



January 13, 2011

Dear Valued Customer,

JBS USA LLC would like to inform you and your company of the Food Safety and Regulatory Programs which we have implemented at each of our beef harvest and/or processing plants (Est. 3D, Est. 267, Est. 562, Est. 562B, Est. 562M, Est. 628, Est. 969, Est. 969G and Est. 1311). The programs outlined below have been implemented in order to comply with the United States Department of Agriculture (USDA) Food Safety and Inspection Service (FSIS) Regulations regarding HACCP, *E. coli* O157:H7 testing, Specified Risk Materials (SRMs), and animal welfare. The information in this letter is updated at least annually and the date of the letter above is only changed upon revisions.

Food Safety Programs

Please be advised that each of JBS USA LLC beef facilities (Est. 3D, Est. 267, Est. 562, Est. 562B, Est. 562M, Est. 628, Est. 969, Est. 969G and Est. 1311) are operating under a fully implemented Hazard Analysis and Critical Control Point (HACCP) plan, which conforms to all applicable requirements set forth in 9 CFR Ch. III Part 417. All products produced at these facilities are subject to these HACCP systems.

Occasionally, due either to changes in the regulations, plant procedures, or nationwide information that may affect the hazard analysis or alter the critical control points, the adequacy of the HACCP Plan is reassessed as required under 9 CFR 417.4(a)(3). More specifically we have reassessed our plan as required by USDA FSIS Federal Register Notice dated October 7, 2002 and FSIS Notice 65-07 dated October 12, 2007 and are in compliance with 9 CFR 417.

JBS USA LLC Food Safety processes consist of Standard Operating Procedures (SOPs), Sanitation Standard Operating Procedures (SSOPs) 9CFR, Part 416, Hazard Analysis Critical Control Points (HACCP) 9CFR, Part 417, and validated technology interventions, which are designed to eliminate or reduce *E. coli* O157:H7 below detectable levels. Our Food Safety Process utilizes technology interventions (Multiple Hurdle Strategy) during harvest and fabrication which may include pre-visceration wash and/or chemical treatment, thermal pasteurization (CCP), organic acid applications, finished product organic acid applications, and cold chain management (CCP) systems. Our variety meat / offal processing also utilize organic acid application (CCP for Red Offal) and cold chain management (CCP) systems. Our ground beef processing utilize purchase specifications requiring raw material be pre-screened negative for *E. coli* O157:H7, and cold chain management (CCP). Our Food Safety Process is monitored by Operations personnel and verified by Quality Assurance and FSIS/USDA personnel in each plant. Inspection and process verification by FSIS/USDA personnel occurs before the mark of inspection can be placed on products, which will enter into commerce.

Prior to shipment of our products, we determine that all CCPs have been met, and that our process is under control per 9 CFR 417. If our CCPs have not been met or have been found to be ineffective, corrective and preventative actions are taken as required under 9 CFR 417.3. Effectiveness of our ability to meet the Critical Limits outlined in our HACCP plan is evaluated daily through pre-shipment records review and records verification checks.

Country of Origin Labeling (COOL)

The Final Rule for mandatory Country of Origin Labeling (COOL) became effective on March 16, 2009. The majority of JBS USA, LLC covered commodity beef products qualify for the "Product of U.S.A." labeling category. The resulting product labels for covered commodities will read "Product of U.S.A.". JBS USA, LLC will also produce a limited quantity of covered commodities under labels reflecting multiple countries of origin. These will each be labeled accordingly.

To facilitate documentation compliance at all levels of the supply chain JBS USA, LLC will print the COOL category in multiple locations, including the box label, and the shipping documentation.

Additional Information

In addition to the above, our process also includes a continuing product guarantee, which we provide to our customers upon request. In addition, our Bill of Lading contains statements regarding HACCP Programs and SRM control.

JBS is compliant to USDA/AMS/ARC regulations based on an export country's specific requirements – view approval at website: <http://www.ams.usda.gov>.

You are cordially invited to visit our facilities and review our processes, with proper notification provided through your Sales Representative or other JBS contact. We trust this information is useful to you and we look forward to serving you as a customer and partner of JBS.

We hope that you find this information useful in reassessing your programs with regard to the above mentioned regulations. The most recent version of this letter and other related food safety information can be found under 'Our Responsibility – Food Safety – HACCP Documentation' at our www.jbssa.com website at: <http://www.jbssa.com/Responsibility/FoodSafety/default.aspx>.

If you need additional information, please contact our Food Safety Team at 1-970-506-8000. We look forward to continuing to provide you with wholesome, quality products.

Sincerely,



John Ruby Ph.D.
Vice President
Technical Services
JBS USA, LLC.
1770 Promontory Circle
Greeley, CO 80634
USA

Below are the steps JBS has taken to address the risk of Bovine Spongiform Encephalopathy (BSE), as well as to comply with 9 CFR 310.22 and thus FSIS Notice 56-07, FSIS Directive 6100.1, and FSIS Directive 6100.4:

- Each JBS Facility has developed and maintains a prerequisite program designed to ensure the complete removal, segregation, and disposal of Specified Risk Materials (SRMs) as required by 9 CFR 310.22(e).
 - The brain, skull, eyes, trigeminal ganglia, spinal cord, the distal ileum of the small intestine, and the tonsils of all cattle, regardless of age are removed during harvest and made inedible to prevent subsequent contact between SRMs and any edible meat products.
 - In order to ensure complete removal of the dorsal root ganglia, the vertebral column of cattle aged 30 months or older (excluding the vertebrae of the tail, the transverse processes of the thoracic and lumbar vertebrae and the wings of the sacrum) will be removed from the carcass during fabrication and disposed of as inedible product unless the customer specifically requests for us not to do so.
 - For customers who wish to purchase products containing the vertebral column that are derived from cattle 30 months of age or older, special procedures to ensure compliance with 9 CFR 310.22(g) will be implemented on a case by case basis.
- Each JBS Facility has written procedures designed to identify the age of harvested cattle that are 30 months of age or older. The age of cattle that do not have an acceptable form of age identification presented with the animal at the time of slaughter is determined by using dentition guidelines provided by FSIS in Notice 5-04 (January 12, 2004). All cattle determined to be 30 months of age or over are identified and segregated to ensure proper disposal of their associated SRMs.
- Each JBS Facility either uses dedicated equipment to cut through the SRMs of cattle 30 months of age or older or has implemented procedures to clean and sanitize equipment before its use on cattle younger than 30 months of age as required by 9 CFR 310.22(f)
- As per 9CFR 313.15(b)(2)(ii) the use of captive bolt stunners that deliberately inject compressed air (air injection stunning) into the cranium at the end of a penetration cycle are not used to stun cattle in our facilities.
- Verification procedures, utilizing periodic process audits, have been established to ensure the proper implementation of the above policies.
- FSIS policy concerning animal(s) to be tested for Bovine Spongiform Encephalopathy (BSE) states that any animal(s) that is (are) to be tested for BSE will be completely and properly disposed of so to ensure that no products from the tested animal(s) enter the human food supply.
- Since 1997 JBS has required a “Livestock Owner Certificate” stating that, to the best of the owner’s knowledge, none of the livestock purchased by JBS, are adulterated within the meaning of the Federal Food, Drug, and Cosmetic Act [§21CFR589.2000] (i.e., none of the cattle or other ruminants have been fed any feed containing protein derived from mammalian tissues).

Beef Subprimal Antimicrobial Treatment

Our beef facilities apply multiple antimicrobial treatments to carcasses and primals/subprimals after the final slaughter Critical Control Point (CCP) intervention. Our facilities apply an antimicrobial solution to the subprimals and trimmings at the end of the fabrication process prior to packaging.

The antimicrobial treatments utilized are approved by USDA-FSIS as 'processing aids' and comply with the approval issued in the Directive 7120.1 for use and labeling. These 'processing aids' have been validated through in-house sampling and show a microbial reduction sampling of generic microorganisms. Although these process aids are employed by all plants as a part of our multiple hurdle food safety approach, they are not defined as critical control points in our HACCP plans.

Humane Handling

JBS USA, LLC. requires that our suppliers and facilities adhere to humane handling best practices and regulatory requirements. Beyond JBS's regulatory obligations, good animal handling practices are ethically appropriate and economically important. Humane handling results in sound animals and better final products. The JBS approach to humane handling of animals is summed up in a single statement:

"Proper and humane treatment of animals is a standard operating procedure, designed to assure animal welfare and high quality product."

As a corporation, JBS is committed to meeting or exceeding the standards set in the Federal Humane Slaughter Act and other industry standards. JBS is in alignment with American Meat Institute policies and is compliant, and requires all suppliers to be compliant with Notices 21-09, 16-08 and CFR Title 9 § 313.

JBS facilities have implemented an animal welfare program (which meets AMI guidelines) with daily audits to verify conformance. JBS downer or non-ambulatory disabled livestock policy states that any animal that is not capable of movement under their own power will not be presented for antemortem inspection and said animal(s) will be humanely euthanized and disposed of properly to ensure that no part of the animal(s) will enter the human food supply. We also work in full cooperation with FSIS to ensure that we are in compliance with all applicable regulations regarding the humane treatment and proper disposition of non-ambulatory livestock should they become disabled after antemortem inspection.

JBS humane handling program was designed and is often revisited by world-renowned animal handling specialist Dr. Temple Grandin of Colorado State University. Although JBS USA LLC has long operated in compliance with the federal Humane Slaughter Act, work with Dr. Grandin has assisted JBS in making additional upgrades both to facilities and to employee training programs that exceed federal requirements and further enhance the welfare of our animals.

JBS policies are spelled out in a formal Standard Operating Procedure (SOP) which emphasizes three elements: 1) minimization of animal vocalization (a measurement of animals' discomfort) from the squeeze pen through the stunning box, 2) procedures to ensure complete animal insensibility and a zero-tolerance policy for allowing animal sensibility to pain beyond the stunning box, and 3) operational guidelines to reduce the incidence of re-stunning.

Bovine Spongiform Encephalopathy (BSE) and Specified Risk Materials (SRMs)

USDA announced Jan. 8, 2004, that the skull, brain, trigeminal ganglia, eyes, vertebral column, spinal cord and dorsal root ganglia of cattle 30 months of age or older – as well as tonsils and, the small intestine of all cattle – are designated as SRMs, and as of Oct. 7, 2005 the USDA revised the SRM designation of small intestine to pertain to strictly distal ileum. Traditional bone-in items which contain the SRMs from cattle 30 months of age or older are also no longer produced by JBS unless otherwise requested by the customer.

In addition all JBS USA LLC facilities have implemented these additional programs:

- A written Good Manufacturing Procedures (GMP) program
- A Recall/Market Withdrawal Procedure, which provides for trace-back and track-forward capabilities to ensure that the proper products and dates can be identified if necessary
- A livestock certification program which requires all cattle producers to certify compliance with 21 CFR 589.2000
- A documented Pest Control Program
- A documented Food Security Program. (note: details of these programs are not shared or distributed to ensure the integrity of the program.)
- We use only approved third party and customers' audits to confirm that our Food Safety Process is working
- We utilize insured and bonded Carriers to Transport JBS beef products. All loads are sealed at the originating establishment and maintained under seal by the carrier in the event of a multi-stop load

E. coli O157:H7 Control and Testing

We perform microbial testing of beef manufacturing trimmings and specially packaged sub-primals (i.e. unwrapped and bulk packed in combo) destined for raw comminuted finished products. Beef manufacturing trimmings (including unwrapped bulk packed sub-primals intended for further processing) that are tested for *E. coli* O157:H7, utilize a robust sampling method and based on the International Commission on Microbiological Specifications for Foods (ICMSF) Case 15, two-class sampling plan for severe hazard (i.e. n=60). These samples (100% of sample) are analyzed by an accredited laboratory utilizing an AOAC approved methodology. Laboratory methods used have been demonstrated to be at least as sensitive and specific as the FSIS methods and MLG 5.03 and 5.04.

If products have been tested for *E. coli* O157:H7, shipments will be accompanied with a Certificate of Analysis (COA) indicating the results of the tests. Test results from sampled products represent complete lots unless otherwise noted. The absence of a COA is indication that the product has either not been tested or the customer has not purchased tested products at the time of sale.

Each of our establishments has a third party verification of our *E. coli* O157:H7 sampling program via an annual audit of the process. Additionally raw material components which have previously been tested and found negative are sampled and analyzed to verify the effectiveness of our n=60 sampling technique. This sampling of beef manufacturing trimmings (including unwrapped bulk packed sub-primals intended for further processing) is conducted at a minimum of once quarterly with increased monthly sampling during high prevalence months (i.e April thru September) and the results are posted on our website.

With specific regard to the ground beef products produced by our facilities, all raw materials that will be used in the manufacture of these products are tested and found negative for *E. coli* O157:H7 prior to their use, as described in the methods above.

“Event Day” Program

While we employ exhaustive interventions and testing, there is no available technology which can guarantee that fresh meat products are “free of pathogens”. JBS evaluates each non-negative event to determine if the level of non-negative results on any given production day or production period exceeds statistically determined levels. If it is determined that the non-negative results constitute an “Event Day”, an evaluation of products produced within the associated time or day is conducted and appropriate disposition is made of any potentially affected product.