

STATEMENT OF COMPLIANCE

1. **FRIGORIFICO CARRASCO S.A.** (Establishment N° 3) is approved by US Food Safety and Inspection Service (FSIS) to produce for export bovine and lamb meat. We certify that our programs and operations comply with all applicable USDA-FSIS regulations and that incoming cattle comply with all applicable FDA and USDA regulations. At the same time requirements for export to Canada have been met i.e The meat derived from bovine or ovine, considered as precursor material for preparation of finished raw ground meat, is testes for the presence of E. coli O157:H7/NM according to the procedures describes in CFIA Annex O of Chapter 4 Of the Meat Hygiene manual of Procedures.

2. The **FRIGORIFICO CARRASCO** facilities are under continuous inspection by MGAP (Ministerio de Ganadería, Agricultura y Pesca), D.I.A. (Dirección de Industria Animal) personnel and we operate under "equivalent" inspection and certified by USDA-FSIS to export into the U.S.

3. **FRIGORIFICO CARRASCO S.A.** is working under an HACCP System which follows the "Pathogen Reduction: Hazard Analysis and Critical Control Point (HACCP) Systems, Final Rule. (Federal Register, 9 CFR Part 304, et al, 25 July 1996, FSIS). The Pathogen Reduction (PR) component mandated a program of bacteriological testing of bovine carcasses for the presence of Generic Escherichia coli and Salmonella spp bacteria, to verify the effectiveness of the GMP, SSOP and the HACCP plan in the plant.

The Company implemented a testing program for Generic Escherichia Coli in carcasses, following the Pathogen Reduction (PR) criteria from the Final Rule, one sample every 300 cattle slaughtered is randomly taken. The Company Laboratory is audited by the MGAP Authorities (Ministry of Livestock, Agriculture and Fisheries – MGAP). This program has been working since 1997.

The Salmonella spp in carcasses testing program was implemented by an MGAP official program, so the official Veterinarian Supervisor takes randomly the samples and sends them to the official Laboratory (DILAVE). This testing program was agreed between the MGAP authorities and the FSIS authorities.

4. The company has in place a fully documented HACCP System and Pre-Requirement Programs:

HACCP plan has been working since January 1998.

The HACCP plan is audited by on-plant MGAP's Supervisors and is audited at least once a month by the MGAP's Regional Supervisor.

After a new reassessment the plant has been subjected to a detailed verification audit by the MGAP's Regional Supervisor, who follows the FSIS requirements.

The company has been audited following the HACCP criteria by the FSIS officers since 1998 up today it has been accepted as satisfactory.

The HACCP System has been audited by customers' auditors.

The company has a certification of British Retail Consortium (BRC) – "GLOBAL STANDARD for Food Safety", Issue 7^a, with a 3^a party audit, achieved Grade

AA.

5. The company also

Complies with the Standard Operating Procedure for Sanitation (Federal Register Vol. 61, n° 144) since 1997.

In order to achieve that, there are implemented written SSOPs & training programs sufficient to insure that all meat processing and handling equipment that contacts meat is

