



West Coast Reduction Ltd.

105 North Commercial Drive
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Canada V5L 4V7

Telephone 604-255-9301
Facsimile 604-255-1808
www.wcrl.com

Memo

Date: May 22, 2007

To: All Suppliers of Raw Material

Urgent

Action Required

Please Reply

For Information

As you are aware, the Government of Canada intends to introduce its enhanced feed ban regulation on July 12, 2007. The regulation is complex and requires the separation, identification and destruction or containment of all material containing specified risk material (SRM) derived from ruminants. Complete details can be obtained from your local Canadian Food Inspection Agency (CFIA) contact or the CFIA website:

www.inspection.gc.ca/bse

Currently, West Coast Reduction Ltd. (WCRL) picks up ruminant and mixed ruminant material from all of its service areas in British Columbia, Alberta and Saskatchewan. This material, which contains **SRM**, is transferred for further handling and processing at WCRL's dedicated ruminant facilities. These dedicated facilities are Alberta Processing Company (APC) in Calgary, Southern Alberta Processing Company (SAPC) in Lethbridge and Saskatoon Processing Company (SPC) in Saskatoon. Suppliers are currently charged for this service.

All raw material currently picked up by WCRL will continue to be picked up by WCRL after July 12, 2007. However, a **SRM surcharge** will be applied to all suppliers of material deemed to be SRM. The surcharge will take effect on July 12, 2007 and will be reviewed periodically. The surcharge will be established on or before July 1, 2007 to take account of SRM separation, processing, trucking and disposal costs and will be offset by prevailing tallow values and government disposal subsidies, if any. The surcharge for the period commencing July 12, 2007 **will not exceed 2.5¢ per lb.** The SRM surcharge is in addition to existing service charges.

Raw material from retail sources such as supermarkets, butcher shops and finished product processors, will be deemed SRM removed ruminant material. However, we request suppliers of raw material from retail sources to complete and return the Compliance Information Worksheet and Appendix A.

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Suppliers of exclusively non-ruminant raw material, such as poultry and pork processors, will not be affected by the enhanced ruminant feed ban. However, we request non-ruminant suppliers of raw material to complete and return the Compliance Information Worksheet and Appendix B.

All ruminant and mixed ruminant material, including deadstock, emanating from slaughterhouses, feedlots and farms, will be processed as SRM **unless** a process for separation of SRM at source, is approved by the CFIA. Suppliers of ruminant and mixed ruminant material intending to separate are required to separate in accordance with the enhanced feed ban regulation and to provide evidence of compliance to WCRL as set out in Appendix C or D.

The new regulation requires SRM to be stained at source. To preserve tallow values, which defray charges, WCRL reserves the right to stipulate which CFIA recommended dye should be used for staining purposes.

WCRL requests its ruminant and mixed ruminant raw material suppliers to carefully review this memo and to complete the attached Compliance Information Worksheet and the applicable Appendix (C or D) and return it in the envelope provided. **Suppliers not responding by June 22** will be assumed to be unable to comply with the enhanced feed ban regulations and all material received from such suppliers will be processed as SRM and suppliers will be charged accordingly unless or until arrangements for separation can be made.

Questions may be directed to the undersigned.

Barry Glotman
President & Chief Executive Officer
604.252.2070
bglotman@wcr.com

BG/HDK/dmc
Attachments

\\docshare\production\issues\srml\2007 - supplier compliance - memo to suppliers - master.doc

Compliance with the Enhanced Feed Ban regulation is the responsibility of each supplier. WCRL must be immediately notified of any process or raw material change contained in the attestation appendix submitted by the supplier to WCRL.



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COMPLIANCE INFORMATION WORKSHEET

Company Name: _____

Address: _____

Contact Name: _____

Contact Phone Number: _____

PLEASE INITIAL APPLICABLE BOX:

- We supply raw material & trim from retail sourcesproceed to Appendix A
- We process only non-ruminant materialproceed to Appendix B
- We process only ruminant material proceed to Appendix C
- We process both ruminant and non-ruminant material.... proceed to Appendix D

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Appendix A

WE SUPPLY RAW MATERIAL AND TRIM FROM RETAIL SOURCES

Company Name

INITIAL RESPONSE AND ACQUIRE SIGNATURES AS INDICATED.

We do not handle any Specified Risk Material at this site.

Authorized Company Representative:	
Name	Signature
Position	Date

Attested by or Notarized:	
Name	Signature
Position	Date

Note:

Attestation must be made by an identifiable, credible, independent third party, senior officer of the company or a notary.

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Appendix B
WE PROCESS ONLY NON-RUMINANT MATERIAL.

_____ Company Name

INITIAL RESPONSE AND ACQUIRE SIGNATURES AS INDICATED.

We do not process any ruminant material on this site.

Authorized Company Representative:	
Name	Signature
Position	Date

Attested by CFIA Inspector:	
Name	Signature
Position	Date

Compliance with the Enhanced Feed Ban regulation is the responsibility of each supplier. WCRL must be immediately notified of any process or raw material change contained in the attestation appendix submitted by the supplier to WCRL.

Appendix C
WE PROCESS ONLY RUMINANT MATERIAL.

 Company Name

INITIAL APPLICABLE RESPONSE AND ACQUIRE SIGNATURES AS INDICATED.

We do not intend to separate Specified Risk Material from other ruminant material.

Authorized Company Representative:	
Name	Signature
Position	Date

We will separate Specified Risk Material from other ruminant material in accordance with the Enhanced Feed Ban regulation to be implemented on July 12, 2007.

Authorized Company Representative:	
Name	Signature
Position	Date

Separation Process Approved by CFIA:	
Name	Signature
Position	Date

Compliance with the Enhanced Feed Ban regulation is the responsibility of each supplier. WCRL must be immediately notified of any process or raw material change contained in the attestation appendix submitted by the supplier to WCRL.

Appendix D

WE PROCESS BOTH RUMINANT AND NON-RUMINANT MATERIAL.

Company Name

INITIAL APPLICABLE RESPONSE AND ACQUIRE SIGNATURES AS INDICATED.

We do not intend to separate any inedible material. All inedible material is deemed to be Specified Risk Material.

Authorized Company Representative:	
Name	Signature
Position	Date

We separate inedible ruminant material from inedible non-ruminant material.

Authorized Company Representative:	
Name	Signature
Position	Date

Separation Process Approved by CFIA:	
Name	Signature
Position	Date

We separate Specified Risk Material in accordance with the Enhanced Feed Ban regulation to be implemented on July 12, 2007.

Authorized Company Representative:	
Name	Signature
Position	Date

Separation Process Approved by CFIA:	
Name	Signature
Position	Date

Compliance with the Enhanced Feed Ban regulation is the responsibility of each supplier. WCRL must be immediately notified of any process or raw material change contained in the attestation appendix submitted by the supplier to WCRL.