



SOUTH FLORIDA WATER MANAGEMENT DISTRICT

February 12, 2009

VIA Facsimile – 863-983-4804

Mr. Robert H. Buker, Jr.
President & CEO
United States Sugar Corporation
111 Ponce de Leon Avenue
Clewiston, FL 33440

Dear Mr. Buker:

Subject: Agreement for Sale and Purchase dated December 23, 2008 (the "Agreement") between United States Sugar Corporation, SBG Farms, Inc., and Southern Gardens Groves Corporation, as "USSC," and the South Florida Water Management District, as "SFWMD."

Thank you very much for your letter of February 11, 2009, transmitting the non-binding indication of interest from Gaylon Lawrence, Jr. dated February 9, 2009.

As you indicate in your letter, The South Florida Water Management District ("District") is under no obligation under the Agreement to respond specifically to your request. Notwithstanding, the District can confirm that staff has had conceptual conversations with several parties who have indicated that they are contemplating submitting Acquisition Proposals in connection with USSC's right pursuant to Section 25 of the Agreement. The District has not entered into any agreement with any other party at this time. Please be advised that SFWMD is fully committed to fulfilling all its contractual obligations under the Agreement with USSC.

Without commenting on other aspects of your letter, please be advised that SFWMD reserves all of its rights under the Agreement, and this letter will not prejudice any such rights. If you have any questions or concerns please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Carol Wehle". The signature is written in a cursive style.

Carol Wehle
Executive Director
South Florida Water Management District

- c: Edward Almeida, Vice President, Legal Affairs, United States Sugar Corporation (via facsimile)
Eric Buermann, Chairman of the Governing Board of the South Florida Water Management District (via facsimile)
Michael Sole, Secretary, Florida Department of Environmental Protection (via e-mail)
William S. White, Chairman of the Board of Directors of United States Sugar Corporation (via facsimile: c/o Edward Almeida)
Sheryl Wood, General Counsel, South Florida Water Management District (via hand delivery)