating Committee receive the required vote in favor of their elections in the same election, then those independent directors who did receive the required vote will appoint a committee amongst themselves to consider the resignation offers and recommend to our Board whether to accept any or all of them. Furthermore, if the only directors who received the required vote in the same election constitute three or fewer directors, all independent directors may participate in the decision regarding whether to accept any or all of the tendered resignations.

Each director nominee named in this Proxy Statement has offered to tender an irrevocable resignation as a director in accordance with our Corporate Governance Guidelines, which resignation will become effective if he or she fails to receive the required vote for election at the annual meeting and our Board accepts his or her resignation.

Retirement from the Board

The Board has a retirement policy which provides that a non-employee director who attains age 74 shall submit his or her resignation as a director to be effective at the time of the next annual meeting of stockholders. In addition, it is the policy of the Board that employee-directors (other than the CEO) resign from the Board upon their retirement from Mosaic. The Board also has a policy that any non-employee director or the CEO of Mosaic submit his or her resignation if he or she has a material change in employment, is the subject of media attention that reflects unfavorably on his or her continued service on the Board or has an unresolved conflict of interest with Mosaic. The Board will accept or reject any of the foregoing resignations based on the best interests of Mosaic.

Communications with the Board

The Board believes that accessibility to the members of our Board is an important element of our corporate governance practices and, pursuant to the recommendation of the Corporate Governance and Nominating Committee, has adopted a policy regarding communications with our Board. The policy sets forth the methods of communication with the Board as a whole and with individual directors. Pursuant to the policy, our Senior Vice President, General Counsel and Corporate Secretary serves as confidential intermediary between stockholders or other interested parties and our Board.

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Stockholders and interested parties are offered several methods for communication with the Board, including via e-mail and through a toll-free telephone number monitored by the office of our Senior Vice President, General Counsel and Corporate Secretary. They may:

- contact our Board via our toll-free telephone number at (877) 261-2609 inside the United States, or call collect to (503) 726-3224 outside the United States;
- send written communication in care of our Senior Vice President, General Counsel and Corporate Secretary at The Mosaic Company, Atria Corporate Center, Suite E490, 3033 Campus Drive, Plymouth, Minnesota 55441;
- send e-mail messages to our Board, including the presiding director of our non-management directors or the non-management directors as a group, to directors@mosaicco.com; or
- send communications relating to accounting, internal accounting controls or auditing matters by means of e-mail messages to auditchair@mosaicco.com.

Any such communications by employees may be made on a confidential and/or anonymous basis. Stockholders making such communication are encouraged to state that they are security holders and provide the exact name in which their shares are held and the number of shares held.

It is the responsibility of our Senior Vice President, General Counsel and Corporate Secretary to process in a timely manner each communication from stockholders or other interested parties and to forward such communications:

- for communications addressed to the Board as a whole, to the Chairman of the Board;
- for communications addressed to the presiding director of the non-management directors' private sessions or to the non-management directors as a group, to the director designated by the Corporate Governance and Nominating Committee;
- for communications addressed to a committee of the Board, to the chair of such committee;
- for communications addressed to an individual director, to such named director; and
- for communications relating to accounting, internal accounting controls or auditing matters, to the members of the Audit Committee.

“Spam” such as advertising, solicitations for business, requests for employment or requests for contributions will not be forwarded.

Our Senior Vice President, General Counsel and Corporate Secretary, or a member of his staff under his direction, may handle in his discretion any communication that is described within any of the following categories:

- routine questions, complaints and comments that management can appropriately address;
- routine invoices, bills, account statements and related communications that management can appropriately address;
- surveys and questionnaires; and
- requests for business contacts or referrals.

In that case, he will provide a copy of the original communication to the Chairman of the Board (or to the Chair of the Corporate Governance and Nominating Committee) and advise of any action taken with respect to the communication. Our Senior Vice President, General Counsel and Corporate Secretary, or a member of his staff, will forward any communications not clearly addressed as set forth above to the Chairman of the Board for handling.

Our Senior Vice President, General Counsel and Corporate Secretary, or a member of his staff under his direction, will maintain a summary log of all communications (other than those excluded as described above), and on a periodic basis will provide to the Chairman of the Board (or to the Chair of the Corporate Governance and Nominating Committee) a copy of all log entries made (to the extent any communications have been received) since the immediately preceding report was provided. Our Senior Vice President, General Counsel and Corporate Secretary will promptly provide to any director, upon his or her request, a copy of any part, or all, of the log.

Any director receiving such communications may, at his or her discretion, forward copies of any such communications to any other directors, any Board committee, the other non-employee directors or the entire Board for information and/or action as deemed appropriate.

The full text of our policy regarding stockholder communications with the Board is available on our website at www.mosaicco.com under the “Investors – Corporate Overview – Governance Documents” caption.

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Policy and Procedures Regarding Transactions with Related Persons

Our Board, upon the recommendation of the Corporate Governance and Nominating Committee, has adopted a Related Person Transactions Approval Policy. A copy of the policy is available on our website at www.mosaicco.com under the “Investors – Corporate Overview – Governance Documents” caption.

This policy delegates to our Corporate Governance and Nominating Committee responsibility for reviewing, approving or ratifying transactions with “related persons” that are required to be disclosed under the rules of the SEC. Under the policy, a “related person” includes any director, executive officer or 5% stockholder and members of their immediate family.

Our Related Person Transactions Approval Policy applies to transactions that involve a related person where we are a participant and the amount involved exceeds, or is reasonably expected to exceed, \$120,000, and in which the related person otherwise has a direct or indirect material interest, as well as any amendment or modification to an existing related person transaction.

No director may participate in any discussion or approval of a related person transaction for which he or she is a related person, except that the director is required to provide to the Corporate Governance and Nominating Committee all material information concerning the related person transaction as may be requested by the committee. Any related person transaction that is not approved or ratified, as the case may be, will be voided, terminated or amended, or such other actions will be taken in each case as determined by the Corporate Governance and Nominating Committee so as to avoid or otherwise address any resulting conflict of interest.

Related person transactions under the policy do not include:

Any transaction where the related person’s interest derives solely from the fact that he or she serves as a director or officer of a not-for-profit organization or charity that receives donations from us in accordance with a matching gift program of ours that is available on the same terms to all of our employees;

Indemnification payments made pursuant to our Certificate of Incorporation or Bylaws or pursuant to any agreement between us and the related person;

Any transaction that involves compensation to a director (if such arrangement has been approved by our Board) or executive officer (if such arrangement has been approved, or recommended to the Board for approval, by the Compensation Committee of our Board or is otherwise available generally to all of our salaried employees) in connection with his or her duties to us, including the reimbursement of business expenses incurred in the ordinary course in accordance with our expense reimbursement policies that are applicable generally to all salaried employees; or

Any transaction entered into in the ordinary course of business pursuant to which the related person’s interest derives solely from his or her service as a director or employee (including an executive employee) of another corporation or organization that is a party to the transaction and (i) the related person does not receive directly any compensation or other direct material benefit of any kind from the other corporation or organization due, in whole or in part, to the creation, negotiation, approval, consummation or execution of the transaction, and (ii) the related person is not personally involved, in his or her capacity as a director or employee of the other corporation or organization, in the creation, negotiation or approval of the transaction.

In determining whether to approve or ratify a related person transaction, the Corporate Governance and Nominating Committee will consider, among others, the following factors to the extent it deems relevant:

Whether the terms of the related person transaction are fair to us and on terms at least as favorable as would apply if the other party was not or did not have an affiliation with a director, executive officer or 5% stockholder of ours;

Whether there are demonstrable business reasons for us to enter into the related person transaction;

Whether the related person transaction could impair the independence of a director under our Director Independence Standards;

Whether the related person transaction would present an improper conflict of interest for any of our directors or executive officers, taking into account the size of the transaction, the overall financial position of the director or executive officer, the direct or indirect nature of the interest of the director or executive officer in the transaction, the ongoing nature of any proposed relationship, and any other factors our Corporate Governance

and Nominating Committee deems relevant; and

Whether the related person transaction is permitted under the covenants pursuant to our material debt agreements.

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Director Education Policy

Our Board believes that our stockholders are best served by a board of directors comprised of individuals who are well versed in modern principles of corporate governance and other subject matters relevant to board service. Our Board has adopted a Director Education Policy that encourages all directors to pursue ongoing education and development studies on topics that they deem relevant given their individual backgrounds and committee assignments on the Board. In order to facilitate ongoing education, our management provides to our directors on a periodic basis pertinent articles and information relating to our business and our competitors and to corporate governance and regulatory issues, as well as presentations by subject matter experts on new legal and regulatory requirements. We also maintain a membership for each of our directors in an organization dedicated to corporate governance and ongoing education, and fund the reasonable costs of attending director education programs. Directors serving on multiple boards are encouraged to obtain pro rata reimbursement of their director education expenses from each corporation that they serve. Prior approval for attendance is obtained from the chair of the Corporate Governance and Nominating Committee in each case where a director intends to seek reimbursement of the cost of attendance.

Code of Business Conduct and Ethics

Our Board and management are dedicated to sound corporate governance principles. Our Code of Business Conduct and Ethics (the “Code of Ethics”) is a statement of our high standards for ethical and legal compliance, and it governs the manner in which we conduct our business. All of our employees, officers, directors, agents and representatives, including consultants, are expected to comply with our Code of Ethics. Each of our directors and officers, as well as over 3,300 other employees, is requested annually to certify compliance with the Code of Ethics. A copy of our Code of Ethics is available on our website at www.mosaicco.com under the “Investors – Corporate Overview – Governance Documents” caption.

DIRECTOR COMPENSATION

Non-Employee Directors

The director compensation policy in effect for 2015 provides for cash compensation to non-employee directors as follows:

- an annual cash retainer of \$180,000 to our Chairman of the Board and \$90,000 to each other director;
- an annual cash retainer of \$20,000 to the Chair of our Audit Committee;
- an annual cash retainer of \$15,000 to the Chair of our Compensation Committee; and
- an annual cash retainer of \$10,000 to each director who serves as Chair of our Corporate Governance and Nominating Committee or Environmental, Health, Safety and Sustainable Development Committee.

In addition, the policy in effect during 2015 provided for a single annual grant of RSUs, valued at \$260,000 for our Chairman of the Board and \$155,000 for each other non-employee director. Additional information about our annual grants of RSUs to directors is included in note (4) to the Non-Employee Director Compensation Table below.

We also reimburse our directors for travel and business expenses incurred in connection with meeting attendance. We do not pay meeting fees, and we do not provide any perquisites to our non-employee directors except for reimbursement of travel expenses when spouses attend Board functions.

Employee Directors

Directors who are employees receive no director fees or other separate compensation for service on the Board or any committee of the Board for the period during which they are employees. During 2015, James (“Joc”) C. O’Rourke, our current CEO, and James T. Prokopanko, our former CEO, were both employees and directors. All of our compensation to our CEO and our former CEO for 2015 is set forth under “Executive Compensation Tables” beginning on page 54.

The following table and accompanying narrative and notes provide information about our compensation for service during 2015 by directors who were not employees at any time during 2015.

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2015 Non-Employee Director Compensation Table

Name	Fees Earned or Paid in Cash (\$)(1)(2)	Stock Awards (\$)(3)(4)(5)	All Other Compensation (\$)(6)	Total (\$)
Nancy E. Cooper	110,000	154,995	8,580	273,575
Gregory L. Ebel	90,000	154,995	8,580	253,575
Timothy S. Gitzel	90,000	154,995	—	244,995
William R. Graber	90,000	154,995	8,580	253,575
Denise C. Johnson	90,000	154,995	—	244,995
Emery N. Koenig	90,000	154,995	8,580	253,575
Robert L. Lumpkins (7)	190,000	260,011	14,393	464,404
William T. Monahan	105,000	154,995	8,580	268,575
James L. Popowich	90,000	154,995	8,580	253,575
David T. Seaton	90,000	154,995	8,580	253,575
Steven M. Seibert	100,000	154,995	8,580	263,575

(1) Reflects the aggregate amount of the cash retainers paid for 2015.

Our unfunded non-qualified deferred compensation plan permits a director to elect to contribute up to 100% of the director's fees on a tax-deferred basis until distribution of the participant's plan balance. A participant's balance accrues gains or losses at rates equal to those on various investment alternatives selected by the participant. The available investment alternatives are the same as are available for selection by participants as investments under the

(2) Mosaic Investment Plan, a defined contribution plan qualified under Section 401(k) of the Internal Revenue Code ("Code"), except that our Common Stock is excluded. Because the rate of return is based on actual investment measures, no above-market earnings are paid. One director participated in the non-qualified deferred compensation plan during 2015. Our non-qualified deferred compensation plan provides that our Board, as constituted immediately before a change-in-control (as defined in the plan), may elect to terminate the plan. A termination would result in lump-sum payments to participants of their account balances under the plan.

(3) Reflects the grant date fair value for RSUs granted to directors, determined in accordance with Financial Accounting Standards Board Accounting Standards Codification 718, or ASC 718. The assumptions used in our valuation of these awards are discussed in note 18 to our audited financial statements for 2015 included in the 2015 10-K Report.

(4) The date of our annual grant of RSUs to non-employee directors in 2015 was May 14, 2015, the date of our 2015 Annual Meeting. We establish the number of shares subject to the grant of RSUs by dividing the target value of the grant by the closing price of a share of our Common Stock on the date of grant. The RSUs granted in 2015 to non-employee directors will vest completely on the date of the 2016 Annual Meeting. If a director ceases to be a director prior to vesting, the director will forfeit the RSUs except in the event of death (in which case the RSUs will vest immediately) or unless otherwise determined by our Corporate Governance and Nominating Committee. For vested RSUs, Common Stock will be issued immediately, in the event of the director's death, or on the second anniversary of the vesting date, except that RSUs of a director who is removed for cause will be forfeited. The RSU awards granted in 2015 to non-employee directors include dividend equivalents which provide for payment of an amount equal to the dividends paid on an equivalent number of shares of our Common Stock and which will be paid at the same time as we issue shares of our Common Stock after the awards vest. A director may elect that up to half of the RSUs granted to the director in 2015 be paid in cash rather than shares of Common Stock.

(5) The following table shows the number of RSUs held at December 31, 2015 by each director who was not an employee at any time during 2015:

Director	Restricted Stock Units Held at December 31, 2015 (#)	Vesting Date (a)
Robert L. Lumpkins	3,350	5/15/2014
	5,274	5/14/2015

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	5,707	(b)
Each of Nancy E. Cooper, Gregory L. Ebel, Timothy S. Gitzel,	1,997	5/15/2014
William R. Graber, Emery N. Koenig, William T. Monahan, James L.	3,144	5/14/2015
Popowich, David T. Seaton and Steven M. Seibert	3,402	(b)
Denise C. Johnson	3,144	5/14/2015
	3,402	(b)

(a) These RSUs vest or vested on the earlier of (i) the date indicated in this column or (ii) subject to the approval of the Corporate Governance and Nominating Committee in its sole discretion, a director's departure from the Board, for reasons other than removal for cause, before the one year anniversary of the date of grant. See note (4) above with respect to issuance of Common Stock following the vesting date.

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- (b) These RSUs vest on the date of the 2016 Annual Meeting.
- (6) Reflects dividend equivalent payments for 2015. Dividend equivalents are unfunded, do not bear interest and are not paid unless the shares that are subject to the RSU are issued.
- (7) Mr. Lumpkins elected to defer 100% of his fees earned or paid in cash pursuant to the non-qualified deferred compensation plan described in note (2) above.

EXECUTIVE COMPENSATION

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COMPENSATION DISCUSSION AND ANALYSIS

This section of the Proxy Statement explains the material elements of our executive compensation program for our CEO and our other “Named Executive Officers” for 2015 identified in the “Executive Compensation Tables” section beginning on page 54, and should be read in conjunction with that section.

Executive Summary

We operate in a cyclical and seasonal industry whose profitability is heavily influenced by commodity prices and other factors including the price, supply and demand of our fertilizer products and the key inputs we use to produce them. While some of these factors are controllable, others are not. As a result, our executive compensation program provides long-term incentives linked to financial and stock price performance measures, and short-term incentives tied to financial performance as well as achievements toward cost control, production efficiency and operating our assets safely and efficiently.

Our direct compensation program consists of market-competitive base salary, short-term incentives and long-term incentives, with the majority of pay “at risk” based on financial, operational and stock price performance. The financial and operational objectives in our short-term incentive program focus management on controllable metrics that we believe will drive long-term stockholder value that may not always be reflected in near-term stock price performance. In this way, our executive compensation program elements are designed to motivate and retain our executive officers in a way that aligns with the interests of our stockholders.

We believe that incentive payouts in 2015 for one- and three-year performance periods bear a strong relationship to the financial, operational and stock price performance of Mosaic and align closely with our executive compensation program objectives:

We exceeded our short-term incentive operating earnings/ROIC, capital efficiency and cost management objectives in spite of challenging global economic conditions and weak near-term market conditions by focusing on cost control and production efficiency. Our continuing focus on safety resulted in an above-target level of performance on our recordable injury frequency rate measure. Given these results, and consistent with our philosophy of paying for performance, our short-term incentive plan paid out at 137% of target.

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Our stock price is heavily influenced by fertilizer and other commodity prices, which are largely driven by macroeconomic factors outside our control. For example, in spite of earnings per share growth over the past one- and three-year periods, our stock price has declined over the same periods. As a result, all options granted during these periods were underwater as of December 31, 2015, and the value of RSUs and TSR performance units that vested during 2015 paid out at values significantly below their grant date values (-21% and -36%, respectively).

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Other key developments in 2015 include:

2015 long-term incentive grants to our executive officers included a new mix of equal parts of stock options, TSR performance units and ROIC performance units. The new ROIC performance units replaced time-based RSUs, w resulting in a higher proportion of performance-based long-term incentives. Given our substantial and ongoing capital expenditure program, we believe the use of ROIC as a performance measure holds management accountable for generating long-term returns consistent with stockholder value creation.

James (“Joc”) C. O’Rourke was elected to serve as our President and Chief Executive Officer effective August 5, 2015, following the resignation of our former President and CEO, James T. Prokopanko, who continued as our Senior Advisor until his planned retirement in January 2016. The independent members of our Board of Directors w approved changes to Mr. O’Rourke’s compensation to reflect the additional duties and responsibilities associated with his new role. Also in connection with the CEO succession, our Board approved a one-time grant of RSUs to Richard L. Mack, our Executive Vice President and Chief Financial Officer.

We amended our new CEO’s senior management severance and change in control agreement to reflect his new role and at that time our Compensation Committee revised the senior management severance and change in w control agreements of our other executive officers to better align severance multiples with current market practice.

The Compensation Committee engages in an ongoing review of our compensation program to evaluate whether it remains consistent with our pay-for-performance philosophy and, as a whole, reflects what the Compensation Committee believes to be best practices among our peer group and the broader market. Highlights of our 2015 compensation practices are presented below.

What We Do

- ü 100% performance-based long-term incentive grants: stock appreciation, TSR and ROIC
- ü Significant percentage of target direct compensation tied to performance
- ü Stock and incentive plan designed to permit awards that meet performance-based criteria of Section 162(m)
- ü Clawback policy applicable to annual and long-term incentives
- ü Executive change-in-control agreements and long-term incentive awards: double trigger vesting in a change in control
- ü Stock ownership guidelines: 5x annual salary for CEO; 3x annual salary for other executive officers
- ü Independent executive compensation consultant
- ü Compensation Committee access to other independent advisors
- ü Annual say-on-pay vote

What We Don’t Do

- û No executive employment agreements
- û No tax gross-ups under our executive change-in-control agreements
- û No hedging or pledging of Mosaic stock
- û No repricing of options under our stock plan
- û No company cars, no country clubs, no supplemental defined benefit executive retirement plans; no tax gross-ups on spousal travel effective in 2016

CEO Reported and Realizable Pay for 2015, 2014 and the 2013 Stub Period

As shown in the table below, Realizable Pay earned by our CEO for fiscal years 2015, 2014 and the 2013 Stub Period was 54% of Reported Pay. This is largely due to the fact that long-term incentive grants for this period are tied to Mosaic stock price appreciation and total shareholder return.

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The table below compares Reported Pay to Realizable Pay for our CEO for 2015, 2014 and the 2013 Stub Period. For 2015 and 2014, information presented is for the individual serving in the CEO role. “Reported Pay” is pay reported in the Summary Compensation Table on page 55 for the related periods, and “Realizable Pay” generally reflects the value of pay that is earned or realizable as of the end of the period shown, in each case as described in the footnotes below. Both Reported Pay and Realizable Pay as presented below include only annual long-term incentive awards and promotion awards, but exclude the value of the special one-time cost reduction incentive awards granted in 2014. The information presented is intended to supplement, rather than to replace, the information found in the Summary Compensation Table on page 55 for the applicable years, because our Compensation Committee believes it is helpful to look at performance-based compensation from the perspective of what is actually realizable and what is targeted, and that this comparison helps to illustrate the effectiveness of performance-based compensation.

(a) Reported Pay includes (i) base salary, (ii) actual annual short-term incentive earned, and (iii) the grant date fair of annual and promotional long-term incentive compensation, each as reported in the Summary Compensation Table for 2015, 2014 and the 2013 Stub Period.

Realizable Pay includes (i) base salary and actual annual short-term incentive earned, each as reported in the Summary Compensation Table for 2015, 2014 and the 2013 Stub Period, (ii) the value of outstanding in-the-money stock options and unvested RSUs granted during the periods presented based on the closing price of our Common Stock on December 31, 2015, or \$27.59, (iii) the estimated value of TSR performance unit awards granted in the periods presented, using the 30-day average trading price as of December 31, 2015 to determine the estimated vesting percentage and (iv) for 2015, the estimated value of ROIC performance unit awards granted in 2015, assuming a target level of performance and using the 30-day average trading price as of December 31, 2015 to calculate the estimated payout.

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Compensation Discussion and Analysis

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Program Changes Made in 2015

2015 Long-Term Incentive Awards

Long-term incentive grants to our executive officers in 2015 included a new mix of equal parts of stock options, TSR performance units and ROIC performance units. The new ROIC performance units replaced time-based RSUs, resulting in a higher proportion of performance-based long-term incentives. We believe this change demonstrates our commitment to a strong performance orientation to pay.

	2014	2015
Type of Grant	Restricted Stock Units (RSUs)	ROIC performance units
Term of Grant	3 Years	3 Years
% of Total LTI Award	33%	33%
Vesting	100% After 3 Years	0% to 200%, Based on ROIC
Performance Standard	None, Based on Service	3-Year Cumulative ROIC in Excess of Weighted Average Cost of Capital ("WACC")
Award Settlement	Stock	Cash(1)

(1) Units are accounted for as share-based payments under ASC 718, but are settled in cash.

Incentive ROIC was selected as the performance measure for these awards because our Compensation Committee believes it holds management accountable for generating long-term returns consistent with shareholder value creation, which is appropriate given the capital we invest to sustain current production, supply chain and distribution assets each year is

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substantial. Target payouts are earned only if Incentive ROIC results exceed WACC plus 3%, with the spread between Incentive ROIC and WACC calculated annually and the payout based on three-year cumulative performance.

Amended Severance and Change-in-Control Agreements

In August 2015, our new CEO's senior management severance and change in control agreement was amended to reflect his new role. At that time our Compensation Committee approved amendments to the senior management severance and change in control agreements of our other executive officers, including each Named Executive Officer. The amendments modified the multipliers used to determine the amount of certain severance benefits the executive officers would be entitled to receive upon termination of employment as described below, to better align with current market practice. In recommending the changes to our CEO's agreement and in approving the changes to our executive officers' agreements, our Compensation Committee considered a variety of factors, including market data for the compensation comparator or "peer group" that it selects as described under "Mosaic Comparator Group" on page 49, indicating that change-in-control severance multipliers for new CEOs were generally lower than their predecessors.

Termination Reason (2)	Severance as a Multiple of Base Salary + Bonus(1)			
	Chief Executive Officer		Other Executive Officers(3)	
	Former Agreement	As Amended	Former Agreement	As Amended
Involuntary Termination Without Cause	1.0 Times	1.5 Times	1.0 Times	1.5 Times
Voluntary Termination For Good Reason	1.0 Times	1.5 Times	1.0 Times	1.5 Times
Qualified Change-in-Control Termination	3.0 Times	2.5 Times	2.0 Times	2.0 Times

(1) Severance as a multiple of the executive officer's current annual base salary and prior fiscal year target bonus percent under our short-term incentive plan, multiplied by the executive officer's current base salary.

(2) The terms "cause," "good reason" and "qualified change-in-control termination" are described under "Potential Payments upon Termination or Change-in-Control" beginning on page 67.

(3) Our former CEO's agreement was amended to reflect the same multipliers that apply to our non-CEO executive officers. Our former CEO did not receive severance in connection with his resignation.

Named Executive Officer Group

Our 2015 Named Executive Officers whose compensation is in the "Executive Compensation Tables" section beginning on page 54 are shown below, as well as our named executive officers for 2014.

2015 Named Executive Officers		2014 Named Executive Officers	
James ("Joc") C. O'Rourke	President and Chief Executive Officer (1)	James T. Prokopanko	President and Chief Executive Officer
James T. Prokopanko	Former President and Chief Executive Officer (1)	Richard L. Mack	Executive Vice President and Chief Financial Officer (2)
Richard L. Mack	Executive Vice President and Chief Financial Officer	Lawrence W. Stranghoener (3)	
Richard N. McLellan	Senior Vice President - Commercial	James "Joc" O'Rourke	Executive Vice President and Chief Operating Officer
Gary ("Bo") N. Davis	Senior Vice President - Phosphate Operations	Richard N. McLellan	Senior Vice President - Commercial
Anthony T. Brausen	SVP Finance & Chief Accounting Officer	Gary ("Bo") N. Davis	Senior Vice President - Phosphate Operations

Effective August 5, 2015, Mr. O'Rourke was elected our new President and Chief Executive Officer, replacing Mr.

(1) Prokopanko, who resigned from these positions effective August 5, 2015 and became our Senior Advisor until his planned retirement in January 2016.

(2) Mr. Mack served as our Executive Vice President, General Counsel and Corporate Secretary until June 1, 2014.

(3) Mr. Stranghoener served as our Executive Vice President and Chief Financial Officer until June 1, 2014, as Interim Chief Executive Officer from June 1, 2014 through August 3, 2014 and as Executive Vice President - Strategy and

Business Development from August 4, 2014 until his planned retirement in January 2015.

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Executive Compensation Program

Program Objectives

Our executive compensation program aims to reward our executives for creating shareholder value, generating strong future cash flows and building competitive advantage in a global industry heavily influenced by factors such as fertilizer and other commodity prices. The program is shaped by the realities of a capital-intensive, cyclical and seasonal business with potentially large swings in profitability due to a number of factors outside our control, including:

• Price, supply and demand of our fertilizer products and the key inputs we use to produce them

• Cash crop prices affecting farmer income levels and affordability of crop nutrients

• Weather events and patterns affecting crop yields and prices

• Raw material and energy costs that affect profit margins

• Government fertilizer subsidies and other farm policies

• Environmental regulations and the costs of compliance and risk abatement

To successfully attract, motivate and retain executive talent needed to manage one of the largest producers of fertilizer products in the world, the program must be competitive, valued by executives and balanced due to a high degree of market risk.

The program elements are designed to work in concert to meet our needs and those of our executive officers in a way that aligns with the interests of our stockholders. When evaluating the competitiveness of our program, we look at total remuneration rather than each element individually. In this way, program cost trends may be tracked and managed in the same manner as other business expenses.

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Guiding Principles

To foster a top-down culture valuing sustained performance over the longer term, our executive compensation program emphasizes variable over fixed pay, long- over short-term incentives and stock-based compensation over cash.

	Principle or Treatment
Base Salary	<ul style="list-style-type: none"> • Salaries are paid for leadership competencies, including demonstrated knowledge, skills and abilities required to lead the company, business unit or function. • Generally maintained at competitive levels, at approximately the 50th and 75th percentile of salaries reported by our comparator group of companies for comparable roles. Pay levels outside this range may be appropriate based on the executive’s experience, organizational impact and other factors.
Annual Incentives	<ul style="list-style-type: none"> • Target short-term incentive should represent a substantial percentage of base salary. Success over the shorter-term is defined by key financial and operational performance indicators that take into account external factors impacting the company. Common incentives across the executive officer group promote close collaboration, unity of interests and accountability for enterprise results.
Long-Term Incentives	<ul style="list-style-type: none"> • Long-term incentives should make up the largest proportion of target total direct compensation. • 100% performance-based, linked to stock price appreciation, TSR and/or Incentive ROIC. • As of 2015, no time-based RSUs as part of the annual program. Substantial, on-going equity stake in the Company is mandatory and creates needed alignment with shareholder interests. • Incentives should comprise at least 50% of target total direct compensation.
Pay Mix	<ul style="list-style-type: none"> • Short and long-term incentives earned by meeting pre-determined goals derived from value-based standards of performance. Short-term incentives should reward actions that also further long-term business goals. • RSUs may be utilized on a selective basis to support continuity of management and address special promotional and retention needs.
Perquisites	<ul style="list-style-type: none"> • Executive productivity and well-being should generally be supported by limited perquisites designed to advance individual wellness and financial security. • Severance agreements are an effective alternative to employment agreements and serve to protect both executive and Company interests.
Severance Pay	<ul style="list-style-type: none"> • Severance pay is designed to enable management to objectively consider transactions that may benefit stockholders even if they would result in termination of executive officer employment, and to provide protection to executives against job loss due to reasons beyond their control. In place of SERPs, supplemental defined benefit pension plans and retiree medical plans, executives who save toward retirement income security should receive limited company contributions as an incentive.
Post-Employment Benefits	<ul style="list-style-type: none"> • Company contributions to non-qualified deferred compensation plans neutralize the discriminatory impact of qualified retirement plan benefits for executives (which may be reduced by compensation caps, contribution limits and other rules that do not apply to non-highly compensated employees).

Performance-Based Incentive Compensation

Short- and long-term incentives utilize performance measures linked to achievement of our business strategies, indicators of operational excellence and anticipated drivers of shareholder value creation. Utilizing these measures is intended to further our efforts to: (1) improve on our position as a low cost producer of fertilizer products, (2) grow sales revenues and improve margins by developing new products that improve crop yields, (3) build on our strong safety record by proactively addressing the causes of employee injuries, (4) make new capital investments that enable our strategies and satisfy high hurdle rates of return, and (5) produce strong, consistent cash flows and TSR.

To improve TSR performance over time, we seek to deliver growth in net operating profit after-tax, generate strong returns on invested capital and optimize the cost of capital.

To establish objective, sound and challenging goals for incentives, we set goals based on commonly utilized standards of performance linked to our stock price, TSR, continuous improvement, industry operating cost benchmarks and capital returns in excess of the weighted average cost of capital. These techniques are intended to help assure that incentives effectively continue to support desired financial and operational outcomes that align with stockholder interests.

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Incentive Metrics and Performance Standards

Grants	Metric	Performance Standard
	Incentive Operating Earnings(1)	Profit required to produce Incentive ROIC equal to Mosaic's WACC (9% for 2015). Standard is adjusted annually with changes in WACC. A threshold return of 5% must be met for an Operating Earnings payout.
	Incentive Operating Costs Per Tonne(1)	After 3% inflation, costs for each tonne produced (excluding raw materials and other non-controllable items) should not exceed prior year costs. Incentivize continuous improvement year-over-year.
Short-Term Incentive Award	Incentive Selling, General and Administrative Expense (SG&A)(1)	Budgeted enterprise expense target (excluding incentives and expenses associated with acquisitions) as approved by our Board of Directors. 2015 target goal of \$323 million is 10% lower than 2013 target goal, despite three years of inflation and SG&A that accompanied two businesses we acquired.
	Safety- Recordable Injury Frequency Rate ("RIFR") and Long Term Injury Frequency Rate ("LTIFR")	Target goals for both metrics have been set for year-over-year improvement and top quartile safety performance in chemical and mining industries (for North America). In 2016 the LTIFR metric was replaced by a metric tied to the effectiveness of the Company's new safety management system.
LTI Stock Options	Stock Price	<ul style="list-style-type: none"> • Option gains are realized if stock price at time of exercise exceeds the exercise price set at fair market value on the date of grant. • Value received is conditioned on continued service and stock appreciation until vesting and exercise of the options.
	TSR	Mosaic TSR (stock price change plus dividends) over three-year period.
LTI Performance Units		Vesting percentage is tied directly to absolute TSR results. For example, negative 10% = 90% payout, positive 25% = 125% payout. No vesting if TSR falls below negative 50%.
	Incentive ROIC(1)	Target goal: three-year cumulative Incentive ROIC must exceed cumulative Mosaic WACC + 3% over the three-year period.
LTI Performance Shares	Cost Reduction Incentive Operating Costs Per Tonne (1)(2)	WACC adjusted up or down at start of each year to reflect actual WACC. One-time, 3-year performance share grant: calendar 2014 - 2016 Target goal: \$128 million cost reduction in Phosphates Segment Target goal: \$100 million cost reduction in Potash Segment

Segment target goals include \$12.5 million in corporate support function SG&A reduction.

(1) As utilized for purposes of our executive compensation program, this metric is subject to adjustment as described in Appendix C to this Proxy Statement, "Performance Metrics."

(2) Includes support function costs, as described under "2014 Cost Reduction Incentive."

We believe that the use of WACC as a performance standard is appropriate for companies like Mosaic, that have significant capital requirements for property, plant and equipment, working capital and inventories, and large sustaining capital. We have approximately \$1.5 billion in construction in progress. We believe that achieving annual capital returns equal to WACC will enable us to meet the returns expected by our debt holders and equity holders. The goal for our ROIC performance units is based on WACC plus a premium over three years, requiring a higher rate of return that we believe is appropriate for multi-year incentives.

The Incentive Operating Costs Per Tonne metric excludes the cost of raw materials and other less controllable elements in our costs of goods sold. It serves as a productivity indicator as it reveals how continuous improvement efforts across a wide range of mining, processing, supply chain and distribution activities have led to end-to-end efficiency gains. A year-over-year improvement objective is the basis for the performance standard under our short-term incentive program, with an adjustment for inflation (for wage increases, energy and other fixed costs). The metric utilized for purposes of our 2014 cost reduction incentive utilizes a similar standard, but includes support function costs.

The effective management of expenses reflected in Incentive SG&A is important in promoting the efficient management and control of certain expenses not included in our costs of goods sold. Beyond the cost of management, support functions, customer service, technology, compliance and risk management, added expense is incurred based on the nature and scope of our business (environmental, land management, permitting and public affairs). Using historical SG&A as a baseline, we seek to reduce the trend rate as adjusted for growth in our business operations. Stock appreciation, or positive TSR, is the standard of performance used in two of our three long-term incentive vehicles for executive officers: stock options and TSR performance units. Since our business strategies are intended to result in

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improved stock performance over the long term, it is an important outcome for us and our shareholders. We do not however, use relative TSR as the performance standard because we believe too few U.S. companies are direct competitors, making the use of relative TSR less valid and reliable for a small performance peer group. This lack of reliability runs the risk of payout windfalls or deficits that do not serve shareholder interests.

Short-Term Incentive Program

Awards of performance-based incentive compensation are annually made to our Named Executive Officers. The terms of the incentive opportunity are the same for all Named Executive Officers, with target goals for each of the incentive metrics defined at the enterprise level. The total pool for the program is equal to the sum of the bonus opportunity, expressed as a percentage of base salary, for all employee participants, including our Named Executive Officers.

Metrics, Weighting and Goals

	Financial Pool	Operational Excellence Pool	Total Pool
Funding at Maximum	\$36 million	\$24 million	\$60 million
Funding at Target	\$12 million	\$12 million	\$24 million
Funding at Threshold	\$6 million	\$6 million	\$12 million
Metrics (Weighting)	Incentive Operating Earnings (1)	Incentive Operating Costs Per Tonne (25%) (1) Incentive SG&A (12.5%) (1) Safety - Recordable Injury Frequency Rate (6.25%) Safety - Lost Time Injury Frequency Rate (6.25%)	<ul style="list-style-type: none"> • No payout for Financial Pool unless threshold Incentive ROIC is met. (1) • Payouts for Operational Excellence Pool require attainment of threshold goals.
Pool Weighting	50%	50%	100%

(1) For purposes of our short-term incentive program, we utilize Operating Costs Per Tonne, SG&A and ROIC, subject to adjustment as described in Appendix C to this Proxy Statement, "Performance Metrics."

We do not establish target levels of Incentive Operating Earnings. Instead, the financial pool is funded by a pre-determined percentage of Incentive Operating Earnings, or "sharing rate". The sharing rate rises or falls in relation to targeted Incentive ROIC, which for 2015 was 9%. The Incentive ROIC target is set using our WACC as of the end of the preceding fiscal year. See "Financial Pool Funding: Percentage of Incentive Operating Earnings" on page 40 for the sharing rates and pool funding at various Incentive Operating Earnings sharing rates.

The Operational Excellence pool is funded based on achievement against pre-determined target goals for Incentive Operating Costs Per Tonne, Incentive SG&A and our two safety metrics.

Two funding pools are used to establish a balance of financial and operational outcomes that we believe are necessary for sustainable growth over the longer term. Operational Excellence measures are positively affected, directly or indirectly, by operations, engineering, supply chain, EHS and support function teams within each business unit and across the Company. These teams learn, react and collaborate together on how to influence key drivers of Operational Excellence metrics, making possible new and innovative solutions to business challenges.

Incentive Operating Costs Per Tonne and Incentive SG&A together have a 37.5% overall weight due to the importance of our low cost producer business strategy. Creating an injury-free workplace is a top priority, which is why eligible employees at all levels of production and management have a percentage of their bonus tied to safety. The basic design of the short-term incentive program for our Named Executive Officers applies to all salaried employees. This ensures focus, alignment and a concerted effort toward achieving goals we view as clear but challenging and that define expected business performance. The overall maximum payout under the program is 250% of an individual's incentive target opportunity (a maximum payout of 150% for Incentive Operating Earnings and 100% for Operational Excellence).

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Minimum, target and maximum levels of performance set for each of our 2015 Operational Excellence measures are shown in the table below.

Measure	Minimum		Target		Maximum	
	Performance Level	Payout Percentage	Performance Level	Payout Percentage	Performance Level	Payout Percentage
Incentive Controllable						
Operating Costs per Tonne	\$114	0%	\$109	25%	\$105	50%
Safety-RIFR	1.10	0%	0.95	6.25%	0.75	12.5%
Safety-LTIFR	0.10	0%	0.07	6.25%	0.05	12.5%
Incentive SG&A (\$ in millions)	\$339	0%	\$323	12.5%	\$307	25%
Total Payout		0%		50%		100%

Actual results for each financial and Operational Excellence measure for 2015, 2014 and the 2013 Stub Period are presented under “3-Year Realized Pay: Short-Term Incentives” on page 46.

Financial Pool Funding: Percentage of Incentive Operating Earnings

Incentive ROIC	Incentive Operating Earnings (millions)	Operating Earnings Sharing Rate	Financial Pool
15%	\$2,155	1.80%	\$36 million
13%	\$1,870	1.50%	\$28 million
11%	\$1,580	1.20%	\$19 million
9%	\$1,290	0.93%	\$12 million
7%	\$1,000	0.60%	\$6 million
5%	\$ 715	0.20%	\$1.4 million

Target levels are not set for Incentive Operating Earnings. Instead, the Financial Pool is funded, up to \$36 million, based on the quantity and quality of our Incentive Operating Earnings. While Incentive Operating Earnings growth is important to our company, it is also important to manage the capital needed to generate our earnings. For this reason, the Financial Pool is funded by a percentage of Incentive Operating Earnings results that is determined by reference to our Incentive ROIC. A combination of higher Incentive Operating Earnings and improved Incentive ROIC defines company performance that we believe justifies above-target annual incentive payouts.

For 2015, sharing rates for Incentive ROIC above 9% were increased by approximately 15 basis points for each one percentage gain in Incentive ROIC, or \$145 million of incremental Operating Earnings. We view this as a reasonable profit-sharing arrangement because our executives do not begin to receive target payouts until our cost of capital is covered.

Long-Term Incentive Program

Long-term incentive awards are made to our Named Executive Officers annually, generally in March of each year. Long-term incentive award values are based on market-competitive levels for comparable positions and are designed to deliver target total direct compensation set by the Compensation Committee as described under “2015 Compensation Actions” on page 43.

We believe that stock options strongly align executive compensation with shareholder interests and reinforce a long-term view of performance because of their 10-year term, which is important in our cyclical industry. We view options as a flexible and tax effective incentive that provides our executives the ability to acquire more shares, capture option gains and save to meet their long term financial goals.

ROIC performance units were introduced at Mosaic in 2015. The units are accounted for as share-based payments under ASC 718 and are settled in cash. The units are earned based on performance over a three-year period if our Incentive ROIC results over that period meet a target spread of WACC + 3%. We believe that the use of ROIC as a performance-based incentive supports our long-term stockholder value creation strategy because growth in Incentive ROIC has historically had a positive effect on TSR.

TSR performance units are performance-based three-year incentive awards that reward recipients for Mosaic stock price appreciation and declared dividends. For example, if at the end of the three-year performance period, our stock price has

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increased by 10%, then the payout will be 10% higher than the number of units granted. Conversely, if the stock has declined by 25%, then just 75% of the granted units will vest. TSR performance units have both upside and downside potential based on positive or negative TSR performance, while supporting our retention objectives in a manner that has greater performance sensitivity than the time-based RSUs we eliminated from our annual long-term incentive program beginning in 2015. TSR performance units also require that the sum of our profits and losses over the three years preceding the vesting date be positive.

Key terms of our long-term incentive awards granted through 2015 are described in greater detail in the footnotes and narrative accompanying the “Outstanding Equity Awards at Fiscal Year-End” table beginning on page 60.

2015 Named Executive Officer Long-Term Incentive Grants

	Stock Options	ROIC Performance Units	TSR Performance Units
Date of Grant	March 5, 2015	March 5, 2015	March 5, 2015
NEO Grant Value/ % of Total	\$3,841,657 / 33%	\$3,841,707 / 33%	\$3,841,603 / 33%
Fair Value at Grant (% of Stock Price)	35.44%	100%	115%
Number of Shares/ Units Granted	214,978	76,179	66,857
Strike Price/ Grant Date Fair Value	\$50.43	\$50.43	\$57.46
Term/ Performance Period	10 years	3 years	3 years
Performance Metric	Stock Price	ROIC	Absolute TSR
Form of Settlement	Stock	Cash	Stock

Grants were equally divided among stock options, ROIC performance units and TSR performance units. This long-term incentive mix was chosen for balance in terms of the incentive horizon (use of both ten-year and three-year incentives) and performance conditions (stock price and other important financial measures). We believe this balance contributes to the overall effectiveness of our long-term incentive program because our industry cycles may have different durations and economic and stock market conditions may have a disproportionate impact on our stock price performance.

Long-Term Incentive Program 3-Year Grant Rate and Dilution

This section discusses awards that are part of our annual long-term incentive program, to provide additional information about our “grant rate” as defined below.

Grants	2013	2014	2015
Stock Options (#)	207,544	233,281	255,082
Restricted Stock Units (#) ⁽¹⁾	308,014	329,350	237,581
TSR Performance Units (#)	155,777	158,865	178,514
ROIC Performance Units (#)	--	--	90,390
Total Shares/ Units (#)	671,335	721,496	761,567
Grant Rate ⁽²⁾	0.16%	0.19%	0.21%
Dilution ⁽³⁾	5.18%	4.70%	3.79%
Grant Date Fair Value	\$30,592,669	\$29,803,209	\$31,355,307

(1) RSUs are no longer used for executive officers, except for promotional or retention purposes in select circumstances.

(2) Grant rate is defined as the number of option shares plus the number of units granted, divided by the total number of shares outstanding at the time of grant.

(3) Represents expense recognized in accordance with ASC 718.

We have maintained a grant rate of below 0.25% over the past three calendar years, which is below the average grant rate for companies within the Basic Materials sector.

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2014 Cost Reduction Incentive

In 2014, a one-time award of performance shares was granted to employees, including our Named Executive Officers, with a three-year goal to achieve cost savings of \$228 million over a three-year period. The grant was made following the announcement in late 2013 of an enterprise-wide effort to achieve \$500 million of cost savings by 2018. The need for a long-term incentive in addition to annual long-term incentive grants was deemed by our Compensation Committee to be appropriate and necessary for a number of reasons, including: (1) the strategic importance of accelerating our market position as a low cost producer, (2) the high degree of difficulty associated with attaining the goal: a 9% to 13% reduction in total operating costs (for our Potash and Phosphates segments, respectively), (3) the potentially lengthy lag between the achievement of a lower cost operating structure and positive effects on our stock price, and (4) the lack of control our management has over our stock price performance given the effect of macroeconomic influences and the cyclical nature of our industry.

2014 Grant

	Performance Shares
Grant Date	March 28, 2014
Aggregate NEO Grant Date Fair Value	\$10,700,000
Fair Value at Grant	100% of Stock Price Fair Market Value
Shares/ Units Granted to NEOs (#)	217,612
Grant Price	\$49.17
Performance Period	calendar 2014-2016 (three years)
Performance Metric	Cost Reduction Incentive Operating Costs (1)
Measurement	Change in costs from 2013 baseline to actual 2016 costs
Form of Settlement	Stock

(1) Cost reduction incentive Operating Costs Per Tonne, adjusted as described in Annex C, "Performance Metrics".

Unlike the metric utilized in our short-term incentive program, this metric includes support function costs.

Each Named Executive Officer received this one-time, performance-based incentive award because of the scope and criticality of the initiative. In setting performance goals, our Board and Compensation Committee considered, among other things, industry information regarding operating costs per tonne for best quartile of phosphate and potash producers, as well as the beneficial motivational and retention effects of these awards, giving recipients the opportunity to earn additional compensation based on performance that we believe will benefit us and our stockholders over the longer term, but which is measured other than purely by reference to stock price. This was viewed as appropriate and necessary given the cyclical industry in which we operate, as well as the view of our Board and Compensation Committee that Mosaic's stock price performance is largely affected by factors outside of management's control.

Cost Reduction Incentive Vesting Schedule

Performance goals for the cost reduction incentive operating cost measure were set on the basis of the two operating segments we recognized as of the time of grant. Segment goals were based on 2013 baseline costs plus inflation, plus \$15 million in expected efficiencies related to our acquisition of CF Industries' Florida phosphate assets (the "CF Phosphate Assets Acquisition"), and an additional \$12.5 million in savings for allocable support function costs. Any payout to executive officers, including our Named Executive Officers, will be determined with one-half based on the payout for Potash and one-half based on the payout for Phosphates. Payouts for savings above the target goal were set with the acknowledgment that they would be disproportionately more difficult to attain. This is why the maximum goal was set at 20% above the target and the threshold goal was set at 50% below the target.

The table below shows the aggregate amount of cost savings, based on the cost reduction incentive operating costs per tonne measure, required to achieve payouts at the threshold, target and maximum levels.

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	Threshold Goal		Target Goal		Maximum Goal	
	Amount	Vesting %	Amount	Vesting %	Amount	Vesting %
Potash Segment Reduction Amount (1)	\$50 million	50%	\$100 million	100%	\$120 million	150%
Phosphates Segment Reduction Amount (1)	\$64 million	50%	\$128 million	100%	\$154 million	150%

Named Executive Officer Awards 50% Based on Potash Results and 50% Based on Phosphates Results

(1) Amounts are based on cost reduction incentive operating costs per tonne goals set at the time of grant. These goals will be adjusted to reflect actual levels of production volumes, so that the goals are reflective of the cost savings shown in the table. Goals set at the time of grant for Potash were \$104.57 (threshold), \$99.08 (target) and \$96.88 (maximum), and for Phosphates were \$155.34 (threshold), \$148.67 (target) and \$146.01 (maximum).

2-Year Impact of Attaining Cost Reduction Incentive Goals

Through the second year following our grant of these awards, we have realized substantial cost savings in our Potash and Phosphates business segments. However, no vesting will occur unless our cost savings are maintained through 2016.

	Potash Segment	Phosphates Segment	Executive Officers/Total Mosaic
Cost Savings Realized	\$129 million	\$82 million	\$211 million
Gross Margin % Improvement	527 basis points	177 basis points	236 basis points
Projected Vesting (1)	150%	64%	107%

(1) Based on performance through December 31, 2015.

2015 Compensation Actions

NEO Pay Elements and Proportions

James ("Joc") C. O'Rourke (1) President and Chief Executive Officer	2015	% Change	% of Salary	% of Target Direct Compensation	Peer Group Median
Base Salary	\$1,100,000	51%	100%	20%	\$1,215,000
Target Short-Term Incentive	\$1,320,000	81%	120%	24%	\$1,465,000
Target Long-Term Incentives	\$3,000,000	58%	273%	55%	\$5,240,000
Target Total Direct Compensation	\$5,420,000	61%	—	100%	\$8,080,000

(1) Mr. O'Rourke became our President and CEO effective August 5, 2015. Information presented represents compensation in that role and not his prior role as Executive Vice President and Chief Operating Officer.

Effective March 1, 2015, when Mr. O'Rourke was serving as our Executive Vice President and Chief Operating Officer, our Compensation Committee increased Mr. O'Rourke's base salary by four percent, maintained his target bonus incentive percentage at 100% of salary, and approved a long-term incentive award valued at \$2.0 million on the date of grant, for an increase of 4.8% to target total direct compensation. This total compensation package was established in view of Mr. O'Rourke's 2014 performance, his positioning compared to median total compensation for the second highest paid executive based on comparator group data, and his contributions to the significant progress we made against our 2014 strategic initiatives. Specific individual performance achievements included his leadership roles in connection with the following: (1) the expansion of potash production capacity and our expansion of premium phosphate products with improved operational efficiency, (2) reductions in the number and severity of safety incidents, (3) implementation of new or modified production processes that consume less water and energy with reduced greenhouse gas emissions, and (4) optimization of potash production assets (including closure of low-producing potash operations and discontinuation of less productive muriate of potash operations).

Effective with his election to serve as our President and Chief Executive Officer in August 2015, our Board, upon the recommendation of our Compensation Committee, increased Mr. O'Rourke's annual base salary from \$760,000 to \$1.1 million, increased his target bonus for 2015 from 100% to 120% of his annual base salary, and approved a long-term incentive award of RSUs valued at \$1.0 million on the date of grant. The RSUs will vest on the third anniversary of the grant date of his award

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provided he continues to serve as our President and Chief Executive Officer on that date. In considering these changes, our Board and Compensation Committee considered the relative positioning of Mr. O'Rourke's target total direct compensation in his new role relative to our comparator group (25th percentile) and his level of experience in the role, as well as his prior performance as discussed above.

James T. Prokopanko

Former President and Chief Executive Officer	2015	% Change	% of Salary	% of Target Direct Compensation	Peer Group Median
Base Salary	\$1,250,400	4%	100%	14%	\$1,235,000
Target Short-Term Incentive	\$1,688,040	4%	135%	20%	\$1,655,000
Target Long-Term Incentives	\$5,700,000	8%	456%	66%	\$5,655,000
Target Total Direct Compensation	\$8,638,440	6%	—	100%	\$9,120,000

Effective March 1, 2015, when Mr. Prokopanko was serving as our President and Chief Executive Officer, our Board, upon the recommendation of our Compensation Committee, increased Mr. Prokopanko's target total direct compensation to \$8.64 million from \$8.12 million in the form of a 4% increase in base salary and a corresponding increase in the target dollar amount of his short-term incentive. Mr. Prokopanko's resulting total target direct compensation was slightly above the median within our comparator group and primarily reflected Mr. Prokopanko's performance against the CEO objectives for 2014.

Richard L. Mack

Executive Vice President and Chief Financial Officer	2015	% Change	% of Salary	% of Target Direct Compensation	Peer Group Median
Base Salary	\$624,000	4%	100%	26%	\$600,000
Target Short-Term Incentive	\$499,200	4%	80%	21%	\$475,000
Target Long-Term Incentives (1)	\$1,300,000	8%	208%	54%	\$1,395,000
Target Total Direct Compensation	\$2,423,200	6%	—	100%	\$2,370,000

(1) Does not include the RSU grant of \$1.0 million discussed below.

Effective March 1, 2015, a base salary increase of 4% and long-term incentive award value of \$1.3 million established target total direct compensation slightly above the median of the comparator group. The last increase to base salary was made effective October 1, 2013, 16 months ago. Mr. Mack's 2015 compensation package increased by 6% and was determined after considering his positioning relative to target total compensation of CFOs as reported by our comparator group, and his individual achievements in 2014. Specific achievements included his key role in each of the following: (1) the implementation of new strategic planning, financial modeling, budgeting and acquisition integration processes, (2) attainment of balance sheet targets, debt to equity ratio and liquidity buffer as part of Mosaic's new capital philosophy, and (3) receipt of financing for the Ma'aden joint venture, completion of the CF Phosphate Assets Acquisition, the ADM Acquisition, and 2014 share repurchases aggregating approximately \$2.8 billion.

Also, in May 2015 in connection with the succession of our new CEO, our Board, upon recommendation of the Compensation Committee, approved a one-time award of RSUs to Mr. Mack valued at \$1.0 million on the grant date, to ensure continuity of management. These RSUs will vest in three equal installments on the first, second and third anniversaries of the May 14, 2015 grant date.

Richard N. McLellan Senior Vice President - Commercial	2015	% Change	% of Salary	% of Target Direct Compensation	Market Median
Base Salary	\$504,000	4%	100%	25%	\$490,000
Target Short-Term Incentive	\$403,200	11%	80%	20%	(1)
Target Long-Term Incentives	\$1,100,000	10%	218%	55%	\$835,000
Target Total Direct Compensation	\$2,007,200	9%	—	100%	\$1,735,000

(1) Target short-term incentive dollars for this position are not reported under the market survey data.

Effective March 1, 2015, a base salary increase of 4%, an annual incentive target of 80% of base salary and long-term incentive award value of \$1.1 million established target total direct compensation near the 70th percentile of survey data for comparable positions. Mr. McLellan's incentive target was increased from 75% to 80% to provide target total cash compensation near the market median. Mr. McLellan's 2015 compensation package increased by 9% and was

determined after considering his positioning relative to target total direct compensation for comparable roles, as reported in market survey composite data, and by his individual achievements in 2014. Specific achievements included his key roles in each of the

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following: (1) record sales of our premium phosphates product in North America, with improved margins, (2) securing of licenses and rights to sell potash in China and India as part of our international distribution growth strategy, (3) completion of the ADM Acquisition, and (4) exceeding targeted 2015 product shipments despite significant rail, barge and vessel logistic challenges affecting multiple industries.

Gary (“Bo”) N. Davis

Senior Vice President - Phosphate Operations	2015	% Change	% of Salary	% of Target Direct Compensation	Market Median
Base Salary	\$464,000	3%	100%	30%	\$475,000
Target Short-Term Incentive	\$301,600	3%	65%	19%	(1)
Target Long-Term Incentives	\$800,000	14%	172%	51%	\$785,000
Target Total Direct Compensation	\$1,565,600	9%	—	100%	\$1,645,000

(1) Target short-term incentive dollars for this position are not reported under the market survey data.

Effective March 1, 2015, a base salary increase of 3% and long-term incentive award value of \$800,000 established target total direct compensation slightly below the median of the survey data for comparable positions. Mr. Davis’ 2015 compensation package increased by 9% and was determined after considering his positioning relative to target total direct compensation for comparable roles, as reported in market survey composite data, and by his individual achievements in 2014. Specific achievements included his leadership roles in connection with the following: (1) increased actual production versus 2013 and higher production capacity of premium products, phosphate rock tonnes and ammonia, (2) completion of the integration of the assets acquired in the CF Phosphate Assets Acquisition, including a facility with operational capacity of two million tonnes, 3) implementation of processes for higher product quality in terms of impurities management and dust control, and (4) implementation of sustainability innovations that add to Mosaic’s leadership in environmental stewardship.

Anthony T. Brausen

Senior Vice President - Finance and Chief Accounting Officer	2015	% Change	% of Salary	% of Target Direct Compensation	Market Median
Base Salary	\$460,000	1%	100%	34%	\$460,000
Target Short-Term Incentive	\$276,000	1%	60%	20%	(1)
Target Long-Term Incentives (2)	\$625,000	4%	136%	46%	\$690,000
Target Total Direct Compensation	\$1,361,000	2%	—	100%	\$1,535,000

(1) Target short-term incentive dollars for this position are not reported under the market survey data.

(2) Does not include the cash retention award discussed below.

Effective March 1, 2015, a base salary increase of 1% and long-term incentive award valued at \$625,000 on the date of grant established target total direct compensation for Mr. Brausen below the 50th percentile of survey data for comparable positions. The positioning of Mr. Brausen’s target total direct compensation was established taking into account his broad role, with responsibility over Accounting, Financial Planning & Analysis, Business Unit Finance, Treasury, Information Technology and Risk Assurance. Mr. Brausen also received a \$1.0 million cash retention award in 2015 that was granted in May 2014, to ensure continuity of management and a smooth transition to a new CFO organization that was implemented in 2014.

Evaluation of Executive Compensation Program

As part of the governance surrounding our executive compensation program as described under “Executive Compensation Governance” beginning on page 47, we conduct an annual evaluation of the program to determine the relationship between:

- Compensation received or earned by our Named Executive Officers over the current year and past few years and the performance of Mosaic over the same time frames;
- Performance of Mosaic versus direct competitors and other companies in the global fertilizer industry;
- Realized compensation and target total direct compensation; and
- Realized compensation and program objectives.

The tools, reports, information and analysis referred to beginning on page 48 are used for the evaluation. In some cases, the Committee may refer to reports from third parties that seek to provide insight into how strongly

compensation for our Named Executive Officers is connected to company performance. In addition, third party reports and analyses provide objective views of Mosaic's performance over time, with regard to competitors and the broader agriculture and mining industries.

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3-Year Realized Pay: Short-Term Incentives

Below we have provided information regarding the actual payouts to our Named Executive Officers under our 2015, 2014 and 2013 Stub Period short-term incentive plans. As part of the evaluation of strong alignment between pay and performance, we consider how year over year results lead to positive longer-term trends. This information is provided to supplement, rather than to replace, the information found in the Summary Compensation Table.

Measure	Metric Weight	2015		2014		2013 Stub Period (1)		3 Year Average		
		Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Incentive Operating Earnings (\$ in millions)	50%	\$1,290	\$1,279	\$1,250	\$1,312	\$1,022	\$715	\$1,187	\$1,102	
Incentive ROIC (%)		9	%10.8	%9	%9.7	%10.0	%6.7	%9.3	%9.1	%
Incentive Operating Costs Per Tonne	25%	\$115	\$110	\$121	\$114	\$138	\$137	\$125	\$120	
Incentive SG&A Expense (\$ in millions)	12.5%	\$323	\$321	\$318	\$289	\$297	\$283	\$313	\$298	
Recordable Injury Frequency Rate	6.25%	0.95	0.88	0.95	1.02	1.15	1.04	1.02	0.98	
Lost Time Injury Frequency Rate	6.25%	0.07	0.09	0.09	0.10	0.09	0.11	0.08	0.10	
Payout % of Target			137	%	136	%	76	%	116	%
NEO Total Payout (\$ in millions) (2)		\$4.22	\$5.80	\$4.18	\$5.69	\$2.12	\$1.64	\$3.51	\$4.38	

(1) 2013 Stub Year results shown above have been annualized for comparability.

(2) Results report the payout for named executive officer groups for each reported period.

Short-term incentive payouts averaged 116% of the target incentive opportunity over the periods presented.

Incentive Operating Earnings goals for each period were based on target Incentive ROIC of 9% or 10% as shown above, with actual ROIC results exceeding the target in 2014 and 2015. Incentive Operating Costs Per Tonne goals were developed to require year-over-year improvement (after inflation) against fiscal 2013 baseline costs for the Phosphates and Potash segments. The average Incentive Operating Costs for the segments have improved each year as expected. While Incentive SG&A expense increased over the period presented, this was primarily due to our larger global footprint in relation to our ADM Acquisition. Safety incidents have reached record lows over the past three years.

CEO 3-Year Realized Pay: Long-Term Incentives

Below we have provided information regarding the value actually realized by our CEO with respect to annual long-term incentive awards granted in fiscal 2010, 2011 and 2012, which vested in July 2013, 2014 and 2015, respectively, and for the aggregate three-fiscal-year period. For fiscal 2010 annual grants, the award mix was one-half stock options and one-half time-based RSUs. For fiscal 2011 and fiscal 2012 annual grants, we used an equal mix of options, time-based RSUs and TSR performance units. No gains have been realized from stock option exercises because our stock price has generally been below the exercise price for much of the time since the grant date. While we reported net earnings per diluted share of \$2.49 for fiscal 2013 and \$2.78 for fiscal 2015, Mosaic's stock price declined over the same period in large part linked to external factors.

Joc C. O'Rourke

President and Chief Executive Officer	Fiscal 2010 Grant		Fiscal 2011 Grant		Fiscal 2012 Grant		3-Year Grant Total	
Incentive Award	Grant Value	Realized Value	Grant Value	Realized Value	Grant Value	Realized Value	Grant Value	Realized Value
Stock Options	\$499,992	-	\$500,004	-	\$633,341	-	\$1,633,337	-
Restricted Stock Units	\$499,981	\$585,444	\$499,990	\$334,388	\$633,359	\$497,498	\$1,633,330	\$1,417,330

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TSR Performance Units	-	-	\$499,982	\$215,699	\$633,306	\$370,317	\$1,133,288	\$586,017
3-Year TSR	16.8%		-28.5%		-17.4%		-	
Shares Vested	31,387		27,797		46,855		106,039	
% Grant Value Realized	58.5%		36.7%		45.7%		45.5%	
Unrealized % Grant Value	41.5%		63.3%		54.3%		54.5%	

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At the time of vesting, RSU and TSR performance unit awards granted over this period together represented under one-half (46%) of the aggregate grant date fair value. The realized value for grants reflected the negative three-year TSR of Mosaic stock over the related three-year restriction or performance periods.

This information is provided to supplement, rather than to replace, the information the Securities and Exchange Commission requires us to provide.

Executive Compensation Governance

As described in the table below, we have well-defined roles and responsibilities for the development, approval and management of our executive compensation program. Specific tasks or participation by various parties in the governance process is summarized by role.

Roles and Process

	Role	Process
Compensation Committee*	<ul style="list-style-type: none"> • Establish and manage executive compensation philosophy and principles • Recommend to Board annual incentive plan goals • Approve and recommend to the Board total compensation for CEO; approve total compensation for other named executive officers • Approve terms of incentive awards, including goals and certify achievement of performance goals • Approve all stock grants - annual, new hire or retention • Annually evaluate program outcomes against stated objectives, shareholder interests and external practices • Incentive program design, objectives, metric goals and payout modeling at the direction of the Committee • Propose pay packages for non-CEO named executive officers 	<ul style="list-style-type: none"> • Attend regular and special meetings over the course of each calendar year • Access external resources for ongoing education, training and review of executive compensation topics, developments and issues • Review shareholder advisory reports on Mosaic and peer companies • Study and consider ISS pay for performance test outcomes • Present written materials and analysis in advance of requested Committee actions
Management	<ul style="list-style-type: none"> • Propose executive benefits and perquisites • Propose peer group for executive compensation benchmarking • Conduct research on topics of interest or trends to Committee • Report on program effectiveness, expense and dilution • Provide input on executive compensation program objectives, design and goals 	<ul style="list-style-type: none"> • Seek Committee direction and input as part of annual program evaluation • Consult with independent compensation consultant on program proposals and analysis • Program proposals by management reflect CEO and executive officer feedback and support
Chief Executive Officer	<ul style="list-style-type: none"> • Recommend pay packages for direct reports. • Regular participant in Compensation Committee meetings • Support Compensation Committee in discharging its responsibilities 	<ul style="list-style-type: none"> • Participate in discussions concerning executive compensation program, program elements and philosophy generally • No participation in discussions surrounding the setting of CEO compensation • Attend all Committee meetings in person or by phone

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Board of Directors	<ul style="list-style-type: none">• Furnish independent data, input and advice to Committee members on specific proposals regarding pay packages or programs• Furnish independent data on external pay trends, competitive levels, practices and policies within and outside of Mosaic's industry• Delegate specific duties to Compensation Committee• Approve CEO pay package• Interact with Committee members on non-delegated matters, including CEO compensation, CEO performance objectives, approval of incentive program goals and approval of special long-term incentive awards	<ul style="list-style-type: none">• Preview specific management analyses or proposals with Committee Chair in advance of meetings• Present written materials and analysis in advance of requested Committee actions• Review compensation sections of proxy statement prior to filing• Written delegations updated each year that clarify the scope and conditions of the delegated duties• Committee Chair reports to the Board after each regular Committee meeting

* A more detailed summary of the Compensation Committee's key responsibilities is provided under "Committees of the Board of Directors - Compensation Committee" on page 22.

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Framework for Setting Target Total Direct Compensation

In setting target total direct compensation, we use a framework that is centered on performance at the company, business unit and individual executive levels. Performance expectations linked to business strategy and informed by external sources, are cascaded down and across the organization and used to set annual and multi-year goals. Short and long-term incentives that support the attainment of expected financial, shareholder and other outcomes are designed to motivate and retain.

The elements, proportions and value of total compensation are shaped, as a package, to effectively and efficiently deliver compensation consistent with our philosophy. As a part of this process, the internal and external factors in the table below are considered, with different dimensions and applications as described. We exercise pay for performance in two very important ways: (1) awarding total target pay (which is heavily influenced by the role and the performance of the person in the role) and (2) maintaining incentives that reward for the performance of the business.

	Dimensions	Application
Performance	<ul style="list-style-type: none"> Individual performance against objectives Business performance- attainment of goals and results relative to direct competitors 	<ul style="list-style-type: none"> Base salary increases Short-term incentive goals Long-term incentive goals Pay for performance analysis
Industry	<ul style="list-style-type: none"> Global scope and complexity Widely fluctuating demand and supply Dependence on cash crop and commodity prices Growing production capacity Pay elements and proportions 	<ul style="list-style-type: none"> Choice of short-term and long-term incentive performance metrics Goal setting approach for short-term and long-term incentive performance awards Short-term incentive awards Long-term incentive awards and mix
Philosophy	<ul style="list-style-type: none"> Competitive positioning Linkage to business strategies Sources for building competitive advantage 	<ul style="list-style-type: none"> Short-term incentive awards Long-term incentive awards and mix
Business Strategy & Maturity	<ul style="list-style-type: none"> Expected financial, operational and customer outcomes Potential growth from current and pipeline products Potential future stock price appreciation 	<ul style="list-style-type: none"> Short-term incentive awards Long-term incentive awards and mix
Leadership	<ul style="list-style-type: none"> Criticality of role and person Succession plan and bench strength Risk of loss and motivation 	<ul style="list-style-type: none"> Executive pay package Special incentives
Return on Investment	<ul style="list-style-type: none"> Executive perceived value and retention force Accounting expense vs. compensation delivery Behaviors and organization capabilities 	<ul style="list-style-type: none"> Executive pay package Long-term incentive mix
Affordability & Competitiveness	<ul style="list-style-type: none"> Total program expense, trend and earnings impact Relative value by element and total package 	<ul style="list-style-type: none"> NEO cost of management Compensation benchmarking

Tools and Information Utilized and Application

Management and our Compensation Committee and its independent compensation consultant use a number of tools and information sources to perform the activities of managing and overseeing the executive compensation program.

The tally sheets detail pay history, outstanding equity grants, potential gains from stock-based compensation, competitiveness of proposed compensation, indirect compensation and severance pay in the event of termination or a change in control of Mosaic. Tally sheets are updated annually and help the Compensation Committee members with pay decision-making and assist with the evaluation of our executive compensation program.

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Tool or Source	Information	Purpose
NEO Tally Sheets	<ul style="list-style-type: none"> Target total direct versus realized compensation, by executive Current and potential future value of long-term incentive awards 	<ul style="list-style-type: none"> Evaluation of executive compensation program against stated objectives and philosophy Input for review of proposed executive pay packages
ISS Pay for Performance Test Simulation	<ul style="list-style-type: none"> Simulated results of ISS tests using Mosaic compensation and TSR results at year-end 	<ul style="list-style-type: none"> Awareness of and response to any potential Say on Pay considerations Input for review of proposed incentive awards
CRU Group Market Analysis (1)	<ul style="list-style-type: none"> Forecast supply and demand by market Global market, economic and agriculture information pertaining to fertilizer industry Pay practice information from public filings of 18 U.S. companies in basic materials sector 	<ul style="list-style-type: none"> Input for incentive metric goal setting Evaluation of Mosaic performance or goals relative to current market conditions or projected outlook Compensation benchmarking for named executive officer positions
Mosaic Comparator Group	<ul style="list-style-type: none"> Comparison of revenue, market capitalization and other criteria established by Committee 	<ul style="list-style-type: none"> Mosaic pay positioning relative to peers
Third Party Compensation Surveys (2)	<ul style="list-style-type: none"> Market data set for U.S general industry, chemical and gases and mining industries Revenues between \$5 to \$20 billion 	<ul style="list-style-type: none"> Compensation benchmarking for comparable jobs Mosaic pay positioning relative to market

(1) CRU Group is a private company that produces industry and market analyses that are global in scope and cover a number of commodity industries, including the fertilizer industry.

Surveys used for 2015 compensation actions included 2014 Mercer Benchmark Database Executive, 2014 Hay Executive, 2014 Towers Watson CDB Executive and 2014 Towers Watson Compensation Surveys. We have listed in Appendix D to this Proxy Statement the companies included in the referenced survey data.

Mosaic Comparator Group

For 2015 pay actions for Messrs. O’Rourke, Prokopanko and Mack, we used a comparator or “peer group” of 18 companies to benchmark:

- salary, incentive, and target total direct compensation levels for executive positions comparable in job responsibilities or by pay rank to Mosaic Named Executive Officer positions;
- prevalent pay elements and percentage of target total direct compensation;
- incentive metrics, goals, performance periods, and payouts for annual and long-term incentives; and
- severance and change-in-control terms.

Peer group benchmark information is gathered from proxy statement filings and other public disclosures. Peers were chosen by the Committee, with input from its independent compensation consultant, using a standard of comparability in relation to: industry (mining, chemical and agriculture), size (revenues, market capitalization and number of employees), business operations (global producer of commodity products with vertical integration), business imperatives (low cost producer and environmental sustainability), market attributes (price sensitive, reliability of supply and customer service) and similarity of pay practices. The Committee believes that companies with more comparable business dynamics are most relevant for executive compensation benchmarking for they may compete at a number of levels- executive talent, business and capital.

In applying its selection criterion, the Committee concluded the 18 companies below were representative peers to Mosaic for 2015, considering all of the identified factors as a whole.

2015 Mosaic Comparator Group

Agrium, Inc.	CONSOL Energy Inc.	Newmont Mining Corp.
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Air Products & Chemicals, Inc.	Eastman Chemical Company	Peabody Energy Corporation
Ashland Inc.	Ecolab Inc.	Potash Corporation of Saskatchewan Inc.
Barrick Gold Corporation	Freeport-McMoRan Inc.	PPG Industries, Inc.
Celanese Corp.	Huntsman Corporation	Praxair, Inc.
CF Industries Holdings, Inc.	Monsanto Company	Teck Resources, Ltd.

The survey data listed in note 2 under “Tools and Information Utilized and Application” was used to benchmark 2015 pay decisions for Messrs. McLellan, Davis and Brausen.

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Mosaic %
Rank
44%
61%
61%
22%

* Based on information for the most recent fiscal periods of each comparator group member ending before December 2014, prior to the compensation decisions we made for 2015.

Executive Compensation Policies and Practices

We believe certain executive compensation policies and practices are important to observe and follow. The policies and practices described below further the objectives of our executive compensation program and important corporate governance matters. They apply to the employment relationships and incentive arrangements we maintain with our named executive officers and senior executives.

	Description
Stock Ownership Guidelines	<ul style="list-style-type: none"> • Minimum levels of Mosaic stock ownership are set, by executive tier, expressed as a multiple of base salary. • Shares acquired from vested equity awards or stock option exercises (net of income tax withholding) may not be sold or transferred until required stock ownership targets are achieved.
Employment Agreements	<ul style="list-style-type: none"> • No employment agreements. • At-will employment relationship.
Severance and Change-in-Control Agreements	<ul style="list-style-type: none"> • Agreements provide severance benefits and outplacement services to protect against job loss due to reasons beyond the executive's control.
Section 162(m) Tax Deductibility	<ul style="list-style-type: none"> • Our stock plan is designed to permit awards that qualify as performance-based compensation under IRC Section 162(m). We may at times award compensation that is not fully deductible if we determine it is consistent with our philosophy and is in the best interests of Mosaic and our stockholders.
Forfeiture of Incentive Compensation	<ul style="list-style-type: none"> • For awards granted in 2009 or later, our Board may require forfeiture of annual and long-term incentive awards in certain cases where event, fraud or misconduct causes a material misstatement.
Hedging or Pledging of Mosaic Stock	<ul style="list-style-type: none"> • Insider trading policy prohibits executive officers from engaging in short sales and hedging transactions relating to Mosaic stock, and from holding Mosaic stock in a margin account or pledging it as collateral.

Pay Practices for Certain Events: Executive Officers

We do not have employment agreements with our Named Executive Officers. Accordingly, we believe it is important to define the consequence of certain events on the right to the payment of base salary and unvested short-term and long-term incentives. Summarized below are our current practices flowing from various events associated with the cessation of executive officer employment, as documented under incentive plans and related award agreements, and the executive officers' severance and change-in-control agreements. A more detailed summary, including how we define "cause" and "good reason" and terms of historical awards, is provided under in the footnotes and narrative accompanying the Outstanding Equity Awards at Fiscal Year-End table beginning on page 60 and "Potential Payments upon Termination or Change-in-Control" beginning on page 67.

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Event	Salary	Short-Term Incentive	Long-Term Incentives
Retirement	Paid through date of retirement, plus accrued vacation.	Pro-rated payout based on number of months worked.	<ul style="list-style-type: none"> • RSUs and performance units vest if age 60 or older and 5 or more years of service (or earlier with Compensation Committee consent). • Unvested options vest on the normal vesting schedule if age 60 or older, or earlier with Compensation Committee consent. • Stock options may be exercised up to 60 months after retirement date (or earlier if the option term is shorter) if age 60 or older, or earlier with Compensation Committee consent. • Otherwise, vested stock options are generally exercisable for three months after termination.
Death	Paid through date of death plus accrued vacation.	Pro-rated payout based on number of months worked.	Same general treatment as retirement, except no age and service requirement.
Total Disability	Paid through last day of active service plus 26 weeks of salary continuation - disability benefits.	Pro-rated payout based on number of months worked.	Same treatment as retirement, except no age and service requirement.
Involuntary Termination without Cause or by Executive for Good Reason	Severance pay equal to 1.5 times annual salary.	Payout equal to 1.5 times prior year annual incentive target.	<ul style="list-style-type: none"> • Forfeiture of unvested RSU and performance unit awards. • 90 days to exercise vested stock options.
Qualified Change-in-Control Termination	Severance pay equal to 2 times annual salary for non-CEO executives; 2.5 times for the CEO.	Payout equal to 2 times prior year annual incentive target for non-CEO executives; 2.5 times for the CEO.	Require a “double trigger” (qualified termination and change-in-control) before vesting as long as consideration received by stockholders is publicly registered stock.
Termination for Cause	No severance pay.	Not eligible for payout.	Immediate forfeiture of outstanding equity or cash awards.

Executive Stock Ownership Guidelines

Our executive stock ownership guidelines call for executive officers to maintain target ownership levels of Mosaic common stock. The target is five times base salary for the CEO, and three times base salary for each other executive officer at the level of Executive or Senior Vice President. Executives generally have six years from hire or promotion to reach their respective target ownership levels.

Ownership levels as of December 31, 2015 are presented below. As of that date, one Named Executive Officer with an effective ownership target had fallen below the target due to the decline in our stock price in the second half of 2015. As of his resignation as our President and CEO in August 2015, Mr. Prokopanko’s holdings exceeded the CEO target ownership level of five times his base annual salary, and as of December 31, 2015 his holdings exceeded the target level applicable to our non-CEO Named Executive Officers who have effective ownership targets.

*Mr. O’Rourke has until August 2021 to achieve his CEO ownership target.

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*Messrs. Davis and Brausen have until July 2015 and December 2015, respectively, to meet their ownership targets.

Non-Performance-Based Compensation

Our Named Executive Officers are eligible to receive indirect compensation in the form of employee benefits that are extended to all U.S. salaried employees, as well as executive benefits that supplement standard employee benefits. In addition, our Named Executive Officers are entitled to receive limited perquisites, consistent with Mosaic's executive compensation philosophy. Supplemental benefits and perquisites are intended to support the retirement income savings, health and well-being needs of our executives. For 2015, this indirect compensation included the benefits described below.

Named Executive Officer Health and Welfare Benefits

Named Executive Officers are required to cover the employee cost of company-sponsored medical and dental insurance. Supplemental life and disability coverages are provided, without cost to the executive, but premiums paid are imputed to the executive as income.

	Standard Plan	Executive Plan	Value of Company-Paid Benefits Offered Annually (Per Executive)
Medical & Dental Insurance	x	None	\$10,000 - \$16,000 (1)
Annual Physical Exam	x	x	\$2,500 - \$10,000
Employee Assistance Program & Wellness Benefits	x	None	\$750
Life Insurance	x	x	\$1,500 - \$7,000
Disability Insurance	x	x	\$6,500 - \$12,000
Range of Total Value			\$24,000 - \$46,000

(1) Based on the actuarial value of the medical and dental coverage for the coverage tiers elected by individual Named Executive Officers in calendar year 2015. The Company is self-funded for the cost of medical and dental insurance.

Named Executive Officer Retirement Benefits

Named Executive Officers are eligible to utilize qualified and non-qualified retirement plans for saving for their retirement. Our deferred compensation plan operates to restore company contributions, that cannot be made under our 401(k) plan, due to limits on includible compensation and company contribution amounts under the Internal Revenue Code.

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	401(k) Plan	Deferred Compensation Plan	Total	% Change Prior Year
2015 Company Contributions	\$208,040	\$706,398	\$914,438	(38)%
2015 Executive Contributions	\$138,000	\$707,100	\$845,100	53%
2015 Earnings on Account Balance	-\$127,747	\$67,909	-\$59,839	(106)%
12/31/2015 Total Account Balance	\$6,379,647	\$8,576,764	\$14,956,411	(5)%

Changes in contribution amounts each year are due to executive participation levels and eligible earnings. Account balance changes reflect increases from contributions and investment returns on the account, which are earned or credited based on plan investment options chosen by the executive.

There are additional pension and retirement arrangements in place for certain of our Named Executive Officers who were employees of Cargill before the 2004 business combination between IMC and Cargill's fertilizer businesses. These arrangements are described under "Pension Benefits" on page 64 and "Potential Payments upon Termination or Change-in-Control - Supplemental Agreements for Cargill International Retirement Plan Participants" on page 70.

2015 Named Executive Officer Perquisites*

Program	Purpose	Value	Conditions
Executive Physical	Preventive medical exam to proactively manage health condition of executive officers.	\$2,500 - \$10,000	Services that fall under Mayo Clinic physical exam protocol for persons over age 40
Financial Planning	Support executive wealth enhancement, tax and estate planning needs.	\$7,000	Reimbursement of actual billed charges up to annual allowance.
Spousal Business Travel	Permit spouses to travel with executive officers for industry or investor conferences.	No prescribed limit.	Requires prior approval of CEO.

* Table includes perquisites to our Named Executive Officers that meet the threshold for reporting in the "All Other Compensation" column in the Summary Compensation Table under the rules of the Securities and Exchange Commission.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed with management the foregoing Compensation Discussion and Analysis. Based on our review and discussion with management, we have recommended to our Board that the Compensation Discussion and Analysis be included in this Proxy Statement and incorporated by reference into our 2015 10-K Report.

Respectfully submitted,
William T. Monahan, Chair

Gregory L. Ebel
Denise C. Johnson
James L. Popowich
David T. Seaton

COMPENSATION RISK ANALYSIS

Our Compensation Committee, with the advice of its independent compensation consultant and input from management, has reviewed the design of our employee compensation policies and practices and concluded that they do not create risks that are reasonably likely to have a material adverse effect on us. Significant factors considered by our Compensation Committee in reaching its conclusion include:

The balance of base pay, short-term incentives and long-term incentives, and an emphasis on compensation in the form of long-term incentives that increase along with employees' levels of responsibility;

A long-term incentive program that for 2015 granted an equal mix of stock options, performance units with vesting based on total shareholder return, and performance units with vesting linked to our three-year incentive return on invested capital, to mitigate the risk of actions intended to capture short-term stock appreciation gains at the expense of sustainable total stockholder return over the longer-term;

• Vesting of long-term incentive awards over a number of years;

• Caps on annual cash incentives;

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Broad performance ranges for minimum, target and maximum operating earnings goals for annual cash incentives that reduce the risk of accelerating or delaying revenue or expense recognition in order to satisfy the threshold or next tier for incentive payouts;

The range of performance measures we utilize under our short-term incentive plan, which for executive officers include not only operating earnings but also controllable operating costs per production tonne, two safety measures and adjusted selling, general and administrative expenses; and

Other features in our incentive programs that are intended to mitigate risks from our compensation program, particularly the risk of short-term decision-making. These features include the potential for forfeiture of all types of incentive awards for executives in the event of misconduct as described under “Compensation Discussion and Analysis – Executive Compensation Governance – Executive Compensation Policies and Practices” on page 50; stock ownership guidelines, including holding period requirements, for our executive officers and certain other key executives as described under “Compensation Discussion and Analysis – Executive Compensation Governance – Executive Stock Ownership Guidelines” on page 51; and the ability of our Compensation Committee to exercise negative discretion to reduce or eliminate payouts under our Management Incentive Plan if it deems appropriate.

EXECUTIVE COMPENSATION TABLES

The following tables and accompanying narratives and notes summarize information about the total compensation awarded to, earned by or paid to each of our Named Executive Officers for 2015, 2014, the 2013 Stub Period and fiscal 2013.

We have included a narrative discussion of our compensation philosophy, processes and components and the bases upon which we make compensation decisions in the Compensation Discussion and Analysis beginning on page 31.

The following tables and accompanying narratives and notes provide quantitative data and additional information about the compensation we paid our Named Executive Officers for 2015, 2014, the 2013 Stub Period and fiscal 2013 and should be read in conjunction with the Compensation Discussion and Analysis.

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2015, 2014, 2013 Stub Period and Fiscal 2013 Summary Compensation Table

Name and Principal Position	Fiscal Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension and Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total Compensation (\$)
James ("Joc") C. O'Rourke President and Chief Executive Officer	2015	893,833	—	2,333,336	666,658	1,473,000	—	327,407	5,694,234
	2014	730,000	—	3,166,675	633,336	992,800	—	345,450	5,868,261
	2013 Stub Period	415,833	—	1,266,648	633,325	322,100	—	65,767	2,703,673
James T. Prokopanko (9) Former President and Chief Executive Officer	2015	1,250,400	—	3,799,973	1,899,992	2,302,600	—	543,169	9,796,134
	2014	1,200,000	—	8,833,327	1,766,673	2,203,200	—	847,884	14,851,084
	2013 Stub Period	683,333	—	3,533,341	1,766,667	714,700	—	210,863	6,908,904
Richard L. Mack (10) Executive Vice President and Chief Financial Officer	2015	624,000	—	1,866,651	433,330	681,200	22,800	149,441	3,777,422
	2014	579,167	—	1,999,994	400,002	630,100	19,200	180,532	3,808,994
	2013 Stub Period	312,500	—	800,001	399,992	194,100	8,700	38,350	1,753,643
Richard N. McLellan Senior Vice President - Commercial Operations	2015	504,000	—	733,329	366,675	550,200	131,400	218,136	2,503,740
	2014	485,000	—	1,666,676	333,335	494,700	78,400	218,092	3,276,203
	2013 Stub Period	274,583	—	666,638	333,337	160,500	96,100	53,364	1,584,522
Gary ("Bo") N. Davis (11) Senior Vice President - Phosphate Operations	2015	464,000	—	533,346	266,674	412,100	(500)	121,313	1,798,948
	2014	450,000	—	1,166,681	233,334	397,800	10,300	149,373	2,407,488
	2013 Stub Period	446,667	—	533,343	266,666	474,048	441,000	190,894	2,352,618
Anthony T. Brausen (12) Senior Vice President - Finance and Chief Accounting Officer	2015	460,000	1,000,000 (13)	416,676	208,328	378,300	—	127,775	2,591,079

- (1) Reflects the dollar amount of base salary paid in the designated fiscal year.
- (2) Includes any amounts deferred at the officer's election to the officer's account under our qualified and non-qualified defined contribution retirement plans and under our deferred compensation plan.
Reflects the grant date fair value for each Named Executive Officer's grants of RSUs (including retention grants to Mr. O'Rourke and Mr. Mack in 2015), TSR and ROIC performance units in the applicable fiscal year, and for 2014, one-time cost reduction incentive performance share awards payable in Mosaic stock, determined in accordance
- (3) with ASC 718. ROIC performance units are accounted for as share-based payments in accordance with ASC 718 and are settled in cash. In accordance with SEC rules, the grant date fair value for TSR and ROIC performance units and performance shares excludes the effect of estimated forfeitures. The assumptions used in the valuation are discussed in note 18 to our audited financial statements for 2015.

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The table below shows the grant date fair value determined in accordance with ASC 718 of each component of the amount of Stock Awards for 2015:

Name	Grant Date ASC 718 Fair Value (\$)		
	ROIC Performance Units	TSR Performance Units	Restricted Stock Units
James ("Joc") C. O'Rourke	666,685	666,651	1,000,000
James T. Prokopanko	1,900,001	1,899,972	
Richard L. Mack	433,345	433,306	1,000,000
Richard N. McLellan	366,677	366,652	
Gary ("Bo") N. Davis	266,674	266,672	
Anthony T. Brausen	208,326	208,350	

The table below shows the value of the TSR and ROIC performance units and performance shares granted in 2015 assuming that the highest level of performance conditions will be achieved:

Name	Value of TSR and ROIC Performance Units at Grant Date Assuming Highest Level of Performance Achieved (\$)	
	TSR Performance Units (a)	ROIC Performance Units
James ("Joc") C. O'Rourke	2,360,775	818,555
James T. Prokopanko	6,728,270	2,332,821
Richard L. Mack	1,534,443	532,061
Richard N. McLellan	1,298,406	450,205
Gary ("Bo") N. Davis	944,351	327,422
Anthony T. Brausen	737,818	255,783

Assumes for TSR performance units (i) the issuance of the maximum number of shares permitted to be issued, and (ii) that the 30-day trading average price of a share of our Common Stock plus dividends, or ending value, is at least \$203.48 when the performance units vest. The number of shares actually issued is subject to reduction so that the ending value multiplied by the number of shares issued does not exceed \$203.48 multiplied by the number of performance units awarded.

Reflects the grant date fair value for each Named Executive Officer's grants of stock options in the applicable fiscal (4) year, determined in accordance with ASC 718. The assumptions used in the valuation are discussed in note 18 to our audited financial statements for 2015.

Reflects awards under our Management Incentive Plan. We have included additional information about our (5) Management Incentive Plan, including the performance measures for 2015 and the levels of performance that were achieved, under "Short-Term Incentive Program" and "3-Year Realized Pay: Short-Term Incentives" beginning on pages 39 and 46, respectively, in our Compensation Discussion and Analysis.

Includes the aggregate increase in the actuarial value of pension benefits for 2015, 2014, the 2013 Stub Period and (6) fiscal 2013 under Cargill's U.S. salaried employees' pension plan for Messrs. Mack, McLellan and Davis and under Cargill's international employees' pension plan for Mr. McLellan.

We have included additional information about these plans, including the plan measurement dates, methodology and assumptions used in determining the amounts in this column, in the Pension Benefits Table and accompanying narrative and notes beginning on page 65.

For Mr. McLellan, fiscal 2013 also includes the amount at May 31, 2013 of benefits under a supplemental agreement that we entered into with Mr. McLellan in fiscal 2013, and 2015, 2014 and the 2013 Stub Period include the increases in the amount of the benefit under this agreement during 2015, 2014 and the 2013 Stub Period, respectively. This agreement was part of arrangements intended to place certain of our employees, including Mr. McLellan, who participated in Cargill's international retirement plan, in a position which, together with their benefits under Cargill's international retirement plan, is comparable to that of our employees who are participants in Cargill's U.S. salaried employees pension plan. We have discussed the benefits under Cargill's U.S. salaried employees pension plan and

international retirement plan, and Mr. McLellan's supplemental agreement, in additional detail under "Pension Benefits" on page 64 and "Potential Payments upon Termination or Change-in-Control – Supplemental Agreements for Cargill International Retirement Plan Participants" on page 70.

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Because the arrangements for Mr. McLellan with respect to Cargill’s international retirement plan and our supplemental agreement with him were not put in place until fiscal 2013, and the amount shown in the “Change in Pension Value and Nonqualified Deferred Compensation Earnings” column for Mr. McLellan for these arrangements for fiscal 2013 reflects increases in his base salary since the formation of Mosaic in 2004, a period of more than eight years, the amount shown for fiscal 2013 is not indicative of the change in value that can be expected for Mr. McLellan with respect to these arrangements in any single future year.

No non-qualified deferred compensation earnings are reflected in this column because our deferred compensation arrangements do not offer above-market earnings.

(7) The table below shows the components of compensation that are included in this column for 2015:

Name	Reportable Perquisites \$(a)	Company Contributions to Defined Contribution Plans \$(b)	Other \$(a)(c)			Total (\$)
			Matching Charitable Contributions (\$)	Dividend Equivalents (\$)	Other (\$)	
James (“Joc”) C. O’Rourke	46,090	170,312	25,008	33,251	52,747	327,408
James T. Prokopanko	46,577	350,935	—	92,750	52,908	543,170
Richard L. Mack	—	108,839	12,500	21,000	7,102	149,441
Richard N. McLellan	25,866	103,223	35,000	14,000	40,048	218,137
Gary (“Bo”) N. Davis	—	89,475	5,000	12,251	14,587	121,313
Anthony T. Brausen	11,134	91,656	3,500	8,751	12,734	127,775

(a) Perquisites that are identified in the table above in accordance with SEC rules include:

Amounts paid under our executive physical exam program;

Amounts reimbursed under our executive financial planning program; and

Amounts reimbursed under our travel policy for travel by spouses for site visits and to industry and investor conferences, which for three executives exceeded \$25,000: Mr. O’Rourke (\$39,090); Mr. Prokopanko (\$33,102) and Mr. McLellan (\$25,866). Our travel policy through 2015 also generally provided for a “gross-up” for taxes on amounts we reimburse under the policy that are taxable compensation to the employee. In accordance with applicable rules of the SEC, the tax gross-up is included in the “Other” column in the table above. Tax gross-up payments are determined after the end of each calendar year. As a result, the tax gross-up amount included in the table above reflects the amount reimbursed for 2015. Beginning in 2016, we no longer provide a “gross-up” for taxes on amounts reimbursed under our travel policy.

Except as shown in the table above, the incremental cost to us of perquisites for 2015 did not exceed \$10,000 for any Named Executive Officer.

Reflects our contributions for Named Executive Officers to the Mosaic Investment Plan, a defined contribution plan qualified under Section 401(k) of the Code. Also reflects contributions that we would have made under the

(b) Mosaic Investment Plan that exceed limitations for tax-qualified plans under the Code that are contributed to our unfunded non-qualified deferred compensation plan. We have included additional information about our unfunded non-qualified deferred compensation plan under “Non-Qualified Deferred Compensation” on page 66.

(c) Includes:

Contributions we made to match charitable donations made by the Named Executive Officers to United Way;

Dividend equivalents paid upon vesting of RSUs in 2015; and

Premiums we paid for executive life and disability plans. We have provided additional detail about the executive life and disability plans in our Compensation Discussion and Analysis under – “Named Executive Officer Health and Welfare Benefits” on page 52.

(8) Mr. O’Rourke was our Executive Vice President – Operations and Chief Operating Officer until August 5, 2015 when he became our President and Chief Executive Officer.

(9)

Mr. Prokopanko was our President and Chief Executive Officer until August 5, 2015, when he became our Senior Advisor until his planned retirement in January 2016.

(10) Mr. Mack was our Executive Vice President, General Counsel and Corporate Secretary until June 1, 2014, when he became our Executive Vice President and Chief Financial Officer.

(11) 2014 was Mr. Davis's first year as a Named Executive Officer.

(12) 2015 is Mr. Brausen's first year as a Named Executive Officer.

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(13) Reflects a cash retention bonus approved in May 2014 and paid to Mr. Brausen in June 2015. We have included additional information about this bonus under “2015 Compensation Actions” beginning on page 43.

Grants of Plan-Based Awards

The following table and accompanying narrative and notes provide information about our awards under our Management Incentive Plan, as well as our grants of stock options, RSUs, TSR performance units and ROIC performance units to each of our Named Executive Officers for 2015. We did not grant any other award under any equity or non-equity incentive plan in 2015 that would be paid out in a future fiscal year.

2015 Grants of Plan-Based Awards Table

Name	Grant Date	Approval Date (1)	Threshold (\$)	Target (\$)	Estimated Future Payouts Under Non-Equity Incentive Plan Awards	Estimated Future Payouts Under Equity Incentive Plan Awards (2)	Threshold (#)	Target (#)	Maximum (#)	All Other Stock Awards: Number of Shares of Stock or Securities Underlying Options (#) (3)	All Other Option Awards: Number of Options (\$/Sh) (4)	Grant Date	Exercise Price of Stock and Option Awards (\$)
	—	—	0 (5)	1,320,000 (6)	3,300,000	—	—	—	—	—	—	—	—
James (“Joc”) C. O’Rourke	3/5/2015	3/4/2015	—	—	—	—	—	—	—	37,306	50.43	666,658	—
	3/5/2015	3/4/2015	—	—	—	0	11,602	23,204	—	—	—	666,651	—
	3/5/2015	3/4/2015	—	—	—	0	13,220	26,440	—	—	—	666,685	—
	8/5/2015	5/13/2015	—	—	—	—	—	—	22,432 (7)	—	—	1,000,000	—
	—	—	0 (5)	1,688,040	4,220,100	—	—	—	—	—	—	—	—
James T. Prokopanko	3/5/2015	3/5/2015	—	—	—	—	—	—	—	106,323	50.43	1,899,992	—
	3/5/2015	3/5/2015	—	—	—	0	33,066	66,132	—	—	—	1,899,972	—
	3/5/2015	3/5/2015	—	—	—	0	37,676	75,352	—	—	—	1,900,001	—
	—	—	0 (5)	499,200	1,248,000	—	—	—	—	—	—	—	—
Richard L. Mack	3/5/2015	3/4/2015	—	—	—	—	—	—	—	24,249	50.43	433,330	—
	3/5/2015	3/4/2015	—	—	—	0	7,541	15,082	—	—	—	433,306	—
	3/5/2015	3/4/2015	—	—	—	0	8,593	17,186	—	—	—	433,345	—
	5/14/2015	5/13/2015	—	—	—	—	—	—	21,949 (7)	—	—	1,000,000	—
	—	—	0 (5)	403,200	1,008,000	—	—	—	—	—	—	—	—
Richard N. McLellan	3/5/2015	3/4/2015	—	—	—	—	—	—	—	20,519	50.43	366,675	—
	3/5/2015	3/4/2015	—	—	—	0	6,381	12,762	—	—	—	366,652	—
	3/5/2015	3/4/2015	—	—	—	0	7,271	14,542	—	—	—	366,677	—
	—	—	0 (5)	301,600	754,000	—	—	—	—	—	—	—	—
Gary (“Bo”) N. Davis	3/5/2015	3/4/2015	—	—	—	—	—	—	—	14,923	50.43	266,674	—
	3/5/2015	3/4/2015	—	—	—	0	4,641	9,282	—	—	—	266,672	—
	3/5/2015	3/4/2015	—	—	—	0	5,288	10,576	—	—	—	266,674	—
	—	—	0 (5)	276,000	690,000	—	—	—	—	—	—	—	—
Anthony T. Brausen	3/5/2015	3/4/2015	—	—	—	—	—	—	—	11,658	50.43	208,328	—
	3/5/2015	3/4/2015	—	—	—	0	3,626	7,252	—	—	—	208,350	—
	3/5/2015	3/4/2015	—	—	—	0	4,131	8,262	—	—	—	208,326	—

(1) The date of grant for all of our 2015 annual long-term incentive awards was the date set by our Board and Compensation Committee for grants made to our CEO and executive officers, respectively.

(2) This column shows the threshold, target and maximum potential number of shares and performance units to be paid out or earned upon vesting of TSR and ROIC performance units, respectively, granted in 2015. ROIC performance

units are accounted for as share-based awards under ASC 718, but are settled in cash. We have included additional information about these awards in the footnotes and narrative accompanying the “Outstanding Equity Awards at Fiscal Year-End” table beginning on page 60.

(3) Shows the number of shares subject to stock options granted in 2015.

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Reflects the grant date fair value for each Named Executive Officer's grants of RSUs, stock options, TSR performance units and ROIC performance units granted in 2015, determined in accordance with ASC 718. In accordance with SEC rules, the grant date fair value for TSR and ROIC performance units excludes the effect of estimated forfeitures.

(4) This row shows the threshold, target and maximum potential annual awards under our Management Incentive Program for 2015. We paid the actual awards for 2015 in March 2016. The amount of the actual 2015 payout for each Named Executive Officer is set forth in the "Non-Equity Incentive Compensation Plan" column of the Summary Compensation Table. We have included additional information about our Management Incentive Plan, including the performance measures for 2015 and the levels of performance that were achieved, under "Short-Term Incentive Program" beginning on page 39 in our Compensation Discussion and Analysis.

(5) Based on Mr. O'Rourke's salary and short-term incentive opportunity as in effect for the relevant portions of the year, as described under "2015 Compensation Actions" for Mr. O'Rourke.

(6) This column shows the numbers of shares subject to retention RSU awards granted to Messrs. O'Rourke and Mack in 2015. The RSUs granted to Mr. O'Rourke will vest on August 5, 2018 provided that he continues to serve as our President and CEO on such anniversary date. The RSUs granted to Mr. Mack will vest in three equal installments on May 14, 2016, May 14, 2017 and May 14, 2018, respectively.

(7) Over the past three years, we have made grants of non-qualified stock options, RSUs and performance units to our Named Executive Officers under our annual long-term incentive program. The grant date and terms and conditions of each annual grant have been the same for all Named Executive Officers. The number of options, shares or units granted is determined by the individual award value, the award mix and the fair value at grant of the incentive awarded. The assumptions used in valuing long-term incentives are described in note 18 to our audited financial statements for 2015. Stock option fair values are determined using the Black-Scholes option valuation methodology. RSUs and ROIC performance units are issued at a price equal to the fair market value of Mosaic Common Stock on the date of grant. TSR performance unit fair values are determined using a Monte Carlo Simulation, and have had a fair value in excess of the fair market value of our stock.

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Outstanding Equity Awards

The following table and accompanying narrative and notes summarize the outstanding equity awards held by the Named Executive Officers as of December 31, 2015.

2015 Outstanding Equity Awards at Fiscal Year-End Table

Name	Option Awards				Stock Awards						
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$) (1)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Equity Incentive Plan Awards: Number of Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)			
James ("Joc") O'Rourke	12,019	—	52.72	7/27/2019	11,722	(3)	323,410	10,256	(4)	282,963	(4)
	20,259	—	44.93	7/27/2020	12,735	(5)	351,359	10,344	(6)	285,391	(6)
	16,150	—	70.62	7/21/2021	22,432	(7)	618,899	38,641	(8)	1,066,105	(8)
	27,681	—	57.62	7/19/2022				11,602	(9)	320,099	(9)
	19,991	9,996	(10)	54.03	7/18/2023			13,220	(11)	364,740	(11)
	11,235	22,471	(12)	49.73	3/7/2024						
	—	37,306	(13)	50.43	3/5/2025						
James T. Prokopanko	83,433	—	40.03	8/2/2017	32,698	(3)	902,138	28,610	(4)	789,350	(4)
	23,409	—	127.21	7/31/2018	35,525	(5)	980,135	28,853	(6)	796,054	(6)
	48,077	—	52.72	7/27/2019				107,789	(8)	2,973,899	(8)
	79,011	—	44.93	7/27/2020				33,066	(9)	912,291	(9)
	47,373	—	70.62	7/21/2021				37,676	(11)	1,039,481	(11)
	77,214	—	57.62	7/19/2022							
	55,766	27,883	(10)	54.03	7/18/2023						
	31,340	62,682	(12)	49.73	3/7/2024						
	—	106,323	(13)	50.43	3/5/2025						
	47,319	—	15.45	8/4/2016	7,403	(3)	204,249	6,478	(4)	178,728	(4)
Richard L. Mack	19,368	—	40.03	8/2/2017	8,043	(5)	221,906	6,533	(6)	180,245	(6)
	5,486	—	127.21	7/31/2018	21,949	(13)	605,573	24,405	(8)	673,334	(8)
	10,216	—	52.72	7/27/2019				7,541	(9)	208,056	(9)
	15,194	—	44.93	7/27/2020				8,593	(11)	237,081	(11)
	10,767	—	70.62	7/21/2021							
	17,483	—	57.62	7/19/2022							
	12,626	6,313	(10)	54.03	7/18/2023						
	7,096	14,192	(12)	49.73	3/7/2024						
	—	24,249	(14)	50.43	3/5/2025						
	12,574	—	40.03	8/2/2017	6,169	(3)	170,203	5,398	(4)	148,931	(4)
Richard N. McLellan	2,926	—	127.21	7/31/2018	6,703	(5)	184,936	5,444	(6)	150,200	(6)
	6,611	—	57.72	7/27/2019				20,338	(8)	561,125	(8)
	10,130	—	44.93	7/27/2020				6,381	(9)	176,052	(9)
	6,460	—	70.62	7/21/2021				7,271	(11)	200,607	(11)
	11,655	—	57.62	7/19/2022							
	10,522	5,261	(10)	54.03	7/18/2023						
	5,913	11,827	(12)	49.73	3/7/2024						

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	—	20,519	(14)	50.43	3/5/2025					
	2,195	—		127.21	7/31/2018	4,319	(3)	119,161	3,779	(4) 104,263 (4)
	4,507	—		52.72	7/27/2019	4,692	(5)	129,452	3,811	(6) 105,145 (6)
	10,130	—		44.93	7/27/2020				14,236	(8) 392,771 (8)
Gary (“Bo”) N	6,460	—		70.62	7/21/2021				4,641	(9) 128,045 (9)
Davis	10,198	—		57.62	7/19/2022				5,288	(11) 145,896 (11)
	7,365	3,683	(10)	54.03	7/18/2023					
	4,139	8,279	(12)	49.73	3/7/2024					
	—	14,923	(14)	50.43	3/5/2025					

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Name	Option Awards				Stock Awards		Market Value of Shares or Units of Stock That Have Not Vested (\$ (2)	Equity Incentive Plan Awards: Number of Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)		
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$) (1)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Number of Shares or Units of Stock That Have Not Vested (#)					
	7,800	—	16.03	2/27/2016	3,702	(3)	102,138	3,239	(4)	89,364	(4)
	19,716	—	15.45	8/4/2016	4,022	(5)	110,967	3,266	(6)	90,109	(6)
	11,323	—	40.03	8/2/2017				12,203	(8)	336,681	(8)
	2,195	—	127.21	7/31/2018				3,626	(9)	100,041	(9)
Anthony T. Brausen	5,258	—	52.72	7/27/2019				4,131	(11)	113,974	(11)
	5,105	—	44.93	7/27/2020							
	4,307	—	70.62	7/21/2021							
	7,284	—	57.62	7/19/2022							
	6,313	3,157	(10) 54.03	7/18/2023							
	3,548	7,096	(12) 49.73	3/7/2024							
	—	11,658	(14) 50.43	3/5/2025							

(1) The exercise price for all stock options is the fair market value of our Common Stock on the date of grant, which is equal to the closing price as reflected on the NYSE composite tape.

(2) The amounts for RSUs were calculated by multiplying the closing market price of a share of our Common Stock on December 31, 2015 of \$27.59 per share by the number of unvested shares.

(3) These RSUs vest on July 18, 2016.

(4) These performance units vest on July 18, 2016. Amounts shown assume that the sum of our profits and losses for the three fiscal years preceding the vesting date is positive. In accordance with SEC rules, the number of shares shown assumes that performance will achieve the target level and the dollar amount shown is based on the number of shares shown times the closing price of a share of our Common Stock on December 31, 2015.

(5) These RSUs vest on March 7, 2017.

(6) These performance units vest on March 7, 2017. Amounts shown assume that the sum of our profits and losses for the three fiscal years preceding the vesting date is positive. In accordance with SEC rules, the number of shares shown assumes that performance will achieve the target level and the dollar amount shown is based on the number of shares shown times the closing price of a share of our Common Stock on December 31, 2015.

(7) These RSUs vest on August 5, 2018 provided that Mr. O'Rourke continues to serve as our President and Chief Executive Officer on that date.

(8) These performance share awards were granted under our Cost Reduction Incentive Program and vest based on achievement of cost reduction goals over a three-year performance period ending on December 31, 2016 as described under "2014 Cost Reduction Incentive" beginning on page 41. In accordance with SEC rules, the number of shares shown assumes that performance will achieve the target level and the dollar amount shown is based on the number of shares shown times the closing price of a share of our Common Stock on December 31, 2015.

(9) These performance units vest on March 5, 2018. Amounts shown assume that the sum of our profits and losses for the three fiscal years preceding the vesting date is positive. In accordance with SEC rules, the number of shares shown assumes that performance will achieve the target level and the dollar amount shown is based on the number of shares shown times the closing price of a share of our Common Stock on December 31, 2015.

(10) These stock options vest on July 18, 2016.

- These ROIC performance units vest based on performance through December 31, 2017. In accordance with SEC rules, the number of performance units shown assumes that performance will achieve the target level and the dollar amount shown is based on the number of performance units shown times the closing price of a share of our Common Stock on December 31, 2015.
- (11)
 - (12) Half of these stock options vested on March 7, 2016 and half will vest on March 7, 2017.
 - (13) These RSUs vest in three equal installments on May 14, 2016, May 14, 2017 and May 14, 2018.
 - (14) One-third of these stock options vested on March 5, 2016, and one-third will vest on March 5 in each of 2017 and 2018.

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Long-Term Incentives

Key terms of our stock options, RSUs and TSR and ROIC performance unit awards granted through 2015 include:

- Stock options generally become exercisable in equal annual installments in the first three years following the date of grant, expire ten years after the date of grant, and allow grantees to purchase our Common Stock at the full market price of our Common Stock on the day the options were granted. Subject to the next bullet, upon termination of employment, option installments that are vested are generally exercisable for three months after termination; unvested installments generally are forfeited. The 2014 Stock and Incentive Plan expressly prohibits the repricing of options or granting options with exercise prices less than the fair market value of our Common Stock on the date of grant.

Stock options provide that:

w Unvested stock option installments held by a Named Executive Officer whose employment terminates due to retirement at or after age 60 (or pursuant to early retirement with the consent of our Compensation Committee), death or disability vest in accordance with the normal vesting schedule; and

w Following termination of employment due to retirement at or after age 60 (or pursuant to early retirement with the consent of our Compensation Committee), death or disability, stock options are exercisable for up to the earlier of (i) five years or (ii) the remaining term of the option.

RSUs and TSR performance units provide grants of our Common Stock that vest after continued employment through the specified performance period, which is generally three years. ROIC performance units, which were first granted in 2015, provide share-based grants that are settled in cash after continued employment through the specified performance period, which is generally three years. Each of these types of award include dividend equivalents which provide for payment of an amount equal to the dividends paid on an equivalent number of shares of our Common Stock and which will be paid only when we issue payment (in shares or cash, as applicable) after the awards vest.

For awards made prior to 2014, RSUs and TSR performance units vest on a pro rata basis in the event of retirement at or after age 60 (or pursuant to early retirement with the consent of our Compensation Committee), disability, or, for awards granted prior to the 2013 Stub Period, death. Beginning with awards made during the 2013 Stub Period, RSUs and TSR performance units vest fully upon a participant's death and beginning with awards made during 2014, RSUs, TSR performance units and ROIC performance units (first granted in 2015) vest fully upon a participant's death, disability or retirement with at least five years of service at or after age 60 (or pursuant to early retirement with the consent of our Compensation Committee).

The number of shares issued upon vesting of TSR performance units is described below:

$$\text{Performance Units Awarded (\#)} \times \frac{\text{Common Stock Market Price at End of Performance Period}^1 + \text{Dividends Payable on Common Stock}}{\text{Common Stock Market Price at Grant Date}} = \text{Number of Shares Issued}^2$$

(1) Common Stock market price based upon thirty day trading average.

(2) No shares are issued if the market price of our Common Stock at vesting date is less than 50% of market price at grant date.

Maximum number of shares issued limited to two times the number of performance units awarded; maximum value of shares issued is limited to 400% of the value of performance units awarded (500% prior to 2015 grants). No payout for executive officers unless Company has profit over the performance period.

Cash amount to be paid upon vesting of ROIC performance units is described below:

$$\text{Performance Units Awarded (\#)} \times \text{Common Stock Market Price at End of Performance} \times \text{Applicable Payout Percentage}^2 = \text{Number of Shares Issued}^3$$

Period¹

- (1) Common Stock market price based upon thirty day trading average.
- (2) Applicable Payout Percentage is based on cumulative Incentive ROIC over WACC over a three-year period based on the table below:

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Cumulative Incentive ROIC Over WACC	Cumulative Three-Year Spread	Payout Percentage
WACC plus 9.0%	900 basis points	200%
WACC plus 6.0%	600 basis points	150%
WACC plus 4.5%	450 basis points	125%
WACC plus 3.0%	300 basis points	100%
WACC plus 1.5%	150 basis points	75%
WACC	0 basis points	50%
WACC minus 1.5%	-150 basis points	25%

(3) No shares are issued if cumulative Incentive ROIC over WACC is less than -150 basis points. Maximum payout percentage is 200%.

Cost Reduction Incentive Awards

Our one-time cost reduction incentive awards granted in 2014 consist of performance shares payable in shares of our Common Stock based on achievement of cost savings goals over the three-year performance period from January 1, 2014 through December 31, 2016 as discussed under “2014 Cost Reduction Incentive” in our Compensation Discussion and Analysis beginning on page 41. Each award vests if the participant is continuously employed by us through the performance period, provided that the awards will also vest fully in the event of retirement with at least five years of service at age 60 or older (or pursuant to early retirement with the consent of our Compensation Committee), death or disability. The performance shares include dividend equivalents that provide for payment of an amount equal to the dividends paid on an equivalent number of shares of our Common Stock and which will be paid only when we issue shares of our Common Stock to the participant after the awards vest. The number of shares of Common Stock issued in exchange for the performance shares is the total number of vested performance shares multiplied by a payout percentage, determined on the basis of achievement of cost savings over the performance period, measured on the basis of controllable operating costs per tonne, defined as described on Appendix C hereto. The maximum payout is 150%.

Option Exercises and Stock Vested

The following table and accompanying notes set forth information about stock options that the Named Executive Officers exercised during 2015, and RSUs and TSR performance units of the Named Executive Officers that vested during 2015.

2015 Option Exercises and Stock Vested Table

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$) (1)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$) (2)
James (“Joc”) C. O’Rourke	—	—	19,888	\$900,131
James T. Prokopanko	—	—	53,486	\$2,420,776
Richard L. Mack	36,382	\$1,705,324	12,110	\$548,099
Richard N. McLellan	16,562	\$830,087	8,073	\$365,384
Gary (“Bo”) N. Davis	10,429	\$513,049	7,328	\$331,665
Anthony T. Brausen	—	—	5,234	\$236,891

We calculated these amounts by multiplying the number of shares exercised times the difference between (a) the (1) closing price of our Common Stock on the date of the option exercise as reported on the NYSE composite tape and (b) the exercise price of the stock option.

(2) We calculated these amounts by multiplying the number of shares vested times the closing price of our Common Stock as reported on the NYSE composite tape on the vesting date.

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Pension Benefits

Cargill Pension Plans

Messrs. Mack, McLellan and Davis, who were employees of Cargill before the 2004 combination between IMC and Cargill's fertilizer businesses, participate in Cargill's U.S. salaried employees' pension plan. Mr. McLellan also participates in Cargill's international retirement plan.

The Cargill U.S. salaried employees' pension plan is a tax-qualified defined benefit pension plan under the provisions of the Code. Benefits under the plan are generally based on years of service and final average salary prior to termination of employment or retirement. No additional years of credited service are accrued under Cargill's U.S. salaried employees' pension plan for Messrs. Davis, Mack and McLellan after December 31, 2004. Accordingly, their total credited years of service primarily reflects their service with Cargill, while their credited years of service for employment at Mosaic includes only the period from the October 22, 2004 business combination between IMC and the fertilizer businesses of Cargill through December 31, 2004. However, additional years of vesting service are credited for the purpose of determining eligibility to retire, and covered compensation for purposes of determining benefits under Cargill's U.S. salaried employees' pension plan for Messrs. Mack, McLellan and Davis include post-combination compensation that we pay them.

Cargill's international retirement plan is a non-qualified defined benefit plan. Benefits under the plan for Mr. McLellan are generally based on years of service and final average salary prior to termination of employment. No additional years of credited service are accrued under Cargill's international retirement plan for Mr. McLellan after October 15, 1998. Accordingly, his total credited years of service reflect only his service with Cargill. However, covered compensation for purposes of determining benefits under Cargill's international retirement plan includes post-combination compensation that we paid him through December 31, 2010. In accordance with the merger and contribution agreement related to the combination, Cargill incurs the costs associated with pre-combination benefits for certain former employees of Cargill under certain pension plans, including Cargill's U.S. salaried employees' pension plan but excluding Mr. McLellan's participation in Cargill's international retirement plan, and charges them to us. The amount that Cargill may charge to us under these plans for pension costs relating to all former Cargill employees may not exceed \$2.0 million per year or \$19.2 million in the aggregate. As of December 31, 2015, the unused portion of the \$19.2 million cap was \$0.2 million.

With respect to Cargill's international retirement plan, in fiscal 2013, we entered into an agreement under which we paid Cargill \$470,000. This agreement was part of arrangements intended to place certain of our employees, including Mr. McLellan, who participated in Cargill's international retirement plan, in a position which, together with supplemental agreements we entered into with those employees, is comparable to that of our employees who are participants in Cargill's U.S. salaried employees pension plan as described above. We have discussed these arrangements in additional detail under "Potential Payments upon Termination or Change-in-Control – Supplemental Agreements for Cargill International Retirement Plan Participants" on page 70.

Cargill is solely responsible for payment of the annual pension benefits to the participants under Cargill's U.S. salaried employees' pension plan and international retirement plan.

Supplemental Agreements for Cargill International Retirement Plan Participants

As part of the arrangements referred to above that were intended to place certain of our employees, including Mr. McLellan, who participated in Cargill's international pension plan in a position comparable to that of our U.S. participants in Cargill's U.S. salaried employees plan following the combination between IMC and the fertilizer businesses of Cargill, in fiscal 2013, we also entered into supplemental agreements with the affected employees. The supplemental agreements provide for payment of a lump sum that increases each year to age 65. For Mr. McLellan, the lump sum payment began at \$119,000 had termination of employment occurred at age 56 and increases annually to \$760,000 if termination of employment occurs at age 65.

The following table and accompanying narrative and notes provide information about the participation of the Named Executive Officers in Cargill's U.S. salaried employees' pension plan and international retirement plan and our supplemental agreement with Mr. McLellan.

We have included the changes for 2015, 2014, the 2013 Stub Period and fiscal 2013 in the actuarial present value of the accumulated benefit under Cargill's U.S. salaried employees' pension plan for Messrs. Mack, McLellan

and Davis and Cargill's international pension plan for Mr. McLellan, as well as Mr. McLellan's benefits under his supplemental agreement, in the "Change in Pension Values and Nonqualified Deferred Compensation Earnings" column in the Summary Compensation Table.

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2015 Pension Benefits Table

Name	Plan Name	Number of Years of Credited Service (#)	Present Value of Accumulated Benefit (\$)
Richard L. Mack (1)	Cargill, Incorporated and Associated Companies Salaried Employees' Pension Plan	10	\$243,700(2)
Richard N. McLellan (1)	Cargill, Incorporated and Associated Companies Salaried Employees' Pension Plan	6	\$237,200(2)
Richard N. McLellan (1)	The Cargill International Retirement Plan	20	\$739,700(2)
Richard N. McLellan (3)	Individual Nonqualified Pension Agreement	—	\$335,000
Gary ("Bo") N. Davis (1)	Cargill, Incorporated and Associated Companies Salaried Employees' Pension Plan	11	\$420,400(2)

Annual benefits for Messrs. Mack, McLellan and Davis under Cargill's U.S. salaried employees' pension plan are equal to 0.80% of final average salary plus 0.35% of final average salary in excess of Covered Compensation (as defined for social security purposes), all times years of service. Years of service are limited to (i) 40 years for the (1) 0.80% component of the benefit, and (ii) 35 years for the 0.35% component of the benefit. Service is frozen for Messrs. Mack, McLellan and Davis as of December 31, 2004 and final average salary and covered compensation are as of the termination date of their employment at Mosaic.

Normal retirement benefits under Cargill's U.S. salaried employees' pension plan are payable at age 65. Messrs. Mack, McLellan or Davis may retire with unreduced retirement benefits under the plan once they are age 60. Once they are age 55, they may retire early and receive benefits that are reduced based on the percentages specified in the table below for each year that the payments start prior to age 60. Messrs. Mack, McLellan and Davis are age 48, age 59 and age 63, respectively, and have 21 years, 37 years and 22 years, respectively, of credited vesting service at December 31, 2015.

Years of Credited Vesting Service	Per Year Reduction Percentage
35 or more	3%
30 – 34	4%
25 – 29	5%
20 – 24	6%
15 – 19	7%

If they terminate employment before age 55, they may either receive an unreduced benefit commencing at age 65, or may elect to receive a reduced benefit at an earlier date.

The normal form of payment of the annual benefit is a straight life annuity. Optional benefit forms include actuarial equivalent joint and survivor and 10-year certain and life annuities. A lump sum payment is offered only if the actuarial equivalent value of the benefit is \$25,000 or less.

The credited years of service for Messrs. Davis, Mack and McLellan under Cargill's U.S. salaried employees' pension plan include their service with Cargill. Their benefits under the plan are fully vested.

Annual benefits for Mr. McLellan under Cargill's international retirement plan are equal to 1.50% of final average salary times years of service (not to exceed 40) reduced by any pension benefits earned under any Cargill retirement plans and social security programs while earning service under Cargill's international retirement plan. For Mr. McLellan, the benefit is based on years of service up to October 15, 1998 and final average salary as of December 31, 2010 including his service at Mosaic.

Normal retirement benefits under Cargill's international retirement plan are payable at age 65. Mr. McLellan is not eligible to receive benefits at an earlier age.

The normal form of payment of the annual benefit under Cargill's international retirement plan is a straight life annuity. If the participant has a joint annuitant, the benefit is paid as an actuarial equivalent 100% joint and survivor annuity. A lump sum is paid only if the actuarial equivalent value of the benefit is \$10,000 or less.

The credited years of service for Mr. McLellan under Cargill's international retirement plan include his service with Cargill. His benefits under the plan are fully vested.

Compensation Used to Determine Pension Benefits

Under Cargill's U.S. salaried employees pension plan, eligible compensation consists of base salary. Eligible compensation is limited under the Code to \$260,000 and \$265,000 for calendar 2014 and 2015, respectively.

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Under Cargill’s international retirement plan, eligible compensation consists of base salary (and in the case of salespeople compensated on the basis of salary or sales bonuses, their commissions) but excluding any other remuneration.

Valuation Assumptions

The amounts listed in the “Present Value of Accumulated Benefit” column of the Pension Benefits Table and the amounts listed in the “Change in Pension Value and Nonqualified Deferred Compensation Earnings” column in the Summary Compensation Table are based on the following assumptions:

discount rates of 4.20% for the present value calculation as of December 31, 2015, 4.25% for the present value calculation as of December 31, 2014 and 4.30% for the present value calculations as of each of December 31, 2013 and May 31, 2013, and post-retirement mortality using the Mercer Industry Longevity Experience Study table for the Consumer Goods, Food and Drink industry group projected using Scale MMP-2007 and no collar adjustments as of December 31, 2015, the RP-2000 mortality table with fixed 25-year projection using scale BB as of December 31, 2014 and fixed 18-year projection using scale AA as of December 31, 2013 and May 31, 2013, and combined mortality for active employees and retirees, and no collar adjustments. These are the same assumptions used by Cargill in determining the accumulated benefits under the Cargill U.S. salaried employees’ pension plan that it uses in determining its charges to us for the plan;

immediate retirement for Mr. Davis and retirement age of 60 for Messrs. Mack and McLellan under the Cargill U.S. salaried employees’ pension plan, which is the earliest age that any Named Executive Officer may retire with unreduced retirement benefits under that plan, and retirement at age 65 for Mr. McLellan under Cargill’s international retirement plan, which is the earliest age that he may retire with unreduced benefits under that plan; and expected terminations, disability and pre-retirement mortality: none assumed.

The present values of the accrued benefits were calculated as of December 31, 2015, the date used by Cargill in determining its charges to us for Cargill’s U.S. salaried employees pension plan.

(2) This amount is an estimate and does not necessarily reflect the actual amount that will be paid to the Named Executive Officer, which will only be known when he becomes eligible for payment.

Following termination of employment, Mr. McLellan is entitled to a lump sum that increases each year to age 65.

(3) The lump sum payment begins at \$335,000 if termination of employment occurs at age 58 and increases annually to \$760,000.

The amount listed in the “Present Value of Accumulated Benefit” column of the Pension Benefits table is the lump sum amount payable under the terms of the supplemental agreement in the event of termination of employment at December 31, 2015.

Non-Qualified Deferred Compensation

The table below sets forth the contributions, earnings and distributions for 2015 and balances at December 31, 2015 for each of the Named Executive Officers under our deferred compensation plan.

Each participant in our deferred compensation plan may choose how and when to receive payments of the portion of the participant’s account balance that results from the participant’s own contributions. A participant may choose to receive payments of this portion of the participant’s account balance on a specified date in a lump sum or in annual installments for up to ten years beginning on a date specified by the participant. If no election is made, payment is made in a lump sum after termination of employment. The portion of the participant’s account balance that results from our contributions is payable after termination of employment.

In 2015 we established an unfunded non-qualified deferred compensation plan under which eligible executive officers who we select, including our Named Executive Officers during employment with us, may elect to contribute all or a portion of annual long-term incentive awards (excluding stock options) to the plan. Contributions are made on a tax-deferred basis until distribution in accordance with a payment schedule selected by the participant at the time a deferral election is made. Awards settled in shares of our Common Stock are subject to the terms and conditions of our 2014 Stock and Incentive Plan and the applicable award agreement. Awards to be settled in cash will be credited with interest as provided in the plan. None of our Named Executive Officers participated in this plan with respect to 2015 awards.

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2015 Non-Qualified Deferred Compensation Table

Name	Executive Contributions in 2015 (\$)(1)	Registrant Contributions in 2015 (\$)(2)	Aggregate Earnings in 2015 (\$)(3)	Aggregate Withdrawals/ Distributions (\$)(4)	Aggregate Balance in 2015 (\$)(5)
James ("Joc") C. O'Rourke	113,198	135,587	3,751	94,782	1,139,707
James T. Prokopanko	294,840	316,210	63,698	44,154	3,031,295
Richard L. Mack	100,210	74,424	218	78,264	918,372
Richard N. McLellan	149,023	68,498	(9,284)	—	2,360,427
Gary ("Bo") N. Davis	—	54,750	(909)	—	454,390
Anthony T. Brausen	49,828	56,931	10,434	46,585	672,573

(1) These amounts are included as part of the compensation shown for the Named Executive Officer in the "Salary" or "Non-Equity Incentive Plan Compensation" column for 2015 in the Summary Compensation Table.

(2) Shows our contributions under the restoration provisions of our deferred compensation plan. The amount we credit under these restoration provisions is equal to the amount that would have been contributed to our tax-qualified defined contribution plan for the Named Executive Officer that exceeds limitations for tax-qualified plans under the Code. These amounts are included as part of the compensation shown for the Named Executive Officer in the "All Other Compensation" column for 2015 in the Summary Compensation Table and in the "Company Contributions to Defined Contribution Plans" column in the table in note (7) to the Summary Compensation Table.

(3) Shows the earnings on each Named Executive Officer's account balance for 2015. Gains and losses accrue at rates equal to those on various investment alternatives selected by the participant. The available investment alternatives are the same as are available to participants generally as investments under the Mosaic Investment Plan, a defined contribution plan qualified under Section 401(k) of the Code, except that our Common Stock is excluded. In general, participants in our deferred compensation plan may change how their deferrals are invested at any time. Because the rate of return is based on actual investment measures, no above-market earnings are paid.

(4) Accordingly, the amounts in this column were not included in the Summary Compensation Table.

(5) Shows payments made to each Named Executive Officer from his account in 2015.

The table below sets forth the amounts of executive and registrant contributions reported for the Named Executive Officers in the Summary Compensation Table in our Proxy Statement for any prior year:

Name	Contributions (\$)
James T. Prokopanko	3,623,765
James ("Joc") C. O'Rourke	1,290,205
Richard L. Mack	1,742,786
Richard N. McLellan	1,223,603
Gary ("Bo") Davis	140,466
Anthony T. Brausen	—

Potential Payments upon Termination or Change-in-Control

As discussed under "Executive Compensation Policies and Practices" in our Compensation Discussion and Analysis on page 50, we have senior management severance and change-in-control agreements with our executive officers, including the Named Executive Officers.

The severance and change-in-control agreements set forth the terms and conditions upon which our executive officers would be entitled to receive certain benefits upon termination of their employment:

• by us with cause (as the term cause is described below);

• by us without cause;

• by the covered executive for good reason (as the term good reason is described below);

• due to the covered executive's death or disability; or

• by the covered executive without good reason.

General Benefits

In general, upon any termination of employment an executive officer is entitled to amounts earned but that we have not paid. These amounts include:

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base salary for services through the date of termination;
bonus amounts earned through the date of termination;
vested stock options;
base salary and bonus compensation deferred by the executive officer and earnings on that deferred compensation;
vested benefits under defined benefit retirement plans as described above under “Pension Benefits” on page 64; and
vested benefits under defined contribution retirement arrangements as described in note (7)(b) to the Summary Compensation Table and in the Non-Qualified Deferred Compensation Table and accompanying narrative and notes.
Benefits upon Termination by Company without Cause or by Executive for Good Reason
In addition, in the event of termination by us without cause or by an executive officer for good reason, the executive officer is entitled to:

an amount equal to one and one-half times the executive officer’s annual base salary;
an amount equal to one and one-half times the executive officer’s prior fiscal year target bonus percent under our Management Incentive Plan (or such greater percent as may be designated by the Compensation Committee) multiplied by the executive officer’s base salary;
if the executive officer was employed by us for three months or more during the fiscal year in which the termination occurs, a pro rata portion of any annual bonus that would have been payable based on actual performance under our Management Incentive Plan;
if the executive officer elects to continue group health or dental coverage under the Consolidated Omnibus Budget Reconciliation Act of 1986 (“COBRA”), reimbursement for a portion of the premiums equal to the amount we would pay if the executive officer were an active employee, for up to twelve months as long as coverage under COBRA is available;
elect to continue coverage under our life insurance or health flexible spending account programs in accordance with the terms of those programs;
compensation for unused vacation; and
outplacement services for up to one year (to a maximum of \$25,000).

Amounts payable would be reduced by the amount of other compensation the executive officer receives from us as an employee, independent contractor or consultant during the twelve months following termination of employment, as well as by any compensation under any other severance plan of ours.

Benefits Following Change-in-Control

In the event of a qualified change-in-control termination (as the term qualified change-in-control termination is described below), the executive officer is entitled to the same benefits as discussed under “Benefits upon Termination by Company without Cause or by Executive for Good Reason,” except that:

our CEO would be entitled to two and one-half times, and other executive officers would be entitled to two times, annual base salary and prior fiscal year target bonus percent under our Management Incentive Plan (or such greater percent as may be designated by the Compensation Committee) multiplied by annual base salary;
the minimum period for which the executive officer would be required to be employed by us during the fiscal year in order to receive a pro rata portion of any annual bonus that would have been payable based on actual performance under our Management Incentive Plan would be reduced to one day;
if the executive officer has not used financial planning services or had an executive physical in the year of termination, we would pay the executive officer \$7,000 and \$10,000, respectively;
instead of reimbursing the executive officer for our portion of premium costs to continue coverage under group health, dental and life insurance plans, we would pay the executive officer a lump sum equal to eighteen months of our portion of the premium costs;
we would pay the executive officer a lump sum payment equal to eighteen months of the premium costs for executive disability and life insurance policies;
the reimbursement for outplacement services would be replaced by a lump sum payment of \$25,000; and
we would also credit the executive officer’s account under our nonqualified deferred compensation plan with certain amounts that we would have credited through the date of termination of employment under the Mosaic Investment Plan that either:

w exceed limitations for contributions to tax-qualified plans under the Code; or
w are not credited to the executive officer's account because of a requirement under the Mosaic Investment Plan that a
participant remain actively employed as of the end of the year in order to be eligible for our contribution.

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If the payments to an executive officer under the agreement together with amounts under other agreements or plans would subject the executive officer to the excise tax imposed by Section 4999 of the Code on parachute payments as defined in Section 280G of the Code, the benefits payable to the participant would be reduced if doing so would result in the best “net benefit” to the executive officer.

Description of Key Terms

For purposes of the severance and change-in-control agreements, in general:

•“Cause” means:

- w material breach of the severance agreement;
- w gross neglect or willful failure or refusal to perform the executive officer’s duties;
- w personal dishonesty intended to result in substantial personal enrichment at our expense;
- w willful or intentional acts to injure The Mosaic Company or the executive officer’s reputation or business relationships;
- w knowing and intentional fraud against us, our customers, suppliers, clients, agents or employees;
- w conviction of a felony or any crime involving fraud, dishonesty or moral turpitude; or
- w material breach of our Code of Business Conduct and Ethics.

•“Good reason” means:

- w material demotion in status or duties;
- w requiring the executive officer to move his or her regular office location by more than 50 miles; or
- w material diminution in base salary.

•A “qualified change-in-control termination” means termination of an executive officer’s employment by us without cause or by an executive officer for good reason:

- w within two years following a change-in-control (as the term change-in-control is defined below); or
- w following our entry into a definitive agreement or plan that results in any of the following types of changes in control if the change-in-control occurs within six months after the date of termination:
 - § an acquisition of 50% or more of the voting power of our outstanding voting stock;
 - § a merger, consolidation, sale of substantially all assets or similar business combination unless the beneficial owners of our voting stock before the business combination own more than 50% of the voting stock of the surviving or acquiring entity in substantially the same proportions as before the business combination; or
 - § stockholder approval of liquidation or dissolution of The Mosaic Company.

•A “change-in-control” occurs if one of the following events occurs:

- w a majority of our directors are not individuals:
 - § for whose election proxies were solicited by our Board; or
 - § who were appointed by our Board to fill vacancies caused by death, resignations or newly-created directorships; or
- w an acquisition of 50% or more of the voting power of our outstanding voting stock; or
- w a merger, consolidation, sale of substantially all assets or similar business combination unless the beneficial owners of our voting stock before the business combination own more than 50% of the voting stock of the surviving or acquiring entity in substantially the same proportions as before the business combination; or
- w stockholder approval of liquidation or dissolution of The Mosaic Company.

Obligations of our Executive Officers

The severance and change-in-control agreements require our executive officers to:

- furnish notice of good reason for termination by the executive officer and an opportunity for us to cure the good reason within 30 days, and continue to perform the executive officer’s duties during the cure period;
- furnish at least 30 days advance notice of a termination of employment without good reason and continue to perform the executive officer’s duties during the notice period;
- furnish us with a general release of claims the executive officer may have against us in order to obtain benefits as a result of termination by us without cause or by the executive officer with good reason; and
- cooperate with the transition of the executive officer’s duties and responsibilities.

The severance and change-in-control agreements prohibit the executive officers from:

- disclosing confidential information; and

for a period of 12 months following termination of employment:
w soliciting our customers, dealers, employees, vendors and suppliers, or interfering with our business relationships;
or
w competing with us.

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Duration of Severance and Change-in-Control Agreements

Our current severance and change-in-control agreements will expire March 31, 2017 unless renewed by us and the executive officer, except that following a change-in-control the term will extend to at least the second anniversary of the change-in-control.

Treatment of Long-Term Incentive Awards

Long-term equity incentive awards require a “double trigger” qualified change-in-control termination before vesting in the event of a change-in-control, as long as the consideration our stockholders receive in the change-in-control is stock that is registered under Section 12 of the Securities Exchange Act of 1934 (“’34 Act”). The definition of a change-in-control under our long-term incentive awards is generally the same as under our severance and change-in-control agreements.

Treatment of Cost Reduction Incentive Awards

Our cost reduction incentive awards require a “double trigger” qualified change-in-control termination before vesting in the event of a change-in-control. The definition of a change-in-control under our long-term incentive awards is generally the same as under our severance and change-in-control agreements.

Potential Acceleration of Payment of Non-Qualified Deferred Compensation

Our non-qualified deferred compensation plan in the U.S. provides that our Board, as constituted immediately before a change in control (as defined in the plan), may elect to terminate the plan. A termination would result in lump-sum payments to participants of their account balances under the plan.

Supplemental Agreements for Cargill International Retirement Plan Participants

We have a supplemental agreement with Mr. McLellan, as a participant in Cargill’s international retirement plan, intended to put him in a position comparable to that of our employees who participate in Cargill’s U.S. salaried employees pension plan. If Mr. McLellan’s employment terminated at December 31, 2015, we would have paid him \$335,000 under the supplemental agreement.

Quantification of Compensation Payable as a Result of Severance or Change-in-Control

The table below sets forth estimated potential incremental amounts payable to each Named Executive Officer pursuant to our severance and change-in-control agreements.

We relied on the following key assumptions in determining the amounts in the table, as well as the other assumptions discussed in the accompanying notes:

- the termination of employment was effective as of December 31, 2015;
- the pro rata portion of the annual bonus that would have been payable as of the date of severance was based on the actual bonus under our Management Incentive Plan for 2015;
- in estimating the reimbursement for outplacement services in the event of termination of employment without cause or for good reason without a change-in-control, the maximum \$25,000 amount of outplacement services is used;
- we did not pay the executive officer any other compensation as an employee, independent contractor or consultant during the twelve months following termination of employment;
- each Named Executive Officer maximized his contributions to the Mosaic Investment Plan;
- for cost reduction incentive awards, that the performance period ended on December 31, 2015, with performance measured based on the level of controllable operating costs per tonne achieved for 2015; and
- the 30-day trading average of our Common Stock as of the date of termination of employment was equal to that for the period ended December 31, 2015.

Any change in these assumptions would change the amounts shown in the table, and the change could be material.

The actual amounts that would be paid to a Named Executive Officer can only be determined at the time of the severance or change in control and/or termination of employment and can be expected to be different from the amounts shown in the table below. The table below does not include compensation that is accrued or vested prior to severance or a change in control.

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Severance and Change-in-Control Compensation Table

Name and Benefits	Termination Before Change-in-Control without Cause or for Good Reason (\$)	Qualified Change-in-Control Termination (\$)	
James ("Joc") C. O'Rourke			
Cash Severance	3,439,434	6,389,084	
Long-Term Incentives		3,610,842	(1)
Health, Dental, Life and Disability Reimbursement	25,205	37,807	
Compensation for Unused Vacation	17,189	17,189	
Outplacement Services	25,000	25,000	
Financial Planning and Executive Physical		17,000	
Nonqualified Deferred Compensation Plan		113,981	
Reduction to Avoid Excise Tax (2)	—	(2,484,378)	
Total Estimated Incremental Value	3,506,828	7,726,525	
James T. Prokopanko (3)			
Cash Severance	5,241,040	8,179,480	
Long-Term Incentives		8,314,539	(1)
Health, Dental, Life and Disability Reimbursement	31,800	47,701	
Compensation for Unused Vacation	24,046	24,046	
Outplacement Services	25,000	25,000	
Financial Planning and Executive Physical		17,000	
Nonqualified Deferred Compensation Plan		184,005	
Reduction to Avoid Excise Tax (2)		—	
Total Estimated Incremental Value	5,321,887	16,791,771	
Richard L. Mack			
Cash Severance	1,804,400	2,927,600	
Long-Term Incentives		2,515,123	(1)
Health, Dental, Life and Disability Reimbursement	7,102	10,653	
Compensation for Unused Vacation	12,000	12,000	
Outplacement Services	25,000	25,000	
Financial Planning and Executive Physical		17,000	
Nonqualified Deferred Compensation Plan		66,865	
Reduction to Avoid Excise Tax (2)		—	
Total Estimated Incremental Value	1,848,502	5,574,242	
Richard N. McLellan			
Cash Severance	1,457,400	2,364,600	
Long-Term Incentives		1,576,312	(1)
Health, Dental, Life and Disability Reimbursement	26,717	40,076	
Compensation for Unused Vacation	9,692	9,692	
Outplacement Services	25,000	25,000	
Financial Planning and Executive Physical		17,000	
Nonqualified Deferred Compensation Plan		56,996	
Reduction to Avoid Excise Tax (2)		—	
Total Estimated Incremental Value	1,518,809	4,089,675	
Gary ("Bo") N. Davis			
Cash Severance	1,177,700	1,943,300	

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Long-Term Incentives		1,112,638	(1)
Health, Dental, Life and Disability Reimbursement	30,669	46,003	
Compensation for Unused Vacation	8,923	8,923	
Outplacement Services	25,000	25,000	
Financial Planning and Executive Physical Nonqualified Deferred Compensation Plan		17,000	
Reduction to Avoid Excise Tax (2)		55,250	
Total Estimated Incremental Value	1,242,292	—	
Anthony T. Brausen		3,208,114	
Cash Severance	1,114,300	1,850,300	
Long-Term Incentives		935,026	(1)
Health, Dental, Life and Disability Reimbursement	33,572	50,358	
Compensation for Unused Vacation	8,846	8,846	
Outplacement Services	25,000	25,000	
Financial Planning and Executive Physical Nonqualified Deferred Compensation Plan		17,000	
Reduction to Avoid Excise Tax (2)	—	50,954	
Total Estimated Incremental Value	1,181,718	—	
		2,937,484	

(1) Includes the pre-tax amounts that the Named Executive Officers would realize if they had sold on December 31, 2015 at a price of \$27.59, shares of our Common Stock that:

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they could acquire pursuant to stock options for which we would accelerate vesting upon a qualified change-in control termination pursuant to the terms of the stock option; and

we would issue to the executive officers upon a qualified change-in-control termination pursuant to the vesting of RSUs and performance units.

In the event of a change-in-control in which the consideration our stockholders receive does not consist solely of shares of common stock that are registered under Section 12 of the '34 Act, these (a) RSUs and performance units would vest, with the vested shares or cash, as applicable, issued at the end of the performance period, and (b) stock options would be cancelled and the holders would be entitled to payment of the excess, if any, of the highest per share price offered to our stockholders in change-in-control over the purchase price per share of the options, for each share subject to the cancelled options.

Also includes the pre-tax amounts that the Named Executive Officers would receive upon a qualified change-in-control termination following the vesting of performance shares. Each Named Executive Officer would receive a cash payment at the end of the performance period in an amount equal to the number of vested shares multiplied by the closing price per share of our Common Stock on the last trading day of the performance period but not less than the highest per share price offered to our stockholders in any transaction whereby the change in control takes place. We have assumed for purposes of these calculations that the applicable amount is the closing price per share of our Common Stock on December 31, 2015, or \$27.59.

The excise tax imposed by the Code on “excess parachute payments” is 20%. This excise tax, together with any corresponding tax gross-up, applies only if the total value of change-in-control payments calculated under Section 280G of the Code equals or exceeds three times the average annual compensation attributable to the executive officer’s employment with us and Cargill over the prior five-year period. Under the severance and change-in-control agreements, if the excise tax would otherwise apply, the benefits payable to the executive officer would be reduced if doing so would result in the best net benefit to the executive officer.

(2) Mr. Prokopanko retired in January 2016 and did not receive a severance payment.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Company was formed on October 22, 2004 through the business combination of IMC and the fertilizer businesses of Cargill. Prior to May 25, 2011, Cargill owned approximately 64% of our outstanding common stock.

In May 2011, in the Split-off, Cargill divested its approximately 64% (285.8 million share) interest in us to the Exchanging Cargill Stockholders, including the Margaret A. Cargill Foundation established under the Acorn Trust dated January 30, 1995, as amended, and the Anne Ray Charitable Trust dated August 20, 1996, as amended (the “MAC Trusts”), and a debt exchange (the “Debt Exchange”) with certain Cargill debt holders (the “Exchanging Cargill Debt Holders”). Following the Split-off and Debt Exchange, the MAC Trusts and Exchanging Cargill Debt Holders sold an aggregate of 157.0 million of these shares in underwritten public secondary offerings or to us. These transactions completed the disposition of the 157.0 million shares designated to be sold during the 15-month period following the Split-off.

All other shares of our stock received by the Exchanging Cargill Stockholders (approximately 129 million shares in the aggregate) were issued as shares of Class A Common Stock, par value \$0.01 per share (“Class A Shares”) or Class B Common Stock, par value \$0.01 per share (all of which shares of Class B Common Stock were subsequently converted into Class A Shares) and were generally subject to transfer restrictions that were removed as the Class A Shares converted to regular Common Stock. These conversions occurred on November 26, 2013, November 26, 2014, and November 26, 2015.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

During 2015, the Compensation Committee of our Board was comprised of Messrs. Monahan, Ebel, Popowich and Seaton and Ms. Johnson. No Compensation Committee interlocks or insider participation occurred during 2015.

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AUDIT COMMITTEE REPORT AND
PAYMENT OF FEES TO INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Report of the Audit Committee

The Audit Committee oversees Mosaic's financial reporting process on behalf of the Board. Management has the primary responsibility for the financial statements and the reporting process. In fulfilling its oversight responsibilities, the Audit Committee reviewed and discussed the audited financial statements in the 2015 10-K Report, including the footnotes and Management's Discussion and Analysis of Financial Condition and Results of Operations, with management. This included a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments and the clarity of disclosures in the financial statements.

As part of its oversight, the Audit Committee reviewed with management the following material included or summarized in Item 9A of the 2015 10-K Report:

- Management's report on its assessment of the effectiveness of Mosaic's internal control over financial reporting; and
- Management's conclusions regarding the effectiveness of Mosaic's disclosure controls and procedures.

The Audit Committee also reviewed with Mosaic's independent registered public accounting firm, KPMG LLP, its report on the effectiveness of Mosaic's internal control over financial reporting included in the 2015 10-K Report.

Management has the primary responsibility for maintaining adequate internal control over financial reporting and disclosure controls and procedures. KPMG LLP has the responsibility for auditing the effectiveness of Mosaic's internal control over financial reporting as of year-end and expressing an opinion thereon based on its audit.

The Audit Committee also reviewed with KPMG LLP, which is responsible for expressing an opinion on the conformity of those audited financial statements with generally accepted accounting principles, its judgments as to the quality, not just the acceptability, of Mosaic's accounting principles and such other matters as are required to be discussed with the Audit Committee under generally accepted auditing standards and Auditing Standard No. 16 of the Public Company Accounting Oversight Board (United States). The Audit Committee has also reviewed with KPMG LLP and management the application and impact of new accounting rules, regulations, disclosure requirements and reporting practices on Mosaic's financial statements and reports. In addition, the Audit Committee has discussed with KPMG LLP its independence from management and Mosaic, including the matters in the written disclosures required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence. The Audit Committee has also reviewed and considered the compatibility of non-audit services with regard to KPMG LLP's independence.

The Audit Committee discussed with our internal auditor and KPMG LLP the overall scope and plans for their respective audits. The Audit Committee meets with our internal auditor and our independent registered public accounting firm, with and without management present, to discuss the results of their audits, their evaluations of our internal controls and the overall quality of our financial reporting.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board that the audited financial statements and the reports of KPMG LLP be included in the 2015 10-K Report for filing with the SEC. The Audit Committee has also approved the reappointment of KPMG LLP as Mosaic's independent registered public accounting firm to audit the financial statements and the effectiveness of internal control over financial reporting for the 2016 calendar year.

Respectfully submitted,

Nancy E. Cooper, Chair

Gregory L. Ebel

Timothy S. Gitzel

William R. Graber

William T. Monahan

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Fees Paid to Independent Registered Public Accounting Firm

During 2015 and 2014, KPMG LLP (“KPMG”) provided us with audit, audit-related, tax compliance and planning and other services. We incurred the following fees for services performed by KPMG for these periods:

	2015	2014
Audit Fees	4,765,000	4,692,000
Audit-Related Fees	302,000	328,000
Tax Fees	446,000	221,000
All Other Fees	—	—

Audit fees include fees associated with the annual financial statement audit and the audit of internal control over financial reporting as required by Section 404 of the Sarbanes-Oxley Act of 2002. Also included are fees related to the review of our quarterly reports on Form 10-Q, statutory reporting required internationally, other audits required, as well as assistance with review of documents filed with the SEC.

Audit-related fees principally include fees associated with employee benefit plan audits, certain attest services, review of certain financial information and due diligence assistance. KPMG did not provide any internal audit assistance services during such periods.

Tax fees include tax compliance, tax return preparation, and tax planning fees. The fees related to tax planning were \$437,000.

The Audit Committee of the Board has concluded that none of the services provided by KPMG has impaired KPMG’s independence.

Pre-Approval of Independent Registered Public Accounting Firm Services

Pursuant to the Audit Committee’s charter and independent registered public accounting firm services pre-approval policies, the Audit Committee pre-approves the annual audit fees and terms of engagement of our independent registered public accounting firm. In addition, the Audit Committee’s pre-approval policies identify specified categories of audit-related and tax services that may be provided by the independent registered public accounting firm. The independent registered public accounting firm may be considered for other services not specifically approved as described above so long as the performance of such services by the independent registered public accounting firm is not prohibited by rules of the SEC.

Any engagement of the independent registered public accounting firm must be pre-approved by the Audit Committee or the Chair of the Audit Committee. All approvals granted by the Chair are reported to the Audit Committee at its next scheduled meeting.

In pre-approving a proposed engagement of the independent registered public accounting firm, the Audit Committee or its Chair considers the impact of the proposed engagement on the independence of the independent registered public accounting firm. If the services do not impair independence, the Audit Committee or its Chair considers such other factors as it deems relevant. Such factors may include, among other matters, (i) the relationship between fees for audit and non-audit services, (ii) whether the independent registered public accounting firm is best positioned to provide the most effective and efficient services, (iii) whether the services will improve the quality of the annual audit, (iv) cost, and (v) familiarity with our business, accounting and business systems, accounting principles and corporate structure.

In addition, the Audit Committee, pursuant to its charter, reviews on an annual basis a formal written statement from the independent registered public accounting firm delineating all relationships between the independent registered public accounting firm and Mosaic and its subsidiaries, consistent with applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant’s communications with the audit committee concerning independence, and discusses with the independent registered public accounting firm its methods and procedures for assuring independence.

All of the services provided by KPMG for 2015 and 2014 were approved by the Audit Committee or its Chair under its policies. None of the services provided by KPMG for 2015 and 2014 were approved after the fact in reliance upon the de minimis exception of Regulation S-X promulgated by the SEC.

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PROPOSAL NO. 4 – RATIFICATION OF THE APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

On March 3, 2016, the Audit Committee of the Board appointed KPMG LLP as the independent registered public accounting firm to audit our consolidated financial statements as of and for the year ending December 31, 2016 and the effectiveness of internal control over financial reporting as of December 31, 2016.

While we are not required to do so, we are submitting the appointment of KPMG LLP to serve as our independent registered public accounting firm for the year ending December 31, 2016 for ratification in order to ascertain the views of our stockholders on this appointment. If the appointment is not ratified, the Audit Committee will reconsider its selection. Representatives of KPMG LLP are expected to participate in the 2016 Annual Meeting, where they will be available to respond to appropriate questions and, if they desire to make a statement.

The Board of Directors recommends a vote FOR ratification of the appointment of KPMG LLP as our independent registered public accounting firm.

PROPOSAL NO. 5 – ADVISORY “SAY-ON-PAY” VOTE ON EXECUTIVE COMPENSATION

As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act and Section 14A of the '34 Act, we are providing our stockholders with an opportunity to vote to approve, on a non-binding advisory basis, the compensation of our Named Executive Officers for 2015 as disclosed in this Proxy Statement in accordance with the compensation disclosure rules of the SEC.

We have included an Executive Summary of our compensation philosophy and processes for our Named Executive Officers, and their compensation, for 2015 beginning on page 31. The other sections of the Compensation Discussion and Analysis section of this Proxy Statement, including the related tables beginning on page 54, describe in greater detail Mosaic’s executive compensation programs and decisions made by our Compensation Committee for 2015. The Compensation Committee and our management have established a compensation philosophy that seeks to align our strategic interests with our stockholders’ interests, to achieve our business objectives, and to optimize our ability to attract, retain and motivate key employees to create stockholder value. We embrace a pay-for-performance philosophy for our executive officers, whereby short-term incentive compensation is tied to achievement of annual goals, and long-term incentive compensation consists of stock-based awards that tie compensation levels to the performance of our stock price over time and serve as a tool for our retention of key management talent.

We believe our compensation program for the Named Executive Officers is instrumental in helping Mosaic achieve strong financial performance, operational excellence and its strategic priorities. Accordingly, we ask that our stockholders cast an advisory vote to approve the following resolution:

RESOLVED, that the stockholders approve, on an advisory basis, the compensation of Mosaic’s Named Executive Officers, as described in the Compensation Discussion and Analysis section, the compensation tables and the related narrative disclosures set forth in Mosaic’s Proxy Statement for its 2016 Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission.

As an advisory vote, this proposal, commonly referred to as a “Say-on-Pay” proposal, is not binding upon Mosaic. However, our Board and our Compensation Committee, which is responsible for designing and administering Mosaic’s executive compensation program, value the opinions expressed by our stockholders and will consider the results of the vote when making future compensation decisions for our Named Executive Officers.

Our stockholders expressed strong support for our executive compensation program in the Say-on-Pay advisory votes at our 2012, 2013, 2014 and 2015 Annual Meetings of Stockholders. The next Say-on-Pay advisory vote will occur at our 2017 Annual Meeting of Stockholders (the “2017 Annual Meeting”).

The Board of Directors recommends that you vote FOR the approval of the compensation of our Named Executive Officers.

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BENEFICIAL OWNERSHIP OF SECURITIES

Ownership of Securities by Directors and Executive Officers

The following table shows the number of shares of common stock owned beneficially, within the meaning of SEC rules, as of February 29, 2016, by (1) each director and director nominee, (2) each executive officer named in the Summary Compensation Table in this Proxy Statement, and (3) all of our directors and executive officers as a group. Unless otherwise indicated, the named individual has sole voting and investment power with respect to the shares of common stock beneficially owned by that individual, and his or her shares are not subject to any pledge.

Name of Beneficial Owner	Number of Shares of Common Stock Beneficially Owned (1)(2)	Percent of Outstanding Common Stock
Anthony T. Brausen	99,374	
Nancy E. Cooper	8,959	*
Gary (“Bo”) N. Davis	81,155	*
Gregory L. Ebel	9,584	*
Timothy S. Gitzel	15,141	*
William R. Graber (3)	20,157	*
Denise C. Johnson	3,919	*
Emery N. Koenig	16,753	*
Robert L. Lumpkins (4)	34,408	*
Richard L. Mack	245,758	*
Richard N. McLellan	116,946	*
William T. Monahan	34,464	*
James (“Joc”) C. O’Rourke (5)	197,029	*
James L. Popowich (6)	19,718	*
James T. Prokopanko (7)	724,872	*
David T. Seaton	12,235	*
Steven M. Seibert	20,041	*
All directors and executive officers as a group (21 persons)	1,799,500	*

* Represents less than 1% of the outstanding shares of common stock.

(1) Beneficial ownership of securities is based on information furnished or confirmed by each director or executive officer.

(2) Includes the following shares subject to stock options or RSUs exercisable, vested or vesting within 60 days of February 29, 2016:

Name	Stock Options	Restricted Stock Units
Anthony T. Brausen	72,483	—
Nancy E. Cooper	—	5,141
Gary (“Bo”) N. Davis	54,108	—
Gregory L. Ebel	—	5,141
Timothy S. Gitzel	—	5,141
William R. Graber	—	5,141
Denise C. Johnson	—	3,144
Emery N. Koenig	—	5,141
Robert L. Lumpkins	—	8,624
Richard L. Mack	160,734	—
Richard N. McLellan	79,545	—
William T. Monahan	—	5,141
James (“Joc”) C. O’Rourke	131,006	—

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James L. Popowich	—	5,141
James T. Prokopanko	512,405	—
David T. Seaton	—	5,141
Steven M. Seibert	—	5,141
All directors and executive officers as a group (21 persons)	1,109,731	58,037

(3) Includes 15,016 shares of common stock held in a trust for which Mr. Graber shares the voting and investment power with his wife.

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- (4) Includes 22,481 shares of common stock held in various trusts for which Mr. Lumpkins' wife is the trustee.
 (5) Includes 3,000 shares of common stock held by Mr. O'Rourke's wife.
 (6) Includes 8,000 shares of common stock for which Mr. Popowich shares the voting and investment power with his wife.
 (7) Includes 212,467 shares of common stock held in a trust for which Mr. Prokopanko's wife is the trustee.

Ownership of Securities by Others

The following table sets forth information with respect to the only persons or groups known to us as of February 29, 2016 to be the beneficial owners of more than five percent of our outstanding common stock:

Name and Address of Record Holder	Number of Shares	Percent of Outstanding Common Stock
The Vanguard Group (1) 100 Vanguard Blvd Malvern, PA 19355	23,216,866	6.63%
BlackRock, Inc. (2) 55 East 52nd Street New York, NY 10055	22,524,227	6.44%
JPMorgan Chase & Co. (3) 270 Park Avenue New York, NY 10017	18,389,820	5.25%

(1) Based solely on a Schedule 13G/A (Amendment No. 2) filed with the SEC on February 10, 2016, as of December 31, 2015:

- (a) The Vanguard Group is deemed to beneficially own 23,216,866 shares of our common stock, with sole voting power as to 612,152 shares and sole dispositive power as to 22,563,415 shares;
 Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc. is the beneficial owner of 521,151 shares of our common stock for which The Vanguard Group serves as investment manager of collective trust accounts; and
 Vanguard Investments Australia, Ltd., a wholly owned subsidiary of The Vanguard Group, Inc., is the beneficial owner of 223,301 shares of our common stock for which The Vanguard Group serves as investment manager of Australian investment offerings., with sole voting power and sole dispositive power as to all of such shares.

(2) Share ownership is as of December 31, 2015, as set forth in the Schedule 13G/A (Amendment No. 2) filed with the SEC on January 26, 2016. According to that filing, BlackRock, Inc. is deemed to beneficially own 22,524,227 shares of our common stock, with sole voting power as to 19,158,994 shares and sole dispositive power as to all of such shares.

(3) Share ownership is as of December 31, 2015, as set forth in the Schedule 13G/A (Amendment No. 1) filed with the SEC on January 21, 2016. According to that filing, JPMorgan Chase & Co. is deemed to beneficially own 18,389,820 shares of our common stock, with sole voting power as to 15,250,438 shares and sole dispositive power as to 18,332,548 shares.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the '34 Act requires our directors and executive officers and persons who own more than 10% of our Common Stock to file initial reports of ownership of those securities on Form 3 and reports of changes in ownership on Form 4 or Form 5 with the SEC. Specific due dates for these reports have been established by the SEC. We are required to disclose in this Proxy Statement any failure to timely file the required reports by these dates. Based solely on a review of the copies of these reports received by us and written representations from our directors and executive officers, we believe that our directors, executive officers and beneficial owners of more than 10% of our Common Stock complied with all Section 16(a) filing requirements for the year ended December 31, 2015.

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STOCKHOLDER PROPOSALS AND NOMINATIONS FOR THE 2017 ANNUAL MEETING OF STOCKHOLDERS

Our Bylaws establish an advance notice procedure for stockholder proposals at our 2017 Annual Meeting. For business to be properly brought before the 2017 Annual Meeting by a stockholder, and for stockholder recommendations of future director nominees to be considered by the Corporate Governance and Nominating Committee, written notice of such proposal or nomination and supporting documentation must be received by our Corporate Secretary at least 90 days, but no more than 120 days, prior to the anniversary date of the immediately preceding annual meeting. A stockholder proposal or nomination intended to be brought before the 2017 Annual Meeting must be received by the Corporate Secretary no earlier than January 20, 2017 and no later than February 19, 2017.

We recently adopted a proxy access right to permit a stockholder, or a group of up to 20 stockholders, who have owned at least 3% of our Company's common stock for at least three years to submit director nominees (constituting the greater of two directors or up to 20% of our Board) for inclusion in our proxy material if the stockholder(s) and the nominee(s) satisfy the requirements in our Bylaws. In order to be properly brought before the 2017 Annual Meeting, written notice of such proxy access nomination and other required information must be received by our Corporate Secretary at least 120 days, but no more than 150 days, prior to the anniversary of the date the proxy statement was distributed to shareholders for the immediately preceding annual meeting. A proxy access nomination intended to be brought before the 2017 Annual Meeting must be received by the Corporate Secretary no earlier than November 7, 2016 and no later than December 7, 2016.

To be in proper form, a stockholder's notice under our advance notice or proxy access procedures must include the information about the proposal or nominee as specified in our Bylaws. All stockholder proposals or nominations must be delivered or mailed to and received by our Corporate Secretary at our principal executive offices by the applicable dates specified above. Delivery must be by hand or by certified or registered mail, return receipt requested.

Additional requirements relating to a notice of nomination are described in this Proxy Statement under the caption "Proposal No. 3 – Election of Directors – Nomination and Selection of Directors."

Proposals for inclusion in our proxy material for our 2017 Annual Meeting pursuant to Rule 14a-8 of the proxy rules of the SEC are not subject to the requirements described above. Such proposals must be received by December 7, 2016 and meet the other requirements of Rule 14a-8 to be eligible for inclusion in our proxy material for our 2017 Annual Meeting.

2015 ANNUAL REPORT TO STOCKHOLDERS AND FORM 10-K

Our 2015 Annual Report, including financial statements for the year ended December 31, 2015, accompanies this Proxy Statement but is not incorporated in this Proxy Statement and is not a part of the proxy soliciting material. Stockholders who wish to obtain an additional copy of our 2015 Annual Report or a copy of our 2015 10-K Report may do so without charge by viewing these documents on our website at www.mosaicco.com, or by directing a written request to The Mosaic Company, Atria Corporate Center, Suite E490, 3033 Campus Drive, Plymouth, Minnesota 55441, Attention: Vice President – Investor Relations, or by telephone at (763) 577-8213.

OTHER MATTERS

We know of no matters which will be presented for consideration at the 2016 Annual Meeting other than those stated in the Notice of 2016 Annual Meeting of Stockholders and described in this Proxy Statement. If any matter properly comes before the 2016 Annual Meeting, holders of the proxies will vote your shares in accordance with their judgment regarding such matters, including the election of a director or directors other than those named herein if an emergency or unexpected occurrence makes the use of discretionary authority necessary, and also regarding matters incident to the conduct of the 2016 Annual Meeting.

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QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING

Why did I receive a notice in the mail regarding the Internet availability of proxy materials instead of a full set of proxy materials?

In accordance with SEC rules, we may furnish proxy materials, including this Proxy Statement and our 2015 Annual Report, to our stockholders by providing access to such documents on the Internet instead of mailing printed copies. Most stockholders will not receive printed copies of the proxy materials unless they request them. Instead, the Notice of Internet Availability of Proxy Materials, or Internet Notice, which was mailed to most of our stockholders, will instruct you as to how you may access and review all of the proxy materials on the Internet. The Internet Notice also instructs you as to how you may submit your proxy on the Internet. By accessing and reviewing the proxy materials on the Internet, you will save us the cost of printing and mailing these materials to you and reduce the impact of such printing and mailing on the environment. If you would like to receive a paper copy of our proxy materials, you should follow the instructions for requesting such materials provided in the Internet Notice.

Who is entitled to vote at the meeting?

The Board has set March 22, 2016, as the record date for the 2016 Annual Meeting. If you were a stockholder of record at the close of business on March 22, 2016, you are entitled to vote at the 2016 Annual Meeting.

As of the record date, the following shares were issued, outstanding and eligible to vote at the 2016 Annual Meeting: 350,002,223 shares of our Common Stock.

What are my voting rights?

Holders of our Common Stock are entitled to one vote per share on all matters. Therefore, a total of 350,002,223 votes are entitled to be cast at the meeting for each of the proposals. There is no cumulative voting.

How many shares must be present to hold the meeting?

In accordance with our Bylaws, the holders of a majority of the shares of the capital stock entitled to vote at the meeting must be present at the meeting, in person or by proxy, in order to hold the meeting and conduct business. This is called a quorum. Your shares are counted as present at the meeting if:

- you participate in the meeting and vote through www.virtualshareholdermeeting.com/MOS16; or
- you have properly submitted, and have not revoked, a proxy vote by mail, telephone or via the Internet.

Our Bylaws also provide that if a quorum fails to attend any meeting, the chairman of the meeting or the holders of a majority of the shares of stock entitled to vote who are present, in person or by proxy, may adjourn the meeting to another place, date, or time until a quorum is present. If the meeting is adjourned, we need not give notice of the new place, date, or time if the new place, date, or time is announced at the meeting before adjournment, unless the adjournment is for more than 30 days. If a new record date is or must be set for the adjourned meeting, notice of the adjourned meeting will be given to persons who are stockholders of record entitled to vote at the meeting as of the new record date.

If you hold your shares in “street name,” you must vote your shares in the manner prescribed by your broker or other nominee. Your broker or other nominee has enclosed or otherwise provided an Internet Notice or printed voting instruction card for you to use in directing the broker or nominee how to vote your shares. Telephone and Internet voting are also encouraged for stockholders who hold their shares in street name.

How do I vote my shares?

If you are a stockholder of record as of the record date, you can give a proxy to be voted at the meeting in any of the following ways:

- over the telephone by calling a toll-free number;
- electronically, using the Internet;
- by completing, signing and mailing the printed proxy card, if you received one; or
- via the Internet, during the 2016 Annual Meeting, by going to www.virtualshareholdermeeting.com/MOS16 and using your control number (included on the Notice of Internet Availability of Proxy Materials we mailed to you or on the proxy card, if you requested one be sent to you).

The telephone and Internet voting procedures have been set up for your convenience. We encourage you to save corporate expense by submitting your vote by telephone or Internet. The procedures have been designed to authenticate your identity, to

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allow you to give voting instructions, and to confirm that those instructions have been recorded properly. If you are a stockholder of record and you would like to submit your proxy by telephone or Internet, please refer to the specific instructions provided in the proxy materials. If you received a printed proxy card and wish to submit your proxy by mail, please return your signed proxy card to us before the 2016 Annual Meeting.

What is the difference between a stockholder of record and a “street name” holder?

If your shares are registered directly in your name, you are considered the stockholder of record with respect to those shares. If your shares are held in a stock brokerage account or by a bank, trust or other nominee, then the broker, bank, trust or other nominee is considered to be the stockholder of record with respect to those shares. However, you still are considered the beneficial owner of those shares, and your shares are said to be held in “street name.” Street name holders generally cannot vote their shares directly and must instead instruct the broker, bank, trust or other nominee how to vote their shares using the method described above.

How do I vote if my shares are held in the Mosaic Investment Plan (the “Mosaic 401(k) Plan”) or the Mosaic Union Savings Plan?

If you hold any shares in the Mosaic 401(k) Plan or the Mosaic Union Savings Plan, you are receiving, or being provided access to, the same proxy materials as any other stockholder of record. However, your proxy vote will serve as voting instructions to Vanguard Fiduciary Trust Company (the “Trustee”), as Trustee of the Mosaic 401(k) Plan or the Mosaic Union Savings Plan, respectively, and, in accordance with the terms of each plan, the Trustee will vote all of the shares held in each plan in the same proportion as the actual proxy vote instructions submitted by the respective plan participants. If voting instructions are not received by the Trustee by May 16, 2016, or if they are received but are invalid, the shares with respect to which you could have instructed the Trustee will be voted in the same proportion as the shares for which the Trustee received valid participant voting instructions.

What does it mean if I receive more than one Internet Notice or proxy card?

If you receive more than one Internet Notice or proxy card, it means that you hold shares registered in more than one account. To ensure that all of your shares are voted, you will need to be sure to vote once for each account.

Can I vote my shares in person at the meeting?

If you are a stockholder of record, you may vote your shares on the Internet during the meeting by going to www.virtualshareholdermeeting.com/MOS16 and using your control number (included on the Notice of Availability of Proxy Materials we mailed to you or on the proxy card, if you requested one be sent to you). Even if you currently plan to attend the meeting, we recommend that you also submit your proxy as described above so that your vote will be counted if you later decide not to attend the meeting.

If you are a participant in the Mosaic 401(k) Plan or the Mosaic Union Savings Plan, you may submit a proxy vote as described above, but you may not vote your plan shares via the virtual meeting.

What vote is required for the election of directors and the other proposals to be approved?

To be elected in an uncontested election, directors must receive a majority of the votes cast by the holders of the shares of our Common Stock, voting together as a single class, present via the Internet or by proxy at the 2016 Annual Meeting and entitled to vote in the election of directors (meaning the number of shares voted “for” a director must exceed the number of shares voted “against” that director). In contested elections (an election in which the number of nominees for director is greater than the number of directors to be elected) the vote standard will be a plurality of votes cast.

With respect to the amendments to Mosaic’s Restated Certificate of Incorporation, the affirmative vote of a majority of the outstanding Common Stock entitled to be voted thereon is required for approval of those amendments. With respect to ratification of the appointment of KPMG LLP as our independent registered public accounting firm and the Say-on-Pay Proposal, the affirmative vote of the holders of a majority of the votes cast by the holders of the outstanding shares of Common Stock present via the Internet or by proxy and entitled to vote at the 2016 Annual Meeting is required for the approval of those proposals.

How are votes counted?

You may vote “FOR,” “AGAINST” or “ABSTAIN” for each nominee for the Board and on the other proposals.

If you submit your proxy but abstain from voting on one or more matters, your shares will be counted as present at the meeting for the purpose of determining a quorum. If you abstain from voting for one or more of the directors, this will

have no effect on the election of those directors, however, directors must receive a majority of the votes cast to be elected (meaning the number of shares voted "FOR" a director must exceed the number of shares voted "AGAINST" that director). If you abstain

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from voting on the amendments to Mosaic's Restated Certificate of Incorporation, it will have the effect of a vote "AGAINST" the amendments. If you abstain from voting on the appointment of KPMG LLP as our independent registered public accounting firm or the Say-on-Pay Proposal, this will have no effect on those proposals.

How does the Board of Directors recommend that I vote?

We are asking for your vote on the following proposals:

• Approval of an amendment to Mosaic's Restated Certificate of Incorporation to complete the transition to a declassified board;

• Approval of an amendment to Mosaic's Restated Certificate of Incorporation to eliminate Class A and Class B Common Stock and decrease the total number of authorized shares of capital stock from 1,279,036,543 to 1,015,000,000;

• Election of eleven directors: Nancy E. Cooper, Gregory L. Ebel, Timothy S. Gitzel, Denise C. Johnson, Emery N. Koenig, Robert L. Lumpkins, William T. Monahan, James ("Joc") C. O'Rourke, James L. Popowich, David T. Seaton and Steven M. Seibert;

• Ratification of the appointment of KPMG LLP as our independent registered public accounting firm for the year ending December 31, 2016; and

• A non-binding Say-on-Pay advisory vote on compensation paid to our Named Executive Officers as disclosed in this Proxy Statement.

Our Board of Directors recommends that you vote "FOR" the amendment to Mosaic's Restated Certificate of Incorporation to complete the transition to a classified board, "FOR" the amendment to Mosaic's Restated Certificate of Incorporation to eliminate Class A and Class B Common Stock and decrease the total number of authorized shares of capital stock from 1,279,036,543 to 1,015,000,000, "FOR" each of the nominees to our Board of Directors, "FOR" the ratification of KPMG LLP as our independent registered public accounting firm for the year ending December 31, 2016, and "FOR" the Say-on-Pay Proposal. We are not aware of any other matters that will be voted on at the 2016 Annual Meeting. However, if any other business properly comes before the meeting, the persons named as proxies for stockholders will vote on those matters in a manner they consider appropriate.

What if I do not specify how I want my shares voted?

If you hold your shares through a stock brokerage account, bank, trust or other nominee, and do not provide voting instructions to your broker, bank, trustee or nominee, your shares may constitute "broker non-votes," in which case they will be counted as present at the meeting for purposes of determining a quorum but, in accordance with applicable law and the rules of the NYSE, may not be voted on non-routine matters. Proposals 1, 2, 3 and 5 are considered non-routine matters, and without your voting instructions your broker cannot vote your shares. Shares for which you do not provide voting instructions may, however, be voted on Proposal No. 4 – Ratification of the Appointment of Independent Registered Public Accounting Firm, at the discretion of your broker, bank, trustee or nominee.

In tabulating the voting results for any particular proposal, shares that constitute broker non-votes are not considered entitled to vote on that proposal. Therefore, broker non-votes will have no effect on the outcome of proposals 3, 4 or 5. Since the vote required for each of Proposal 1 and Proposal 2 is based on a percentage of the shares outstanding, broker non-votes will have the same effect as a vote "AGAINST" either of those proposals.

If you vote your shares directly (as opposed to voting through a broker or other intermediary) and do not specify on your proxy card (or when giving your proxy by telephone or the Internet) how you want to vote your shares, we will vote your shares:

• "FOR" amendment to Mosaic's Restated Certificate of Incorporation to complete the transition to a declassified board;

• "FOR" amendment to Mosaic's Restated Certificate of Incorporation to eliminate Class A and Class B Common Stock and decrease the total number of authorized shares of capital stock from 1,279,036,543 to 1,015,000,000;

• "FOR" the election of all of the director nominees;

• "FOR" the ratification of the appointment of KPMG LLP as our independent registered public accounting firm for year ending December 31, 2016; and

• "FOR" the Say-on-Pay Proposal.

All beneficial owners of Mosaic Common Stock are urged to submit their proxy to indicate their votes or to contact their brokers to determine how to vote.

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Can I change my vote after submitting my proxy?

Yes. Except as otherwise provided below, you may revoke your proxy and change your vote at any time before your proxy is voted at the 2016 Annual Meeting. If you are a stockholder of record, you may revoke your proxy and change your vote:

• if you voted over the telephone or by Internet, by voting again over the telephone or by Internet no later than 11:59 p.m. Eastern time on May 18, 2016;

• if you completed and returned a proxy card, by submitting a new proxy card with a later date and returning it prior to the meeting;

• by submitting timely written notice of revocation to our Corporate Secretary at the address shown on page 26 of this Proxy Statement; or

• by voting virtually during the meeting at www.virtualshareholdermeeting.com/MOS16.

Attending the meeting via the Internet at www.virtualshareholdermeeting.com/MOS16 will not revoke your proxy unless you specifically request to revoke it or submit a ballot during the meeting via the Internet. If you have any questions about the 2016 Annual Meeting or how to vote or revoke your proxy, you should write to The Mosaic Company, Atria Corporate Center, Suite E490, 3033 Campus Drive, Plymouth, Minnesota 55441, Attention: Vice President – Investor Relations, or call (763) 577- 8213.

If you are a participant in the Mosaic 401(k) Plan or the Mosaic Union Savings Plan, you may revoke your proxy and change your vote as described above, but only until May 16, 2015. If you hold your shares in street name, contact your broker or other nominee regarding how to revoke your proxy and change your vote.

How can I attend the meeting?

We are pleased that this year's annual meeting will be a completely virtual meeting of stockholders, which will be conducted via live webcast. You are entitled to participate in the annual meeting only if you were a Mosaic stockholder or joint holder as of the close of business on March 22, 2016 or if you hold a valid proxy for the 2016 Annual Meeting.

You will be able to attend the 2016 Annual Meeting online and submit your questions during the meeting by going to www.virtualshareholdermeeting.com/MOS16. You also will be able to vote your shares electronically at the annual meeting (other than shares held through the Mosaic 401(k) Plan, which must be voted prior to the meeting).

To participate in the annual meeting, you will need the 16-digit control number (included on your Notice Regarding the Availability of Proxy Materials we mailed to you and on the proxy card, if you requested one be sent to you), will be able to vote electronically during the meeting and ask questions of management. If you do not have your control number at the time of the meeting, you will still be able to attend virtually, but you will not be able to vote or ask questions.

The meeting webcast will begin promptly at 10:00 a.m., Central Time. We encourage you to access the meeting prior to the start time. Online check-in will begin at 9:30 a.m. Central Time, and you should allow ample time for the check-in procedures.

During the 30 minutes prior to the meeting start time, if you have entered your 16-digit control number, you may vote your shares, submit questions in advance of the annual meeting and access copies of our proxy statement and annual report.

Who pays for the cost of proxy preparation and solicitation?

We pay for the cost of proxy preparation and solicitation, including the reasonable charges and expenses of brokerage firms, banks or other nominees for forwarding proxy materials to street name holders. We have retained MacKenzie Partners, Inc., a proxy solicitation firm, to assist in the solicitation of proxies for the 2016 Annual Meeting for a fee not expected to exceed \$18,000, plus reimbursement of associated costs and expenses.

We are soliciting proxies primarily by mail and Internet. In addition, our directors, officers and regular employees may solicit proxies by mail, electronic communication, telephone and personal contact. These individuals will receive no additional compensation for their services other than their regular salaries.

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APPENDIX A

CHARTER AMENDMENT – COMPLETION OF TRANSITION TO A FULLY DECLASSIFIED BOARD

ARTICLE VIII

BOARD OF DIRECTORS

The business of the Corporation shall be managed by or under the direction of the Board of Directors. A majority of the whole Board of Directors shall constitute a quorum for the transaction of business. Any director may tender his resignation at any time. Subject to any rights of the holders of any series of Preferred Stock, any director may be removed from office at any time, but only for either with or without cause and then only by the affirmative vote of the holders of at least a majority of the voting power of the then outstanding Voting Stock (as hereafter defined), voting together as a single class. For purposes of this Restated Certificate of Incorporation, “Voting Stock” shall mean the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors.

The number of directors to constitute the whole Board of Directors shall be established as provided in the bylaws. Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, at the annual meeting of stockholders of the Corporation that is held in calendar year 2016²⁰¹⁴ (the “2014 Annual Meeting”), the directors whose terms expire at the 2014 Annual Meeting (or such directors’ successors) will be elected to hold office for a one-year term expiring at the annual meeting of stockholders of the Corporation that is held in calendar year 2015 (the “2015 Annual Meeting”); the directors whose terms expire at the 2015 Annual Meeting (or such directors’ successors), will be elected to hold office for a one-year term expiring at the annual meeting of stockholders of the Corporation that is held in calendar year 2016; and at the 2016 Annual Meeting, and each annual meeting of stockholders of the Corporation thereafter, all directors shall be elected to hold office for a one-year term expiring at the next annual meeting of stockholders of the Corporation. For the avoidance of doubt, each person appointed by the directors of the Corporation or elected by the stockholders of the Corporation to the Board of Directors before the 2014 Annual Meeting will serve for the full term to which he or she was appointed or elected before the 2014 Annual Meeting.

Notwithstanding the foregoing provisions of this section, each director shall serve until his successor is duly elected and qualified or until his death, resignation or removal. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

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APPENDIX B

CHARTER AMENDMENT – ELIMINATION OF CLASS A AND CLASS B COMMON STOCK

ARTICLE IV

CAPITAL STOCK

1. Authorized Stock. (A) The total number of shares of capital stock that the Corporation has authority to issue is 1,015,000,000,296,212,589 of which:

(1)1,000,000,000 shares shall be shares of Common Stock, par value \$0.01 per share (the “Common Stock”);

(2)194,203,987 shares shall be shares of Class A Common Stock, par value \$0.01 per share, of which (i) 34,746,723 shall be designated Class A Common Stock, Series A-1 (the “Series A-1 Common Stock”); (ii) 60,490,599 shall be designated Class A Common Stock, Series A-2 (the “Series A-2 Common Stock”); (iii) 77,666,665 shall be designated Class A Common Stock, Series A-3 (the “Series A-3 Common Stock”); and (iv) 21,300,000 shall be designated Class A Common Stock, Series A-4 (the “Series A-4 Common Stock”);

(3)87,008,602 shares shall be shares of Class B Common Stock, par value \$0.01 per share, of which (i) 29,002,847 shall be designated Class B Common Stock, Series B-1 (the “Series B-1 Common Stock”); (ii) 29,002,867 shall be designated Class B Common Stock, Series B-2 (the “Series B-2 Common Stock”); and (iii) 29,002,888 shall be designated Class B Common Stock, Series B-3 (the “Series B-3 Common Stock”); and

(4)15,000,000 shares shall be shares of Preferred Stock, par value \$0.01 per share (the “Preferred Stock”).

(B) The Series A-1 Common Stock, the Series A-2 Common Stock, the Series A-3 Common Stock and the Series A-4 Common Stock are referred to collectively as the “Class A Common Stock”. The Series B-1 Common Stock, the Series B-2 Common Stock and the Series B-3 Common Stock are referred to collectively as the “Class B Common Stock”. The Common Stock, the Class A Common Stock and the Class B Common Stock are referred to collectively as the “Company Common Stock”.

2. Company Common Stock.

(A)General. Except as expressly provided for in this Article IV and in Article IX, the shares of each class and series of Company Common Stock shall have the same powers, rights and privileges and rank equally, share ratably and be identical in all respects as to all matters. Subject to the rights of the holders of any series of Preferred Stock from time to time outstanding, stockholders of the Corporation shall not have any preemptive rights to subscribe for, purchase or receive any part of any new or additional issue of stock of the Corporation and no stockholder will be entitled to cumulate votes at any election of directors.

(B)Dividends and Other Distributions. Subject to the rights of the holders of any series of Preferred Stock from time to time outstanding, and except as expressly provided for in this Article IV, holders of shares of Company Common Stock shall be entitled to receive such dividends and other distributions in cash, securities or property as may be declared thereon by the Board of Directors from time to time out of assets or funds of the Corporation legally available therefor; provided, however, that no dividend or other distribution may be declared or paid in respect of any share of any class or series of Company Common Stock unless a dividend or other distribution, payable in the same amount, ratio, form and manner, is simultaneously declared or paid, as the case may be, in respect of all shares of each class and series of Company Common Stock, without preference or priority of any kind, except that, whenever a dividend or other distribution is paid in shares of Company Common Stock, (i) only shares of Common Stock shall be paid in respect of the shares of Common Stock outstanding as of the record date therefor, (ii) only shares of Series A-1 Common Stock shall be paid in respect of the shares of Series A-1 Common Stock and shares of Series B-1 Common Stock, in each case outstanding as of the record date therefor, (iii) only shares of Series A-2 Common Stock shall be paid in respect of the shares of Series A-2 Common Stock and shares of Series B-2 Common Stock, in each case

outstanding as of the record date therefor, (iv) only shares of Series A-3 Common Stock shall be paid in respect of the shares of Series A-3 Common Stock and shares of Series B-3 Common Stock, in each case outstanding as of the record date therefor and (v) only shares of Series A-4 Common Stock shall be paid in respect of the shares of Series A-4 Common Stock outstanding as of the record date therefor. No dividends or distributions shall be paid in shares of Class B Common Stock. The Corporation shall not issue any option, warrant or other right to acquire shares of Class

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B Common Stock nor shall it implement any rights plan that provides for the distribution of rights to purchase shares of Class B Common Stock.

(C)Liquidation and Other Transactions.

(1) Liquidation. Upon any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, after the payment in full of all amounts to which the holders of each series, if any, of the then outstanding Preferred Stock shall be entitled, the remaining assets of the Corporation to be distributed to the holders of the capital stock of the Corporation shall be distributed ratably, on a share for share basis, among the holders of the shares of all classes and series of Company Common Stock, together with the holders of the shares of any class of stock ranking on a parity with the Company Common Stock in respect of such distribution. For purposes of this paragraph, unless otherwise provided with respect to any then outstanding series of Preferred Stock, the voluntary sale, conveyance, lease, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or substantially all of the assets of the Corporation or a consolidation or merger of the Corporation with one or more other corporations (whether or not the Corporation is the corporation surviving such consolidation or merger) shall not be deemed to be a liquidation, dissolution or winding up, either voluntary or involuntary.

(2) Other Transactions. The Corporation shall not (i) effect any reorganization, consolidation, combination or merger with or into another corporation or other entity (whether or not the Corporation is the surviving entity), (ii) consummate any agreement providing for, or otherwise approve, any tender or exchange offer for any shares of Company Common Stock, or (iii) grant any “top-up” option or other option in connection with any tender or exchange offer for any shares of Company Common Stock, unless, in each case (other than in the case of an implementation by the Corporation of a rights plan), the holders of outstanding shares of each class and series of Company Common Stock shall be entitled to receive the same kind and amount of consideration (including shares of stock and other securities and property (including cash)), if any, for each share so held, receivable upon such reorganization, consolidation, combination, merger or tender or exchange offer, in each case, without distinction between classes or series of Company Common Stock.

(D)Voting. Subject to the rights of the holders of any series of Preferred Stock from time to time outstanding, the

(1)Except as otherwise provided in this Article IV and except as required by law, holders of shares of each class and series of Company Common Stock shall be entitled to vote, and shall vote together as one class, on all matters to be voted on by the stockholders of the Corporation. Except as otherwise provided in this Article IV and except as required by law, (x) with respect toOn all matters other than the election of directors,to be voted on by the holders of Common Stock, each holder of shares of Company Common Stock shall be entitled to one (1) vote in person or by proxy for each share of Company Common Stock held of record by such holder, and (y) with respect to the election of directors, each holder of shares of Common Stock and/or Class A Common Stock shall be entitled to one (1) vote in person or by proxy for each share of Common Stock and/or Class A Common Stock held of record by such holder, and each holder of shares of Class B Common Stock shall be entitled to ten (10) votes in person or by proxy for each share of Class B Common Stockthereof held of record by such holder.

(2)Notwithstanding anything to the contrary contained in this Restated Certificate of Incorporation, for so long as any shares of Class A Common Stock or Class B Common Stock remain outstanding, without the Requisite Vote or Requisite Votes, as applicable (and any other vote of stockholders required by this Restated Certificate of Incorporation or applicable law):

(i)this Restated Certificate of Incorporation shall not be amended, altered or repealed (including by merger, consolidation or otherwise) in a manner that would alter or change the powers, preferences, or relative, participating, optional or other special rights of the shares of Class A Common Stock and/or Class B Common Stock (or any series thereof), or the qualifications, limitations or restrictions with respect thereto, so as to affect them adversely;

(ii) no series of Preferred Stock shall be established by the Board of Directors, and no shares of any series of Preferred Stock shall be issued by the Corporation (by merger, consolidation or otherwise), if the terms of such series of Preferred Stock would be violated or breached by or as a result of the conversion of the shares of Class A Common Stock or Class B Common Stock (or any series thereof), or the Transfer of any such shares, in accordance with the terms of this Article IV;

(iii) no shares of Class A Common Stock (or any series thereof) or Class B Common Stock (or any series thereof) shall be issued by the Corporation (including by merger, consolidation or otherwise), other than pursuant to the Merger and other than the issuance of shares of Class A Common Stock upon the conversion of shares of Class B

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Common Stock in accordance with the terms of this Article IV or upon a dividend or other distribution paid by the Corporation in shares of Common Stock or Class A Common Stock in accordance with the terms of this Article IV;

(iv) no reorganization, consolidation, combination or merger of the Corporation with or into another corporation or other entity in which shares of Class A Common Stock (or any series thereof) and/or Class B Common Stock (or any series thereof) are converted into (or entitled to receive with respect thereto) shares of stock or other securities or property (including cash) shall be permitted, unless, in such reorganization, consolidation, combination or merger, each holder of a share of Class A Common Stock and/or Class B Common Stock shall be entitled to receive with respect to each such share the same kind and amount of shares of stock or other securities or property (including cash) as any holder of a share of Common Stock shall be entitled to receive for a share of Common Stock;

(v) the Corporation (including its Board of Directors) shall not, and shall not permit any of its subsidiaries to, make, agree to, approve or recommend any tender or exchange offer for any shares of Company Common Stock, unless such tender or exchange offer is open to all holders of shares of all series and classes of Company Common Stock and the consideration paid to any such holder for shares of Company Common Stock tendered into such tender or exchange offer is the highest consideration paid to any other holder for shares of Company Common Stock tendered into such tender or exchange offer;

(vi) the Corporation shall not subdivide (by any stock split, reclassification, recapitalization or otherwise) or combine (by reverse stock split, reclassification, recapitalization or otherwise) the outstanding shares of Common Stock, Class A Common Stock (or any series thereof) or Class B Common Stock (or any series thereof), unless the outstanding shares of the other such classes and series of Company Common Stock shall be proportionately subdivided or combined in the same manner, in each case so that the numbers of shares of Common Stock, Class A Common Stock (and each series thereof) and Class B Common Stock (and each series thereof) outstanding immediately following such subdivision or combination shall bear the same relationship to one another as did the numbers of shares of Common Stock, Class A Common Stock (and each series thereof) and Class B Common Stock (and each series thereof) outstanding immediately prior to such subdivision or combination; and

(vii) this Section 2(D)(2) and Section 2(D)(4)(a) of this Article IV of this Restated Certificate of Incorporation shall not be amended, altered or repealed (including by merger, consolidation or otherwise), and no provision of this Restated Certificate of Incorporation that is inconsistent with this Section 2(D)(2) or Section 2(D)(4)(a) of this Article IV shall be adopted (including by merger, consolidation or otherwise); provided, however that no vote otherwise required by this Section 2(D)(2) shall be required for the implementation by the Corporation of a rights plan, including the distribution of rights to all holders of the Company Common Stock, the designation of a series of preferred stock in connection therewith, and all other actions contemplated by any such rights plan and the operation thereof, so long as all shares of all holders of shares of Company Common Stock are treated identically pursuant to such distribution and, other than a holder who is an "Acquiring Person" and certain transferees of any such "Acquiring Person" under such rights plan, the operation of such rights plan.

(3) Notwithstanding anything to the contrary contained in this Restated Certificate of Incorporation, for so long as any shares of Class A Common Stock or Class B Common Stock remain outstanding, without the Requisite Common Vote (and any other vote of stockholders required by this Restated Certificate of Incorporation or applicable law):

(i) this Restated Certificate of Incorporation shall not be amended, altered or repealed (including by merger, consolidation or otherwise) in a manner that would alter or change the powers, preferences, or relative, participating, optional or other special rights of the shares of Common Stock, or the qualifications, limitations or restrictions with respect thereto, so as to affect them adversely;

(ii) the Corporation shall not subdivide (by any stock split, reclassification, recapitalization or otherwise) or combine (by reverse stock split, reclassification, recapitalization or otherwise) the outstanding shares of Common Stock, Class

A Common Stock (or any series thereof) or Class B Common Stock (or any series thereof), unless the outstanding shares of the other such classes and series of Company Common Stock shall be proportionately subdivided or combined in the same manner, in each case so that the numbers of shares of Common Stock, Class A Common Stock (and each series thereof) and Class B Common Stock (and each series thereof) outstanding immediately following such subdivision or combination shall bear the same relationship to one another as did the numbers of shares of Common Stock, Class A Common Stock (and each series thereof) and Class B Common Stock (and each series thereof) outstanding immediately prior to such subdivision or combination; and

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(iii) Section 2(C)(2), this Section 2(D)(3) and Section 2(D)(4)(b) of this Article IV of this Restated Certificate of Incorporation shall not be amended, altered or repealed (including by merger, consolidation or otherwise), and no provision of this Restated Certificate of Incorporation that is inconsistent with Section 2(C)(2), this Section 2(D)(3) or Section 2(D)(4)(b) of this Article IV shall be adopted (including by merger, consolidation or otherwise); provided, however, that no vote otherwise required by this Section 2(D)(3) shall be required for the implementation by the Corporation of a rights plan, including the distribution of rights to all holders of the Company Common Stock, the designation of a series of preferred stock in connection therewith, and all other actions contemplated by any such rights plan and the operation thereof, so long as all shares of all holders of shares of Company Common Stock are treated identically pursuant to such a distribution and, other than a holder who is an “Acquiring Person” and certain transferees of any such “Acquiring Person” under such rights plan, the operation of such rights plan.

(4)(a) “Requisite Vote” and “Requisite Votes,” as applicable, means, in addition to any other or different vote required by applicable law, for purposes of any action described in clauses (i) through (vii) of Section 2(D)(2) of this Article IV, (1) the affirmative vote of holders of at least a majority of the voting power of the shares of all series of Class A Common Stock and all series of Class B Common Stock outstanding as of the record date therefor, voting together as a single class and, (2) if any such action would affect a class or series of Class A Common Stock and/or Class B Common Stock, as applicable, less favorably, or more adversely, than it does any other class or series of Class A Common Stock and/or Class B Common Stock, the affirmative vote of holders of at least a majority of the voting power outstanding as of the record date therefor of the shares of the class or series less favorably or more adversely affected by such action, voting as a separate class.

(b) “Requisite Common Vote” means, in addition to any other or different vote required by applicable law, for purposes of any action described in clauses (i) through (iii) of Section 2(D)(3) of this Article IV, the affirmative vote of holders of at least a majority of the voting power of the shares of Common Stock outstanding as of the record date therefor.

3. Transfer Restrictions and Conversion Applicable to Shares of Class A Common Stock and Class B Common Stock.
(A) Transfer Restrictions of Class A Common Stock and Class B Common Stock.

(1) Except as otherwise set forth in Section 3(A)(2), Section 3(A)(3) or Section 3(A)(4) of this Article IV, (x) shares of Class A Common Stock may not be Transferred by or at the request of any record or beneficial owner of such shares of Class A Common Stock, and (y) shares of Class B Common Stock may not be Transferred by or at the request of any record or beneficial owner of such shares of Class B Common Stock until the Lock-Up Expiration Date applicable to such shares of Class B Common Stock shall have occurred.

(2) Section 3(A)(1) of this Article IV shall not prohibit a record or beneficial owner of shares of Class A Common Stock or Class B Common Stock from Transferring such shares in a Permitted Transfer, provided that (i) any record or beneficial owner of shares of Class A Common Stock or Class B Common Stock that seeks to Transfer one or more of such shares pursuant to this Section 3(A)(2) must, upon the Corporation’s request, provide to the Corporation affidavits or other proof reasonably acceptable to the Corporation that any such Transfer qualifies as a Permitted Transfer, and any good faith determination of the Corporation that a particular Transfer so qualifies or does not so qualify shall be conclusive and binding; and (ii) if a record or beneficial owner of shares of Class A Common Stock or Class B Common Stock makes any Transfer of one or more such shares in a Permitted Transfer, each share of Class A Common Stock and/or Class B Common Stock so Transferred shall continue to be bound by the terms of this Article IV, including the restrictions on Transfer set forth in this Article IV.

(3) Section 3(A)(1) of this Article IV shall not prohibit a record or beneficial owner of shares of Class A Common Stock from Transferring such shares pursuant to a Qualified Transfer.

(4)(a) At any time or from time to time on or prior to the second (2nd) anniversary of the Issue Date, if the Board of Directors (or any committee thereof designated thereby) determines in good faith it is in the best interests of the

Corporation and its stockholders, the Board of Directors (or such committee) may (x) waive or otherwise remove the restrictions on Transfer set forth in Section 3(A)(1) of this Article IV with respect to all or any number of the shares of Series A-4 Common Stock, on such terms and conditions as may be fixed by the Board of Directors (or such committee) in its sole discretion and (y) waive or otherwise remove the restrictions on Transfer set forth in Section 3(A)(1) of this Article IV (on such terms and conditions as may be fixed by the Board of Directors (or such committee) in its sole discretion) to allow any of the MAC Trusts to Transfer all or any number of the shares of Class A Common Stock held by it so long as such Transfer will occur on or prior to the second (2nd) anniversary of the Issue Date.

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(b) At any time or from time to time after the second (2nd) anniversary of the Issue Date, if the Board of Directors (or any committee thereof designated thereby) determines in good faith it is in the best interests of the Corporation and its stockholders, the Board of Directors (or such committee) may, in its sole discretion, waive or otherwise remove the restrictions on Transfer set forth in Section 3(A)(1) of this Article IV, on such terms and conditions as may be fixed by the Board of Directors (or such committee) in its sole discretion, with respect to (w) all or any number of the shares of Series A-1 Common Stock and Series B-1 Common Stock (such shares, the “Combined Series 1 Stock”), (x) all or any number of the shares of Series A-2 Common Stock and Series B-2 Common Stock (such shares, the “Combined Series 2 Stock”), or (y) all or any number of the shares of Series A-3 Common Stock and Series B-3 Common Stock (such shares, the “Combined Series 3 Stock,” and each of the Combined Series 1 Stock, Combined Series 2 Stock and Combined Series 3 Stock is referred to individually as a “Combined Series of Stock”); provided, however, that, except in the case of a waiver or removal of the restrictions on Transfer if required to permit Transfers pursuant to Section 2.02(b)(vi) of the Governance Agreement, if the Board of Directors (or such committee) waives or otherwise removes the restrictions on Transfer set forth in Section 3(A)(1) of this Article IV pursuant to this Section 3(A)(4)(b) with respect to less than all of the outstanding shares of a Combined Series of Stock, the number of shares of such Combined Series of Stock of each holder in respect of which the restrictions on Transfer set forth in Section 3(A)(1) of this Article IV shall be waived or otherwise removed shall be equal to the result obtained by multiplying (i) the number of shares of such Combined Series of Stock held by such holder as of a record date determined by the Board of Directors (or such committee) by (ii) a fraction, the numerator of which shall be the number of outstanding shares of such Combined Series of Stock as of such record date in respect of which the Board of Directors (or such committee) is waiving or otherwise removing the restrictions on Transfer set forth in Section 3(A)(1) of this Article IV and the denominator of which shall be the number of outstanding shares of such Combined Series of Stock as of such record date, rounded down to the nearest whole share. In the event that the Board of Directors (or such committee) waives or otherwise removes the restrictions set forth in Section 3(A)(1) of this Article IV, pursuant to this Section 3(A)(4)(b) with respect to less than all of the shares of any Combined Series of Stock held by any holder, such waiver or removal of restrictions shall apply first to such holder’s shares of Class A Common Stock of the Combined Series of Stock and second to such holder’s shares of Class B Common Stock of such Combined Series of Stock.

(5) Notwithstanding anything to the contrary contained in this Restated Certificate of Incorporation, the Corporation shall not, and shall not permit any of its subsidiaries to, purchase or otherwise acquire any shares of Class A Common Stock or Class B Common Stock at a price per share that exceeds the Common Market Price.

(B) Conversion of Class A Common Stock.

(1) Series A-1 Common Stock; Series A-2 Common Stock; Series A-3 Common Stock. Each share of Series A-1 Common Stock, Series A-2 Common Stock and Series A-3 Common Stock shall be converted into shares of Common Stock on the terms and conditions set forth below in this Section 3(B)(1). Any conversion effected in accordance with this Section 3(B)(1) (other than paragraph (d) of this Section 3(B)(1)) shall be effective upon the applicable Conversion Time whether or not certificates representing such shares are surrendered to the Corporation.

(a) Conversion Upon Lock-up Release Date. (i) Each share of Series A-1 Common Stock outstanding on the First Lock-up Release Date shall be converted, immediately prior to the close of business on such date, automatically and without payment of additional consideration or further action by the holder thereof, into one fully paid and non-assessable share of Common Stock; (ii) each share of Series A-2 Common Stock outstanding on the Second Lock-up Release Date shall be converted, immediately prior to the close of business on such date, automatically and without payment of additional consideration or further action by the holder thereof, into one fully paid and non-assessable share of Common Stock; and (iii) each share of Series A-3 Common Stock outstanding on the Third Lock-up Release Date shall be converted, immediately prior to the close of business on such date, automatically and without payment of additional consideration or further action by the holder thereof, into one fully paid and non-assessable share of Common Stock.

(b) Conversion in Connection with a Released Share Offering. Each share of Series A-1 Common Stock, Series A-2 Common Stock and Series A-3 Common Stock shall be converted, automatically and without payment of additional consideration or further action by the holder thereof, into one fully paid and non-assessable share of Common Stock upon the Transfer of such share pursuant to a Released Share Offering in accordance with the Registration Agreement.

(c) Conversion by the Board.

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- (i) At any time or from time to time on or prior to the second (2nd) anniversary of the Issue Date, the Board of Directors (or any committee thereof designated thereby) may, in its sole discretion, convert all or any number of the shares of any series of Class A Common Stock (other than Series A-4 Common Stock) held by any MAC Trust, automatically and without payment of additional consideration or further action by the holder thereof, on a share-for-share basis, into fully paid and non-assessable shares of Common Stock (at such time or times and on such terms and conditions as may be fixed by the Board of Directors (or such committee) in its sole discretion) so long as (x) such conversion will occur and is conditioned upon the Transfer of all such shares of Common Stock pursuant to a Structured Formation Offering, Market Sale or Private Sale, (y) such conversion and Transfer will occur on or prior to the second (2nd) anniversary of the Issue Date and (z) the shares of Class A Common Stock that are to be converted pursuant to this clause (i) at any one time shall consist of an equal number of shares of Series A-1 Common Stock, Series A-2 Common Stock and Series A-3 Common Stock then held by such MAC Trust.
- (ii) At any time or from time to time after the later of the Class B Conversion Approval and the second (2nd) anniversary of the Issue Date, the Board of Directors (or any committee thereof designated thereby) may, in its sole discretion, convert all or any number of the shares of any series of Class A Common Stock automatically and without payment of additional consideration or further action by the holder thereof, on a share-for-share basis, into fully paid and non-assessable shares of Common Stock (at such time or times and on such terms and conditions as may be fixed by the Board of Directors (or such committee) in its sole discretion); provided, however, that if the Board of Directors (or such committee) elects to convert less than all of the outstanding shares of any series of Class A Common Stock at any time pursuant to this Section 3(B)(1)(c)(ii), the number of shares of such series of Class A Common Stock of each holder that shall be converted shall be equal to the result obtained by multiplying (x) the number of shares of such series of Class A Common Stock held by such holder as of a record date determined by the Board of Directors (or such committee) by (y) a fraction, the numerator of which shall be the number of outstanding shares of such series of Class A Common Stock as of such record date being converted by the Board of Directors (or any such committee), and the denominator of which shall be the number of outstanding shares of such series of Class A Common Stock as of such record date, rounded down to the nearest whole share.
- (d) Death Conversion. In the event an estate of a person who shall have died after the Execution Date is a holder of shares of Class A Common Stock or in the event a grantor, settlor or beneficiary of a trust that holds shares of Class A Common Stock shall have died after the Execution Date, such estate or trust may, without payment of additional consideration, convert any shares of Class A Common Stock held by such trust or estate, on a share-for-share basis, into fully paid and non-assessable shares of Common Stock in connection with (a) the Transfer of such shares of Common Stock so long as the proceeds of such Transfer are to be used (or the proceeds of a prior Permitted Transfer (made pursuant to clause (B) of such definition) of shares of Class B Common Stock that were previously converted into such shares of Class A Common Stock were used) to pay estate taxes and expenses payable by reason of the death of such deceased person or the death of the grantor or settlor of such trust or any one or more beneficiaries of such trust (as applicable), and (b) the Transfer of such shares of Common Stock after the second (2nd) anniversary of the Issue Date so long as (x) the proceeds of such Transfer are to be used to pay estate taxes, debts, obligations and expenses payable by reason of the death of such deceased person or the death of the grantor or settlor of such trust or any one or more beneficiaries of such trust (as applicable) or (y) such Transfer is made in connection with a foreclosure on shares of Class A Common Stock that were pledged pursuant to a Permitted Transfer. In order for a trust or estate to convert shares of Class A Common Stock into shares of Common Stock pursuant to this Section 3(B)(1)(d), such trust or estate shall surrender such the certificate or certificates for such shares (or, if such trust or estate alleges that such certificate or certificates has been lost, stolen or destroyed, such trust or estate shall provide the Corporation with a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation and the transfer agent (if the Corporation does not serve as its own transfer agent) at the office of the transfer agent for the Class A Common Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent) and if requested by the Corporation or the transfer agent (if applicable), the posting of a surety bond in customary amount and upon customary terms, against any claim that may be made against the Corporation and/or the transfer agent on account of the alleged loss, theft or destruction of such certificate or certificates), at the office of the transfer agent for the Class A Common Stock (or at the principal office of the Corporation if the

Corporation serves as its own transfer agent), together with written notice (x) stating that such trust or estate elects to convert all or a number of shares of Class A Common Stock represented by such certificate or certificates (if any) pursuant to this Section 3(B)(1)(d) and (y) presenting facts indicating that such conversion complies with this Section 3(B)(1)(d). Such notice shall also state such trust or estate's name or the names of the nominees in which such trust or estate wishes such shares of Common Stock, and the certificate or certificates (if any) for such shares of Common Stock, to be issued. If required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or his, her or its attorney duly authorized in writing. In addition, the trust or estate seeking to

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convert shares of Class A Common Stock into shares of Common Stock pursuant to this Section 3(B)(1)(d) shall (i) provide to the Corporation affidavits stating that such conversion and the related Transfer of shares of Common Stock is in compliance with any agreement such trust or estate may have with Cargill and (ii) upon the Corporation's request, provide to the Corporation affidavits or other proof reasonably acceptable to the Corporation that such conversion complies with this Section 3(B)(1)(d), and any good faith determination of the Corporation that a particular conversion so qualifies or does not so qualify shall be conclusive and binding. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of the certificates (or lost certificate affidavit and agreement), notice and, if requested in accordance with the foregoing, any surety bond, affidavits or other proof, shall be the Conversion Time and the shares of Common Stock issuable upon conversion of such shares of Class A Common Stock shall be deemed outstanding of record as of such time. The Corporation shall, as soon as practicable after any such surrender following such Conversion Time, issue and deliver to the applicable trust or estate or to its nominees, a certificate or certificates (if any) for the number of shares of Common Stock into which such shares of Class A Common Stock were converted pursuant to this Section 3(B)(1)(d) and a certificate representing the shares of Class A Common Stock represented by a surrendered certificate that were not converted into shares of Common Stock pursuant to this Section 3(B)(1)(d).

(2)Series A-4 Common Stock. The shares of Series A-4 Common Stock shall be converted into shares of Common Stock on the terms and conditions set forth in this Section 3(B)(2). Any conversion effected in accordance with this Section 3(B)(2) shall be effective upon the applicable Conversion Time whether or not certificates representing such shares are surrendered to the Corporation.

(a)Conversion in Connection with Certain Sales. Prior to the second (2nd) anniversary of the Issue Date, each share of Series A-4 Common Stock shall be converted, automatically and without payment of additional consideration or further action by the holder thereof, into one fully paid and non-assessable share of Common Stock upon the Transfer of that share pursuant to a Structured Formation Offering, Market Sale or Private Sale, as applicable.

(b)Other Conversion. Immediately after the close of business on the second (2nd) anniversary of the Issue Date, each then outstanding share of Series A-4 Common Stock shall be converted, automatically and without payment of additional consideration or further action by the holder thereof, into one share of Common Stock.

(3)90% Owner After Tender Offer. In the event that any Person becomes the record and beneficial owner of 90% or more of the outstanding shares of Company Common Stock as a result of a tender or exchange offer approved or recommended by the Board of Directors (or the exercise of any "top-up" option granted by the Corporation in connection with any such tender or exchange offer), each outstanding share of Class A Common Stock, whether or not held by such Person, shall be converted, automatically and without payment of additional consideration or further action by the holder thereof, into one fully paid and non-assessable share of Common Stock.

(C)Conversion of Class B Common Stock. Each share of Class B Common Stock shall be converted into shares of Series A-1 Common Stock, Series A-2 Common Stock, Series A-3 Common Stock or Common Stock, as applicable, on the terms and conditions set forth below in this Section 3(C). Any conversion effected in accordance with this Section 3(C) shall be effective upon the applicable Conversion Time whether or not certificates representing such shares are surrendered to the Corporation.

(1)Conversion upon Shareholder Approval. If the Corporation's Board of Directors determines to submit to the stockholders of the Corporation, at a duly called meeting of stockholders, a proposal to effect a conversion of the shares of Class B Common Stock, and such proposal is approved by the affirmative vote of the holders of a majority of the voting power of the shares of Common Stock, Class A Common Stock and Class B Common Stock entitled to vote and present in person or by proxy at the meeting, voting together as a single class (any such approval, the "Class B Conversion Approval"), all of the shares of Class B Common Stock then outstanding shall be converted, automatically and without payment of additional consideration or further action by the holders thereof, as follows:

(a) If the Class B Conversion Approval occurs prior to the First Lock-up Release Date, then immediately prior to the close of business on the date of such Class B Conversion Approval (i) each share of Series B-1 Common Stock shall be converted into one fully paid and non-assessable share of Series A-1 Common Stock, (ii) each share of Series B-2 Common Stock shall be converted into one fully paid and non-

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assessable share of Series A-2 Common Stock, and (iii) each share of Series B-3 Common Stock shall be converted into one fully paid and non-assessable share of Series A-3 Common Stock;

(b)If the Class B Conversion Approval occurs on or after the First Lock-up Release Date but prior to the Second Lock-up Release Date, then immediately prior to the close of business on the date of such Class B Conversion Approval, (i) each share of Series B-1 Common Stock shall be converted into one fully paid and non-assessable share of Common Stock, (ii) each share of Series B-2 Common Stock shall be converted into one fully paid and non-assessable share of Series A-2 Common Stock, and (iii) each share of Series B-3 Common Stock shall be converted into one fully paid and non-assessable share of Series A-3 Common Stock;

(c)If the Class B Conversion Approval occurs on or after the Second Lock-up Release Date but before the Third Lock-up Release Date, then immediately prior to the close of business on the date of such Class B Conversion Approval, (i) each share of Series B-1 Common Stock and Series B-2 Common Stock shall be converted into one fully paid and non-assessable share of Common Stock, and (ii) each share of Series B-3 Common Stock shall be converted into one fully paid and non-assessable share of Series A-3 Common Stock; and

(d)If the Class B Conversion Approval occurs on or after the Third-Lock-up Release Date, then immediately prior to the close of business on the date of such Class B Conversion Approval, each share of Class B Common Stock shall be converted into one fully paid and non-assessable share of Common Stock.

(2)90% Owner After Tender Offer. In the event that any Person becomes the record and beneficial owner of 90% or more of the outstanding shares of Company Common Stock as a result of a tender or exchange offer approved or recommended by the Board of Directors (or the exercise of any “top-up” option granted by the Corporation in connection with any such tender or exchange offer), each outstanding share of Class B Common Stock, whether or not held by such Person, shall be converted, automatically and without payment of additional consideration or further action by the holder thereof, into one fully paid and non-assessable share of Common Stock.

(D)Conversion Mechanics.

(1)Manner of Conversion.

(a)Upon the automatic conversion of any shares of Class A Common Stock or any shares of Class B Common Stock pursuant to Section 3(B) or Section 3(C) of this Article IV (other than pursuant to Section 3(B)(1)(d)) (any such conversion, an “Automatic Conversion”), the Corporation will provide written notice of the conversion of such shares to the holders of record of such shares, at such holders’ respective addresses as they appear on the transfer books of the Corporation, as soon as reasonably practicable following the applicable Conversion Time; provided, however, that neither the failure to give such notice nor any defect therein shall affect the validity of the conversion. Such notice, which need not be sent in advance of the occurrence of the applicable Conversion Time, shall state, as appropriate and together with such other information as the Corporation may deem appropriate to include in such notice: (i) the effective date of the conversion; and (ii) the number and series of shares of Class A Common Stock or Class B Common Stock, as the case may be, that were or are to be automatically converted and the number and class and series of shares, as applicable, into which the converted (or to be converted) shares were (or are to be) converted.

(b)In the event of an Automatic Conversion of any shares of Class A Common Stock or any shares of Class B Common Stock, the certificates formerly representing each such share of Class A Common Stock or Class B Common Stock shall thereupon and thereafter be deemed to represent such number and series (if applicable) of shares of Class A Common Stock or Common Stock, as applicable, into which such shares of Class A Common Stock or Class B Common Stock were converted pursuant to such Automatic Conversion unless and until such certificate or certificates are exchanged in accordance with the following paragraph.

(c) From and after the Conversion Time applicable to shares of Class A Common Stock or Class B Common Stock converted pursuant to an Automatic Conversion any holder of such shares of former Class A Common Stock or former Class B Common Stock may surrender such holder's certificate or certificates for such shares (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, such holder shall provide the Corporation with a lost certificate affidavit and agreement reasonably

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acceptable to the Corporation to indemnify the Corporation and the transfer agent (if the Corporation does not serve as its own transfer agent) at the office of the transfer agent for the Class A Common Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent) and if requested by the Corporation or the transfer agent (if applicable), the posting of a surety bond in customary amount and upon customary terms, against any claim that may be made against the Corporation and/or the transfer agent on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Class A Common Stock and/or Class B Common Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent), together with written notice that such holder would like one or more new certificates (if any) representing the shares of Class A Common Stock or Common Stock, as applicable, into which such shares of Class A Common Stock and/or Class B Common Stock were converted pursuant to the Automatic Conversion. Such notice shall state such holder's name or, where shares were converted into shares of Common Stock, the names of the nominees in which such holder wishes the certificate or certificates (if any) for such shares to be issued. If required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or his, her or its attorney duly authorized in writing. The Corporation shall, as soon as practicable after any such surrender following the Conversion Time applicable to any such shares, issue and deliver to such holder, or where shares were converted into shares of Common Stock, to his, her or its nominees, a certificate or certificates (if any) for the number of shares of Class A Common Stock or Common Stock into which such shares of Class A Common Stock and/or Class B Common Stock were converted pursuant to the Automatic Conversion.

(2)Reservation of Shares. The Corporation shall at all times when Class A Common Stock or Class B Common Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Class A Common Stock or Class B Common Stock, such number of its duly authorized shares of Class A Common Stock and Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Class A Common Stock and Class B Common Stock at such time; and if at any time the number of authorized but unissued shares of Class A Common Stock or Common Stock, as applicable, shall not be sufficient to effect the conversion of all then outstanding shares of Class A Common Stock and Class B Common Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Class A Common Stock or Common Stock, as applicable, to such number of shares as shall be sufficient for such purposes, including, if applicable, seeking to obtain the requisite stockholder approval of any necessary amendment to this Restated Certificate of Incorporation.

(3)Effect of Conversion. Each share of Class A Common Stock and Class B Common Stock converted as herein provided shall no longer be deemed to be outstanding and all rights with respect to such share shall immediately cease and terminate at the Conversion Time applicable to such share, except only the right of the holder thereof to receive shares of Class A Common Stock or Common Stock, as the case may be, in exchange therefor and to receive payment of any dividends declared but unpaid on the share so converted for which the record date has already occurred. Any shares of any series of Class A Common Stock or Class B Common Stock so converted shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of the applicable series of Class A Common Stock or Class B Common Stock accordingly.

(4)Treatment of Certain Dividends.

(a) With respect to any dividends that (i) are declared on shares of Series A-1 Common Stock, Series A-2 Common Stock, Series A-3 Common Stock or Series A-4 Common Stock, (ii) are payable in shares of Series A-1 Common Stock, Series A-2 Common Stock, Series A-3 Common Stock, or Series A-4 Common Stock, respectively, and (iii) have not been paid prior to the conversion of such shares of Series A-1 Common Stock, Series A-2 Common Stock, Series A-3 Common Stock or Series A-4 Common Stock, as applicable, into shares of Common Stock, such dividend

shall be paid in the form of shares of Common Stock rather than in the form of shares of Series A-1 Common Stock, Series A-2 Common Stock, Series A-3 Common Stock or Series A-4 Common Stock, as applicable.

(b) With respect to any dividends that (i) are declared on shares of Series B-1 Common Stock, Series B-2 Common Stock or Series B-3 Common Stock, (ii) are payable in shares of Series A-1 Common Stock, Series A-2 Common Stock, or Series A-3 Common Stock, respectively, and (iii) have not been paid prior to the conversion of such shares of Series B-1 Common Stock, Series B-2 Common Stock or Series B-3 Common Stock, as applicable, into shares of Common Stock, such dividend shall be paid in the form of

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shares of Common Stock rather than in the form of shares of Series A-1 Common Stock, Series A-2 Common Stock or Series A-3 Common Stock, as applicable.

(5) Taxes. The issuance of shares of Common Stock or Class A Common Stock, as the case may be, on the conversion of Class A Common Stock or Class B Common Stock shall be made by the Corporation without charge for expenses or for any documentary, stamp or similar issue or transfer taxes payable in respect of the issue or delivery of shares of Common Stock or Class A Common Stock, as applicable. However, if any such shares are to be issued in a name other than that of the holder of the share or shares of Class A Common Stock and/or Class B Common Stock converted, the person or persons requesting the issuance thereof shall pay to the Corporation the amount of any tax which may be payable in respect of any transfer involved in such issuance or shall establish to the satisfaction of the Corporation that such tax has been paid or is not required to be paid.

(E) General.

(1) The restrictions on Transfer set forth in this Section 3 of Article IV shall be referred to as the “Lock-up.” The Corporation shall not register the purported Transfer of any shares of Class A Common Stock or Class B Common Stock in violation of the Lock-up and any such Transfer in violation of the Lock-up shall be null and void ab initio.

(2) All shares of Class A Common Stock and Class B Common Stock shall be issued solely in certificated form, which certificate shall at all times bear a legend to the effect that such shares are subject to the Lock-up.

(F) Definitions.

The following terms shall have the meanings set forth below:

“Acorn Trust” means the Acorn Trust dated January 30, 1995, as amended.

“Anne Ray Charitable Trust” means the Anne Ray Charitable Trust dated August 20, 1996, as amended.

“beneficial owner” and words of similar import (including “beneficially own” and “beneficial ownership”) shall have the meaning attributed to them under Rule 13d-3 promulgated under the Exchange Act except that a Person shall be deemed to have “beneficial ownership” of all shares that such Person has the right to acquire, whether such right is exercisable immediately or only after passage of time.

“Cargill” means Cargill, Incorporated and its successors.

“Cargill Family Entity” means any corporation, partnership or limited liability company of which, in each case, at least ninety percent (90%) in value of the stock or other ownership interests is owned by one or more Cargill Family Members, Cargill Family Trusts, other Cargill Family Entities or Cargill Family Member Estates.

“Cargill Family Member” means (a) any natural person who is a lineal descendent of W.W. Cargill, including a legally adopted descendent and his or her descendants; (b) any natural person who is a spouse of any person referred to in clause (a); and (c) any natural person who is a brother, sister or parent, including as a result of a legal adoption, of any person referred to in clause (a).

“Cargill Family Member Estate” means the estate of any Cargill Family Member.

“Cargill Family Trust” means any trust the primary beneficiaries of which are Cargill Family Members, Cargill Family Entities, other Cargill Family Trusts and/or Charitable Organizations.

“Charitable Organization” means an organization described in Section 170(c), Section 501(c)(3) or Section 501(c)(4) of the Code.

“Code” means the Internal Revenue Code of 1986, as amended.

“Common Market Price” means the average (rounded to the nearest cent) of the volume-weighted average trading price of a share of Common Stock (rounded to the nearest cent) on the New York Stock Exchange for each of the 20 trading days immediately preceding the date of the Transfer.

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“Conversion Time” means, with respect to any share of Company Common Stock, the date and time that such share is converted into any other class or series of Company Common Stock as set forth in Section 3 of this Article IV.

“Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Execution Date” means January 18, 2011.

“Family Members” means, with respect to any natural person, such person’s spouse, parents, grandparents, children, grandchildren, great-grandchildren, brothers and sisters, mother-in-law and father-in-law, brothers-in-law and sisters-in-law, daughters-in-law and sons-in-law. Adopted and step-members are also included as “Family Members.”

“First Lock-Up Release Date” means the first day after the thirty (30) month anniversary of the Issue Date.

“Governance Agreement” means that certain Governance Agreement, dated as of January 18, 2011, by and among the Corporation, the Mosaic Company and the Stockholder Parties thereto, as such agreement may be amended from time to time.

“Issue Date” means the date on which Cargill consummates the Split-off, as such term is defined in the Merger and Distribution Agreement, in accordance with the terms thereof.

“Lock-Up Expiration Date” means: (A) with respect to each share of Series B-1 Common Stock, the First Lock-Up Release Date, (B) with respect to each share of Series B-2 Common Stock, the Second Lock-Up Release Date and (C) with respect to each share of Series B-3 Common Stock, the Third Lock-Up Release Date.

“Lilac Trust” means the Lilac Trust dated August 20, 1996, as amended.

“MAC Trusts” means the Margaret A. Cargill Foundation, the Acorn Trust, the Lilac Trust and the Anne Ray Charitable Trust.

“Margaret A. Cargill Foundation” means the Margaret A. Cargill Foundation established under the Acorn Trust dated January 30, 1995, as amended.

“Market Sale” means a sale of capital stock of the Corporation by the MAC Trusts pursuant to and in accordance with Section 2.2(a) of the Registration Agreement.

“Merger” shall have the meaning assigned to such term in the Merger and Distribution Agreement.

“Merger and Distribution Agreement” means that certain Merger and Distribution Agreement, dated as of January 18, 2011, by and among the Corporation, The Mosaic Company, GNS Merger Sub LLC, the MAC Trusts and Cargill, as such agreement may be amended from time to time.

“Permitted Transfer” means:

(A) any Transfer of shares to the Corporation or any of its subsidiaries other than any such Transfer of shares of Class A Common Stock or Class B Common Stock at a price per share that exceeds the Common Market Price;

(B) any Transfer of shares by an estate of a person who shall have died after the Execution Date or by a trust (in the event a grantor, settlor or beneficiary of such trust shall have died after the Execution Date), in each case so long as the proceeds of such Transfer are to be used to pay estate taxes and expenses payable by reason of the death of such deceased person or the death of the grantor or settlor of such trust or any one or more beneficiaries of such trust (as applicable);

(C) any pledge of shares by an estate of a person who shall have died after the Execution Date or by a trust (in the event a grantor, settlor or beneficiary of such trust shall have died after the Execution Date), in each case so long as such pledge of shares is made to a bank, trust company or other financial institution as security for a bona fide loan and the proceeds of such loan are to be, or shall have been, used to pay estate taxes, debts, obligations and expenses payable by reason of the death of such deceased person or the death of the grantor or settlor of such trust or

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any one or more beneficiaries of such trust (as applicable), and the Transfer of any such pledged shares in connection with a foreclosure on such pledged shares;

(D)any Transfer of shares of a deceased holder to the estate of such deceased holder upon such deceased holder's death and the Transfer of such shares from the estate of such deceased holder to the beneficiaries thereof, provided that each such Transfer is pursuant to the deceased holder's will or the laws of descent or distribution;

(E)any Transfer of shares of a holder to the bankruptcy estate of such holder if such holder has become bankrupt or insolvent;

(F)any Transfer of shares by a natural person to (i) any of such holder's Family Members, (ii) a trust for the benefit of the holder or one or more of such holder's Family Members (a "Qualified Trust") or (iii) any corporation, partnership or limited liability company of which, in each case, 100% of the voting and equity interests are beneficially owned by one or more of such holder and such holder's Family Members or a trust for the benefit of one or more of such holder's Family Members;

(G)any Transfer of shares by a Qualified Trust to the beneficiaries and/or grantor or settlor of such trust, in each case in accordance with the terms of the governing trust instrument;

(H)any Transfer of shares of Series A-4 Common Stock by a Charitable Organization to another Charitable Organization to satisfy the transferor's annual distribution requirements under the Code, applicable treasury regulations or state law; to the extent, and only to the extent, such transferor's liquid assets are insufficient, in the good faith judgment of the transferor, to meet such annual distribution requirements and operating requirements for such period;

(I)any Transfer of shares by the Acorn Trust to the MAC Foundation in accordance with the governing trust agreement for the Acorn Trust and any Transfer of shares from the Lilac Trust to the Anne Ray Charitable Trust in accordance with the governing trust agreement for the Lilac Trust;

(J)any Transfer of shares by a holder thereof (other than a Transfer of shares to the Corporation or any of its subsidiaries, which is the subject of clause (A) of this definition) approved by the Board of Directors and by Cargill;

(K)any Transfer of shares after the second (2nd) anniversary of the Issue Date with respect to which no gain or loss is recognized for U.S. federal income tax purposes;

(L)any Transfer of shares after the second (2nd) anniversary of the Issue Date to Cargill Family Members, Cargill Family Entities, Cargill Family Member Estates, Cargill Family Trusts and Charitable Organizations; and

(M)any Transfer of shares after the second (2nd) anniversary of the Issue Date by a Cargill Family Trust to the beneficiaries and/or grantors or settlors of such trust.

"Person" means any individual, corporation (including not-for-profit), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, governmental entity or agency or other entity of any kind or nature.

"Private Sale" means a sale of capital stock of the Corporation by the MAC Trusts pursuant to and in accordance with Section 2.2(c) of the Registration Agreement.

"Qualified Transfer" means a Transfer (A) pursuant to a tender or exchange offer that is made by the Corporation or any of its subsidiaries or approved (including solely for the purposes of this definition) or recommended by the Board of Directors (or a designated committee thereof) in which all classes of Company Common Stock are offered the same form and amount of consideration per share or (B) arising as a result of a reorganization, consolidation, combination or merger or similar transaction to which the Corporation is a party and in which all classes of Company Common

Stock are offered the same kind and amount of consideration per share.

“Registration Agreement” means that certain Registration Agreement, dated as of January 18, 2011, by and among the Corporation, The Mosaic Company, Cargill, the MAC Trusts and the other Persons party thereto, as such agreement may be amended from time to time.

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“Released Share Offering” has the meaning assigned to such term in the Registration Agreement.

“Second Lock-Up Release Date” means the first day after the forty-two (42) month anniversary of the Issue Date.

“Structured Formation Offering” means any of the First Formation Offering, the Second Formation Offering, the Third Formation Offering, the Fourth Formation Offering, and the S&P 500 Index Inclusion Offering, as each such term is defined in, and pursuant to, the Registration Agreement.

“Third Lock-Up Release Date” means the first day after the fifty-four (54) month anniversary of the Issue Date.

“Transfer” means (with its cognates having corresponding meanings), with respect to any securities (“applicable securities”), (i) any direct or indirect sale, exchange, issuance, transfer, redemption, grant, pledge, hypothecation or other disposition, whether voluntary or involuntary, by operation of law or otherwise, and whether or not for value, of any of the applicable securities, or any securities, options, warrants or rights convertible into or exercisable or exchangeable for, or for the purchase or other acquisition of, any applicable securities or any contract or other binding arrangement or understanding (in each case, whether written or oral) to take any of the foregoing actions or (ii) entering into any swap or other agreement, arrangement or understanding, whether or not in writing, that, directly or indirectly, transfers, conveys or otherwise disposes of, in whole or in part, any of the economic or other risks or consequences of ownership of any applicable securities, including short sales of applicable securities, option transactions with respect to applicable securities, use of equity or other derivative financial instruments relating to applicable securities and other hedging arrangements with respect to applicable securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of the applicable securities, other securities, cash or otherwise; provided, however, that the grant of a proxy in connection with a solicitation of proxies subject to the provisions of Section 14 of the Exchange Act shall not constitute a “Transfer”.

4. Preferred Stock.

The Board of Directors is authorized, subject to limitations prescribed by law and Section 2(D)(2) of this Article IV, to provide by resolution or resolutions for the issuance of shares of Preferred Stock from time to time in one or more series, and, by filing a certificate pursuant to the applicable law of the State of Delaware (each a “Preferred Stock Designation”), to establish the number of shares to be included in each such series, and to fix the voting powers (if any), designations, powers, preferences, and relative, participating, optional or other rights, if any, of the shares of each such series, and any qualifications, limitations and restrictions thereof. The shares of Preferred Stock of any one series shall be identical with each other in all respects except as to the dates from and after which dividends thereon shall cumulate, if cumulative.

The authority of the Board of Directors with respect to each series shall include, but not be limited to, determination of the following:

- (a) the designation of the series, which may be by distinguishing number, letter or title;
- (b) the number of the shares of the series, which number the Board of Directors may thereafter (except where otherwise provided in the Preferred Stock Designation) increase or decrease (but not below the number of shares of such series then outstanding);
- (c) whether dividends, if any, shall be cumulative or noncumulative and the dividend rate of the series;
- (d) the dates at which dividends, if any, shall be payable;
- (e) the redemption rights and price or prices, if any, for shares of the series;
- (f) the terms and amount of any sinking fund provided for the purchase or redemption of shares of the series;
- (g) the amounts payable on, and the preferences, if any, of shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation;
- (h) whether the shares of the series shall be convertible or exchangeable into shares of any other class or series, or any other security, of the Corporation or any other corporation, and, if so, the specification of such other class or series or of such other security, the conversion price or prices or exchange rate or rates, any adjustments thereof, the date or dates at which such shares shall be convertible or exchangeable and all other terms and conditions upon which such conversion or exchange may be made;

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- (i) restrictions on the issuance of shares of the same series or of any other class or series;
- (j) the voting rights, if any, of the holders of shares of the series; and
- (k) such other powers, preferences and relative, participating, optional and other special rights, and the qualifications, limitations and restrictions thereof as the Board of Directors shall determine.

ARTICLE IX

STOCKHOLDER ACTION BY WRITTEN CONSENT

Subject to the rights of holders of any series of Preferred Stock from time to time outstanding, Action shall be taken by the stockholders of the Corporation only at annual or special meetings of the stockholders, and stockholders may not act by written consent; provided, however, that any action required or permitted to be taken by stockholders for or in connection with any action set forth in Section 2(D)(2) of Article IV and recommended by the Board of Directors may be taken without a meeting if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of the applicable classes and/or series of shares of Class A Common Stock and/or Class B Common Stock representing the Requisite Votes (in addition to the holders of outstanding shares of Company Common Stock representing the minimum number of votes that are otherwise required under applicable law or this Restated Certificate of Incorporation) and shall otherwise comply with the procedures set forth in the bylaws of the Corporation. Special meetings of the stockholders may only be called as provided in the bylaws.

ARTICLE X

AMENDMENT

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Restated Certificate of Incorporation, in the manner now or hereafter prescribed by statute (but subject to Section 2(D)(2) and Section 2(D)(3) of Article IV), and all rights conferred upon stockholders herein are granted subject to this reservation; provided, however, that no Preferred Stock Designation shall be amended after the issuance of any shares of the series of Preferred Stock created thereby, except in accordance with the terms of such Preferred Stock Designation and the requirements of applicable law.

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APPENDIX C

PERFORMANCE METRICS

2015 Short Term Incentive Program Measures:

Incentive Operating Earnings: Consolidated operating earnings determined in accordance with GAAP and adjusted as specified below multiplied by a sharing rate determined by our Incentive ROIC:

Consolidated operating earnings are adjusted to exclude any restructuring charges, non-cash write-offs of long-term assets, expenses related to merger and acquisition activities, annual incentive bonuses, unrealized derivative gains and losses and significant, non-ordinary course legal settlements involving settlement fees or other judgment amounts, costs and expenses of more than \$25 million.

Incentive Return on Invested Capital (Incentive ROIC) is:

Incentive Operating Earnings + Equity in net earnings (loss) of nonconsolidated companies – Provision for income taxes (before discrete items)

÷

Average Invested Capital

Average Invested Capital is the average as of each month-end of total assets minus non-interest bearing liabilities, excluding goodwill, expansion construction in progress, new borrowing arrangements, stock repurchases and non-cash write-offs of long-term assets.

Controllable Operating Costs: Arithmetic average of payout percentages for separate measures for our Phosphates and Potash business segments controllable operating costs per production tonne, as described below:

Controllable Operating Costs:

w production costs consisting of costs considered and capitalized in inventory plus all idle plant costs

+

local general and administrative expenses and support function costs, excluding incentive program and other employee benefits expenses, any restructuring charges and expenses related to merger and acquisition activities, but including supply chain costs

-

costs of purchased commodities, depreciation, depletion, accretion and amortization, non-operating idle plant costs, ammonia production turnaround costs, Esterhazy brine inflow costs, Potash segment income-based royalties and taxes, fees received from third parties, taxes and charitable contributions, realized derivative gains and losses, separation costs, fluctuations in foreign exchange rates, costs of complying with the consent decrees relating to the EPA RCRA Initiative described in Mosaic's Annual Report on Form 10-K for 2014 and existing or future numeric nutrient criteria rules where such costs were unknown at the time the applicable performance targets were established for the annual incentive program, and product improvement costs that are passed on to customers

for U.S. and Canadian operations of our Phosphates and Potash business segments.

Incentive Selling, General and Administrative Expenses: Selling, general and administrative expenses determined in accordance with GAAP less incentive program and other employee benefits expenses, any restructuring charges and expenses related to merger and acquisition activities.

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2014 Cost Reduction Incentive Award Measure:

Controllable Operating Costs: Arithmetic average of payout percentages for separate measures for our Phosphates and Potash business segments controllable operating costs per production tonne, as described below:

Controllable Operating Costs:

w production costs consisting of costs considered and capitalized in inventory plus all operating idle plant costs

+

local general and administrative expenses and support function costs, excluding incentive program and other w employee benefits expenses, any restructuring charges and expenses related to merger and acquisition activities, but including supply chain costs ("Local G&A Costs")

+

50% of SG&A expenses determined in accordance with GAAP less incentive program and other employee w benefits expenses, any restructuring charges, expenses related to merger and acquisition activities and Local G&A Costs

-

w costs of purchased commodities, depreciation, depletion, Potash segment accretion and amortization, non-operating idle plant costs, ammonia production turnaround costs, Esterhazy brine inflow costs, Potash segment income-based royalties and taxes, realized and unrealized derivative gains and losses and separation costs

for U.S. and Canadian operations of our Phosphates and Potash business segments.

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APPENDIX D

LIST OF COMPANIES INCLUDED IN

THIRD-PARTY GENERAL INDUSTRY AND CHEMICAL AND MINING INDUSTRIES

SURVEY DATA

2014 Mercer Benchmark Database Executive Compensation Survey

Over \$5 Million Revenue Sample

3M Company	Exterran Holdings, Inc.	Packaging Corporation of America
A. O. Smith Corporation	Ezcorp, Inc.	Pall Corporation
AarhusKarlshamn USA, Inc.	F. Hoffmann La-Roche, Ltd.	Pandora Jewelry, LLC
Aaron's, Inc.	FairPoint Communications, Inc.	Papa John's International, Inc.
AB Mauri Food, Inc.	FBL Financial Group, Inc.	Paramount Pictures
Abbott Laboratories	Federal Reserve Bank of Atlanta	Parker Hannifin Corporation
AbbVie, Inc.	Federal Reserve Bank of Chicago	Patterson Companies
Abloy Security, Inc.	Federal Reserve Bank of Dallas	Paychex, Inc.
Actuant Corporation	Federal Reserve Bank of Minneapolis	Paylocity
Adidas America, Inc.	Federal Reserve Bank of New York	Pearson Education
ADT, LLC	Federal Reserve Bank of Philadelphia	Pemko Manufacturing Company
Adva Optical Networking North America, Inc.	Federal Reserve Bank of St. Louis	Pennsylvania Higher Education Authority Agency
Advance Auto Parts	Federal-Mogul Corporation	Pentair, Ltd. - Pentair Valves & Controls
AECOM Technology Corporation	Federated Investors	People's United Bank
AET Inc., Ltd.	FedEx Corporation	Pepco Holdings, Inc.
Aetna, Inc.	Ferrellgas	Pernod Ricard USA, Inc.
Affinion Group, Inc.	Ferrovial	Perrigo Company
Agility Holdings, Inc.	Fidelity National Information Services	Pfizer, Inc.
Agility Logistics Corp.	Fiesta Restaurant Group, Inc.	Pharmavite, LLC
AGL Resources	Fifth Third Bancorp	PHH Corporation
Aimco	Fireman's Fund Insurance Company	Philadelphia Insurance Companies
Akzo Nobel, Inc.	First American Financial Corporation	Philip Morris International, Inc.
Albemarle Corporation	First Citizens Bancorp, Inc.	Phillips 66 Company
Alcoa, Inc.	First Financial Bank	Phillips 66 Partners LP
Allen Precision Equipment	First Solar, Inc.	Phillips-Van Heusen Corporation
Alliance Data Systems	Fiskars Brands, Inc.	Phoenix Companies
Alliant Energy Corporation	FLIK International	Pier 1 Imports, Inc.
Alliant Techsystems, Inc.	Flowserve Corporation	Pioneer Natural Resources Co.
Allianz Asset Management of America L.P.	FMC Technologies - Subsea Systems	Piper Jaffray Companies
Allianz Life Insurance Company of North America	Foodbuy, LLC	Pitney Bowes, Inc.
Alstom Power US	Foot Locker, Inc.	PlainsCapital Corporation
Alstom Power US - Alstom Transport	Forest City Enterprises, Inc.	Plum Creek Timber Company, Inc.
Alstom US - Alstom GRID	Forest Laboratories, Inc.	Polaris Industries, Inc.
Altria Group, Inc.	Fortune Brands Home & Security, Inc.	PolyOne Corporation
Amcorg Rigid Plastics	Frameworks Manufacturing, Inc.	Popeyes Louisiana Kitchen, Inc.
Amer Sports Portland Design Center	Franklin Resources, Inc.	Port Authority of Allegheny County
American Airlines, Inc.	Freeport	Port of Portland
American Express Company	Fuel Tech, Inc.	Port of Seattle
American Financial Group, Inc.	Fuji Electric Corp. of America	Portfolio Recovery Associates, Inc.

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American International Group, Inc.	G&K Services, Inc.	Post Holdings, Inc.
American National Insurance	GameStop Corp.	Pourshins, Inc.
American Standard Brands	Gamfi AGL US	PPL Corporation
Ameriprise Financial, Inc.	Gate Gourmet, Inc.	Praxair, Inc.
AmerisourceBergen Corporation	Gate Safe, Inc.	Presagis USA
Angie's List, Inc.	GATX Corporation	Principal Financial Group

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Ann, Inc.	General Dynamics Corp.	PrivateBancorp, Inc.
Apex Systems, Inc.	General Electric	Progressive Corporation
Arca Continental - Wise Foods	General Growth Properties, Inc.	Protective Life Corporation
Arcadis US, Inc.	General Mills, Inc.	PulteGroup, Inc.
ArcelorMittal US	General Motors Company	QEP Resources, Inc.
Argo Group International Holdings, Ltd.	Gentiva Health Services	Qualcomm, Inc.
Arizona Public Service	Genuine Parts	Questar Corporation
ARJ Manufacturing, LLC	Genworth Financial, Inc.	QVC, Inc.
ArjoHuntleigh	GfK Custom Research, LLC	Radian Group, Inc.
Arlington County Government	GKN America Corporation	Radio One, Inc.
Armstrong World Industries, Inc.	Global Payments, Inc.	Randstad
Arrow Electronics, Inc.	GNC Holdings, Inc.	Raymond James Financial
Asahi Kasei Plastics North America, Inc.	Graco, Inc.	RBC Wealth Management
ASM America, Inc.	Graham Holdings Company	Realogy Holdings Corporation
ASSA ABLOY Americas	Graham Wood Doors	Red Robin Gourmet Burgers, Inc.
ASSA ABLOY Sales and Marketing Group, Inc.	Granite Construction, Inc.	Reebok International, Ltd.
ASSA, Inc.	Great-West Life Insurance Company	Reed Elsevier, Inc.
Astoria Financial Corporation	Greif, Inc.	Regency Centers Corporation
AT&T, Inc.	Guess?, Inc.	Regency Energy Partners, LP
ATCO Structures and Logistics (USA), Inc.	Guy Carpenter	Regions Financial Corporation
Atkins North America	Haldex, Inc.	Remy Cointreau USA, Inc.
Atmos Energy Corporation	Halla Visteon Climate Control Corporation	Republic Services, Inc.
Automatic Data Processing, Inc.	Halliburton Company	Restaurant Associates
Automotive Technology Systems, LLC	Hamilton Safe Company	Revlon, Inc.
AutoNation, Inc.	Hancock Holding Company	Rexel Holdings USA
AutoZone, Inc.	Hanesbrands, Inc.	Rexnord Corp.
AvalonBay Communities, Inc.	Harley-Davidson, Inc.	Reynolds American, Inc.
Avery Dennison Corporation	Harsco Corporation	Ricoh Americas Corporation
Avis Budget Group, Inc.	Hasbro, Inc.	Rite Aid Corporation
Avista Corporation - Ecova, Inc.	Hawaiian Electric Company	RLI Insurance Company
Avon Products, Inc.	HD Supply, Inc.	Rockwell Automation, Inc.
Axis Communications, Inc.	Health Net, Inc.	Rockwell Collins, Inc.
AZZ, Inc.	HealthSouth Corporation	Rockwood Manufacturing Company
Balfour Beatty Construction	Hecla Mining Company	Rogers Corporation
Ball Corporation	Heidrick & Struggles International, Inc.	Roundy's Supermarkets, Inc.
Banco Popular North America	Helmerich & Payne, Inc.	Rowan Companies, Inc.
Baxter International	Henry Schein	RR Donnelley & Sons
Beam, Inc.	Herbalife, Ltd.	Ryder Systems, Inc.
Belden, Inc. - Miranda Technologies	Hercules Offshore, Inc.	SABMiller Latin America
Berkshire Hathaway, Inc.	Herman Miller, Inc.	Sage North America
Best Buy Company, Inc.	HES, Inc.	Saipem America, Inc.
Best Vendors	HickoryTech Corporation	Samsung Telecommunications America

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Big Lots, Inc.	Highland Industries	Sappi Fine Paper North America
BioMarin Pharmaceutical, Inc.	Hillenbrand, Inc.	Saputo Cheese USA, Inc.
BMW Manufacturing Co., LLC	Hillshire Brands Company	Saputo Dairy Foods USA, LLC
BMW of North America, LLC	Hilton Worldwide Corporation	Sargent Manufacturing Company
BNSF Railway Company	Hitachi America, Ltd.	SCA Americas
Bob Evans Farms, Inc.	Hitachi HVB, Inc.	SCANA Corporation
Bodega Latina Corporation, dba El Super	Hitachi Solutions America, Ltd.	Schaub and Company, Inc.
Boise Cascade, LLC	HNI Corporation	Scripps Networks Interactive, Inc.
BOK Financial Corporation	Holcim (US), Inc.	Security Metal Products, Inc.
Bombardier Aerospace (USA)	HollyFrontier Corporation	Select Medical Holdings Corp.
Bon Appetit Management Company	Honda of America Mfg., Inc.	Selective Insurance Company of America

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Boston Properties, Inc.	Honeywell International, Inc.	SemGroup Corporation
Brady Corporation	Hormel Foods Corporation	Sempra Energy
Branch Banking & Trust Company	Hovnanian Enterprises, Inc.	Sensata Technologies, Inc.
Bridgepoint Education, Inc.	Hublot	Sephora USA, Inc.
Bridgestone Americas, Inc.	Humana, Inc.	Severn Trent Services
Bristow Group, Inc.	Hunter Douglas, Inc.	Sharp Electronics Corporation
Broadridge Financial Solutions, Inc.	Huntington Bancshares, Inc.	Siemens Corporation
Brookdale Senior Living, Inc.	Hyatt Hotels Corporation	SimCorp USA, Inc.
Broward Health	Hyundai AutoEver America	Simon Property Group
Buckeye Partners, L.P.	Hyundai Capital America	Simpson Manufacturing Co., Inc.
Bulgari Corporation of America, Inc.	Hyundai Motor America	Sinclair Broadcast Group, Inc.
Cablevision Systems Corporation	Hyundai Motor Manufacturing Alabama, LLC	SKF USA, Inc.
CACI International, Inc.	ICL	SMART Technologies Corporation
CAE CATS	IDEXX Laboratories	Smiths Medical, Inc.
CAE Healthcare US	Illinois Tool Works	Sodexo USA
CAE NETC	IMS Health	Solera Holdings, Inc. - AudaExplore
CAE SimuFlite	Ingram Micro, Inc.	Sony Pictures Entertainment
CAE USA	Ingredion, Inc.	Sotheby's
Calpine Corporation	Inteliquent, Inc.	Southern Company
Calumet Specialty Products Partners, L.P.	International Dairy Queen, Inc.	Southwestern Energy Company
Cameron International Corp.	International Paper Company	Spartan Stores, Inc. - Nash-Finch Company
Campbell Soup Company	Invensys Controls	Spectra Energy Corp.
Canadian Pacific US	Invesco, Ltd.	Spectrum Brands Holdings, Inc.
Canon Virginia, Inc.	Iron Mountain, Inc.	Spirit AeroSystems Holdings, Inc.
Canteen Vending	Irvin Automotive	Sprague Operating Resources, LLC
Capital One Financial Corp.	ITC Holdings Corp.	Springleaf Financial Services
CARBO Ceramics, Inc.	Itochu International, Inc.	SPX Corporation
Cardinal Health, Inc.	J. C. Penney Company, Inc.	StanCorp Financial Group
CarMax, Inc.	Jabil Circuit, Inc.	Stantec, Inc.
Carter's, Inc.	Jackson National Life Insurance Company	Staples, Inc.
Cascade Corporation	Jacksonville Electric Authority	Starboard Cruise Services, Inc.
Caterpillar, Inc.	Jacobs Engineering Group, Inc.	State of Tennessee
Ceco Door	James City County Government	Steelcase, Inc.
Celanese, LLC	James Hardie Industries plc	Stepan Company
Centene Corporation	JetBlue Airways	Stericycle, Inc.
CenterPoint Energy	John Wiley & Sons, Inc.	Stonyfield Farm, Inc.
CenturyLink	Johns Manville	Suburban Propane Partners, LP
CHC Helicopter SA - US	Johnson Controls, Inc.	SunCoke Energy, Inc.
Checkpoint Systems, Inc.	Jones Lang LaSalle	Superior Energy Services, Inc.
Chelan County Public Utility District	Joy Global, Inc.	SUPERVALU
Chemetall US, Inc.	JTI Leaf Services US, LLC	Swedish Match North America
Chesapeake Energy Corporation	Kaman Industrial Technologies	Sylvania Lighting Services
Chipotle Mexican Grill	KAR Auction Services, Inc.	Symetra Financial
Chiquita Brands International, Inc.	Kellogg Company	Synovus Financial Corporation
Christopher & Banks	Kelly Services, Inc.	SynTec Seating Solutions

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CHS, Inc.
CIGNA Corporation
Cimarex Energy Co.
Citigroup, Inc.
City and County of Denver
City National Bank
City National Bank - Human
Resources
City of Dublin

KEMET Corporation
Kemper Home Service Companies
Kemper Preferred
Kennametal, Inc.
Keurig Green Mountain, Inc.
Kewaunee Scientific Corporation
KeyCorp
Kforce, Inc.

Sypris Solutions, Inc.
T. Rowe Price Group, Inc.
Takata Protection Systems
Target Corporation
Taubman Centers, Inc.
TE Connectivity
TECO Energy, Inc.
Telephone & Data Systems, Inc.

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City of Garland	Kia Motors America, Inc.	TELUS International
City of Greensboro	Kimberly-Clark Corporation	Tenaris, Inc. USA
City of Richmond	Kindred Healthcare, Inc.	Tenet Healthcare Corporation
City of Seattle	Knoll, Inc.	Terumo BCT, Inc.
Clark Equipment Company	Kohl's Corporation	Texas Industries, Inc.
Clearwater Paper Corporation	Kone, Inc.	Textron, Inc.
CME Group, Inc.	Kuehne + Nagel	The Advisory Board Company
CNA Financial Corporation	L Brands, Inc.	The Allstate Corporation
CNH America, LLC	Laboratory Corporation of America Holdings	The Boeing Company
CNO Financial Group, Inc.	Lawson Products, Inc.	The Bon-Ton Stores, Inc.
Coca-Cola Bottling Co. Consolidated	Legal & General America, Inc.	The Chubb Corporation
Coeur Mining, Inc.	Lehigh Hanson, Inc.	The Coca-Cola Company
Collin County	Leica Geosystems	The Coca-Cola Company
Colorado Springs Utilities	Leidos Holdings, Inc.	The Dannon Company, Inc.
Columbian Chemicals Company	Lennox International, Inc.	The Dolan Company
Columbus McKinnon Corporation	Level 3 Communications, Inc.	The E.W. Scripps Company
Comcast Corporation	LG Electronics, Inc.	The Estee Lauder Companies, Inc.
Comerica, Inc.	Linamar Corporation	The Hershey Company
Commercial Metals Company	Lincoln Financial Group	The J.M. Smucker Company
Commonwealth - Altadis, Inc.	Linde North America, Inc.	The Kroger Co.
Community Health Systems	Lockheed Martin	The Maiman Company
Compass Bank	Loews Corporation	The Mosaic Company
Compass Group North America	Lonza North America, Inc. - Biologics	The Nielsen Company
Compass Minerals International, Inc.	Louis Vuitton North America, Inc.	The Pampered Chef, Ltd.
Computer Sciences Corporation	Louisiana Department of State Civil Service	The Pantry, Inc.
Computershare	LPL Financial	The Sherwin-Williams Company
CONSOL Energy, Inc.	LSG Sky Chefs, Inc.	The TJX Companies, Inc.
Control Components, Inc. (CCI)	Lubrizol Corporation	The Toro Company
Convergys Corporation	LVMH Watch & Jewelry	The Travelers Companies, Inc.
Con-way, Inc.	M&T Bank Corporation	The Valspar Corporation
Corbin Russwin, Inc.	Madison Gas And Electric Company	The Walt Disney Company
Corning, Inc.	Madison Square Garden Company	The Wendy's Company
Cost Plus, Inc.	Maersk, Inc.	The Western Union Company
Covance, Inc.	Magellan Health Services, Inc.	The WhiteWave Foods Company
Cracker Barrel Old Country Store, Inc.	Magellan Midstream Holdings, LP	The Williams Companies, Inc.
Cree, Inc.	Magna International of America, Inc.	Thomas & Betts Corporation
Crothall Healthcare	ManpowerGroup	ThyssenKrupp AG (US)
Crown Castle International Corporation	Manulife Financial Corporation (US)	ThyssenKrupp Elevator
CSL, Ltd.	MAPFRE U.S.A. Corp.	Tim Hortons USA, Inc.
CST Brands, Inc.	Maquet Getinge Group	Time Warner, Inc.
Cubic Corporation	Marc Jacobs International, LLC	TK Holdings, Inc.
Cullen/Frost Bankers, Inc.	Marriott International, Inc.	TKS Industrial Company
Cummins, Inc.	Marsh & McLennan Companies, Inc.	Tokio Marine North America Services, LLC
CURRIES Company	Masco Corporation	Toll Brothers
Curtiss-Wright Corp.	Masonite International Corporation	TomTom North America, Inc.

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CVR Energy, Inc.	MasterCard, Inc.	Toray Plastics (America), Inc.
CVS Caremark	Matson, Inc.	Total System Services, Inc.
Daiichi Sankyo, Inc.	Matson, Inc. - Matson Logistics	Toyota Boshoku America, Inc.
Daimler Trucks North America, LLC	Matthews International Corporation	Toyota Boshoku Indiana, LLC
Dana Holding Corporation	McDermott International, Inc.	Toyota Boshoku Kentucky, LLC
Danone Waters of America, Inc.	McDonald's Corporation	Toyota Boshoku Mississippi, LLC
Darden Restaurants, Inc.	MDU Resources Group, Inc.	Toyota Industrial Equipment Manufacturing
Dealertrack Technologies, Inc.	Mead Johnson Nutrition Co.	Tractor Supply Company
Dean Foods Company	MeadWestvaco Corporation	Transamerica Life Insurance Company

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Deckers Outdoor Corporation	Medeco Security Locks, Inc.	Transcontinental, Inc.(US)
Deere & Company	Medtronic, Inc.	Transocean, Inc.
Del Monte Foods, Inc.	Mercedes-Benz, LLC	Traxon Technologies
Delhaize America Shared Services Group, LLC	Mercury Insurance Group	Tredegar Corporation
Demand Media, Inc.	MetLife, Inc.	Trelleborg Sealing Solutions U.S., Inc.
Denny's Corporation	Metropolitan Sewer District	Trinity Industries, Inc.
Denso Manufacturing Tennessee, Inc.	Metropolitan Transit Authority	Tupperware Brands Corporation
Devon Energy Corporation	Metsa Board Americas Corporation	Turner Broadcasting System, Inc.
Dex Media, Inc.	Metso USA, Inc.	U.S. Bank
DFC Global Corp	MicroStrategy, Inc.	UBS United States
DHL Express, USA	Mitsubishi Motors Credit of America, Inc.	UMB Financial Corporation
DHL Global Forwarding	Mitsubishi Motors North America, Inc.	UNC Health Care System
DHL Regional Services, Inc.	Mitsui & Co. (USA), Inc.	Under Armour, Inc.
Dialog Semiconductor plc	Modine Manufacturing Company	Union Tank Car Company
Dick's Sporting Goods	ModusLink Global Solutions, Inc.	United Natural Foods, Inc.
Diebold, Inc.	Mohawk Industries, Inc.	United Parcel Service, Inc.
Direct Energy	Molson Coors Brewing Company	United Rentals, Inc.
DIRECTV, Inc.	MoneyGram International, Inc.	United States Steel Corporation
Discover Financial Services	Monsanto Company	United Stationers, Inc.
Dockwise Engineering Services	Morrison Healthcare Food Services	United Technologies Corporation
Dockwise USA	Morrison Senior Living	United Water
Dollar General Corporation	Mortgage Guaranty Insurance Corp	UnitedHealth Group
Dollar Tree, Inc.	MSC Industrial Direct Co., Inc.	Universal Health Services, Inc.
Dominion Resources, Inc.	MTS Systems Corporation	Universal Technical Institute, Inc.
Domino's Pizza, Inc.	Mul-T-Lock USA, Inc.	Uponor, Inc.
Domtar Corporation US	Murphy Oil Corporation	USANA Health Sciences, Inc.
Doosan Infracore Portable Power	Murphy USA, Inc.	UTi Worldwide, Inc.
Dover Corporation	Mylan, Inc.	Vaisala, Inc.
Dr. Pepper Snapple Group	Nabors Industries, Ltd.	Valero Energy Corporation
Dresser-Rand Group, Inc.	Nationstar Mortgage, LLC	Vectren Corporation
DST Systems, Inc.	Nature's Sunshine Products	Verizon Communications, Inc.
DTE Energy	Nautilus, Inc.	Viacom, Inc.
Duke Energy Corporation	Navigant Consulting, Inc.	Viacom, Inc. - Media Networks
Dun & Bradstreet Corporation	Navistar International Corporation	Visteon Corporation
Dunkin' Brands, Inc.	Nestle USA, Inc.	Visteon Electronics Corporation
Dunnhumby USA, Inc.	NetJets, Inc. - Executive Jet Management	Volkswagen Group of America, Inc.
E. I. du Pont de Nemours and Company	NetJets, Inc. - NetJets Sales, Inc.	Volvo Group North America
Eagle Bancorp, Inc.	New York Community Bancorp, Inc.	Vonage Holdings Corporation
Eastman Chemical Company	Newell Rubbermaid, Inc.	W.W. Grainger, Inc.
Eaton Corporation (US)	Nexans USA	WABCO Holdings, Inc.
eBay, Inc.	Nexen Petroleum USA, Inc.	WageWorks, Inc.
Ecolab, Inc.	NextEra Energy, Inc.	Walgreen Co.
Education Management Corporation	Nike, Inc.	Wal-Mart Stores, Inc.
Edwards Lifesciences, LLC	Nike, Inc. - Converse, Inc.	Waste Management, Inc.
Elizabeth Arden, Inc.	Noble Corporation	Webster Financial Corporation

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EMCOR Group, Inc.	Norfolk Southern Corporation	Weir SPM
Emtex Products, Inc.	North Carolina Office of State Human Resources	WellCare Health Plans, Inc.
Enerflex, Ltd.	Novo Nordisk, Inc.	WellPoint, Inc.
Enerflex, Ltd. - Gas Drive USA	Novozymes BioAg, Inc.	Wells Fargo & Company
Energen Corporation	Novozymes North America, Inc.	WESCO International, Inc.
Energizer Holdings, Inc.	Novozymes US - Biologicals	Westfield, LLC
Energy Transfer Partners, LP	NRG Energy, Inc.	Westinghouse Electric Company

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EnPro Industries, Inc.	Nu Skin Enterprises, Inc.	Westlake Chemical Corporation
Enterprise Products Partners L.P.	NuStar Energy, LP	WGL Holdings, Inc. - Washington Gas
EOG Resources, Inc.	Nuverra Environmental Solutions	Whirlpool Corporation
EP Energy, LLC	O'Reilly Auto Parts, Inc.	Whole Foods Market, Inc.
Epson America, Inc.	Office of Information Technology Services	Williams-Sonoma, Inc.
Equifax, Inc.	OGE Energy Corp.	Winpak Portion Packaging, Inc.
Equity Residential	Oil States Industries, Inc.- Arlington	Wipro, LLC
Erie Insurance Group	Oiltanking Partners, LP	Wolfgang Puck Catering
Eurest	Old National Bancorp	Wolters Kluwer NA
EverBank	Oliver Wyman	World Duty Free S.p.A.
Evonik Industries North America	Omnicare, Inc.	Worthington Industries, Inc.
Exel	OMNOVA Solutions, Inc.	Wright Express, Inc.
Exel AEM	OneBeacon Insurance Group, Ltd.	Xcel Energy, Inc.
Exel Chem Energy	Opera Software ASA	Xerox Corporation
Exel Consumer	Orbital Sciences Corporation	XL Group plc (US)
Exel Life Science & Healthcare	Orica USA, Inc.	Xylem, Inc.
Exel Power Packaging	Oriental Trading Company, Inc.	Yale Security, Inc.
Exel Retail Sector	Osram Sylvania, Inc.	Zale Corporation
Exel TASL Sector	Outerwall, Inc.	Zeon Corp.
Exelis, Inc. - Exelis Mission Systems	Owens Corning	Zimmer Holdings, Inc.
Exelon Corporation	PACCAR, Inc.	Zions Bancorporation
Experian Group	Pacific Gas and Electric Company	Zodiac Seats US, LLC
Express Scripts, Inc.	PacifiCorp	Zurich North America
2014 Hay Executive Survey		
Total Sample Data		
24 Hour Fitness	Duquesne Light	Mitsubishi-MC Aviation Partners
7-Eleven	Dyno Nobel	Mitsubishi InterNat'l
ABB	E & J Gallo Winery	Mitsubishi Polycrystalline Silicon Am
Abercrombie & Fitch	E. I. du Pont de Nemours	Momentive Specialty Chemicals
AC Transit	Eagle Ottawa	Moog
Academy Sports & Outdoors	Easter Seals	Mosaic
Ace Hardware	Eastman Chemical	Movado Group
Advance Auto Parts	Edrington Group USA	MVP Health Care
Aeropostale	Elevance Renewable Sciences	Myriant
AES	EmblemHealth	NACCO Materials H&ling
AES-Indianapolis Power & Light	EmblemHealth-ConnectiCare	Nashville Electric Service
AES-ServCo	Emdeon	Nat'l Peanut Board
Afren	Energy Future Holdings	Neighborhood Health Plan
Afton Chemical	Energy Future Holdings-Luminant	Neiman Marcus
AGC Chemicals Ams	Energy Future Holdings-TXU Energy	Neiman Marcus-Bergdorf Goodman
Agfa	Eni US Operating	Neiman Marcus-Neiman Marcus Stores
Agrana	EPL Oil & Gas	Nestle USA
Ahold USA	Evonik Degussa	New York & Co
Ahold USA-Giant Food Stores	Excelerate Energy	New York Power Authority
Ahold USA-Stop & Shop Supermarket	EXCO Resources	Newark InOne
Ainsworth Pet Nutrition	Express	NewMarket

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Air Liquide Am
Air Products & Chemicals
AK Steel
Akzo Nobel

Express Scripts
Family Dollar
FedEx
FedEx-FedEx Express

Nexen Petroleum
Nexeo Solutions
Nike
Nitto Denko Am-Permacel Auto

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Akzo Nobel-Functional Chemicals	FedEx-FedEx Freight	Nordstrom
Akzo Nobel-Industrial Coatings	FedEx-FedEx Office & Print Srvcs	Nortek Holdings
Akzo Nobel-Powder Coatings	FedEx-FedEx Supply Chain	North Amn Breweries
Akzo Nobel-Pulp & Paper Chemicals	Ferrero USA	Northwest Bancorp
Akzo Nobel-Surface Chemistry	Finish Line	NOVA Chemicals
Albemarle	Firmenich	Novo Nordisk
Alex Lee	First 5 LA	Nutreco-Trouw Nutrition
Alex Lee-Lowes Foods Stores	Fitesa Fiberweb	Oasis Petroleum
Alex Lee-Merchants Distributors	Flexco	Occidental Petroleum-Occidental Chem
Alfa Mutual Insurance	Florida Municipal Power Agency	OCI Enterprises
Almatis	Flotek Ind.	Office Depot
Alzheimer's Disease & Disorders Assoc	FM Global	OfficeMax
Amcors Limited-Flexibles	FMC	Old Dominion Electric Cooperative
Amcors Limited-Rigid Plastics	FMC-Agricultural Solutions	Orion Engineered Carbons
Amn Crystal Sugar	FMC-Health & Nutrition	Oscar de la Renta
Amn Eagle Outfitters	FMC-Minerals	Outotec Oyj
Amn Enterprise Group	Foot Locker	Outrigger Hotels
Amn Family Insurance Group	Foot Locker-Champs Sports	Outsell
Amn InterNat'l Group	Foot Locker-Footlocker.com/Eastbay	Owens-Illinois
Am Nat'l Insurance	Foot Locker-Team Edition	Pacific Ethanol
Am Nat'l Insurance-Property & Casualty	Forbo Flooring	Panasonic Consumer Electronics
Am Nat'l Insurance-Farm Family Ins	Forest Preserve Dist of DuPage Cnty	Pantry
AmeriHealth Caritas	Fossil	Payless ShoeSource
AmeriJet Int'l	Freeport-McMoRan	PB Leiner
Amsted Ind.	Fresh Market	Penn Nat'l Insurance
Amsted Ind.-Amsted Rail	Fuji Film-Electronic Materials	Penn Virginia Oil & Gas
Amsted Ind.-Baltimore Aircoil	H. B. Fuller	Penske Truck Leasing
Amsted Ind.-Burgess Norton	Gander Mountain	Pernod Ricard SA-Pernod Ricard USA
Amsted Ind.-Consolidated Metco	Gap	Perrigo
Amsted Ind.-Diamond Chain	Gap-Banana Republic	Perry Ellis Int'l
Anaheim Public Utilities	Gap-Gap Direct	Petco
Anheuser-Busch InBev	Gap-Gap Int'l	PetSmart
Ann	Gap-Gap Outlet	Philip Morris Int'l
Ann-AnnTaylor Factory	Gap-Old Navy	Physicians Mutual Insurance
Ann-AnnTaylor Loft	Garden Fresh Restaurants	Piccadilly Restaurants
Ann-AnnTaylor Stores	Garden Ridge	Piedmont Natural Gas
Anonymous	GDF SUEZ Energy North Am	Pier 1 Imports
Anonymous Retailer	Geisinger Health System- Health Plan	Pike
Aquarion Water	GenCorp	Pilkington
ArcelorMittal	General Electric-Energy Management	Plastic Omnium
ArcelorMittal-ArcelorMittal Tubular	General Electric-Oil & Gas	PLX Technology
Archer Daniels Midl&	Genuine Parts	Ply Gem Siding
Arizona Chemical	GEO Specialty Chemicals	PNM Resources
Arkema	Gerdau AmeriSteel	Ponce De Leon Federal Bank
Ascena Retail Group	Gilt Groupe	Port of Long Beach
Ascena Retail Group-dressbarn	Giorgio Armani	Potash of Saskatchewan
Ascena Retail Group-Justice	Giti Tire USA	Powersouth

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Ascena Retail Group-Maurices
Ascend Performance Materials
Ascensus

Glanbia Nutritionals Customized Sol
Glatfelter
Glatfelter-Specialty Papers

Prada USA
Praxair
Premera Blue Cross

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Ashl&-Consumer Markets	Global Cash Access	Premier
Ashl&-Hercules Water Tech	GNC	Presbyterian Healthcare Services
Ashl&-Performance Materials	Gordmans Stores	Public Works Comm of Fayetteville, NC
Assurant	Great Lakes Dredge & Dock	PVH Corp
Atmos Energy	Griffith Laboratories USA	PVH Corp-Calvin Klein
Aurubis AG	Group Health Cooperative	PVH Corp-Izod
AutoZone	Groupe SEB	PVH Corp-Tommy Hilfiger
Avis Budget Group	Guarantee Trust Life Insurance	PVH Corp-Van Heusen
AvMed Health Plan	Haines	Queens Borough Public Library
Axalta	Halcon Resources	QVC
Axiall	Hallmark Cards	Ralph Lauren
Babcock & Wilcox	Hanesbr&s	Ralph Lauren-Club Monaco
Babcock & Wilcox-B&W Nuclear Energy	Harris Holdings	Reiter Affiliated
Babcock & Wilcox-B&W Nuclear Ops	Harvard Pilgrim Health Care	Remy Cointreau USA
Babcock & Wilcox-B&W Power Gen Grp	Harvard Vanguard Medical Assoc	Remy Int'l
Babcock & Wilcox-Babcock & Wilcox Tech	Health Net	Rent-A-Center
Bacardi Limited-Bacardi USA	Health New Engl&	Rio Tinto
Baker Hughes	HealthPartners	Rite Aid
Bare Escentuals	Heat Transfer Research	Rocktenn
Barilla Pasta US	Heaven Hill Distilleries	Roquette Am
Barnes & Noble	Heerema Marine Contr Nederl& B.V.	Ross Stores
BASF	Heineken USA	SABIC Innovative Plastics US
Bauer Hockey	Helzberg Diamonds	Sacramento Municipal Utilities District
Bayer-MaterialScience	Hershey Foods	Saint-Gobain-Abrasives
BE Aerospace	hhgregg	Saint-Gobain-Ceramics
Beam Suntory	High Point University	Saint-Gobain-Certain Teed
Bebe Stores	HighMount Exploration & Prod	Saint-Gobain-Delegation
Bekaert	Hilcorp Energy	Saint-Gobain-Gypsum
Belden	Hillwood Development	San Francisco Health Plan
Belk	Hilti-US	San Francisco Museum of Modern Art
Beneo	Holcim Group Support	Sanofi-Aventis
Best Buy	Holley Performance Products	Sasol North Am
BIC	Home Depot	Sazerac
Big Lots	Honeywell-Specialty Materials	SCA Packaging Ams-Ams
Biocoat	Horizon Blue Cross Blue Shield of NJ	School Specialty
Biomerieux	Hormel Foods	Scion Dental
Biscuitville	Hot Topic	Sears
BJ's Wholesale Club	Houghton Int'l	Securian
Blue Cross & Blue Shield of FL	HTH Worldwide	Seneca Resources
Blue Cross & Blue Shield of KS	Hudson's Bay-Lord & Taylor	Senior Health Insurance of Philadelphia
Blue Cross & Blue Shield of KC, MO	Huntsman-Advanced Materials	Severstal-Severstal North Am
Blue Cross & Blue Shield of Mass	Huntsman-Polyurethanes	Sharyl& Utilities
Blue Cross & Blue Shield of NE	Huntsman-Textile Effects	Shopko
Blue Cross & Blue Shield of NC	ICL Performance Products	Siegwerk USA

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Blue Cross & Blue Shield of RI	IKEA	Siemens
Blue Cross & Blue Shield of SC	Illinois Tool Works	Sierra Nevada Brewing
Blue Shield of California	Independence Blue Cross	Sika
Bluestar Silicones	Indiana Packers	Sleep Innovations
BMW-BMW Financial Services	Indiana University	Sojitz of Am

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Body Central	INEOS	Solvay Am
Bon-Ton Stores	INEOS Oligomers	Solvay Am-Solvay Chemicals
Boston Beer	Infineum USA	Solvay Am-Solvay Specialty Polymers
Bourns	Innophos	Sonoco Products
BPZ Energy	Integral Quality Care	Southern Minnesota Municipal Power Ag
Brambles	Intelsat	SW Gas
BreitBurn Management	Int'l Flavors & Fragrances	SWern Energy
Briggs Equipment	Int'l Socof Arboriculture	Specialtys Cafe & Bakery
Brookhaven Nat'l Laboratory	INVISTA	Sports Authority
Brown-Forman	Iroquois Pipeline	St. John Knits Int'l
Buckman Laboratories	Italcementi	Stage Stores
Burberry	J.Crew	Staples
Bureau Veritas	Jacob K. Javits Convention Center	Starbucks
Burlington Northern Santa Fe Railway	jepenney	State of PA Dept of Housing Financing
BWI North Am	Johnson Matthey	Stepan
Cabot	Joy Global	Stihl
Calgon Carbon	K&L Gates	Stryker
Campari Am	Kaiser Foundation Health Plan	Styrolution
Capital Metropolitan Transp Authority	Kaiser Foundation Health Plan-CO	Styron
Capital SW-Balco	Kaiser Foundation Health Plan-GA	Summa Health System-Summa Mgmt Srvcs
Capital SW-dataSPAN	Kaiser Foundation Health Plan-HI	Sun Life Financial
Capital SW-Jet Lube	Kaiser Foundation Health Plan-Mid-Atl	Superior Energy
Capital SW-Rector Seal	Kaiser Foundation Health Plan-N. CA	SuperValu
Capital SW-Smoke Guard	Kaiser Foundation Health Plan-NW	SuperValu-Cub Foods
Capital SW-Whitmore	Kaiser Foundation Health Plan-S CA	SuperValu-Farm Fresh
Cardone Ind.	Kaiser-Francis Oil	SuperValu-Shop N Save
CareFirst Blue Cross Blue Shield	Kansas City Life Insurance	SVZ Int'l
Cargill	KAO-KAO Br&s	Swarovski North Am
Carlson Rest Worldwide-TGI Friday's	Kate Spade & Co-Adelington Design Group	Swiss Re
Carrizo Oil & Gas	Kellogg	Symbria
Carter's	Kenneth Cole	Talbots
Carus Chemical	Kimberly-Clark	Talisman Energy USA
Caterpillar	Kloekner Metals	Tate & Lyle Ams
Cedar Fair Entertainment	Knauf Insulation GmbH	Tate & Lyle Ams-Custom Ingred
Celanese Ams	Knowledge Universe	Tate & Lyle Ams-Ingredients Ams
Centene	Knowledge Works Foundation	Technip
CenterPoint Energy	Kohl's	Tekni-Plex
CF Ind.	Koppers Ind.	Teknor Apex
CG Power Solutions	Kroger	Tessengerlo
Chaparral Energy	Krystal	The Baby Fold
Charlotte Russe	L Br&s	ThyssenKrupp
Ascena Retail Group-Catherines	L Br&s-Bath & Body Works	Tiffany & Co.
Ascena Retail Group-Lane Bryant	L Br&s-Henri Bendel	Tipp Enterprises-Novamex
Chef's Warehouse	L Br&s-Victoria's Secret Direct	TJX
	L Br&s-Victoria's Secret Stores	TJX-Home Goods

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Chef's Warehouse-Michael's Finer
Meats

Chesapeake Utilities

Chester County Intermediate Unit

Chico's

Chico's-Boston Proper

Chico's-Soma Intimates

L.L. Bean

Lafarge North Am

Lake L& College

L&is & Gyr Powers

L&s' End

TJX-Marmaxx

Tomtom

Tory Burch

TOTAL S.A.-Total Petrochem & Refin

Toys R Us

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Chico's-White House/Black Market	Lanxess	Tractor Supply
Children's Place	Laureate Education	Transocean
CHS	Lehigh Hanson	Transurban
Cigna HealthSpring	Lehigh Hanson-Building Products	Treasury Wine Estates
Citi Trends	Lehigh Hanson-Lehigh White	Trinchero Family Estates
City of Philadelphia-Philadelphia Gas Works	Lehigh Hanson-North Region	Trinity Wall Street
Clariant	Lehigh Hanson-South Region	Tronox
Coach	Lehigh Hanson-West Region	Trustmark Insurance
Coca-Cola Bottling	LensCrafters	Tuesday Morning
Coca-Cola Enterprises	Lenzing Fibers	Tufts Associated Health Plans
Collin County, TX	LG&E & KU	Tumi
Colorado PERA	Lhoist North Am	Tyson Foods
Colorado Springs Utilities	Li & Fung USA	Ulta
Columbia University	Limited Stores	Union Pacific
Comcast Cable Communications	LOMA	United Arab Shipping
Community Service Society	Loop-Logan Aluminum	United Space Alliance
Compass Group NAD	L'Oreal USA	United States Distilled Products
Constellation Br&s-Crown Imports	Lotus Bakeries	UnitedHealth Group
Continental Automotive Systems	Louisiana Workers' Compensation	Unitil
CopperPoint Mutual Insurance	Lowe's	Urban Outfitters
Corrections of Am	Lubrizol	Valent-Valent BioSciences
Coty	Luxottica	Valent-Valent U.S.A.
COUNTRY Insurance & Financial Srvc	Luxottica Retail-Pearle Vision	Vectren
Cristal	Luxottica Retail-Sears Optical	Vectren-Vectren Energy Delivery of OH
CSN	Luxottica Retail-Sunglass Hut	Vectren-Vectren North
CSS Ind.	Luxottica Retail-Target Optical	Vera Bradley Designs
Cumberl& Gulf Group	LVMH Moet Hennessy Louis Vuitton-DFS	Vernay Laboratories
Custom Alloy	LVMH Moet Hennessy Louis Vuitton-DK	Visa USA
CVS	LVMH Moet Hennessy Louis Vuitton-Fendi	Viterra
CVS-Pharmacy Services	LVMH Moet Hennessy Louis Vuitton-LV	Walgreens
D&B	LVMH Moet Hennessy Louis Vuitton-MH	Walmart Stores
Dallas Fort Worth Int'l Airport	LVMH Moet Hennessy Louis Vuitton-S	Walmart Stores-Sam's Club
Danfoss	LVMH Moet Hennessy Louis Vuitton-W&J	Walmart Stores-Stores & Super Stores
Dawn Food Products	Lyondell Basell NA-Lyondell	Wawa
Day & Zimmermann	MacDermid	WD-40
Deckers Outdoor	Macy's	Weatherford Int'l
Deere	Macy's-Bloomington's	Wegmans Food Markets
Del Monte Foods-Big Heart Pet Br&s	Magellan Health Services	Wellmark Blue Cross Blue Shield
Delicato Family Vineyards	Main Street Am Group	WellPoint

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Delta Dental Plan of Colorado	Maine Employers' Mutual Insurance	West Ed
Delta Dental Plan of Michigan	Mangar Medical Packaging	Westlake Chemical
Delta Dental Plan of Rhode Isl&	Manhattan Neighborhood Network	Wienerberger-General Shale Brick
Destination Maternity	Marmon Group-Union Tank Car	William Grant & Sons
Diageo North Am	Materne	Williams-Sonoma
Dick's Sporting Goods	MBM	Williams-Sonoma-Pottery Barn
Diesel USA	MeadWestvaco	Williams-Sonoma-Pottery Barn Kids
Dollar General	Medica Health Plans	Williams-Sonoma-West Elm
Dollar Tree	Medical Mutual of Ohio	Williams-Sonoma-Stores
Dominion Resources	Meijer	Wills Group
Dominion Resources-Dominion Gen	Memphis Light, Gas & Water	Wilo

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Dominion Resources-VA Power	MetLife	Winn-Dixie
Dorman Products	Metropistas	Yara
Dow Chemical	Metropolitan Water District of S. CA	Zale
Dow Chemical-Dow AgroSciences	MGP Ingredients	Zeon Chemicals
Dow Corning	Michaels Stores	Zep
DSM Resins-DSM Nutritional Products	Michelin North Am	ZF Group-North Amn Operations
DSW	Mississippi State University	Zumtobel Lighting

2014 Towers Watson CDB Executive Compensation Survey
\$6 Billion to \$20 Billion Revenue Sample

AbbVie	Darden Restaurants	MillerCoors
ACH Food*	Dean Foods	Mosaic
Actavis	Diageo North America*	Murphy Oil
Agilent Technologies	Domtar	Mylan
Agrium*	Dow Corning	Navistar International
Air Products and Chemicals	Eastman Chemical	Newell Rubbermaid
AK Steel	Eaton	Nokia
Allergan	eBay	Norfolk Southern
Altria Group	Ecolab	Omnicare
Amgen	EMD Millipore*	Osram Sylvania*
Amway	Encana Oil & Gas USA*	Owens Corning
Andersons	Essilor of America*	Parker Hannifin
ARAMARK	Estee Lauder	Potash*
Arkema*	Federal-Mogul	Praxair
Arrow Electronics	Ferrovial*	PulteGroup
Automatic Data Processing	GAP	Quest Diagnostics
Avis Budget Group	General Mills	R.R. Donnelley
Avon Products	Gilead Sciences	Reynolds Packaging*
Ball	GROWMARK	Ricoh Americas*
Barrick Gold of North America*	Harley-Davidson	Rockwell Automation
Baxter	Henry Schein	Royal Caribbean Cruises
BD (Becton Dickinson)	Hershey	Royal DSM*
Beckman Coulter*	Hertz	Ryder System
Big Lots	Hilton Worldwide	S. C. Johnson & Son
Biogen Idec	Hormel Foods	Seagate Technology
Booz Allen Hamilton	HTC Corporation*	Sherwin-Williams
BorgWarner	Ingersoll-Rand	Southwest Airlines
Boston Scientific	J.M. Smucker	Spirit AeroSystems
Bristol-Myers Squibb	Jacobs Engineering	SSAB*
Carnival	JetBlue Airways	St. Jude Medical
Catamaran	KBR	Starbucks Coffee
Celanese	Kellogg	Starwood Hotels & Resorts
Celestica	Kelly Services	Stryker
Celgene	Keystone Foods*	Syngenta Crop Protection*
CEVA Logistics	Kimberly-Clark	TE Connectivity
CF Industries	Kohler	Terex
CGI Technologies and Solutions*	Kraft Foods	Textron
CH2M HILL	Kyocera*	Thermo Fisher Scientific

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Charter Communications
Cliffs Natural Resources
Coca-Cola Enterprises
Commercial Metals

L-3 Communications
Lafarge North America*
Land O'Lakes
Lehigh Hanson*

Transocean
Trinseo
TRW Automotive
United States Steel

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ConAgra Foods	Leidos	URS
Corning	Level 3 Communications	Viacom
Covidien	Marriott International	Waste Management
CSC	Masco	Weyerhaeuser
CST Brands	MeadWestvaco	Xerox
CSX	Medtronic	
Cumberland Gulf Group	Micron Technology	
*Subsidiary company data used		
2014 Towers Watson Compensation Survey Resource		
Total Sample Data		
(Size Adjusted to Mosaic Revenue Scope Using Regression Analysis)		
AAA	Gannett	Premera BlueCross
Accident Fund Insurance	Genesis Energy	Primerica Life
AgFirst	Gentiva Health Services	Project Management Institute
AGL Resources	Georgia Institute of Technology	Property Casualty Insurers Assoc of Am
AgStar Financial Services	Giant Eagle	QBE the Americas
Alfa Laval, Inc.	Girl Scouts of the USA	QTI Human Resources
Alliant Energy	GKN	Quad/Graphics
Alpha Packaging	Glazer's Distributors	REA Magnet Wire Company, Inc.
Amcor Rigid Plastics USA	GOJO Industries	Recology
American Cancer Society, Inc.	Gold Eagle	Regency Centers
American Commercial Lines	Graco	Regions Financial
American Enterprise	Grande Cheese	Rexnord Corporation
American Heart Association	Great American Insurance	Rice University
American University	Grow Financial Federal Credit Union	RiceTec
Ames True Temper	GROWMARK	Rich Products
Amica Mutual Insurance	GTECH	Rite-Hite Holding Corporation
Applied Research Associates	GuideStone Financial Resources	RLI Insurance Company
Asahi Kasei Plastics NA, Inc.	H.D.Vest Financial Services	RTC
ASCO - Valve	Habitat for Humanity International	Rust-Oleum
A-T Solutions, Inc.	Harris Health System	S&C Electric
Auto Club Group	Hazelden Foundation	Sabre Industries
Automobile Club of Southern California	HDR, Inc.	Sage Publications
Axcess Financial Services, Inc.	Health Net	Salk Institute
B Braun Medical	Hendrickson	Sally Beauty
Bain & Company	Henry Ford Health Systems	Salt Lake County
Bar Plan Mutual Insurance Company	High Industries, Inc.	Samuel Roberts Noble Foundation
Baylor College of Medicine	Hillenbrand, Inc.	San Antonio Water System
Baylor Health Care System	Hitachi Computer Products	Sazerac Company
BBA Aviation	HNI	SCANA
Bemis Manufacturing Company	HNTB	Scholle Corporation
Bi-Lo Holdings LLC	Hu-Friedy Manufacturing Company, Inc.	Schwan Food
Black Hills	Humana	Seaman Corporation
BlueCross BlueShield of Arizona	Hunter Industries	Securus Technologies, Inc.
BlueCross BlueShield of Louisiana	Huntington Memorial Hospital	Seibels Bruce Group, Inc.
BlueCross BlueShield of Tennessee	ICF International	SEMCO Energy

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BlueCross of Idaho	ICW Group	Sentara Health Care
Board of Pensions	IDEX Corporation	Sentry Insurance
Boddie-Noell Enterprises, Inc.	II-VI	Serco
Bosch Packaging Services	Indiana Farm Bureau Insurance	Shands Health Care
Boy Scouts of America	Ingram Industries	Sharp Electronics
Boyd Gaming	Insperty	Smithfield Farmland
Bradley	Institute for Defense Analyses	SMSC Gaming Enterprise

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Brickman Group	Institute of Electrical & Electronic Eng	Sodexo
Bridgepoint Education	Integra Lifesciences Corporation	Solar Turbines
Bridgestone Americas	INTEGRIS Health	Sole Technology, Inc.
Bristow Group	International Electric Supply	Solo Cup
Brookdale Senior Living	Intertape Polymer Corporation	Southeastern Freight Lines
Brotherhood Mutual Insurance	Invacare Corporation	Southern Farm Bureau Life
Brownells, Inc.	Ion Beam Applications	Space Dynamics Laboratory
Bryant University	Iron Mountain	Space Telescope Science Institute
Build-A-Bear Workshop	Irvine	SpartanNash
Burgess & Niple	Itochu International	Spectrum Health - Grd Rapids Hosp
Cablevision Systems	J.R. Simplot	St. Cloud Hospital
CACI International	Jacobs Technology	St. Louis County Government
Caelum Research Corporation	Jefferson Science Associates	St. Luke's Cornwall Hospital
California Casualty Management	Johns Hopkins University	Stampin' Up!
California Dental Association	Johnson Outdoors	Standard Motor Products
Cambia Health Solutions	Joint Commission	Star Tribune
Camcraft	Jones Lang LaSalle	State Corporation Commission
CareFirst BlueCross BlueShield	Judicial Council of California	Storm Industries, Inc.
Carlson	K. Hovnanian Companies	Subaru of Indiana Automotive, Inc.
Carolinas Health Care System	Kansas City Southern	T System
CDM Smith	Keihin North America	Taylor
CEMEX, Inc.	Kelsey-Seybold Clinic	TaylorMade-adidas Golf Company
CF Industries	KI, Inc.	TDS Telecom
Chamberlain Group, Inc.	Kindred Health Care	Tecolote Research, Inc.
Chelan County Public Utility District	Kronos Worldwide	Terumo BCT
Chicago Transit Authority	L.L. Bean	Texas Children's Hospital
Children's Health Care of Atlanta	Laboratory Corporation of America	Texas Mutual Insurance
CHS	Lake Federal Bank	TJX Companies
Chumash Employee Resource Center	Lake Region Medical	Travis County
Church of Jesus Christ of Latter-day Saints	Land O'Frost	Treasure Island Resort & Casino
Citizens Energy Group	Lantech.com	Tribune
City of Chicago	Las Vegas Sands Corporation	Trinity Consultants, Inc.
City of Garland	LBrands	Trinity Health
City of Greensboro	Learning Care Group	True Value Company
City of Houston	Legal & General America	Tufts Health Plan
City of Las Vegas	Leggett and Platt	Turner Broadcasting
City of Philadelphia	Leupold & Stevens	UMB Financial Corporation
ClubCorp, Inc.	LG&E and KU Energy	United American Insurance
CNH Industrial	Lhoist North America	United States Steel
CNL Financial Group	Lieberman Research Worldwide	United Way for SW Michigan
Coca-Cola Bottling	Littelfuse	UnitedHealth Group
Coca-Cola Refreshments	Little Lady Foods	Universal Studios Orlando
Collin County	LSG Sky Chefs	University of AL at Birmingham
Colonial Williamsburg Foundation	Lubrizol	Univ of AK for Medical Science
Colorado Springs Utilities	Lutron Electronics	Univ of California
Colsa	M. A. Mortenson Company	Univ of California, Berkeley
CommScope	Malco Products, Inc.	Univ of Chicago
Community Coffee	Manpower	Univ of Georgia

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Community Health Network	ManTech International	Univ of Houston
Community Preservation Corporation	MAPFRE USA	Univ of Kansas Hospital
ConnectiCare Capital LLC	Maricopa Cnty Office of Mgmt-Budget	Univ of Miami
Copper Point	Maricopa Integrated Health System	Univ of Michigan
Corinthian Colleges	Marshfield Clinic	Univ of Miss Medical Center
Cornell University	Maschhoffs	Univ of NC Hospitals

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Corrections Corporation of America	Mayo Clinic	Univ of Notre Dame
Cosmopolitan of Las Vegas	McCain Foods USA	Univ of Richmond
Cox Enterprises	McGladrey LLP	Univ of Rochester
CST Brands	Medical Center of Central Georgia	Univ of South Florida
CTI BioPharma	Medical College of Wisconsin	Univ of Southern California
CUNA Mutual	Medical Mutual of Ohio	Univ of St. Thomas
Deceuninck	Merrill	Univ of Texas at Austin
Decurion	Metagenics	Univ of TX Health Science Center-Hston
Delaware North	MFS Investment Management	Univ of TX Health Scnce Center-San Ant
Delhaize America	MGM Resorts International	Univ of Texas SW Medical Center
DENSO International	Midwestern University	Univ of Virginia
DePaul University	Mine Safety Appliances	Univ of Wisconsin Medical Foundation
Diebold	Minneapolis School District	Univ of Wisconsin Hospital and Clinics
Doherty Employer Services	Minnesota Management & Budget	UPS
Dole Foods	Missouri Department of Conservation	URS Federal Services
Duke Realty	Missouri Department of Transportation	US Xpress, Inc.
E A Sween Company	Mitsubishi International	Utah Transit Authority
Eclipse, Inc.	Mohawk Industries	VACCO Industries
Ecova	Molex	Vail Resorts Management
Elizabeth Arden	MoneyGram International	Valero Energy
EMCOR Group	MRIGlobal	Velcro Group
Emerson Electric	MTS Systems	Veolia Transportation
Emory University	MultiPlan	Via Christi Health
Energy Future Holdings	Mutual of Omaha	Vi-Jon
Energy Solutions	National Academies	Virginia Department of Transportation
EnerNOC	National Futures Association	Virginia Mason Medical Center
Environmental Chemical Corp	National Interstate	Virtua Health
Erickson Retirement Communities	National Louis University	Visiting Nurse Health System
Erie Insurance	Nature's Sunshine Products	W. C. Bradley
ESCO Technologies	Navy Exchange Enterprise	Wake Forest University
Etnyre International Limited	NCCI Holdings	Walter Energy
Farm Credit Bank of Texas	NCQA	Washington University in St. Louis
Farm Credit Foundations	NRG Energy	Wawa
Federal Reserve Bank of Atlanta	NYU Langone Medical Center	Wayne Memorial Hospital
Federal Reserve Bank of Boston	Oil-Dri Corporation of America	Wellmark BlueCross BlueShield
Federal Reserve Bank of Dallas	Old Dominion Electric	Wells' Dairy
Federal Reserve Bank of Mpls	Orbital Science Corporation	West Liberty Foods LLC
Federal Reserve Bank of Phil	Orlando Health	West Penn Allegheny Health System
Federal Reserve Bank of St. Louis	Pampered Chef	West Virginia University Hospitals, Inc.
Federal Reserve Board	Papa John's	Westfield Group
FedEx Express	Patterson Companies	Westminster Communities of Florida
Fermi National Accelerator Lab	Pattonair	Weston Solutions, Inc.
Ferro Corporation	Paycor	Wheaton Franciscan Health Care
First Citizens Bank	Paylocity	Whole Foods Market

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First Interstate Bank	Penn State Hershey Medical Center	Windstream Communications
FleetPride, Inc.	Pepper Construction Company	Winpak Portion Packaging Limited
Fleetwood Group	PM	Wisconsin Physicians Service
Flexcon Company, Inc.	PMA Companies	Insurance
Flexible Steel Lacing	Port Authority of Allegheny County	World Vision International
Fluor Federal Petroleum Ops	Port Authority of NY & NJ	WSI-SRS
Fortune Brands Home & Security	Port of Portland	Wyle Laboratories
Freeman Dallas	Port of Seattle	XO Communications
Froedtert Health	Preferred Mutual Insurance Company	Xtek, Inc.
G&K Services	Preformed Line Products	Zeon Chemicals LP
		Zimmer

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2014 Towers Watson CDB Executive Compensation Survey
Chemical and Gases Industry
(Median Revenue Size \$6 Billion)

Agrium	DuPont	OM Group
Air Products and Chemicals	Eastman Chemical	Polymer Group
Americas Styrenics	Ecolab	PolyOne
Arkema	EMD Millipore	Potash
Axiall Corporation	H.B. Fuller	Praxair
Celanese	Infineum USA	Trinseo
CF Industries	International Flavors & Fragrances	Tronox
Chemtura	LyondellBasell	Westlake Chemical
Dow Corning	Mosaic	

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IMPORTANT INFORMATION CONCERNING
THE MOSAIC COMPANY ANNUAL MEETING

Online check-in begins: 9:30 a.m., Central Time

Meeting begins: 10:00 a.m., Central Time

Mosaic stockholders as of the close of business on March 22, 2016, the record date for the annual meeting, are entitled to participate in the annual meeting on May 19, 2016.

The annual meeting will be a completely virtual meeting of stockholders, which will be conducted via live webcast. You will be able to attend the annual meeting of stockholders online and submit your questions during the meeting by visiting www.virtualshareholdermeeting.com/MOS16. You also will be able to vote your shares electronically at the annual meeting (other than shares held through our 401(k) Plan, which must be voted prior to the meeting).

We encourage you to access the meeting prior to the start time. Please allow ample time for online check-in, which will begin at 9:30 a.m., Central Time at which time you may vote your shares or submit questions in advance of the meeting if you have entered your 16-digit control number as described below. The webcast starts at 10:00 a.m., Central Time.

To participate in the annual meeting, you will need the 16-digit control number included on your notice of Internet availability of the proxy materials, on your proxy card or on the instructions that accompanied your proxy materials. If you do not have your control number at the time of the meeting, you will still be able to attend virtually, but you will not be able to vote or ask questions.

THANK YOU FOR YOUR INTEREST AND SUPPORT-YOUR VOTE IS IMPORTANT!

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*** Exercise Your Right to Vote ***

Important Notice Regarding the Availability of Proxy Materials for the
Stockholder Meeting to Be Held on May 19, 2016.

THE MOSAIC COMPANY

Meeting Information

Meeting Type: Annual

For holders as of: March 22, 2016

Date: May 19, 2016 Time: 10:00 AM Central
Time

Location: Meeting live via the Internet-please visit
www.virtualshareholdermeeting.com/MOS16

The company will be hosting the meeting live via the
Internet this year. To attend the meeting via the Internet
please visit www.virtualshareholdermeeting.com/MOS16
and be sure to have the information that is printed in the box
marked by the arrow

à XXXX XXXX XXXX (located on the following
XXXX page).

THE MOSAIC COMPANY
C/O AMERICAN STOCK TRANSFER
6201 FIFTEENTH AVENUE
BROOKLYN, NY 11219

You are receiving this communication because you hold
shares in the company named above.

This is not a ballot. You cannot use this notice to vote these
shares. This communication presents only an overview of
the more complete proxy materials that are available to you
on the Internet. You may view the proxy materials online at
www.proxyvote.com or easily request a paper copy (see
reverse side).

We encourage you to access and review all of the important
information contained in the proxy materials before voting.

See the reverse side of this notice to obtain proxy materials
and voting instructions.

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- Before You Vote -

How to Access the Proxy Materials

Proxy Materials Available to VIEW or RECEIVE:

NOTICE AND PROXY STATEMENT 2015 ANNUAL REPORT TO STOCKHOLDERS

How to View Online:

Have the information that is printed in the box marked by the arrow à XXXX XXXX XXXX (located on the XXXX

following page) and visit: www.proxyvote.com.

How to Request and Receive a PAPER or E-MAIL Copy:

If you want to receive a paper or e-mail copy of these documents, you must request one. There is NO charge for requesting a copy. Please choose one of the following methods to make your request:

- 1) BY INTERNET: www.proxyvote.com
- 2) BY TELEPHONE: 1-800-579-1639
- 3) BY E-MAIL*: sendmaterial@proxyvote.com

* If requesting materials by e-mail, please send a blank e-mail with the information that is printed in the box marked by the arrow à XXXX XXXX XXXX XXXX (located on the following page) in the subject line.

Requests, instructions and other inquiries sent to this e-mail address will NOT be forwarded to your investment advisor. Please make the request as instructed above on or before May 5, 2016 to facilitate timely delivery.

- How To Vote -

Please Choose One of the Following Voting Methods

Vote By Internet:

Before The Meeting:

Go to www.proxyvote.com. Have the information that is printed in the box marked by the arrow à XXXX XXXX XXXX XXXX (located on the following page) available and

follow the instructions.

During The Meeting:

Go to www.virtualshareholdermeeting.com/MOS16. Have the information that is printed in the box marked by the arrow à XXXX XXXX XXXX XXXX (located on the following page) available and

follow the instructions.

Vote By Mail: You can vote by mail by requesting a paper copy of the materials, which will include a proxy card.

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Voting Items

The Board of Directors recommends you vote FOR the following proposals

1. Approval of an amendment to Mosaic's Restated Certificate of Incorporation to delete references to the transition process from a classified board to a fully declassified board and to permit stockholders to remove any director with or without cause;

2. Approval of an amendment to Mosaic's Restated Certificate of Incorporation to eliminate the authorized Class A and Class B Common Stock and provisions related thereto, and to decrease the total number of shares of capital stock that Mosaic has authority to issue from 1,279,036,543 to 1,015,000,000;

The Board of Directors recommends you vote FOR the listed nominees:

3a. Nancy E. Cooper

3b. Gregory L. Ebel

3c. Timothy S. Gitzel

3d. Denise C. Johnson

3e. Emery N. Koenig

3f. Robert L. Lumpkins

3g. William T. Monahan

3h. James ("Joc") C. O'Rourke

3i. James L. Popowich

3j. David T. Seaton

3k. Steven M. Seibert

The Board of Directors recommends you vote FOR the following proposals:

4. Ratification of the appointment of KPMG LLP as Mosaic's independent registered public accounting firm to audit our financial statements as of and for the year ending December 31, 2016 and the effectiveness of internal control over financial reporting as of December 31, 2016;

5. An advisory vote to approve the compensation of Mosaic's executive officers disclosed in the accompanying Proxy Statement; and

6. Any other business that may properly come before the 2016 Annual Meeting of Stockholders or any adjournment or postponement thereof.

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THE MOSAIC COMPANY
 C/O AMERICAN STOCK
 TRANSFER
 6201 FIFTEENTH AVENUE
 BROOKLYN, NY 11219

VOTE BY INTERNET

Before The Meeting - Go to www.proxyvote.com
 Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m. Eastern Time the day before the meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

During The Meeting - Go to
www.virtualshareholdermeeting.com/MOS16

You may attend the Meeting via the Internet and vote during the Meeting. Have the information that is printed in the box marked by the arrow available and follow the instructions.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 p.m. Eastern Time the day before the meeting date. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

KEEP THIS PORTION FOR YOUR RECORDS

DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED

THE MOSAIC COMPANY

The Board of Directors

recommends you vote FOR the For Against Abstain

following proposals:
 1. Approval of an amendment to Mosaic's Restated Certificate of Incorporation to delete references to the transition process from a classified board to a fully declassified board and to permit stockholders to remove any director with or without cause;

2. Approval of an amendment to Mosaic's Restated Certificate of Incorporation to eliminate the authorized Class A and Class B

For Against Abstain

3f. Robert L. Lumpkins	..	..	..
3g. William T. Monahan	..	..	..
3h. James ("Joc") C. O'Rourke	..	..	..
3i. James L. Popowich	..	..	..
3j. David T. Seaton	..	..	..
3k. Steven M. Seibert	..	..	..

The Board of Directors recommends you vote FOR the following proposals:

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Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:

The Notice and Proxy Statement and 2015 Annual Report to Stockholders are available at www.proxyvote.com.

THE MOSAIC COMPANY

Annual Meeting of Stockholders

May 19, 2016 10:00 AM Central Time

This proxy is solicited by the Board of Directors

The undersigned hereby constitutes and appoints James ("Joc") C. O'Rourke, Richard L. Mack, and Mark J. Isaacson and each of them with full power of substitution, Proxies to represent the undersigned at the 2016 Annual Meeting of Stockholders of The Mosaic Company to be held at www.virtualshareholdermeeting.com/MOS16 on May 19, 2016 at 10:00 a.m. Central Time, and at any adjournments thereof, and to vote on all matters coming before said meeting, hereby revoking any proxy heretofore given.

You are encouraged to specify your choices by marking the appropriate boxes (SEE REVERSE SIDE), but you need not mark any boxes if you wish to vote in accordance with the Board of Directors' recommendations as noted in the proxy statement and on the reverse side of this card. This Proxy will be voted as directed, but if no direction is given it will be voted FOR the nominees and proposals, and in the discretion of the Proxies on all other matters that may properly come before the meeting. The Proxies cannot vote these shares unless you return this card by mail or instructions by Internet or phone as described on the reverse side of this card.

If the undersigned is a participant in the Mosaic Investment Plan or the Mosaic Union Savings Plan, the undersigned hereby directs Vanguard Fiduciary Trust Company (the "Trustee") as Trustee of the Mosaic Investment Plan or the Mosaic Union Savings Plan, to vote at the 2016 Annual Meeting of Stockholders of The Mosaic Company to be held on May 19, 2016 and at any and all adjournments thereof, the shares of common stock of The Mosaic Company, allocated to the account of and as instructed by the undersigned. For participants in the Mosaic Investment Plan or the Mosaic Union Savings Plan, if voting instructions are not received by the Trustee by May 16, 2016, or if they are received but are invalid, the shares with respect to which the undersigned could have instructed the Trustee will be voted in the same proportions as the shares for which the Trustee received valid participant voting instructions for each plan.

Address Changes/Comments:

(If you noted any Address Changes/Comments above, please mark corresponding box on the reverse side.)

Continued and to be signed on reverse side