

Alliance Group Limited
P.O Box 845
Invercargill



1st January 2020

Dear Sir and Madam

LETTER OF GUARANTEE

In response to your request for information from Alliance in regards to supplying your company with beef products, I can advise the following on behalf of Alliance Group Limited.

1. Premise Details

| Identification | Name | Address | Telephone No |
|----------------|---------------------|---------------------------|-----------------|
| ME136 | Alliance Levin | P. O. Box 417, Levin | 0064-6 366 0420 |
| ME18 | Alliance Pukeuri | Private Bag 50051, Oamaru | 0064-3-437-3800 |
| ME21 | Alliance Mataura | PO Box 1, Mataura | 0064-3-203-6500 |
| ME50 | Alliance Lorneville | PO Box 1410, Invercargill | 0064-3-215-6400 |

All Alliance plants have MPI (Ministry of Primary Industries) approved Risk Management Programmes. The RMP includes the plant HACCP plans which is based on Codex principles and covers the production of bulk packed boneless manufacturing beef intended for Grinding.

2. Bovine HACCP Plans

| Premise | Document ID | Revision | Date | Approved By |
|---------|-------------|----------|----------|----------------------------------|
| ME136 | LEV QUA 301 | 16 | 4/9/19 | D Everest (HACCP co ordinator) |
| ME18 | PUK-QUA-301 | 37 | 18/10/19 | J McDiarmid (HACCP co ordinator) |
| ME21 | MAT-HCP-002 | 34 | 3/9/18 | A Napier (HACCP co ordinator) |

All Alliance Plants have MPI approved HACCP plans. The CCP for our bovine HACCP plans is to attain a final carcass that is free of Faecal and Ingesta (ZFT) as per the USA OMAR. E coli 0157:H7 and the top 6 non O157 STECs are hazards not reasonably likely to occur in New Zealand Beef and therefore no intervention step is in place. Daily testing as per part 4 of this letter is carried out. HACCP plans are audited monthly and reviewed annually. HACCP plans are only updated if changes are required.

2. Bobby Calf HACCP Plans

| Premise | Document ID | Revision | Date | Approved By |
|---------|-------------|----------|----------|----------------------------------|
| ME18 | PUK-QUA-302 | 40 | 18/10/19 | J McDiarmid (HACCP co ordinator) |
| ME50 | LNV HCP 003 | 3 | 20/3/18 | A Hunt (HACCP co ordinator) |

All Alliance Plants have MPI approved HACCP plans. The two CCPs for our Bobby calf HACCP plan are as follows CCP 1 Intervention step - Full carcass hot water wash.

CCP 2 Zero Faecal and Ingesta (ZFT) as per the USA OMAR.

E coli 0157:H7 and the top 6 non O157 STECs, has been identified as a hazard that may occur in New Zealand Bobby Veal. An intervention step has been introduced into the slaughter process as CCP 1 and daily E coli 0157:H7 testing is carried out as per step 4 of this letter.

HACCP plans are audited monthly and reviewed annually. HACCP plans are only updated if changes are required.

3. New Zealand processing

New Zealand's hygienic slaughter and dressing requirements ensure that processing is carried out in a manner that minimises contamination and produces a product fit for intended purpose. These practices further reduce the presence of any microbiological contamination. For example:

- Pasture fed animals
- Cattle assessed for cleanliness
- Chemical wash of dirty stock
- Potable water wash pre slaughter (cattle only)
- Ante-mortem inspection of all animals by MPI VS prior to slaughter
- Identification and management of ill or injured stock
- Highly trained yards staff (animal welfare)
- Non ambulatory stock are segregated and humanly slaughtered as prohibited for export to the United States or Canada
- Hygienic slaughter and dressing – equipment sterilisation between carcasses prior to inspections is carried out at $\geq 82^{\circ}\text{C}$
- Sealing of oesophagus/weasand with clips
- Sealing of bung with a plastic bag and elastrator ring (cattle only)
- MPI VS approved SSOPs/Pre requisite programmes
- Process monitoring by trained competent supervisory staff
- Documented corrective and Preventative actions and product disposition in place and adhered to by staff.
- Trimming of visible contamination
- Critical Control Point to ensure Zero Faecal. This meets the FSIS "US Pathogen reduction /HACCP final Rule" for cattle and bobby calves
- Critical control Point – intervention step for Bobby Calves only
- All carcasses are subjected to a final inspection and hygiene trim. Post mortem inspection is carried out by independent inspectors
- Validated refrigeration parameters to control microbial growth
- Control Point at pre trim to ensure Zero faecal prior to boning.
- On line Cusum inspection
- Microbiological testing of product – regulatory and additional in house testing
- Full time veterinary presence onsite for verification of process and certification
- Operators trained and competent in assigned tasks.
- Packaging methods to minimise bacterial growth
- Robust verification programmes (internal, external and extrinsic verification)

4. Microbiological Sampling

In New Zealand our microbiological sampling requirements are regulated by the Ministry of Primary Industries (MPI).

These have been accepted by the USDA as meeting "equivalency requirements" of the FSIS Pathogen Reduction: Hazard Analysis and Critical Control Point (HACCP) Systems; Final Rule.

Beef and Bobby Calf products are currently tested for Aerobic Plant Count and E coli on a weekly basis from carcasses (ex-slaughter floor), primal cuts and bulk pack. Salmonella is tested in a "sample window" of 6 weeks each season.

5. E coli 0157:H7 and top 6 non O157 STECs sampling

The processing facilities covered by this letter of guarantee all perform daily regulatory sampling of Beef and Bobby Calf product for E coli 0157:H7 and the top six non O157 STECs in accordance with procedures/lot size agreed between the New Zealand government (MPI), and FSIS.

This is N60 testing of 375grams being carried out for each lot. Samples are randomly selected. Samples are analysed by independent testing laboratories that are approved and audited by the New Zealand Government and are IANZ approved and certified to ISO 17025.

Analytical method is Bio Control Assurance GDS – an internationally recognised test method which meets the requirements of FSIS Directive 10.010.1.

IMS confirmatory testing is conducted by an ISO 17025 accredited Government Laboratory.

6. Pre Shipment

New Zealand has a test, hold and release protocol, this means that product is not exported until a negative E coli O157:H7 or top 6 non O157 STECs, result is received from a government approved testing laboratory.

Once results are received the product is then released as part of HACCP pre shipment or identified as not eligible to the USA and Canada if results are not negative. The company product hold system is used to identify product as prohibited from those markets.

6. Sanitation Programme & Verification Procedures

As part of our SSOP's, all plants are required to have robust documented cleaning programmes for all aspects of the premise. This is also captured within our regulatory Overseas Market Access Requirements (OMAR's) for the USA and Canada.

In essence if we didn't have these our premises would not be approved to export to USA or Canada. Verification of the sanitation programme occurs via a pre-operative hygiene assessment in all edible processing areas daily. Defects are categorised as minor, major or critical and a limit on the total defect score determines whether the inspection has passed or failed.

In addition microbiological swabs are taken from food contact surfaces weekly in all edible processing areas and analysed for Aerobic Plate Counts.

7. Control Programme Metallic/Non-Metallic Contamination

Our HACCP plan Hazard Analysis determined that metal is a hazard that is not reasonably likely to occur in our products - note we do not use mincing or grinding in any of our processes. Metal detectors are not therefore mandatory. They are used in some plants however for specific items where it is a customer requirement to do so.

All plants maintain a glass register and this is subjected to regular verification. Procedures are in place for dealing with any breakages, however the emphasis is on prevention with protective measures in place, eg, lights covered, etc.

8. Shipping Policy

Shipping requirements are once again governed by compliance with "Overseas Market Access Requirements". Export Certificates will not be signed by MPI if such requirements are breached.

In terms of product quality our primary concern is with maintenance of the cold chain and hence we have strict controls over the loadout and transportation of frozen and chilled products. Frozen products are loaded out at $<-12^{\circ}\text{C}$ and will maintain this during shipping, whilst chilled products are required to remain at $-1.5^{\circ}\text{C} \pm 0.5^{\circ}\text{C}$.

9. Company Status with USA Export Programme

All Alliance Group beef and bobby calf premises are listed as US eligible. We have full-time MPI veterinary presence on our sites and are subjected to independent monthly reviews from MPI officials specifically to meet US market access requirements.

The FSIS also visits New Zealand annually and reviews a number of premises at random.

10. Supplier Programs

All stock supplied are accompanied by an ASD (Animal Status Declaration). This is a legal requirement under the Animal Products Act (New Zealand Law) and an MPI requirement. Documentation covers animals treatments, feed and traceability information.

Packaging and other suppliers are sourced from approved suppliers who are required to meet our documented procedures. Packaging suppliers are audited by company auditors to ensure compliance.

11. Security

Alliance participates in C-TPAT (Customs-Trade Pact against Terrorism). Each plant in the Alliance Group has documented security procedures to prevent tampering and contamination.

13. BSE

New Zealand legislation prohibits the feeding of all restricted materials to all ruminants including cattle. All Beef products destined for the USA are free from Specified Risk Material (SRM). SRM is removed in accordance with Federal Register Notice 03-0251F.

All non-ambulatory, disabled or downer cattle are excluded from product for the United States.

14. Allergens

No Allergens are used in the process or are allowed entry into edible areas. Personnel have designated eating areas and no food or drink is permitted to be consumed within production areas. All operators are required to wear company approved protective clothing and wash their hands prior to handling product.

Yours sincerely



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