

November 19, 2008

To the Board of Directors of the Mott Children's Health Center, Flint Michigan:

My name is Gaylon Lawrence Jr., and together with my father Gaylon Lawrence Sr., we do business as The Lawrence Group. Today we are proposing to acquire all of the shares of U.S. Sugar for \$300 per share in cash. We are hopeful that the Board of U.S. Sugar will determine that our offer is in the best interests of U.S. Sugar's shareholders and immediately enter into discussions with us to negotiate a transaction for the benefit of all shareholders; however, we also want to let you know that we are preparing to take our offer directly to the U.S. Sugar shareholders in the coming weeks.

It is my understanding that you are the owner of more than 425,000 shares of U.S. Sugar stock, which means that, under our proposal, you would receive more than \$125 million in cash at the closing of the transaction (which we believe could be accomplished in a matter of months). It is also my understanding that the cost of providing for more than 25,000 underprivileged children in Flint and Genesee County, Michigan is well beyond your current financial capability.

We understand from your publicly available filings that substantially all of your assets are represented by securities holdings and a substantial part of these investments are U.S. Sugar holdings. Depending upon the value of U.S. Sugar, it represents at least 20% of your investments and, perhaps, as much as 40%. The retention of an undiversified, illiquid and underperforming asset is not prudent for an exempt charitable organization such as the Children's Health Center. With an asset base of almost \$250 million, the program expenditures of only \$10 million would appear inadequate. Were the Children's Health Center to accept our offer, which we believe is the only prudent thing to do, the \$125 million received would support a major enhancement of its charitable programs. In the current difficult economic environment -- one with special challenges for nonprofits in the health care sector -- we do not believe there can be any justification for not accepting our offer.

We believe our offer is outstanding for every shareholder, but particularly outstanding for the Mott Children's Health Center, since you have such a high percentage of your investable assets in U.S. Sugar stock, which has been declining in value, has ceased to pay dividends and its underlying business is no longer profitable. But most importantly, a stock for which you have never had an opportunity to sell to anyone—other than The Lawrence Group.

In 2005, we made an offer to acquire U.S. Sugar for \$293 per share. We believe that offer was never communicated to you. Management of the company required The Lawrence Group to sign an agreement at that time not to communicate the offer to you or the employees.

In January 2007, we made our offer of \$293 per share again. Once more, that offer was rejected by management of U.S. Sugar, and once more we believe it was not communicated to you or any of the other shareholders, and certainly not to the employee shareholders who own the largest block of company stock. The same agreement management required us to sign in connection with the 2005 offer prevented us from communicating this offer to you or the employee shareholders.

We are now making an offer again for the third time to acquire U.S. Sugar, but this time we are not bound by any agreement that prevented us from contacting you directly. We are making this offer publicly, and we are even making this letter available to the public to ensure that this time there are no attempts to deny you or any other shareholder the right that is yours and yours alone.

Under the direction of the Board of Directors, the company announced in June that it had reached an agreement with the Governor of Florida to sell 100% of the assets to the South Florida Water Management District for \$1.75 billion. Public outcry over the price and subsequent appraisals demonstrated that the company was worth nowhere near that amount. The deal was described as a bailout of U.S. Sugar. Last week the company and Governor Crist announced a scaled-down version of that June deal, which would sell only the land assets of the company to the state for \$1.34 billion. Again, there was a public outcry over the purchase. You should know that in both events, there was never a binding contract signed for sale by either party.

You should also know that as a shareholder, the sales price of the assets are not what you will receive as a shareholder, which is of ultimate importance to you. The truth of the matter, as born out in the attached document from the Chief Executive Officer of U.S. Sugar, Robert Buker, is that under this scaled-down deal, our financial experts agree that you will receive only a small fraction of the ultimate \$365 price in 2009. That is due to the huge amount of debt the company owes which must be repaid, and the large amount of taxes that will be required to be paid from the sale of the land. The company has announced that shareholders would receive \$365 over a seven-year period from the earnings of the company over these seven years and from the sale of equipment left over at the end. Distressed sales of old equipment never bring much money, but management is claiming in their projections that they will receive top dollar for those assets in order to reach their \$365 per share. What the memorandum to employees failed to specify is that shareholders would only be receiving a small amount upon the sale to the State. The balance over the small upfront payment is entirely dependent upon the financial performance of the company over the next several years and the ability at the end of that period to receive a huge price for the sale of assets, which by any knowledgeable person, will be worth very little.

We believe strongly that any legitimate evaluation of our \$300 cash offer will demonstrate the certainty and superiority of our offer compared with the current proposed transaction outlined in Buker's memorandum. Our offer would provide shareholders with \$300 in cash per

share immediately, which if you invested in a portfolio of investment grade bonds, you would have well over \$500 in 2016.

The choice here for you is simple. Do you want \$300 per share (or \$125 million in the aggregate) in cash now—that's how simple and straightforward our offer is—or do you want to rely on the promise of a management that is losing money and producing a steady decline in share value to produce a "value" that is subject to significant risks over the next 8 years – for example, the potentially significant costs brought on by future hurricanes (noting as a reference the large costs from hurricanes reported in the company's recent annual reports), the sensitivity of the business to the price of sugar and the diminished value of the company's operating assets at the end of 8 years. Just remember that when the Bryant Sugar mill was sold upon the construction of the new mill, the company received only \$5 million for the Bryant mill that was recognized as one of the most efficient in the world. A sugar mill without a cane supply is worth pennies on the dollar. Tractors and trucks and farm equipment must be replaced every few years. The value of those assets seven years from now will be tiny.

You should also know at the end of the seven-year period in 2016, the company will have no cane supply. With the land sold to the South Florida Water Management taken out of production, there is no way the sugar operation can continue. There is just not enough suitable land available to run an economically viable operation.

But don't take our word for this. Hire an independent and objective financial advisor as your duty requires. Hire independent and objective legal counsel to assess your situation. Do your duty for those whose fiduciary obligation you are bound to protect. That duty is solely for the children of Flint, Michigan and Genesee County, Michigan.

Besides the clear financial benefit you will receive in the sale of your stock to The Lawrence Group for the children of Flint, you should know that in our offer, the thousands of residents of the farming area south of Lake Okeechobee dependent upon the sugar industry for their personal and public economic survival will continue to have jobs, their home values won't be destroyed and neither will the tax base that provides schools, police, fire protection, roads and hospital care. It is particularly ironic that the decision you have to make regarding our offer could have the same economic impact on the Glades communities as what happened in Flint during the General Motors layoffs. Just as General Motors has a significant economic impact on Michigan's economy, so too does U.S. Sugar on communities within the agricultural area south of Lake Okeechobee.

You should also know that from an environmental standpoint, we fully support the State of Florida's efforts to restore the waterflow from Lake Okeechobee to the Everglades. We are committed to selling the South Florida Water Management District the land they require at a much lower cost than is currently being considered. We have already begun talking with the South Florida Water Management District to show how we can be part of the solution in helping

with their environmental goals. We are confident we can make this work for the State and offer major savings for taxpayers.

Our offer is a win-win for everyone—the shareholders, the employees of U.S. Sugar, their families, their communities, the environment, the taxpayers of Florida and as important as any of those, the thousands of poor children of Flint and Genesee County, Michigan who are reliant upon the proper execution of your fiduciary duty for health care.

This is an easy and obvious decision. Hire an independent financial advisor. Hire an independent legal counsel. And receive more than \$125 million in cash at a time when we know you couldn't need it more.

If you have questions, please send me an email at [thelawrencegrp@gmail.com](mailto:thelawrencegrp@gmail.com) and we will promptly answer your questions.

Sincerely,

Gaylon Lawrence Jr.

Cc: Board of Directors of the Mott Children's Health Center