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BUNGE LTD
Form 11-K
June 30, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]
for the fiscal year ended December 31, 2002

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]
for the transition period from to

COMMISSION FILE NUMBER: 1-16625

- A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

BUNGE MANAGEMENT SERVICES INC. SAVINGS PLAN
c/o Bunge Management Services Inc.
50 Main Street
White Plains, New York 10606

- B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Bunge Limited
50 Main Street
White Plains, NY 10606

BUNGE MANAGEMENT SERVICES INC. SAVINGS PLAN

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(*) All other schedules are omitted due to absence of conditions which require their inclusion.

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BUNGE MANAGEMENT SERVICES INC. SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS (UNAUDITED) DECEMBER 31, 2002 AND 2001

	2002	2001
INVESTMENTS:		
Interest in registered investment company mutual funds	\$ 1,103,697	\$ 662,225
Interest in money market fund	138,328	75,676
Interest in Bunge Limited common shares	68,736	-
	-----	-----
Total investments	1,310,761	737,901
	-----	-----
CONTRIBUTIONS RECEIVABLE:		
Participants		
Employer Group	146,509	-
	-----	-----
Total contributions receivable	146,509	-
	-----	-----
NET ASSETS AVAILABLE FOR BENEFITS	\$ 1,457,270	\$ 737,901
	=====	=====

See notes to the financial statements.

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BUNGE MANAGEMENT SERVICES INC. SAVINGS PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS (UNAUDITED)
YEARS ENDED DECEMBER 31, 2002 AND 2001

	2002	2001

ADDITIONS TO NET ASSETS:		
Investment income--interest and dividends	\$ 17,532	\$ 7,925
Contributions:		
Employer Group	326,328	88,913
Participant	605,215	395,100
Rollovers	4,296	12,241
	-----	-----
Total	953,371	504,197
	-----	-----
DEDUCTIONS FROM NET ASSETS:		
Net depreciation in value of investments	216,351	82,331
Participants' withdrawals	17,589	6,845
Expenses	62	138
	-----	-----
Total	234,002	89,314
	-----	-----
DECREASE IN NET ASSETS AVAILABLE FOR BENEFITS	719,369	414,865
NET ASSETS AVAILABLE FOR BENEFITS--Beginning of year	737,901	323,036
	-----	-----
NET ASSETS AVAILABLE FOR BENEFITS--End of year	\$ 1,457,270	\$ 737,901
	=====	=====

See notes to the financial statements.

BUNGE MANAGEMENT SERVICES INC. SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)
YEARS ENDED DECEMBER 31, 2002 AND 2001

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

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The Bunge Management Services Inc. Savings Plan (the "Plan"), was established as of January 1, 1999; the Plan has subsequently been amended. Significant accounting policies followed by the Plan are as follows.

BASIS OF ACCOUNTING--The financial statements of the Plan have been prepared in conformity with the accrual basis of accounting.

INVESTMENTS--Investments in Bunge Limited common shares, registered investment company mutual funds and money market funds are stated at fair value as reported by the funds. Investment transactions are accounted for on the trade date. Investment income includes interest and dividends. Interest and dividend income is recorded when earned. Investment income is allocated to participants based on account balances.

USE OF ESTIMATES--The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and during the reported period. Actual results could differ from those estimates.

The Plan invests in various securities including common stock, mutual funds and money market funds. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for plan benefits.

2. PLAN DESCRIPTION

The Plan is a defined contribution plan and is administered by the Savings Plan Committee (the "Committee") appointed by the Board of Directors of Bunge Management Services Inc. (the "Company"). Certain employees (the "Committee") have been appointed by the Company's Board of Directors to serve as trustees of the Plan. The following descriptions of Plan terms provide only general information. Participants should refer to the Plan agreement for more complete descriptions of the Plan's provisions. All regular full-time, salaried employees (except non-clerical and non-administrative employees) are immediately eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

3. CONTRIBUTIONS AND WITHDRAWALS

Effective January 1, 2002, participants may contribute up to 50% of their base salary on a pre-tax basis. Participants also have the option to contribute on a post-tax basis up to 4% of their base salary. The total amount which a participant could elect to contribute to the Plan on a pre-tax basis in 2002 could not

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exceed \$11,000. However, if a participant reached age 50 by December 31, 2002 they were able to contribute an additional \$1,000 "catch up" contribution to the Plan on a pre-tax basis.

From April 1, 2001 to December 31, 2001, participants could contribute an amount from 1 to 15% of their base salary on a pre-tax basis. Participants also had the option to contribute on a post-tax basis up to 4% of their base salary. Prior to April 1, 2001, participants were allowed to contribute an amount from 1 to 6% of their base salary on a pre-tax basis. The post-tax contribution options have not changed. The contribution amounts and allocation between pre-tax and post-tax basis of participants are subject to Internal Revenue Service discrimination tests. The participants' contributions, plus any earnings thereon, vest immediately.

Monthly matching contributions are made by the Company and a participating employer (the "Employer Group") at the rate of 25% of employee pre-tax contributions up to a maximum of six percent of eligible salary. In addition, the Employer Group may make an additional annual contribution to the Plan, as determined solely by the Board of Directors of the Company under the terms of the Plan. The Employer Group is not under any obligation to make this additional annual contribution to the Plan.

Although such matching contributions are credited to individual participants' accounts, they will not be fully vested until a participant is credited with five or more years of continuous service and will be forfeited if participants leave the Employer Group (with less than five years of continuous service) for any reason other than normal or deferred retirement, permanent disability, or death. Any such forfeited amounts are redistributed to continuing participants in the manner specified in the Plan.

Upon entry into the Plan, participants have investment alternatives for investing their contributions. Employer Group matching contributions are initially allocated to participants based upon the current contribution allocation among investment alternatives elected by the participants. Thereafter, Employer Group contributions may be allocated by the participant among all investment alternatives.

Participants may withdraw their post-tax contributions plus earnings and vested Employer Group contributions plus earnings. Vested Employer Group contributions plus earnings may only be withdrawn after all participant post-tax contributions plus earnings have been withdrawn.

Following normal retirement, participants must withdraw their entire account balances by lump sum or any other form of payment which is allowed by the Plan.

Effective April 1, 2001, the Plan was amended to allow participants the option of making qualified, as defined by the Plan document and the Internal Revenue Code ("IRC"), rollover contributions into the Plan.

4. PLAN TERMINATION

The Company expects and intends to continue the Plan indefinitely but reserves the right to discontinue its contributions at any time and to terminate the Plan at any time subject to the provisions of ERISA. Should the Plan be terminated, participants will become 100 percent vested in their employer contributions.

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5. TAX STATUS

The Internal Revenue Service has determined and informed the Plan administrator by a letter, dated January 6, 2000, that the Plan and related trust are designed in accordance with applicable sections of the IRC. The Plan has been amended subsequent to the applicable date of that letter. The Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated

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in compliance with the applicable requirements of the IRC. Accordingly, no provision for income taxes has been recorded in the financial statements.

6. RELATED PARTY TRANSACTIONS

Personnel and facilities of the Company have been used by the Plan for its accounting and other activities at no charge to the Plan. Expenses incurred in connection with professional fees and investment transactions are paid by the Plan.

7. INVESTMENTS

The following investments represent more than five percent of net assets available for benefits at December 31, 2002 and 2001:

	2002	2001
Legg Mason Value Institutional Portfolio Fund	\$ 138,446	\$ 74,708
Vanguard Institutional Index Fund	396,006	231,350
Putnam New Opportunities Fund	288,453	228,649
PIMCO Total Return Fund	179,248	62,337
Putnam Money Market Fund	138,328	75,676
Putnam Investors Fund	94,335	65,181

The net appreciation (depreciation) in fair value, including realized gains and losses, for each class of investments as presented on the statements of net assets available for benefits for the years ended December 31, 2002 and 2001 is as follows:

	2002	2001
Registered investment company mutual funds	\$ 210,967	\$ 82,331
Bunge Limited common shares (1)	5,384	-
	-----	-----
Net depreciation in value of investments	\$ 216,351	\$ 82,331
	=====	=====

(1) Beginning in January 2002, the Plan allowed for participants to invest in Bunge Limited common shares. Bunge Limited is the parent company of the sponsoring Employer Group. At December 31, 2002,

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the Plan held 2,857 shares of Bunge Limited. During 2002, the Plan recorded dividend income of \$487 and net appreciation in fair value of \$5,384 from Bunge Limited common shares.

8. DISCRETIONARY CONTRIBUTION

As discussed in Note 3, the Company has the option to make an additional contribution to the Plan. In February 2003, the Company approved an additional discretionary contribution of 30% of the contributions of each participant up to 6% of their pre-tax salary. This additional contribution results in the Company matching 55% of the participant's contributions, up to 6% of the participant's pre-tax salary, made in 2002. The discretionary contribution of \$146,509 has been recorded as an employer group contribution receivable by the Plan. A discretionary contribution of \$55,283 was made for the 2001 plan year.

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BUNGE MANAGEMENT SERVICES INC. SAVINGS PLAN

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (UNAUDITED)
DECEMBER 31, 2002

DESCRIPTION	NUMBER OF SHARES	MARKET VALUE
EQUITY GROWTH FUND--Interest in registered investment company mutual funds:		
Putnam New Opportunities Fund	10,146	\$ 288,453
Putnam Investors Fund	10,720	94,335
Legg Mason Value Fund	3,209	138,446
Oppenheimer Capital Appreciation Fund	236	7,064
Wellington Trust Co. CIF US Core Equity	24	145
S&P 500 EQUITY FUND--Interest in registered investment company mutual fund--Vanguard Institutional Index Fund		
	4,922	396,006
BOND FUND--Interest in registered investment company mutual fund--PIMCO Total Return Fund		
	16,799	179,248
Total interest in registered investment company mutual funds		1,103,697
MONEY MARKET FUND--Interest in Putnam Money Market Fund		
	138,328	138,328
*INTEREST IN COMMON SHARES--Bunge Limited		
	2,857	68,736
Total investments		\$ 1,310,761

* Party-in-interest

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees of the Bunge Management Services Inc. Savings Plan have duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized.

BUNGE MANAGEMENT SERVICES INC. SAVINGS PLAN

Date: June 30, 2003

By: /s/ T.K. Chopra

Name: T.K. Chopra
Title: Plan Trustee

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EXHIBIT INDEX

EXHIBIT NUMBER -----	DESCRIPTION OF DOCUMENT -----
99.1	Certification Pursuant to 18 U.S.C. Section 1350, As Adopted By Section 906 of the Sarbanes-Oxley Act of 2002

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