Cargill

January 7, 2014

To: Cargill Customers

RE: Beef HACCP Letter

Dear Valued Customer,

Thank you for requesting general information regarding the food safety initiatives at Cargill Meat Solutions Corporation (herein after "Cargill") beef harvest establishments in the United States and Canada. Cargill employs a validated multi hurdle intervention system in the production of our quality beef products at all of our harvest facilities. The USDA Establishment numbers covered by this letter include:

Facility Location[1]	Establishment #	FDA Registered
Friona, TX	86E	Yes
Dodge City, KS	86K	Yes
Schuyler, NE	86M	Yes
Fort Morgan, CO	86R	Yes
Wyalusing, PA	9400	Yes
Milwaukee, WI	17690	Yes
Fresno, CA	354	Yes

Canadian beef harvest establishments have similar and equivalent programs to those in the U.S. These establishments meet or exceed the requirements of the Canadian Food Inspection Agency (CFIA) as well as USDA import requirements:

Facility Location	Establishment #	FDA Registered
High River, AB Canada	93	Yes
Guelph, ON Canada	51	Yes

General Food Safety Programs

Cargill is committed to the safety and quality of our products. All Cargill beef harvest establishments are in compliance with all USDA and/or CFIA regulations, as appropriate and are operating under a fully implemented Hazard Analysis and Critical Control Points (HACCP) Plan, which meets all requirements set forth in 9 CFR 417 and/or Canadian Meat Inspection Regulations Section 30.1. Additionally, Cargill establishments have in place Sanitation Standard Operating Procedures (SSOPs) that meet all requirements of 9 CFR 416 and/or CFIA, Chapter 3, section 3.9.1 in the Manual of Procedures (MOP).

Establishments that harvest and process raw beef product do consider *E. coli* O157:H7 as a 'hazard reasonably likely to occur" in Slaughter HACCP plans. As interventions, fed cattle beef slaughter establishments in the U.S. and Canada have installed Hide-On Carcass Wash, pre-evisceration rinse cabinets, post-evisceration acid rinse cabinets, and steam pasteurization cabinets. Cow harvest establishments have combinations of the following installed interventions; Hide-On Carcass Wash, steam vacuums, acid rinse cabinet, and steam pasteurization cabinets or hot water treatments. To eliminate or reduce *E. coli* O157:H7 to below detectable levels, Cargill has identified thermal pasteurization in the form of validated steam pasteurization intervention or validated hot water treatment as a Critical Control Point (CCP) for beef carcasses. Additionally, the thermal pasteurization CCP is validated by scientific research and internal use of time/temperature monitoring probes. These validation

[1] All production at the Plainview, TX (est. 86H) facility ceased as of March 15, 2013. However, products produced during operational periods met the parameters outlined within this document.

procedures meet the requirements of CFIA Chapter 4 of the MOP, Annex O or 9 CFR 416. Cargill has identified an acid rinse cabinet as a validated intervention for red meat offal removed prior to the thermal pasteurization. All CCP and control point critical limits are monitored at least daily. Additionally, a peryoxacetic acid based antimicrobial agent is being applied immediately prior to packaging of subprimal beef cuts. This agent is recognized by USDA-FSIS (Directive 7120.1) and CFIA as a "processing aid", therefore, there is no implication to labeling or including it in the ingredient statement. This treatment has been microbiologically verified in the establishments utilizing indicator generic microorganisms.

In addition, all beef establishments perform extensive microbiological tests on carcasses and other beef products that serve as verification that the intervention system is functioning as designed. Cargill's harvest establishments located in the U.S. and Canada participate in USDA-FSIS *Salmonella* performance standards sampling (or equivalent sampling program) and sample carcasses for generic *E. coli* using the protocol designed in accordance with the requirements stated in 9 CFR 310.25. Moreover, all establishments also do routine environmental sampling at a variety of points in the production system. Depending on the establishment, the microbiological monitoring includes testing for Aerobic Plate Count (APC), coliforms, and/or generic *E. coli* for product contact pre-operational cleanliness, environmental sampling and product sampling for both product quality and safety. Monitoring results are evaluated on an ongoing basis for trend analysis of establishments and products.

Furthermore, all Cargill beef harvest establishments have supporting written programs encompassing:

- Good Hygiene Program (GHP)
- Recall and traceability procedure to ensure proper identification for all products coming into/through the system and leaving the system.
    - Recall procedures are in place at each production establishment such that in an emergency, all products that are produced can be traced as product codes and volumes shipped, to the first level of distribution. Each of our production businesses has an Emergency Response team made up of personnel identified according to the necessary disciplines needed for prompt action. Members of the team include Production, Transportation, Sales, Food Safety, Quality, and Regulatory (FSQR), Public Affairs, Legal and Information Technology personnel. These procedures are practiced at a minimum of annually to ensure effectiveness in the ability to trace all products and ensure all team members are competent in their roles. In the event of a natural disaster, or other crisis situation, that renders a production facility inoperable, Cargill has production contingency plans that involve other Cargill facilities, as well as approved External Manufacturers.
- Pest Control Program
- Food Defense Program
    - Establishments are access controlled, fenced and guarded. At all production establishments, visitors are restricted, except under certain strictly controlled circumstances. Food defense procedures are in place and Cargill reviews these procedures on a routine basis.
- Allergen Control Program – currently no beef harvest establishments are utilizing any allergenic ingredients within the products or process.
- A livestock program to require all cattle producers to certify compliance with 21 CFR 589.2000

Non O157 Shiga Toxin *E.coli*

Cargill refers to the Non O157 Shiga Toxin *E. coli* as STEC6 (with *E. coli* O157:H7 as STEC7). As referenced in FSIS Notice 40-12 regarding domestic products, Notice 30-12 regarding imported products and Notice 63-12 regarding verification activities dated 6/4/12, 4/27/12 and 9/27/12 respectively, FSIS has carried out verification procedures, including sampling and testing manufacturing trim harvested on and after June 4, 2012 to ensure control of both *Escherichia coli* O157:H7 and six other serogroups of Shiga toxin-producing *E. coli* (STEC) (O26, O45, O103, O111, O121 and O145). Published research documents* show the existing *E. coli* O157:H7 pathogen reduction technologies are effective on the STEC6. Therefore, Cargill did not make changes to the current program. However, Cargill continues to collect and review necessary data from baseline research and testing methods for STEC7 and reassess accordingly.

STEC7 Control and Testing

As a part of our continuing food safety efforts, in facilities that test raw ground beef components, Cargill utilizes a Test and Hold program. A 'Product Notification Document' is sent to the customer receiving the tested raw ground beef components (the 'ship to' customer). This information contains the lot number of the product, the result, test method and other comments regarding the lab results. If you were not considered the 'ship to' customer, then this information would be sent to your sales representative or broker. Cargill's "Product Notification Document" has been accepted with no objections by USDA and CFIA, as an alternative method to Certificate of Analysis (COA)[2].
A Test and Hold program is also in place in facilities producing finished ground beef but not conducting sampling and testing of the raw components. Statements of testing compliance are on the transportation bill of lading (BOL). Note: Please verify your supplier programs accept a BOL statement in lieu of a COA (if appropriate).

A similar Test and Hold program is in place for all components destined for use in raw ground products such as Hearts, Head Meat, Cheek Meat, Weasand Meat, Tongue Root, PDCB, FTB and other raw ground beef components[3]. Cargill would like to outline certain key aspects of its *E. coli* verification-testing program:

- Beef Trim lot integrity will always be kept intact. Lots will not be broken or split to cause combos within a lot to be sent to different customers.
- A robust N=60 surface excision sample program is used for boxed and combo trim and other comboed whole muscle meats sampled for *E. coli* O157:H7. A minimum of 60 samples are taken per lot, whether the lot is 1 combo or the maximum of 5 combos.
- Note that Cargill does not sample and test any vacuumed packaged boxed primal or subprimal products. We would strongly encourage our customers to not use traditional boxed beef primals and subprimals in raw ground products and instead purchase such as trim in a combo or box. This will ensure you have a test result from a minimum of N=60 sample and a microbiologically independent lot.
- Finely Textured Beef product group [including Finely Textured Beef (FTB) and product variations including Primal specific products (Round, Sirloin and Chuck), Breed specific products (Angus, Certified Angus Beef), and Grade specific products (Choice). This product is also known in the marketplace as Beef Trimmings Finely Textured (BTFT) and (Canada Only) Finely Textured Beef Trimmings (BTFT)] sample program is in place where individual box sampling is performed for each lot and 375g is tested.
- Partially Defatted Chopped Beef (PDCB) and Partially Defatted Cooked Chopped Beef (PDCCB) are also involved in sampling programs in which individual box sampling is performed for each lot and 375g is tested.
- Cargill utilizes both 3rd party and internal accredited laboratories to conduct the tests.
- BioControl Assurance GDS, a PCR based test method, is utilized for *E. coli* O157:H7 testing. No cultural confirmation is completed. Disposition is determined on a presumptive positive test result.
- Cargill has a third party verification program of its *E.coli* O157:H7 sampling program. Under this program, raw ground beef components are ground, sampled and analyzed to verify the effectiveness of sampling technique. The verification program is conducted at a minimum of once quarterly with an increased frequency during high prevalence months (April through September). This program is used to meet the FSIS best practice expectation that customers conduct on-going verification of its incoming product and CFIA Chapter 4 MOP, Annex O.5.3 (references below). Cargill has chosen to test Non-O157 STECs within this program to provide additional data for review and verification of the interventions effectiveness on Non-O157 STECs.

Event Day Protocol

Cargill has an "Event Day" program that when an abnormal number of presumptive positive *E. coli* O157:H7 results on trim and/or ground beef have occurred in the same production day, an establishment will hold and evaluate previously tested negative like-kind products. During this evaluation, a determination is made on whether or not products that previously tested negative may be associated with the presumptive positive product. If product is associated, that product is held and removed from the raw ground beef material stream. Untested subprimal

[2] Please verify that your supplier program accepts a Product Notification Document in lieu of a COA.
[3] Please note that vacuum packaged beef subprimals in a box have not been tested and are not intended for use in ground beef products.

products may be evaluated for determination of association with the positive raw ground beef components as well. Additional information is available in separate letter.

Vacuum Packaged Beef Subprimals

Each Cargill facility produces subprimal products packaged into vacuum bags and either boxed or placed into combos that are not tested and are intended solely for intact use. Cargill expects any customers who purchase vacuum packaged primals in boxes or combos, and utilizes these products for non-intact processes, to address the specific usage within their HACCP plan.

Cargill also produces tested trim and subprimal products that are not bagged and packaged in lined boxes or combos. Tested products are intended for non-intact use, such as grinding, needle tenderizing or injection.

3rd Party Audits

Cargill Beef Harvest facilities have obtained certification under and approved Global Food Safety Initiative (GFSI) standard. In addition, each facility is evaluated by a 3rd party auditing firm for E.coli addendum, CCP Verification Audit, Animal Welfare and SRM audit annually.

Control of Specified Risk Materials

Cargill is very cognizant of the concern of Bovine Spongiform Encephalopathy (BSE) occurring in North America and has joined others in requiring our suppliers of live cattle to verify that the cattle we purchase from them are in compliance with FDS CFR 9 589.2000. Operations at our establishments are governed by applicable USDA/CFIA regulations, including all additions pertaining to the exclusion of "Specified Risk Materials (SRMs)" from the human food supply. All Cargill establishments are in compliance with FSIS Notice 56-07, Final Regulations for Non-Ambulatory Disabled Cattle and Specified Risk Materials (SRMs) or CFIA MOP Chapter 17, Annex D. All SRMs are segregated from Human food and discarded to inedible rendering, incinerated or landfilled:

- The tonsils and spinal cords are removed from all carcasses.
- The skull including brains, eyes and trigeminal ganglia are sent to landfill from all cattle 30 months and older.
- In order to ensure the complete removal of the dorsal root ganglia, the vertebral column of cattle aged 30 months and older (excluding the vertebrate of the tail, the transverse processes of the thoracic and lumbar vertebrae, and the wings of the sacrum) will be removed during fabrication and discarded to inedible rendering, incinerated or landfilled.
- Carcasses are segregated according to age based on the guidelines presented in FSIS Notice 56-07 or CFIA MOP Chapter 17, Annex D. to ensure proper disposal of SRMs from cattle 30 months or older.
- Eighty inches of small intestines including the distal ileum as measured from the ileocecal junction is discarded to rendering.
- No air injection stunning is used.
- Cattle identified as over 30 months of age are identified in the finished product containers at the Canadian facilities with a triangle 3 marking on the finished box label.
- US establishments follow labeling directives 6100.1, 6100.4 and 7160.1 for proper identification of products.

Animal Handling

Cargill is committed to meeting all applicable regulations that pertain to animal handling and the proper care of animals as regulated by the USDA Animal Welfare regulations, as well as the current American Meat Institute (AMI) Good Management Practices for Animal Handling. The following information is provided to demonstrate our commitment to Animal Welfare:

- Cargill has training programs in place specifically designed to address animal handling issues. The AMI training guidelines developed by Dr. Temple Grandin are the foundation of this program.
- Industry experts have been used to design equipment and review the animal handling and slaughter process.

- An Independent 3rd party PAACO trained auditor completes yearly audits. In addition, Cargill completes internal daily monitoring audits, as well as independent 3rd party daily observation audits to ensure animal handling requirements are met.
- All Cargill Beef Harvest facilities have a PAACO certified auditor on site.

Export

To ensure all products meet or exceed the standards set for export into other countries, Cargill specifies certain products and produce them under the standards set forth for export into those countries. All products should be verified to be eligible for export[4] to that country prior to producing the finished product for export. All products are adequately labeled to provide the necessary required information to complete Form 9060-6 for export.

Residue Testing

All US Cargill Meat Solutions establishments are federally inspection by trained FSIS/USDA veterinarians, which inspect and test suspect carcasses for chemical residues. In addition, FSIS Directive 10,800.1 "Procedures for Residue Sampling, Testing, and other Responsibilities for the National Residue Program" and its Clarification Notice 44-01 outlines procedures for random evaluation of carcasses. Each Public Health Veterinarian (PHV) located at each Cargill Facility will follow the random sampling request sent to them from the Office of Public Health Science (OPHS). Any sampled carcasses are retained until sample results are returned and found to be negative.

Cargill beef harvest establishments are continuously striving to minimize pathogenic bacteria contamination through the implementation of proven new technology and advanced testing programs, while at the same time exploring new technologies as they come into existence. Cargill believes our food safety program sets the standard for the industry, but at the same time, neither we, nor for that matter, anyone is able to guarantee pathogen free raw materials. Accordingly, we want to reiterate the importance of proper handling and cooking of all raw meat products by you and your customers. Cargill commits to ensure prompt updates to our documents upon any changes to our procedures or processes. For additional information and/or updates please visit our website http://www.cargill.com/products/meat-food-safety. However, should you have any specific questions please contact our office at 316-291-2500.

Sincerely,

Angela J Siemens

Angela L. Siemens, Ph.D.
Vice President Food Safety, Quality & Regulatory
Cargill Meat Solutions Corp.

References:

Published Non-O157 STEC documents can be found from the AMI website: http://www.amif.org/research/

BIFSCo Best Practices for Processing Raw Ground Beef Products www.bifsco.org/bestpractices.aspx

FSIS Directive 10,010.1 (pages 58 – 60) http://www.fsis.usda.gov/Regulations_&_Policies/index.asp

Compliance Guidelines for Establishments on the FSIS Microbiological Testing program and other verification activities for *Escherichia coli* O157:H7 April 13, 2004
http://www.fsis.usda.gov/oppde/rdad/fsisdirectives/10010_1/ecolio157h7dirguid4-13-04.pdf

[4] USDA Export Checklist http://origin-www.fsis.usda.gov/regulations_&_policies/Export_Checklist/index.asp

Revision History:

1/7/14 – updated CFIA meat regulations reference, changed STEC6, STEC7 and FTB verbiage to be consistent throughout letter, removed Plainview reference and made necessary document format changes.
11/26/13 – included statement regarding multi hurdle intervention approach and included clarification paragraph regarding tested and untested subprimals intended use.
11/5/13 – included Canada in *Salmonella* and generic E.coli sampling statement. Updated Cargill Function name change from Technical Services to Food Safety, Quality & Regulatory (FSQR).
9/13/13 – Added a statement on CFIA's acceptance of Cargill's Product Notification Document (PND) and add notes to customers to ensure receiving programs had provisions to accept PND's as a substitute for COA's.
2/14/13 – updated the Annex N reference for CFIA SRM controls to Annex D
2/6/13 – Included a footnote regarding the ceasing of operations at the Plainview, TX Est. 86H facility.
1/1/13 – Changed date, updated name, added headers, added references and revision history, and changed FSEP reference for HACCP and Sanitation.
8/24/12 – Added notice 40-12 reference and changed beef parts acid cabinet from CCP to validated intervention.
5/29/12 – Referenced FSIS Notices 29-12 and 30-12 regarding STEC 6, added statement committing to test STEC6 during quarterly verification sampling. Changed CFIA SRM reference,
4/27/12 – Clarified components of and testing of ground beef and beef for grinding, Added subprimal review in event day section.
3/14/12 – added clarity to the subprimal acid spray statement.
1/10/12 – Added no allergen statement, removed E.coli reassessment language, clarified intervention language, clarified event day program language, added 30 month identification and labeling requirement statements, added website address to obtain information.

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CONTINUING GUARANTY

The undersigned, **CARGILL MEAT SOLUTIONS CORPORATION** ("Seller"), hereby states that each and every article contained in and comprising each shipment hereafter made by Seller, to or on the order **L & P Provisions** ("Buyer"), is hereby guaranteed, as of the time and place of such shipment, to be:

1. Not adulterated or misbranded within the meaning of the U.S. Federal Meat Inspection Act, as amended ("FMIA") (if applicable), the U.S. Poultry Products Inspection Act, as amended ("PPIA") (if applicable) and/or the U.S. Federal Food, Drug and Cosmetic Act, as amended, ("FFDCA") (if applicable);

2. Not an article which may not, under the provisions of Section 404 or 505 of the FFDCA, if applicable, be introduced into interstate commerce; and

3. If an article which is or which contains a color additive, such color additive is or will be from a batch certified by the Seller, its subsidiaries, if any, or its suppliers, in accordance with the FFDCA.

EXCEPT FOR THE WARRANTIES SPECIFICALLY SET FORTH ABOVE, SELLER DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS. The parties acknowledge that many of the articles covered by this Guaranty are subject to extensive and exclusive U.S. federal regulation and that such federal regulation often preempts, and thus makes inapplicable, state and local laws.

In no event shall Seller be liable to Buyer, or to any other person or entity, for any indirect, incidental, consequential, special, punitive or exemplary damages of Buyer or any other person or entity, including, without limitation, lost profits, lost business, damage to goodwill or reputation and/or degradation in value of brands, trade names, trademarks, service names or service marks, whether arising out of breach of contract, warranty, tort (including, without limitation, negligence, failure to warn or strict liability), contribution, indemnity, subrogation, or otherwise.

This Guaranty shall not extend to the benefit of persons or entities other than Buyer. This is a continuing guaranty, subject to revocation by Seller upon ten (10) days written notice to Buyer.

By: Angie Siemens

Title: V.P. Food Safety, Quality & Regulatory

Date: January 20, 2014