

Bunge LTD
 Form 424B3
 November 14, 2006

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The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement is not an offer to sell nor does it solicit an offer to buy these securities, in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED NOVEMBER 14, 2006

PRELIMINARY PROSPECTUS SUPPLEMENT TO PROSPECTUS DATED NOVEMBER 13, 2006

Filed Pursuant to Rule 424(b)(3)
 Registration No. 333-138662

5,000,000 Shares

Bunge Limited

% Cumulative Convertible Perpetual Preference Shares (Liquidation Preference \$100 per share)

We are offering 5,000,000 shares of our % cumulative convertible perpetual preference shares. The annual dividend on each convertible preference share is \$ and is payable quarterly in cash, common shares or a combination of cash and common shares, on each March 1, June 1, September 1 and December 1, commencing March 1, 2007. Each convertible preference share has an initial liquidation preference of \$100 per share and is convertible, at the holder's option, at any time, initially into approximately of our common shares, based on an initial conversion price of \$ per share, subject in each case to specified adjustments. The conversion price will be adjusted upon the occurrence of specified events considered a fundamental change, as described in this prospectus supplement. The convertible preference shares are not redeemable by us at any time. On or after December 1, 2011, if the closing price of our common shares exceeds 130% of the conversion price for 20 trading days during any consecutive 30-trading day period, we may, at our option, cause the convertible preference shares to be automatically converted into common shares at the then prevailing conversion price.

Our common shares are listed on the New York Stock Exchange under the symbol "BG." On November 13, 2006, the last reported sale price of our common shares was \$67.50 per share. The convertible preference shares will not be listed on any securities exchange or included in any automated quotation system.

The underwriter has an option to purchase a maximum of 750,000 additional convertible preference shares solely to cover over-allotments.

Investing in the convertible preference shares involves risks. See "Risk Factors" beginning on page S-5 of this prospectus supplement and on page 2 of the accompanying prospectus.

	Price to Public(1)	Underwriting Discounts and Commissions	Proceeds to Bunge Limited
Per Convertible Preference Share	\$	\$	\$
Total	\$	\$	\$

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(1) Plus accumulated dividends, if any, from November , 2006

Delivery of the convertible preference shares in book-entry form will be made on or about November , 2006.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the prospectus to which it relates is truthful or complete. Any representation to the contrary is a criminal offense.

Credit Suisse

The date of this prospectus supplement is November , 2006.

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You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

The distribution of this prospectus supplement and the accompanying prospectus may be restricted by law in certain jurisdictions. You should inform yourself about and observe any of these restrictions. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which the offer or solicitation is not authorized, or in which the person making the offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make the offer or solicitation.

Unless the context otherwise requires, references to "we," "us" or "our" refer collectively to Bunge Limited and its subsidiaries.

Consent under the Exchange Control Act 1972 (and its related regulations) has been obtained from the Bermuda Monetary Authority for the issue and transfer of our preference and common shares to and between non-residents of Bermuda for exchange control purposes provided any of our shares remain listed on an appointed stock exchange, which includes the New York Stock Exchange. This prospectus supplement will be filed with the Registrar of Companies in Bermuda in accordance with Bermuda law. In granting such consent and in accepting this prospectus for filing, neither the Bermuda Monetary Authority nor the Registrar of Companies in Bermuda accepts any responsibility for our financial soundness or the correctness of any of the statements made or opinions expressed in this prospectus supplement.

FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus include forward-looking statements that reflect our current expectations and projections about our future results, performance, prospects and opportunities. We have tried to identify these forward-looking statements by using words including "may," "will," "expect," "anticipate," "believe," "intend," "estimate," "continue" and similar expressions. These forward-looking statements are subject to a number of risks, uncertainties and other factors that could cause our actual results, performance, prospects or opportunities, as well as those of the markets we serve or intend to serve, to differ materially from those expressed in, or implied by, these forward-looking statements. These factors include the risks, uncertainties, trends and other factors discussed under the headings "Risk Factors" in this prospectus supplement and the accompanying prospectus; in our 2005 Annual Report, under the headings "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," "Item 1. Business," "Item 1A. Risk Factors" and elsewhere; in our 2006 Quarterly Reports, under the headings "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Item 1A. Risk Factors" and in our Current Report on Form 8-K filed with the SEC on November 13, 2006. Examples of forward-looking statements include all statements that are not historical in nature, including statements regarding:

our operations, competitive position, strategy and prospects;

industry conditions, including the cyclical nature of the agribusiness industry, unpredictability of the weather and the impact of crop and animal disease on our business;

estimated demand for the commodities and other products that we sell;

the effects of economic, political or social conditions and changes in foreign exchange policy or rates;

our ability to complete, integrate and benefit from acquisitions, joint ventures and strategic alliances;

governmental policies affecting our business, including agricultural and trade policies;

our funding needs and financing sources; and

the outcome of pending regulatory and legal proceedings.

In light of these risks, uncertainties and assumptions, you should not place undue reliance on any forward-looking statements contained in this prospectus supplement, the accompanying prospectus or in any document incorporated by reference herein or therein. Additional risks that we may currently deem immaterial or that are not presently known to us could also cause the forward-looking events discussed in this prospectus supplement, the accompanying prospectus or incorporated by reference herein or therein not to occur. Except as otherwise required by applicable securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason after the date of this prospectus supplement.

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements to encourage companies to provide prospective information about their companies without fear of litigation. We would like to take advantage of the "safe harbor" provisions of the Private Securities Litigation Reform Act in connection with the forward-looking statements included in this prospectus supplement, the accompanying prospectus or any document incorporated by reference herein or therein.

SUMMARY

This is only a summary and therefore does not contain all the information that may be important to you. You should read the entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus carefully, including the "Risk Factors" section elsewhere in this prospectus supplement and the accompanying prospectus, our consolidated financial statements and the related notes and the other information incorporated by reference into this prospectus supplement and the accompanying prospectus, before deciding whether or not to purchase the convertible preference shares.

BUNGE LIMITED

We are an integrated, global agribusiness and food company operating in the farm-to-consumer food chain. We believe we are:

the world's leading oilseed processing company, based on processing capacity;

the largest producer and supplier of fertilizer to farmers in South America, based on volume; and

a leading seller of bottled vegetable oils worldwide, based on sales.

We conduct our operations in three divisions: agribusiness, fertilizer and food products. These divisions include four reporting segments: agribusiness, fertilizer, edible oil products and milling products.

Agribusiness. Our agribusiness division is an integrated business involved in the purchase, processing, storage and sale of grains and oilseeds. Our agribusiness operations and assets are primarily located in North and South America and Europe, and we also have operations in India and China and international marketing offices throughout the world.

Fertilizer. Our fertilizer division is involved in every stage of the fertilizer business, from mining of raw materials to the sale of fertilizer products. The activities of our fertilizer division are primarily located in Brazil.

Food Products. Our food products division consists of two business segments: edible oil products and milling products. These segments include businesses that produce and sell food products such as edible oils, shortenings, margarine, mayonnaise and milled products such as wheat flours and corn products. The activities of our food products division are primarily located in North America, Europe, Brazil and India.

Bunge Limited is a limited liability company formed under the laws of Bermuda. Bunge Limited's principal executive office and corporate headquarters is at 50 Main Street, White Plains, New York 10606, and its telephone number is (914) 684-2800. Bunge Limited's registered office is located at 2 Church Street, Hamilton, HM 11, Bermuda.

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THE OFFERING

Unless otherwise indicated, all information in this prospectus supplement assumes no exercise of the underwriter's option to purchase up to 750,000 additional convertible preference shares.

Securities Offered	5,000,000 % cumulative convertible perpetual preference shares; 5,750,000 convertible preference shares if the underwriter exercises its option to purchase additional convertible preference shares to cover over-allotments in full.
Dividends	Annual dividends of \$ per share payable quarterly on each March 1, June 1, September 1 and December 1, commencing March 1, 2007, when, as and if declared by the board of directors. Dividends will be paid in arrears on the basis of a 360-day year consisting of twelve 30-day months. Dividends on the convertible preference shares will accumulate and be cumulative from November , 2006 and may be paid in cash, common shares or a combination of cash and common shares. Accumulated dividends on the convertible preference shares will not bear interest. See "Description of Convertible Preference Shares Dividends."
Settlement of Passed Dividends	If we fail to declare and pay any dividend on the convertible preference shares on a timely basis, we shall be required to settle all unpaid dividends on convertible preference shares, which we refer to as passed dividends, only by issuing and delivering our common shares, subject to a cash adjustment for fractional common shares. While any passed dividends are outstanding, we may pay any current dividend, subject to our obligation to concurrently pay all passed dividends as set forth under "Description of Convertible Preference Shares Settlement of Passed Dividends."
Liquidation Preference	\$100 per convertible preference share, plus, upon voluntary or involuntary liquidation, wind-up or dissolution, an amount equal to accumulated and unpaid dividends at such time up to an additional \$25 per convertible preference share.
Ranking	The preference shares will rank with respect to dividend rights and rights upon our liquidation, winding-up or dissolution: senior to all of our common shares and to our Series A Preference Shares and to all of our other shares issued in the future unless the terms of those shares expressly provide that they rank senior or on a parity with, the convertible preference shares; on a parity with any series of our shares issued in the future, the terms of which expressly provide that they will rank on a parity with the convertible preference shares; and junior to all of our shares issued in the future, the terms of which expressly provide that such shares will rank senior to the convertible preference shares.
Redemption	We will not have the right to redeem the convertible preference shares.
Conversion Rights	Each convertible preference share may be converted at any time, at the option of the holder, into approximately common shares

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(which is calculated using an initial conversion price of \$ _____ per common share) plus cash in lieu of fractional shares. The initial conversion price is subject to adjustment upon the occurrence of certain events.

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Mandatory Conversion

On or after December 1, 2011, if, for 20 trading days within any period of 30 consecutive trading days (including the last trading day of such period), the closing price of our common shares exceeds 130% of the then prevailing conversion price of the convertible preference shares, we may, at our option, cause all issued and outstanding convertible preference shares to be automatically converted into that number of common shares that are issuable at the then prevailing conversion price. See "Description of Convertible Preference Shares Mandatory Conversion."

In addition, if, on or after December 1, 2011, there are fewer than 250,000 convertible preference shares issued and outstanding, we may also, at our option, cause all issued and outstanding convertible preference shares to be converted into common shares.

Adjustment to Conversion Rate Upon a Fundamental Change

If a fundamental change occurs we may increase the conversion rate on convertible preference shares converted in connection with the fundamental change.

The amount of the increase, if any, will be based on the price paid for our common shares in connection with the fundamental change and the effective date of such fundamental change. A description of how the increase in the conversion rate will be determined and a table showing the increase that would apply at various common share prices and effective dates is set forth under "Description of Convertible Preference Shares Adjustment of Conversion Rate Upon a Fundamental Change."

Upon a fundamental change, holders of convertible preference shares shall, if the market price of our common shares on the effective date of the fundamental change is less than the market price of our common shares on the date we issue the convertible preference shares (subject to adjustment in the same manner as the conversion price), also have a one-time option to convert all of their outstanding convertible preference shares into common shares at an adjusted conversion price equal to the greater of (1) the market price of our common shares on the effective date of the fundamental change and (2) one-third of the market price of our common shares on the date we issue the convertible preference shares (subject to adjustment in the same manner as the conversion price). This option shall be exercisable during a period of not less than 30 days nor more than 60 days after you receive notice of a fundamental change.

Voting Rights

Except as required by Bermuda law and the certificate of designation for the convertible preference shares and as set out in our bye-laws, the holders of the convertible preference shares will generally have no voting rights unless dividends payable on the convertible preference shares are in arrears for six or more quarterly periods. In that event, the holders of the convertible preference shares, voting as a single class with any other preference shares having similar voting rights will be entitled at the next annual general meeting or special general meeting of our shareholders to elect two directors. These voting rights and the terms of the directors so elected, subject to our bye-laws and Bermuda law, will continue until such time as the dividend arrearage on the convertible preference shares has been paid in full. The affirmative vote or consent of holders of at least 66% of the issued and outstanding convertible preference shares will be required for amendments to our memorandum of association,

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bye-laws or certificate of designation that would vary adversely the rights of holders of the convertible preference shares.

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Use of Proceeds

The net proceeds to us from the sale of the convertible preference shares offered hereby are estimated to be approximately \$ million, after deducting underwriting discounts and commissions and the estimated expenses of the offering payable by us. We intend to use the net proceeds from this offering to repay indebtedness. See "Use of Proceeds."

Tax Consequences

The Bermuda and U.S. federal income tax consequences of purchasing, owning and disposing of the convertible preference shares and any common shares received upon conversion of the convertible preference shares are described in "Certain Tax Considerations." Prospective investors are urged to consult their own tax advisors regarding the tax consequences of purchasing, owning and disposing of the convertible preference shares and any common shares received upon conversion in light of their personal investment circumstances, including consequences resulting from the possibility that actual or constructive distributions on the convertible preference shares may exceed our current and accumulated earnings and profits, as calculated for U.S. federal income tax purposes, in which case they would not be treated as dividends for U.S. federal income tax purposes.

Absence of a Public Market

The convertible preference shares are a new issue for which there is currently no public market. If an active public market does not develop, the market price and liquidity of the convertible preference shares will be adversely affected. We do not intend to list the convertible preference shares on any national securities exchange or include the convertible preference shares in any automated quotation system.

Book-Entry, Delivery and Form

Initially, the convertible preference shares will be represented by one or more permanent global certificates in definitive, fully registered form deposited with a custodian for, and registered in the name of, a nominee of DTC.

Common Share Symbol

Our common shares are listed for trading on the NYSE under the symbol "BG."

Risk Factors

An investment in the convertible preference shares involves certain risks that a potential investor should carefully evaluate prior to making an investment in the convertible preference shares. See "Risk Factors" beginning on page S-5 of this prospectus supplement and on page 2 on the accompanying prospectus.

RISK FACTORS

An investment in the convertible preference shares involves risks. You should carefully consider the risks described below, together with the other information in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference, including the risks related to our business and industry in "Risk Factors" in the accompanying prospectus, before making a decision to invest in the convertible preference shares offered hereby.

Risks Related to Our Convertible Preference Shares

We may not be able to pay dividends on the convertible preference shares.

Under Bermuda law, a company's board of directors may not declare or pay dividends if there are reasonable grounds for believing that the company is, or would after the payment be, unable to pay its liabilities as they become due or that the realizable value of its assets would thereby be less than the aggregate of its liabilities and issued share capital and share premium accounts. Issued share capital is the aggregate par value of our issued shares, and the share premium account is the aggregate amount paid for issued shares over and above their par value. Share premium accounts may be reduced in certain limited circumstances.

The convertible preference shares rank junior to all of our liabilities and will not limit our ability to incur future indebtedness that will rank senior to the convertible preference shares.

The convertible preference shares rank junior to all of our liabilities. In the event of our bankruptcy, liquidation or winding-up, our assets will be available to make payments with respect to our obligations on the convertible preference shares, including any payments we may be required to make on the convertible preference shares, only after all of our indebtedness and other liabilities have been paid. In addition, the convertible preference shares will effectively rank junior to all existing and future liabilities of our subsidiaries and any share capital of our subsidiaries held by others. The rights of holders of the convertible preference shares to participate in the distribution of assets of our subsidiaries will rank junior to the prior claims of that subsidiary's creditors and any such other equity holders. As of September 30, 2006, we had approximately \$8,126 million of total liabilities. Consequently, if we are forced to liquidate our assets to pay our creditors, we may not have sufficient assets remaining to pay amounts due on any or all of the convertible preference shares then issued and outstanding. We and our subsidiaries may incur substantial amounts of additional debt and the other obligations that will rank senior to the convertible preference shares, and the terms of the convertible preference shares will not limit the amount of such debt or other obligations that we may incur.

The number of additional shares issuable upon conversion in connection with a fundamental change may not adequately compensate you for the lost option time value of your convertible preference shares as a result of such fundamental change.

If a fundamental change occurs we will, under certain circumstances, increase the conversion rate by a certain number of additional shares for the convertible preference shares converted in connection with that fundamental change. A description of the method by which the number of additional shares will be determined is described under "Description of Convertible Preference Shares Adjustment of Conversion Rate Upon a Fundamental Change." While the number of additional shares is designed to compensate you for the lost option time value of your convertible preference shares as a result of a fundamental change, the additional shares are only an approximation of such lost value and may not adequately compensate you for such loss. In addition, if the market price per common share at the time of the fundamental change is less than the price of our common shares when we price the convertible preference shares we will not be required to increase the conversion rate.

The liquidation preference for our convertible preference shares is limited in respect of accumulated dividends.

The liquidation preference for the convertible preference shares offered is equal to \$100 per share plus an amount equal to accumulated and unpaid dividends up to \$25 per share. As a result, if our accumulated dividends exceed \$25 per convertible preference share, your liquidation preference will no longer increase.

Our ability to issue preference shares in the future could adversely affect the rights of holders of the convertible preference shares and our common shares.

Our board of directors is authorized to issue additional series of preference shares on parity with the convertible preference shares with respect to the payment of dividends and distribution of assets upon liquidation without any action on the part of holders of our convertible preference shares and our common shares. Our board of directors also has the power, without shareholder approval, to set the terms of any such series of preference shares that may be issued, including voting rights, conversion rights, dividend rights, preferences over our common shares with respect to dividends or if we liquidate, dissolve or wind up our business and other terms. If we issue preference shares in the future that have preference over our common shares with respect to the payment of dividends or upon our liquidation, dissolution or winding up, or if we issue preference shares with voting rights that dilute the voting power of our common shares, the market price of our common shares could decrease, adversely affecting the value of the convertible preference shares.

The trading prices for the convertible preference shares will be directly affected by the trading prices for our common shares, which are impossible to predict.

The trading prices for the convertible preference shares in the secondary market will be directly affected by the trading prices of our common shares. Trading prices of our common shares may be volatile in response to a number of factors, including actual or anticipated variations in our quarterly or annual operating results, changes in conditions, trends or prospects in our industry and general economic, financial and other factors. In addition, general market conditions, including the level of, and fluctuations in, the trading prices of equity securities generally and sales of substantial amounts of common shares by us or others in the market after this offering, or the perception that such sales could occur, could affect the price of our common shares, thereby affecting the price of the convertible preference shares. See "Description of Share Capital Registration Rights Agreement" in the accompanying prospectus for more information about the registration rights we have granted to certain holders of our common shares.

The sale of substantial amounts of our common shares could adversely impact the market price of our common shares, which could in turn negatively affect the trading price of the convertible preference shares. In addition, the price of our common shares could also be affected by possible sales of our common shares by investors who view the convertible preference shares as a more attractive means of equity participation in our company and by hedging or arbitrage trading activity that we expect to develop involving our common shares. The hedging or arbitrage could, in turn, negatively affect the trading price of the convertible preference shares.

Holders of the convertible preference shares will have no rights as a holder of our common shares until they acquire, upon conversion, our common shares.

Until you acquire our common shares upon conversion, you will have no rights with respect to our common shares, including voting rights, rights to respond to tender offers and rights to receive any dividends or other distributions on our common shares. Upon conversion, you will be entitled to exercise the rights of a holder of common shares only as to matters for which the record date occurs after the conversion date.

The convertible preference shares have never been publicly traded and an active trading market for such shares may not develop.

Prior to this offering, there has been no public market for the convertible preference shares and an active trading market may not develop, or, if developed, may not be maintained. There is no plan to list the convertible preference shares on any securities exchange or to include them in any automated quotation system. Although the underwriter has advised us that it intends to facilitate secondary market trading by making a market in the convertible preference shares, it is not obligated to do so and may discontinue market making activities at any time. Accordingly, if an active market is not developed or sustained, the market price and liquidity of the convertible preference shares may be adversely affected. If a market for the convertible preference shares were to develop, the convertible preference shares could trade at prices that may be higher or lower than the initial offering price depending upon many factors, including the price of our common shares, prevailing interest rates, our operating results and the markets for similar securities.

If you convert, you will experience immediate and substantial dilution.

You may convert your convertible preference shares into our common shares at any time. If you convert your convertible preference shares into common shares, you will experience immediate and substantial dilution because the per share conversion price of the convertible preference shares immediately after this offering will be higher than the net tangible book value per share of our issued and outstanding common shares. In addition, you will also experience dilution when and if we issue additional common shares, which we may be required to issue pursuant to employee or director compensation plans.

You may not be able to immediately exercise your right to elect two directors if we default on the dividends on our convertible preference shares.

Under the terms of the convertible preference shares, you will have the right to elect two directors if dividends are in arrears and unpaid for six or more quarterly periods (whether or not consecutive). In that event, you will be voting together with the holders of any such other series or classes of preference shares as one class. We will facilitate the election or appointment of these two directors in a manner consistent with our bye-laws and Bermuda law. Our bye-laws currently limit the size of our board to not more than fifteen members. Although we currently have the ability to increase the size of our board from eleven directors to a maximum of fifteen directors, we may either appoint additional individuals to our board of directors or seek to amend our bye-laws to reduce the maximum number of directors permitted. As a result, we cannot be certain that the two directors to be elected by the holders of the convertible preference shares will be elected immediately upon the occurrence of the sixth quarterly dividend payment default.

You may have to pay taxes with respect to the distributions on our common shares that you do not receive.

The conversion rate of the convertible preference shares is subject to adjustment for certain events arising from splits of share capital and combinations, dividends of share capital, certain cash dividends and certain other actions by us that modify our capital structure. See "Description of Convertible Preference Shares Conversion Price Adjustment." If the conversion rate is adjusted as a result of a distribution that is taxable to our common shareholders, such as a cash dividend, you would be treated as receiving a distribution and may be required to include an amount in income for federal income tax purposes, notwithstanding the fact that you do not actually receive such distribution. If the conversion rate is increased, such increase also may be deemed to be the payment of a taxable dividend to you, notwithstanding the fact that you do not receive a cash payment. The amount that you would have to include in income would generally be equal to the value of the additional shares that you would receive upon conversion as a result of the adjustment to the conversion rate. See "Certain Tax

Considerations United States Federal Income Tax Considerations U.S. Holders Adjustment to Conversion Rate."

It is expected that non-corporate U.S. shareholders will be ineligible for the favorable United States federal income tax treatment that applies to dividend income received from certain corporations for dividends received on our convertible preference shares.

Dividends received before January 1, 2011 by non-corporate U.S. shareholders on shares of certain foreign corporations will be subject to United States federal income tax at lower rates than other types of ordinary income if certain conditions are met. However, because our convertible preference shares are not readily tradable on an established securities market in the United States and there is no income tax treaty between Bermuda and the United States, we currently do not expect those conditions will be met. As a result, distributions on our convertible preference shares paid out of our current or accumulated earnings and profits, as determined under U.S. federal income tax principles, will generally be taxable as ordinary income to U.S. shareholders and will not be entitled to a reduced rate of taxation. See "Certain Tax Considerations United States Federal Income Tax Considerations U.S. Holders Distributions."

We may become a passive foreign investment company, which could result in adverse United States federal income tax consequences to U.S. investors.

Adverse United States federal income tax rules apply to individuals owning shares of a "passive foreign investment company," or PFIC, directly or indirectly. We will be classified as a PFIC for United States federal income tax purposes if 50% or more of our assets, including goodwill (based on an annual quarterly average), are passive assets, or 75% or more of our annual gross income is derived from passive assets. The calculation of goodwill will be based, in part, on the then market value of our convertible preference shares and common shares, which is subject to change. Based on certain estimates of our gross income and gross assets and relying on certain exceptions in the applicable U.S. Treasury regulations, we do not believe that we are currently a PFIC. Such a characterization could result in adverse U.S. tax consequences to U.S. investors in our convertible preference shares and common shares. In particular, absent an election described below, a U.S. investor would be subject to United States federal income tax at ordinary income tax rates, plus a possible interest charge, in respect of gain derived from a disposition of our convertible preference shares and common shares, as well as certain distributions by us. In addition, a step-up in the tax basis of our convertible preference shares and common shares would not be available upon the death of an individual shareholder, and the preferential U.S. federal income tax rates generally applicable to dividends on our common shares held by certain U.S. investors would not apply. Since PFIC status is determined by us on an annual basis and will depend on the composition of our income and assets and the nature of our activities from time to time, we cannot assure you that we will not be considered a PFIC for the current or any future taxable year. If we are treated as a PFIC for any taxable year, U.S. investors may desire to make an election to treat us as a "qualified electing fund" with respect to shares owned (a QEF election), in which case U.S. investors will be required to take into account a pro rata share of our earnings and net capital gain for each year, regardless of whether we make any distributions. As an alternative to the QEF election, a U.S. investor may be able to make an election to "mark to market" our common shares each taxable year and recognize ordinary income pursuant to such election based upon increases in the value of our common shares. See "Certain Tax Considerations United States Federal Income Tax Considerations U.S. Holders Passive Foreign Investment Company Status."

USE OF PROCEEDS

We estimate that we will receive net proceeds of approximately \$490.8 million from this offering after deducting the underwriter's commissions and estimated offering expenses payable by us.

We intend to use the net proceeds from this offering to reduce indebtedness under our short-term revolving credit facilities and our commercial paper program. Borrowings under our short-term revolving credit facilities, as of September 30, 2006, had a weighted average interest rate of 6.15%, with an average maturity of approximately 82 days. Indebtedness under our commercial paper program, as of September 30, 2006, had a weighted average interest rate of 5.73%, with an average maturity of 17 days.

To the extent we issue convertible preference shares generating net proceeds in excess of \$490.8 million, we intend to use such net proceeds to repay additional indebtedness.

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CAPITALIZATION

The following table sets forth our cash and capitalization as of September 30, 2006 on an actual basis and as adjusted to give effect to this offering and the application of the net proceeds from the sale of the convertible preference shares, as described under "Use of Proceeds."

This table should be read in conjunction with "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and our audited consolidated financial statements for the year ended December 31, 2005 included in our Current Report on Form 8-K filed on November 13, 2006 and with "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" and our unaudited consolidated financial statements for the quarterly period ended September 30, 2006 included in our Quarterly Reports for such period, which are incorporated by reference in this prospectus supplement and accompanying prospectus. See "Incorporation of Certain Documents by Reference."

	As of September 30, 2006	
	Actual	As Adjusted
	(dollars in millions, except share data)	
Cash and cash equivalents	\$ 287	\$ 287
Short-term debt, including current portion of long-term debt	\$ 927	\$ 436
Long-term debt:		
Secured	138	138
Unsecured	672	672
6.78% Senior Guaranteed Notes, Series B, due 2009	53	53
7.44% Senior Guaranteed Notes, Series C, due 2012	351	351
7.80% Senior Notes due 2012	200	200
5.875% Senior Notes due 2013	300	300
4.375% Senior Notes due 2008	500	500
5.35% Senior Notes due 2014	500	500
5.10% Senior Notes due 2015	400	400
Total long-term debt	\$ 3,114	\$ 3,114
Minority interest	381	381
Shareholders' equity:		
Preference shares, par value \$.01; 10,000,000 shares authorized; no shares issued and outstanding, actual; 5,000,000 convertible preference shares issued and outstanding, liquidation preference \$100, as adjusted		491
Common shares, par value \$.01; 240,000,000 shares authorized; 119,733,965 shares issued and outstanding, actual and as adjusted(1)	1	1
Additional paid in capital	2,688	2,688
Retained earnings	2,110	2,110
Accumulated other comprehensive loss	(85)	(85)
Total shareholders' equity	4,714	5,205
Total capitalization	\$ 9,136	\$ 9,136

- (1) The number of common shares issued and outstanding as of September 30, 2006 excludes any common shares issuable upon conversion of the convertible preference shares, 4,060,170 common shares issuable upon the exercise of stock options and 1,297,119 common shares issuable in respect of time-vested regular and performance-based restricted stock units, assumes all participants receive shares and no adjustment by the compensation committee of the board of directors of Bunge Limited.

DESCRIPTION OF CONVERTIBLE PREFERENCE SHARES

The following is a summary of certain provisions of the certificate of designation of our % Cumulative Convertible Perpetual Preference Shares (which we will refer to as the "Convertible Preference Shares"). We will file a copy of the certificate of designation for the Convertible Preference Shares as an exhibit to a current report on Form 8-K. The following description is a summary of the material provisions of the Convertible Preference Shares as set forth in the related certificate of designation. It does not purport to be complete. We refer you to the provisions of the certificate of designation, including the definitions of terms used in the certificate of designation. We urge you to read the certificate of designation because it, and not this description, defines your rights as a holder of Convertible Preference Shares. See also "Description of Share Capital" in the accompanying prospectus for a description of general terms applicable to these Convertible Preference Shares, a description of our common shares and certain provisions of Bermuda law.

As used in this section, the terms the "Company," "us," "we" or "our" refer to Bunge Limited and not any of its subsidiaries.

General

At the consummation of this offering, we will issue 5,000,000 Convertible Preference Shares. In addition, we have granted the underwriter an option to purchase up to 750,000 additional Convertible Preference Shares solely to over-allotments.

When issued, the Convertible Preference Shares, and any common shares issued upon the conversion of the Convertible Preference Shares, will be fully paid and nonassessable. The holders of the Convertible Preference Shares will have no preemptive or preferential right to purchase or subscribe to our shares, warrants or other securities of any class. Codan Services Limited in Bermuda is the registrar for our shares and the transfer agent, branch registrar, redemption, conversion and dividend disbursing agent for the Convertible Preference Shares and common shares is Mellon Investor Services LLC.

Our Convertible Preference Shares are subject to mandatory conversion, as described below in "Mandatory Conversion," but are not redeemable by us.

Ranking

The Convertible Preference Shares, with respect to dividend rights or rights upon our liquidation, winding-up or dissolution, rank:

senior to all classes of our common shares and to our Series A Preference Shares and each other class of shares or series of preference shares established after the original issue date of the Convertible Preference Shares (which we will refer to as the "Issue Date"), the terms of which do not expressly provide that such class or series ranks senior or on a parity with the Convertible Preference Shares as to dividend rights or rights upon our liquidation, winding-up or dissolution (we refer to each such class of shares or series of preference shares, collectively, as "Junior Shares");

on a parity, in all respects, with any class of shares or series of preference shares established after the Issue Date, the terms of which expressly provide that such class or series of preference shares will rank on a parity with the Convertible Preference Shares as to dividend rights or rights upon our liquidation, winding-up or dissolution (we refer to each such class of shares or series of preference shares, collectively, as "Parity Shares"); and

junior to classes of shares, including series of preference shares, established after the Issue Date, the terms of which expressly provide that such class or series will rank senior to the Convertible Preference Shares as to dividend rights or rights upon our liquidation, winding-up or dissolution (we refer to each such class of shares or series of preference shares, collectively as "Senior Shares").

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While any Convertible Preference Shares are issued and outstanding, we may not authorize or issue any class or series of Senior Shares, or any security convertible into Senior Shares without the affirmative vote or consent of the holders of at least 66% of the outstanding Convertible Preference Shares. Without the consent of any holder of Convertible Preference Shares, however, we may authorize, increase the authorized amount of, or issue any class or series of Parity Shares or Junior Shares. See " Voting Rights" below.

Dividends

Holders of Convertible Preference Shares will be entitled to receive, when, as and if declared by our board of directors out of funds legally available for payment, cumulative dividends at the rate per annum of % per share on the liquidation preference thereof of \$100.00 per Convertible Preference Share (equivalent to \$ per annum per share). Dividends on the Convertible Preference Shares will be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2007 (each, a "Dividend Payment Date") at such annual rate, and shall accumulate from the most recent date as to which dividends shall have been paid or, if no dividends have been paid, from the Issue Date of the Convertible Preference Shares, whether or not in any dividend period or periods there have been funds legally available for the payment of such dividends. Dividends will be payable to holders of record as they appear on our register of members on the immediately preceding February 15, May 15, August 15 or November 15 (each, a "Record Date"). Accumulations of dividends on Convertible Preference Shares shall not bear interest. Dividends payable on the Convertible Preference Shares for any period less than a full dividend period (based upon the number of days elapsed during such period) shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

No dividends or other distributions (other than a dividend or distribution or bonus issue payable solely in Parity Shares or Junior Shares (in the case of Parity Shares) or Junior Shares (in the case of Junior Shares) and cash in lieu of fractional shares) may be declared, made or paid, or set apart and/or reserved for payment upon, any Parity Shares or Junior Shares, nor may any Parity Shares or Junior Shares be redeemed, repurchased or otherwise acquired for any consideration (or any money paid to or made available for a sinking fund for the redemption of any Parity Shares or Junior Shares) by us or on our behalf (except by conversion into or exchange for Parity Shares or Junior Shares (in the case of Parity Shares) or Junior Shares (in the case of Junior Shares)) unless all accumulated and unpaid dividends have been, or contemporaneously are, declared and paid, or are declared and cash and/or such number of common shares, if any, sufficient for the payment thereof is set apart and/or reserved for such payment, on the Convertible Preference Shares and any Parity Shares for all dividend payment periods terminating on or prior to the date of such declaration, payment, redemption, repurchase or acquisition. Notwithstanding the preceding passage, if full dividends have not been paid on the Convertible Preference Shares and any Parity Shares, dividends may be declared and paid on the Convertible Preference Shares and such Parity Shares so long as the dividends are declared and paid pro rata so that the amounts of dividends declared per share on the Convertible Preference Shares and such Parity Shares will in all cases bear to each other the same ratio that accumulated and unpaid dividends per share on the Convertible Preference Shares and such Parity Shares bear to each other. Holders of the Convertible Preference Shares will not be entitled to any dividend, whether payable in cash, property or common shares, in excess of full cumulative dividends.

Our ability to declare and pay cash dividends and make other distributions with respect to our shares, including the Convertible Preference Shares, may be limited by applicable Bermuda law. See "Risk Factors Risks Related to Our Convertible Preference Shares We may not be able to pay dividends on the convertible preference shares."

Method of Payment of Dividends

Subject to certain restrictions, we may generally, at our option, pay any dividend on the Convertible Preference Shares:

in cash;

in our common shares; or

through any combination of cash and our common shares.

If we elect to make any such payment, or any portion thereof, in common shares, such shares shall be valued for such purpose, in the case of any dividend payment, or portion thereof, at 97% of the Market Value (as defined below under " Conversion Price Adjustment") as determined on the second Trading Day immediately prior to the Record Date for such dividend.

We will make each dividend payment on the Convertible Preference Shares in cash, except to the extent we elect to make all or any portion of such payment in common shares or we are required to make the dividend payment in common shares as described in " Settlement of Passed Dividends." If we elect to pay all or a portion of a dividend in common shares, we will give the holders of the Convertible Preference Shares notice of such election and the portion of such payment that will be made in cash and the portion that will be made in common shares ten Trading Days prior to the Record Date for such dividend.

In connection with a dividend payment made using any common shares, no fractional common shares will be delivered to the holders of the Convertible Preference Shares, but we will instead pay a cash adjustment to each holder that would otherwise be entitled to a fraction of a common share. Any portion of any such payment that is declared and not paid in common shares will be paid in cash.

We may not pay any portion of a dividend on the Convertible Preference Shares in common shares unless (i) the common shares to be issued and delivered are freely transferable by the recipient without further action on its behalf or (ii) a shelf registration statement relating to those common shares has been filed with the SEC and is effective to permit the resale of the common shares by the holders thereof.

Settlement of Passed Dividends

If we fail to declare and pay on a timely basis any dividend on the Convertible Preference Shares (a "Passed Dividend"), we shall be required to settle all Passed Dividends only by issuing and delivery of our common shares, subject to a cash adjustment for fractional common shares as described in " Method of Payment of Dividends" and " Fractional Shares." While any Passed Dividends are outstanding, we may continue to pay any current dividend, subject to our obligation to pay all passed dividends in common shares as set forth below.

A "Deferral Period" shall commence on the Dividend Payment Date on which we fail to declare and pay any dividend (and there are no Passed Dividends outstanding) and ends on the date on which all Passed Dividends have been settled by issuing and delivering sufficient common shares to holders of the Convertible Preference Shares.

If a Deferral Period continues beyond the fifth anniversary of the commencement thereof, or if we pay current dividends earlier than the fifth anniversary of the commencement of such Deferral Period, we will thereafter be immediately obligated to issue and deliver common shares to holders of the Convertible Preference Shares until all Passed Dividends are settled in full, subject to the Common Share Cap and the Total Common Share Cap Amount (both as described below), unless a Market Disruption Event (as described below) is in effect.

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Until the fifth anniversary of the commencement of a Deferral Period, we may limit the aggregate number of common shares that we deliver to holders of the Convertible Preference Shares to settle any Passed Dividends since the commencement of the relevant Deferral Period to 2% of the number of our common shares outstanding immediately prior to the time common shares are issued to pay dividends on the Convertible Preference Shares (the "Common Share Cap"). After the fifth anniversary of the commencement of the Deferral Period, the Common Share Cap shall no longer apply. However, we may limit the aggregate number of common shares that we issue and deliver to holders of the Convertible Preference Shares to settle any Passed Dividends at any time to an amount equal to the "Total Common Share Cap Amount." The Total Common Share Cap Amount will initially equal 18.0 million common shares, adjusted as of any date on which the Conversion Price is adjusted in the same manner as the Conversion Price is adjusted, as described in " Conversion Price Adjustment." We may issue common shares in excess of the Total Common Share Cap Amount, however we are not obligated to do so.

A "Market Disruption Event" means the occurrence or continuation of any of the following events or circumstances:

- (1) we would be required to obtain the consent or approval of our shareholders or a regulatory body (including, without limitation, any securities exchange) or governmental authority to issue common shares and such consent or approval has not yet been obtained even though we have used commercially reasonable efforts to obtain the required consent or approval;
- (2) trading in securities generally on the principal exchange or market on which our common shares are listed and traded (currently the New York Stock Exchange) shall have been suspended or materially disrupted or minimum prices shall have been established on any such exchange or market by the SEC, by the relevant exchange or market or any other regulatory body or governmental authority;
- (3) we reasonably believe that the issuance of our common shares would not be in compliance with applicable securities laws or rules or regulations of the SEC and we are unable to comply with such laws, rules or regulations or such compliance is impracticable, provided that no single suspension contemplated by this paragraph (3) may exceed 90 consecutive days and multiple suspension periods contemplated by this paragraph (3) may not exceed an aggregate of 180 days in any 360-day period;
- (4) there is a material adverse change in general domestic or international economic, political or financial conditions, including without limitation as a result of terrorist activities, or the effect of international conditions on the financial markets in the United States, such as to make it, in the judgment of Bunge Limited, impracticable to proceed with the issuance of our common shares;
- (5) a material disruption shall have occurred in commercial banking or securities settlement or clearing services in the United States; or
- (6) a banking moratorium shall have been declared by federal or New York State authorities of the United States.

As promptly as possible after we become aware of the occurrence of a Market Disruption Event during the continuation of a Deferral Period, we shall give a written notice to holders of the Convertible Preference Shares. Such notice shall identify which type of Market Disruption Event has occurred and the date on which that event occurred or existed. Our obligation to issue and deliver common shares to settle all Passed Dividends on the Convertible Preference Shares shall resume at such time as no Market Disruption Event exists or is continuing.

Liquidation Preference

In the event of our voluntary or involuntary liquidation, winding-up or dissolution, each holder of Convertible Preference Shares will be entitled to receive and to be paid out of our assets available for distribution to our shareholders, before any payment or distribution is made to holders of Junior Shares (including our common shares), a liquidation preference in the amount of \$100.00 per Convertible Preference Share, plus, upon voluntary or involuntary liquidation, winding-up or dissolution, an amount equal to accumulated and unpaid dividends on the Convertible Preference Shares to the date fixed for liquidation, winding-up or dissolution up to a maximum of an additional \$25.00 per share. If, upon our voluntary or involuntary liquidation, winding-up or dissolution, the amounts payable with respect to the liquidation preference of the Convertible Preference Shares and all Parity Shares are not paid in full, the holders of the Convertible Preference Shares and the Parity Shares will share equally and ratably in any distribution of our assets in proportion to the full liquidation preference and an amount equal to accumulated and unpaid dividends on the Convertible Preference Shares and the Parity Shares. After payment of the full amount of the liquidation preference and accumulated and unpaid dividends to which they are entitled, the holders of the Convertible Preference Shares will have no right or claim to any of our remaining assets. Neither the sale of all or substantially all our assets or business (other than in connection with our liquidation, winding-up or dissolution), nor our merger, consolidation or amalgamation into or with any other person, will be deemed to be our voluntary or involuntary liquidation, winding-up or dissolution.

Neither our bye-laws nor the certificate of designation contains any provision requiring funds to be set aside to protect the liquidation preference of the Convertible Preference Shares even though it is substantially in excess of the par value thereof.

Voting Rights

The holders of the Convertible Preference Shares will have no voting rights except as set forth in the certificate of designation, as described below, or as otherwise required by Bermuda law from time to time.

If dividends on the Convertible Preference Shares are in arrears and unpaid for six or more quarterly periods (whether or not consecutive), the holders of the Convertible Preference Shares, voting as a single class with any other series of preference shares having similar voting rights that are exercisable will be entitled at our next annual general meeting or special general meeting of shareholders to elect two additional directors to our board of directors. Upon the election of any additional directors, the number of directors that comprise our board may be increased by such number of additional directors. Such voting rights and the terms of the directors so elected will continue until such time as the dividend arrearage on the Convertible Preference Shares has been paid in full. We will facilitate the election or appointment of these two directors in a manner consistent with our bye-laws and Bermuda law. The terms of the directors so elected will be determined in accordance with our bye-laws. Under our bye-laws, our board of directors is divided into three classes that are, as nearly as possible, of equal size. Each class of directors is elected for a three-year term of office, but the terms are staggered so that the term of only one class of directors expires at each annual general meeting. If the rights of the holders of the Convertible Preference Shares to elect such directors terminate before such directors' term of office would otherwise expire, our board may ask such directors to tender their resignation as directors upon termination of the rights of the holders of the Convertible Preference Shares. See "Risk Factors You may not be able to immediately exercise your right to elect two directors if we default on the dividends on our convertible preference shares."

In addition, the affirmative vote or consent of the holders of at least 66% of the outstanding Convertible Preference Shares will be required for the authorization or issuance of any class or series of Senior Shares (or any security convertible into Senior Shares) and for amendments to our memorandum of association, bye-laws or the certificate of designation for the Convertible Preference

Shares that would vary adversely the rights of holders of the Convertible Preference Shares. The authorization of, the increase in the authorized number of common shares or undesignated preference shares or the issuance of any shares of any class or series of Parity Shares or Junior Shares, including common shares, will not require the consent of the holders of the Convertible Preference Shares, and will not be deemed to vary adversely the rights of the holders of the Convertible Preference Shares.

In all cases in which the holders of Convertible Preference Shares shall be entitled to vote, each Convertible Preference Share shall be entitled to one vote.

Conversion Rights

Each Convertible Preference Share will be convertible at any time at the option of the holder thereof into approximately common shares (which is calculated using an initial conversion price of \$ per common share) subject to adjustment as described below (and we refer to such price or adjusted price as the "Conversion Price"). We refer to the rate at which one Convertible Preference Share may be converted as the Conversion Rate. Changes in the Conversion Price will have a corresponding effect on the Conversion Rate.

The holders of Convertible Preference Shares at the close of business on a Record Date will be entitled to receive the dividend payment on those shares on the corresponding Dividend Payment Date notwithstanding the conversion of such shares following that Record Date or our default in payment of the dividend due on that Dividend Payment Date. However, Convertible Preference Shares surrendered for conversion during the period between the close of business on any Record Date and the close of business on the business day immediately preceding the applicable Dividend Payment Date must be accompanied by payment of an amount equal to the dividend payable on such Convertible Preference Shares on that Dividend Payment Date. A holder of Convertible Preference Shares on a Record Date who (or whose transferee) tenders any Convertible Preference Shares for conversion on the corresponding Dividend Payment Date will receive the dividend payable by us on the Convertible Preference Shares on that date, and the converting holder need not include payment in the amount of such dividend upon surrender of Convertible Preference Shares for conversion. Except as provided above with respect to a voluntary conversion, we will make no payment or allowance for unpaid dividends, whether or not in arrears, on converted Convertible Preference Shares or for dividends on the common shares issued upon conversion.

Mandatory Conversion

At any time on or after December 1, 2011, if the Closing Sale Price of our common shares equals or exceeds 130% of the then prevailing Conversion Price for at least 20 Trading Days in a period of 30 consecutive Trading Days, including the last Trading Day of such 30-Trading Day period, ending on the Trading Day prior to our issuance of a press release announcing the mandatory conversion as described below, we may at our option cause the Convertible Preference Shares to be automatically converted into common shares at the Conversion Rate.

The term "Trading Day" means a day during which trading in securities generally occurs on the New York Stock Exchange or, if our common shares are not listed on the New York Stock Exchange, on the principal other United States national or regional securities exchange on which our common shares are then listed or, if our common shares are not listed on a United States national or regional securities exchange, on the principal other United States market on which our common shares are then traded.

The "Closing Sale Price" of our common shares on any date means the closing sale price per share (or if no closing sale price is reported, the average of the closing bid and ask prices or, if more than one in either case, the average of the average closing bid and the average closing ask prices) on such date as reported on the principal U.S. securities exchange on which our common shares are traded or,

if our common shares are not listed on a U.S. national or regional securities exchange, on the principal other U.S. market on which our common shares are then traded. In the absence of such a market, the Closing Sale Price will be an amount determined in good faith by our board of directors to be the fair value of one of our common shares.

To exercise the mandatory conversion right described above, we must issue a press release prior to the opening of business on the first Trading Day following any date on which the conditions described in the preceding paragraph are met, announcing such a mandatory conversion. We will also give notice by mail or by publication (with subsequent prompt notice by mail) to the registered holders of the Convertible Preference Shares (not more than four business days after the date of the press release) of the mandatory conversion announcing our intention to convert the Convertible Preference Shares. The conversion date will be a date selected by us (which we will refer to as the "Mandatory Conversion Date") and will be no more than ten days after the date on which we issue such press release.

In addition to any information required by applicable law or regulation, the press release and notice of a mandatory conversion shall state, as appropriate:

the Mandatory Conversion Date;

the number of our common shares to be issued upon conversion of each Convertible Preference Share;

the number of Convertible Preference Shares to be converted; and

that dividends on the Convertible Preference Shares to be converted will cease to accrue on the Mandatory Conversion Date.

On and after the Mandatory Conversion Date, dividends will cease to accrue on the Convertible Preference Shares called for a mandatory conversion and all rights of holders of such Convertible Preference Shares will terminate, except for the right to receive our common shares issuable upon conversion thereof and cash in lieu of fractional shares pursuant to "Fractional Shares" herein. The dividend payment with respect to the Convertible Preference Shares called for a mandatory conversion on a date during the period between the close of business on any Record Date for the payment of dividends to the close of business on the corresponding Dividend Payment Date will be payable on such Dividend Payment Date to the record holder of such share on such Record Date if such Convertible Preference Share has been converted after such Record Date and prior to such Dividend Payment Date. Except as provided in the immediately preceding sentence with respect to a mandatory conversion, no payment or adjustment will be made upon conversion of Convertible Preference Shares for accumulated and unpaid dividends or for dividends with respect to the common shares issued upon such conversion.

We may not authorize, issue a press release or give notice of any mandatory conversion unless, prior to giving the conversion notice, all accumulated and unpaid dividends on the Convertible Preference Shares for periods ended prior to the date of such conversion notice shall have been paid.

In addition to the mandatory conversion provision described above, if there are fewer than 250,000 Convertible Preference Shares outstanding, we may, at any time on or after December 1, 2011, at our option, cause our Convertible Preference Shares to be automatically converted into that number of common shares equal to \$100 (the liquidation preference per Convertible Preference Share) divided by the lesser of the then prevailing Conversion Price and the Market Value as determined on the second Trading Day immediately prior to the Mandatory Conversion Date. The provisions of the immediately preceding four paragraphs shall apply to any such mandatory conversion; *provided* that (1) the Mandatory Conversion Date will not be fewer than 15 days nor more than 30 days after the date on which we issue a press release announcing such mandatory conversion and (2) the press release and notice of mandatory conversion will not state the number of common shares to be issued upon conversion of each Convertible Preference Share.

Fractional Shares

No fractional common shares or securities representing fractional common shares will be issued upon conversion, whether voluntary or mandatory. Any fractional interest in a common shares resulting from conversion will be paid in cash based on the Closing Sale Price at the close of business on the Trading Day next preceding the date of conversion.

Conversion Price Adjustment

The Conversion Price is subject to adjustment (in accordance with formulas set forth in the certificate of designation) in certain events, including:

any payment to holders of our common shares of a dividend (or other distribution) in common shares;

any issuance to all holders of common shares of rights, options or warrants entitling them to subscribe for or purchase common shares or securities convertible into or exchangeable for common shares at less than the Market Value (as defined below) for the period ending on the date of issuance; *provided* that no adjustment shall be made with respect to such a distribution if the holder of Convertible Preference Shares would be entitled to receive such rights, options or warrants upon conversion at any time of Convertible Preference Shares into common shares; *provided further*, that if such rights, options or warrants are only exercisable upon the occurrence of certain triggering events, then the Conversion Price will not be adjusted until such triggering events occur;

any subdivision, combination, consolidation or reclassification of the common shares;

any dividend or distribution to all holders of common shares (other than a dividend or distribution referred to in the second bullet point above) made pursuant to any shareholder rights plan, "poison pill" or similar arrangement and excluding dividends payable upon the Convertible Preference Shares;

any distribution by us consisting exclusively of cash to all holders of our common shares, excluding any cash dividend on our common shares to the extent that the aggregate cash dividend per common share in any quarterly period does not exceed \$0.16 (the "dividend threshold amount"); the dividend threshold amount is subject to adjustment under the same circumstances under which the Conversion Price is subject to adjustment; *provided* that no adjustment will be made to the dividend threshold amount for any adjustment made to the Conversion Price pursuant to this clause, in which event the Conversion Price will be adjusted by multiplying:

(1) the Conversion Price by

(2) a fraction, the numerator of which will be the Market Value of a common share on the date on which "ex-dividend trading" commences for such distribution minus the amount per share of such dividend increase (as determined below) or distribution and the denominator of which will be the Market Value of a common share on the date on which "ex-dividend trading" commences for such distribution. For purposes of this paragraph, "ex-dividend trading" means the first date on which common shares trade on the applicable exchange or market without the right to receive the applicable distribution.

If an adjustment is required to be made under this clause as a result of a cash dividend in any quarterly period that exceeds the dividend threshold amount, the adjustment would be based upon the amount by which the distribution exceeds the dividend threshold amount (the "dividend increase"). If an adjustment is otherwise required to be made under this clause, the adjustment would be based upon the full amount of the dividend increase. Notwithstanding the

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foregoing, in no event will the Conversion Price be less than the price of our common shares when we price the Convertible Preference Shares, subject to adjustment in accordance with the first, second, third, fourth, sixth and seventh bullet points under this caption " Conversion Price Adjustment";

the completion of a tender or exchange offer made by us or any of our subsidiaries for our common shares that involves an aggregate consideration that, together with (a) any cash and other consideration payable in a tender or exchange offer by us or any of our subsidiaries for common shares expiring within the preceding 12 months in respect of which no adjustment has been made and (b) the aggregate amount of any such all-cash distributions, in excess of the dividend threshold amount referred to in the preceding bullet point to all holders of common shares within the preceding 12 months in respect of which no adjustments have been made, exceeds 15% of our market capitalization on the expiration of such tender offer; or

a distribution to all holders of common shares consisting of evidences of indebtedness, shares other than common shares or assets (including securities, but excluding those dividends, rights, options, warrants and distributions referred to above).

No adjustment of the Conversion Price will be required unless such adjustment would require an increase or decrease of at least 1.0% of the Conversion Price then in effect. Any lesser adjustment shall be carried forward and shall be made at the time of and together with the next subsequent adjustment, if any, which, together with any adjustment or adjustments so carried forward, shall amount to an increase or decrease of at least 1.0% of such Conversion Price; *provided* that with respect to adjustments to be made to the Conversion Price in connection with cash dividends paid by us, we will make such adjustments, regardless of whether such aggregate adjustments amount to 1.0% or more of the Conversion Price, no later than March 1 of each calendar year. We reserve the right to make such reductions in the Conversion Price in addition to those required in the foregoing provisions as we consider to be advisable in order that any event treated for U.S. federal income tax purposes as a dividend of shares or share rights will not be taxable to the recipients. If we elect to make such a reduction in the Conversion Price, we will comply with the requirements of securities laws and regulations thereunder if and to the extent that such laws and regulations are applicable in connection with the reduction of the Conversion Price.

The term "Market Value" means the average Closing Sale Price of our common shares for a five consecutive Trading Day period on the New York Stock Exchange (or such other national securities exchange or automated quotation system on which the common shares are then listed or authorized for quotation or, if not so listed or authorized for quotation, an amount determined in good faith by our board of directors to be the fair value of our common shares) ending on the Trading Day immediately preceding the date of determination.

If we distribute rights or warrants (other than those referred to in the second bullet point of the third preceding paragraph) pro rata to holders of common shares, so long as any such rights or warrants have not expired or been redeemed by us, the holder of any Convertible Preference Shares surrendered for conversion will be entitled to receive upon such conversion, in addition to the common shares into which such Convertible Preference Shares are convertible (which we will refer to as the "Conversion Shares"), a number of rights or warrants to be determined as follows:

if such conversion occurs on or prior to the date for the distribution to the holders of rights or warrants of separate certificates evidencing such rights or warrants (which we will refer to as the "Distribution Date"), the same number of rights or warrants to which a holder of a number of common shares equal to the number of Conversion Shares is entitled at the time of such conversion in accordance with the terms and provisions applicable to the rights or warrants; and

if such conversion occurs after such Distribution Date, the same number of rights or warrants to which a holder of the number of common shares into which such Convertible Preference Shares

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were convertible immediately prior to such Distribution Date would have been entitled on such Distribution Date had such Convertible Preference Shares been converted immediately prior to such Distribution Date in accordance with the terms and provisions applicable to the rights or warrants.

The Conversion Price will not be subject to adjustment on account of any declaration, distribution or exercise of such rights or warrants.

Adjustment of Conversion Rate Upon a Fundamental Change

We must give notice of each Fundamental Change (as defined below) to all record holders on a date ("the Fundamental Change Notice Date") that is within ten Trading Days after the effective date of the Fundamental Change (the "Effective Date"). If a holder converts its Convertible Preference Shares at any time beginning at the opening of business on the Trading Day immediately following the Effective Date and ending at the close of business on the 30th Trading Day immediately following the Effective Date, we will increase the Conversion Rate by a number of shares ("the additional shares") as described below and correspondingly decrease the Conversion Price. The increase in the Conversion Rate will be expressed as a number of additional shares per Convertible Preference Share and is based on the Effective Date and the price, referred to as the "Share Price," paid, or deemed to be paid, per common share in the transaction constituting the Fundamental Change. If holders of our common shares receive only cash in the Fundamental Change, the Share Price shall be the cash amount paid per common share. In all other cases, the Share Price will be the Market Value as of the Effective Date.

The following table sets forth the Share Price, Effective Date and the increase in the conversion rate, expressed as a number of additional common shares to be received for each Convertible Preference Share, upon a conversion in connection with a Fundamental Change.

Additional Common Shares					
<i>Effective Date</i>					
<i>Share Price</i>	December 1, 2006	December 1, 2007	December 1, 2008	December 1, 2009	December 1, 2010
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	