

Edgar Filing: CHEMICAL & MINING CO OF CHILE INC - Form SC 13D

CHEMICAL & MINING CO OF CHILE INC  
Form SC 13D  
November 02, 2001

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
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SCHEDULE 13D  
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO RULE 13d-1(a)  
AND AMENDMENTS THERETO FILED PURSUANT TO RULE 13d-2(a)

Sociedad Quimica y Minera de Chile S.A.  
-----

(Name of Issuer)

Series A Common Stock, no par value ("Series A Shares")  
-----

(Title of Class of Securities)

833636103  
-----

(CUSIP Number)

Potash Corporation of Saskatchewan Inc.  
122 - 1st Avenue South  
Saskatoon, Saskatchewan  
Canada S7K 7G3  
(306) 933-8500

with a copy to:

Daniel S. Sternberg, Esq.  
Cleary, Gottlieb, Steen & Hamilton  
153 East 53rd Street  
New York, NY 10022  
(212) 225-2000

-----  
(Name, Address and Telephone Number of Persons Authorized to  
Receive Notices and Communications)

October 24, 2001  
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(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box.

The information required on this cover page shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Act"), or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act.

(Continued on the following pages)

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-----  
CUSIP No. 833636103  
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13D

- 1 NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Potash Corporation of Saskatchewan Inc.

- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

- 3 SEC USE ONLY

- 4 SOURCE OF FUNDS

BK, AF (See Item 3)

- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEM 2(d) or 2(e)

- 6 CITIZENSHIP OR PLACE OF ORGANIZATION

Saskatchewan, Canada

- |   |    |   |
|---|----|---|
| NUMBER OF<br>SHARES<br>BENEFICIALLY<br>OWNED BY<br>EACH REPORTING<br>PERSON<br>WITH | 7  | SOLE VOTING POWER                       |
|   | 8  | SHARED VOTING POWER                     |
|   |    | 48,270,406 Series A Shares (See Item 5) |
|   | 9  | SOLE DISPOSITIVE POWER                  |
|   | 10 | SHARED DISPOSITIVE POWER                |
|   |    | 48,270,406 Series A Shares (See Item 5) |

- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

48,270,406 Series A Shares

- 12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES

- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
33.8% (See Item 5(a))

- 14 TYPE OF REPORTING PERSON  
CO

-----  
CUSIP No. 833636103  
-----

13D

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- 1 NAMES OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)  
  
Inversiones El Boldo Limitada
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS  
  
BK, AF (See Item 3)
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEM 2(d) or 2(e)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION  
  
Republic of Chile
- |   |    |   |
|---|----|---|
| NUMBER OF<br>SHARES<br>BENEFICIALLY<br>OWNED BY<br>EACH REPORTING<br>PERSON<br>WITH | 7  | SOLE VOTING POWER                       |
|   | 8  | SHARED VOTING POWER                     |
|   |    | 48,270,406 Series A Shares (See Item 5) |
|   | 9  | SOLE DISPOSITIVE POWER                  |
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CERTAIN SHARES
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33.8% (See Item 5(a))
- 14 TYPE OF REPORTING PERSON  
CO

Item 1. Security and Issuer.  
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This statement relates to shares of Series A Common Stock, no par value ("Series A Shares"), of Sociedad Quimica y Minera de Chile S.A. (the "Issuer"), a company organized under the laws of the Republic of Chile. The principal executive offices of the Issuer are located at Miraflores 222, Piso 11, Casilla 96-D, Santiago 290, Chile.

Item 2. Identity and Background.  
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This statement is filed pursuant to Rule 13d-2(a) under the Securities

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Exchange Act of 1934, as amended, by the persons listed below (the "Reporting Persons").

(1) Potash Corporation of Saskatchewan Inc. ("PCS"), a corporation organized under the laws of Saskatchewan, Canada, is an integrated fertilizer and related industrial and feed products company engaged in the production of potash, phosphate and nitrogen products. The principal business address of PCS is 122 - 1st Avenue South, Saskatoon, Saskatchewan, Canada S7K 7G3.

(2) Inversiones El Bolso Limitada ("Chile Holdco") is a limited liability partnership formed under the laws of Chile for the purpose of acquiring shares of the Issuer, and its principal business address is Avenida Apoquindo 3721, Piso 12, Santiago, Chile. PCS indirectly beneficially owns the entire equity interest in Chile Holdco and, as a result, ownership of the Series A Shares owned by Chile Holdco is deemed to be shared with PCS.

The names, addresses, occupations and citizenship of the directors and executive officers of PCS and of the executive officers of Chile Holdco are set forth in Schedule I attached hereto.

Neither of the Reporting Persons nor, to the best of their knowledge, any of the persons listed in Schedule I has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, Federal or State securities laws or finding any violation with respect to such laws.

### Item 3. Source and Amount of Funds or Other Consideration.

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The total amount of funds (excluding applicable brokerage commissions) utilized by Chile Holdco to acquire the Series A Shares beneficially owned by the Reporting Persons was approximately 91.7 billion Chilean pesos or approximately U.S.\$129 million. Chile Holdco obtained all of such funds from PCS, and PCS provided such funds from a combination of cash on hand and borrowings pursuant to its general operating credit facility. PCS intends to refinance such borrowings with the proceeds of borrowings under its existing commercial paper program.

### Item 4. Purpose of Transaction.

-----

Between October 24 and 26, 2001, Chile Holdco purchased a total of 48,270,406 Series A Shares. All of such Series A Shares were purchased in a public auction transaction or in open market transactions, in each case on the Bolsa de Comercio de Santiago, Bolsa de Valores (the Santiago Stock Exchange). The Series A Shares beneficially owned by the Reporting Persons were acquired by them as a strategic investment in a company active in complementary markets.

Subject to any applicable limitations under relevant laws or regulations or under the Issuer's constituent documents, the Reporting Persons may in the future acquire additional Series A Shares, or other equity securities of the Issuer, in the open market, in privately-negotiated purchases, through a public tender offer or otherwise. The Reporting Persons may also, depending on then current circumstances, dispose of all or a portion of the Series A Shares beneficially owned by them in one or more transactions. Additionally, the Reporting Persons understand that the rules applicable to elections of directors of the Issuer (similar to "cumulative voting") should currently, in view of the number of Series A Shares held by the Reporting Persons, permit the Reporting Persons to elect at least two directors of the Issuer at any meeting of

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shareholders of the Issuer at which directors are to be elected. The Reporting Persons intend to exercise their voting rights with respect to the Series A Shares beneficially owned by them.

Except as set forth in this statement, neither of the Reporting Persons currently has any plans or proposals that relate to or that would result in any of the actions or transactions described in paragraphs (a) through (j) of Item 4 of the instructions to Schedule 13D. However, the Reporting Persons reserve the right from time to time to formulate plans or proposals regarding the Issuer or any of its securities and to carry out any of the actions or transactions described in paragraphs (a) through (j) of Item 4 of the instructions to Schedule 13D, to the extent deemed advisable by the Reporting Persons.

Item 5. Interest in Securities of the Issuer.  
-----

(a) The Reporting Persons share beneficial ownership of the following Series A Shares:

|                | Number of Series A<br>Shares | % of Class(1) | % of All Equity Securities<br>of Issuer(2) |
|----------------|------------------------------|---------------|--|
|                | -----                        | -----         | -----                                      |
| PCS.....       | 48,270,406                   | 33.8%         | 18.3%                                      |
| Chile Holdco.. | 48,270,406                   | 33.8%         | 18.3%                                      |

(1) Based upon 142,819,552 Series A Shares outstanding as of September 28, 2001.

(2) Based upon 142,819,552 Series A Shares and 120,376,972 shares of Series B Common Stock, no par value, of the Issuer outstanding as of September 28, 2001.

(b) Because PCS indirectly beneficially owns the entire outstanding equity interest in Chile Holdco, PCS may be deemed to have the power to vote or to direct the voting or to dispose or direct the disposition of all Series A Shares owned by Chile Holdco. Except as otherwise disclosed herein, no person other than the Reporting Persons shares the power to vote or to direct the vote or to dispose or direct the disposition of any of the Series A Shares owned by the Reporting Persons.

(c) Other than the transactions described in Schedule II of this statement, neither of the Reporting Persons nor, to the best of their knowledge, any of the persons listed in Schedule I, have effected any transactions in Series A Shares during the 60-day period preceding the date this statement was filed.

(d) Because PCS indirectly beneficially owns all of the outstanding voting equity securities of Chile Holdco, PCS may be deemed to have the right to receive, or the power to direct the receipt of dividends from, or the proceeds of the sale of, any Series A Shares owned by Chile Holdco. Except as disclosed herein, no person other than the Reporting Persons has any right to receive or the power to direct the receipt of dividends from, or the proceeds of the sale of any of the Series A Shares owned by the Reporting Persons.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect  
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to Securities of the Issuer.  
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Other than as described in Item 3 of this statement, there are no contracts, arrangements, understandings or relationships (legal or otherwise)

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among the Reporting Persons or, to the best of their knowledge, any of the persons listed in Schedule I, or between such persons and any other person with respect to any securities of the Issuer, including but not limited to transfer or voting of any of such securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies.

Item 7. Material to be Filed as Exhibits.

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None.

SIGNATURES

After reasonable inquiry, and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: November 2, 2001 Potash Corporation of Saskatchewan Inc.

/s/ Wayne R. Brownlee

-----

By: Wayne R. Brownlee  
Title: Senior Vice President, Treasurer  
and Chief Financial Officer

Date: November 2, 2001 Inversiones El Boldo Limitada

/s/ Mark G. Boulanger

-----

By: Mark G. Boulanger  
Title: Executive Officer

SCHEDULE I

POTASH CORPORATION OF SASKATCHEWAN INC.

Unless otherwise indicated, each of the individuals named below is a citizen of Canada and the business address of each Executive Officer of PCS is 122 - 1st Avenue South, Saskatoon, Saskatchewan, Canada S7K 7G3.

Name and Position Principal Occupation and Address  
-----

Directors

Frederick J. Blesi Retired  
(United States citizen) 736 Glenayre Drive  
Glenvie, Illinois 60025

Douglas J. Bourne Retired  
(United States citizen) 310 Longwoods Lane

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Houston, Texas 77024

|   |   |
|---|---|
| William J. Doyle<br>(United States citizen)   | President and Chief Executive Officer of PCS<br>122 - 1st Avenue South<br>Saskatoon, Saskatchewan, Canada S7K 7G3   |
| Dallas J. Howe                                | Chairman and Chief Executive Officer of<br>Advanced DataSystems Ltd. and BDM<br>Information Systems Group of Companies<br>200 LaCaille Place S.W.<br>Calgary, Alberta T2P 5E2 |
| Jeffrey J. McCaig                             | President, Chief Executive Officer and Director<br>of Trimac Corporation<br>708 Riversdale Avenue S.W.<br>Calgary, Alberta T2S 0Y3  |
| Mary Mogford                                  | Corporate Director and Partner of Mogford<br>Campbell Inc.<br>3715 Lakeshore Road, RR No. 8<br>Newcastle, Ontario L1B 1L9   |
| Donald E. Phillips<br>(United States citizen) | Chairman of the board of directors of PCS<br>372 Fannin Landing Circle<br>Brandon, Mississippi 39047  |
| Paul J. Schoenhals                            | President of Petroleum Industry Training Service<br>2115 - 27th Avenue N.E., Bay 13<br>Calgary, Alberta T2E 7E4   |
| E. Robert Stromberg                           | Partner, Robertson Stromberg<br>6th Floor, Canada Building<br>600-105 Twenty-First Street East<br>Saskatoon, Saskatchewan, Canada, S7K 0B3                                    |
| Jack G. Vicq                                  | Professor of Emeritus Accounting, University of<br>Saskatchewan<br>604 Braeside View<br>Saskatoon, Saskatchewan, Canada, S7V 1A6  |
| Barrie A. Wigmore<br>(United States citizen)  | Retired<br>1 West 72nd Street, Apt. 17<br>New York, New York 10023  |
| Thomas J. Wright<br>(United States citizen)   | Retired<br>104 Ivywood Lane<br>Cary, North Carolina 27511   |
| Executive Officers                            |   |
| William J. Doyle                              | President and Chief Executive Officer   |
| Wayne R. Brownlee                             | Senior Vice President, Treasurer and Chief<br>Financial Officer   |
| James F. Dietz                                | Executive Vice President and Chief Operating<br>Officer   |
| John L.M. Hampton                             | Senior Vice President, General Counsel and<br>Secretary   |
| Betty-Ann L. Heggie                           | Senior Vice President, Corporate Relations  |

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|                      |  |
|----------------------|--|
| Barry E. Humphreys   | Senior Vice President and Chief Information Officer                      |
| Barbara Jane Irwin   | Senior Vice President, Administration                                    |
| Garth W. Moore       | President, PCS Potash  |
| G. David Delaney     | President, PCS Sales   |
| Thomas W. Regan, Jr. | President, PCS Phosphate   |
| Karen G. Chasez      | Vice President, Procurement, PCS Administration (USA)                    |
| Robert A. Jaspar     | Vice President, Internal Audit   |
| Donald R. Roberts    | Vice President, Safety, Health and Environment, PCS Administration (USA) |
| Dennis A. Sirois     | Vice President and Corporate Controller                                  |

### INVERSIONES EL BOLDO LIMITADA

Unless otherwise indicated, each of the individuals named below is a citizen of Chile.

| Name and Position<br>-----                   | Principal Occupation and Address<br>-----  |
|--|--|
| Executive Officers                           |  |
| Mark G. Boulanger<br>(United States citizen) | Vice President Sales, PCS Yumbes<br>1101 Skokie Blvd.<br>Suite 400<br>Northbrook, Illinois 60062 |
| Jose Maria Eyzaguirre Baeza                  | Member, Claro y Cia.<br>Av. Apoquindo 3721, Piso 13, Las Condes<br>Santiago, Chile               |
| Rodrigo Ochagavia Ruiz-Tagle                 | Member, Claro y Cia.<br>Av. Apoquindo 3721, Piso 13, Las Condes<br>Santiago, Chile               |

### SCHEDULE II

#### TRANSACTIONS IN SERIES A SHARES

Unless otherwise indicated, each of the transactions described below was a purchase of Series A Shares for cash on the Bolsa de Comercio de Santiago, Bolsa de Valores (the Santiago Stock Exchange).



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| Date<br>-----    | Number of Shares<br>----- | Price per Share<br>(in Chilean pesos)<br>----- |
|------------------|---------------------------|--|
| October 24, 2001 | 48,129,128                | 1,900  |
| October 24, 2001 | 80,645                    | 1,900  |
| October 24, 2001 | 2,310                     | 1,899  |
| October 25, 2001 | 35,098                    | 1,900  |
| October 26, 2001 | 23,225                    | 1,900  |