

Oregon Tilth Certified Organic

Fee Schedule



November 10, 2021

Published by:

Oregon Tilth, Inc.
PO Box 368
Corvallis OR 97339
(503) 378-0690, Fax (503) 753-4924

OTCO Fee Schedule

WELCOME	3
NEW APPLICANTS	4
NEVER CERTIFIED	4
PREVIOUSLY CERTIFIED/CHANGING CERTIFIERS	5
TRANSFER OF OWNERSHIP	5
RENEWAL DATE ASSIGNMENT/PRORATED FEES	5
RENEWING CLIENTS	5
SALES REPORTING	6
FARM/GROWER FEES	7
LIVESTOCK SCOPE ADDITION	7
FEES FOR MULTI-SITE OPERATIONS - GROWER GROUPS	7
FEES FOR MULTI-SITE OPERATIONS – PRODUCTION PARTNERS	7
HANDLER/PROCESSOR FEES	8
PROCESSOR/HANDLER CLASS (RETAIL)	8
PROCESSOR/HANDLER CLASS (WHOLESALE)	9
DUAL SCOPE (FARM OWNED AND OPERATED HANDLING FACILITIES)	9
PRODUCTION PARTNERSHIPS	9
RESTAURANTS AND RETAILERS	10
INSPECTIONS	11
INSPECTION FEES	11
ADDITIONAL INSPECTIONS	11
UNNANOUNCED INSPECTIONS	12
CANCELLING INSPECTIONS	12
OTHER CERTIFICATIONS	12
COMPLIANCE RECOGNITION TO MEXICO ORGANIC STANDARD	12
SALMON SAFE	13
OPT – GRASS FED	13
GOTS (GLOBAL ORGANIC TEXTILE STANDARD)	13
SCOPES OF CERTIFICATION	13
BASE CERTIFICATION FEE	14
ONE CERTIFICATE, MULTIPLE FACILITIES	14
TRADER/MARKETER/BROKER/IMPORTER	14
SAMPLE EVENT	14
LABEL AND PRODUCT FEES	14
MISCELLANEOUS	14
BEE BETTER CERTIFICATION	15
MEXICO ORGANIC PROGRAM (LPO-LEY DE PRODUCTOS ORGÁNICOS)	15
PAYMENTS	16
EUROPEAN UNION (EU) ORGANIC PROGRAM	16
KRAV PROGRAM	16
REISSUING CFDI INVOICES	16
NSF/ANSI 305 PERSONAL CARE PROGRAM	17
LABEL AND PRODUCT FEES	17

OTCO Fee Schedule

MATERIAL REVIEW FEES	17
ADDITIONAL SERVICES/CHARGES	17
EXPEDITED SERVICES	17
ADDITIONAL SCOPE, FACILITY OR LAND ADDS	17
EXPEDITED PRODUCT/CROP/LABEL ADDS/ACREAGE ADD/SUPPLIER UPDATE	18
MID YEAR ADDITIONS	18
FACILITY FEES	18
MISREPORTED SALES	19
REINSTATEMENT FEE	19
TRANSACTION CERTIFICATES (IMPORT/EXPORT OF GOODS)	19
IMPORT/EXPORT CERTIFICATE	19
CORRECTION FEE	19
COMPLEX/MULTI-SHIPMENT CERTIFICATES	19
EXPEDITED CERTIFICATE – ONE (1) BUSINESS DAY	19
EXPEDITED TRANSACTION CERTIFICATE – SAME DAY	20
LATE/NO RESPONSE BY DEADLINE	20
MEDIATION FEES	20
NON-PAYMENT OF INVOICES	20
BANK FEES	20
NON-REFUNDABLE FEES	21
CERTIFICATION FEE DISCOUNTS	21
EDUCATION CERTIFICATION FEE WAIVER	21
VETERAN-OWNED FARM OPERATIONS	21
PAYMENTS	21
APPENDIX – FEE TABLE	23

WELCOME

Oregon Tilth is a nonprofit organization dedicated to supporting and promoting biologically sound and socially equitable agriculture. Through our certification program we work to support this mission by providing a range of organic and sustainable agriculture certification services. Oregon Tilth is well known for its organic certification program for both farmers and processors.

We are committed to maintaining stable certification fees and being competitive while also supporting our nonprofit mission. Transparency is important to us, so you will find that all fees related to certification are outlined in this manual. We will not charge a fee for something that is not outlined in this manual.

In general, there are two main types of certification fees and invoices that will be issued every year: the **annual certification invoice** and the **inspection invoice** after an on-site

OTCO Fee Schedule

physical inspection. However, as you will see in this manual, there are additional charges based on your unique activities and needs. To keep our fees down we may charge additional fees for uncommon requests or needs, such as international compliance and shipping documents or expedited services.

We encourage you to review this entire manual carefully to determine all fees that may be incurred by your operation. We are happy to assist. Please note that all the fees reflected in this Fee Schedule are in USD. Operations in Mexico may consult www.banxico.org.mx "Exchange rate to pay obligations entered into in U.S. dollars payable in Mexico" to determine the current exchange rate. For a current version of the OTCO fee schedule please download at www.tilth.org or www.esp.tilth.org for the Spanish version. If you have any questions, please call (503) 378-0690 or email organic@tilth.org.

NEW APPLICANTS

NEVER CERTIFIED

All new applicants must fill out and submit the appropriate application packet for the types of services they would like to obtain. You can access all of our applications at <https://tilth.org/certification/apply> or in Spanish at <https://esp.tilth.org/certificacion/formatos/> and review our application deadlines. To request an application by mail, email organic@tilth.org, or call (503) 378-0690 for (US office) or 01 [52] (452) 255-0953 (MEX Office) further assistance.

The application, also known as the Organic System Plan (OSP), must be submitted with payment of the new applicant fees to enable an initial staff review. This payment should include a minimum fee for the requested scope of service, plus a one-time non-refundable new applicant fee of \$300 USD. The minimum fee for processors/manufacturers/brokers is \$1000, for crop/farm/wild-harvest operations it's \$325, and livestock scope will be an additional \$150 plus the above charge for crop or processor scope. Expedited service, e.g., a "rush review" request, is subject to additional charges and outlined in the expedited services section below.

For US entities, the following link will provide a step-by-step to help you calculate and pay new applicant fees: <https://tilth.org/certification/tilth-fee-calculator/>. The Oregon Tilth website accepts credit, debit, or PayPal. Alternatively, you can mail a check payment to: Oregon Tilth Inc., PO Box 368, Corvallis, OR 97339. If your company allows payment via ACH you may contact the Finance Department for bank information. If you are a Mexico client, an office administrator will contact you regarding how payments can be made.

OTCO Fee Schedule

PREVIOUSLY CERTIFIED/CHANGING CERTIFIERS

Complete the certification OSP (Organic System Plan) and submit to the OTCO office following the procedures above. Your fees will be calculated based on your operation's *previous 12 months of gross organic sales* (see Fee Table in the Appendix) plus the new applicant non-refundable fee of \$300. Please pay online or by mail (see previous section). To ensure continuous, non-lapsed certification, do not discontinue or surrender certification with your current service provider until after receipt of a final decision and certificate from Oregon Tilth.

TRANSFER OF OWNERSHIP

In cases of certified operations being sold to or otherwise acquired by another legal entity, the new entity will pay certification fees based on organic sales and certification history of the acquired operation. In some instances, Oregon Tilth reserves the right to waive the fee if the transfer of ownership process requires minimal staff input and activity.

RENEWAL DATE ASSIGNMENT/PRORATED FEES

Upon successful submission of your application, you will be assigned a January 1st (most common) or April 1st renewal date, regardless of the issue date listed on your certificate.

If assigned a January 1st date, the subsequent year's certification fee will be prorated with a credit according to the quarter your first-year certificate was issued in. For example, if your certificate was issued between January-March you will pay a full year of certification fees the following January 1 renewal. If your certificate was issued between April-June your fees for the following year will be calculated at three quarters (3/4) the first-year certification fee, so a quarter (1/4) of your certification fee will be credited back. If your certificate was issued between July-September, you will only pay half the certification fee the following year at renewal. And if you were certified from October to the end of the year, you will pay a quarter (1/4) the certification fees at your January 1 renewal. Please note that this excludes expedited applicants.

The prorated amounts cannot be calculated through our fee calculation portal. Our finance team will issue a credit memo and apply the credit to your outstanding certification invoice. When it comes time to submit your first OSP renewal application, feel free to contact our finance office for assistance.

RENEWING CLIENTS

Renewals and/or changes to your Organic System Plan (OSP) occur yearly and are required to maintain your certification. The OSP Renewal Application can be processed online at <https://tilth.org/certification/clients/renew/> in English or <https://esp.tilth.org/certificacion/formatos/renueve/> in Spanish. Please follow the step-by-step process toward renewal and fee calculation, or you can choose to download and

OTCO Fee Schedule

fill out a paper version. To request renewal by mail, email organic@tilth.org or call (503) 378-0690 (US Office) or 01 [52] (452) 255-0953 (MEX Office) for further assistance.

Certification fees are calculated on your operation's previous year's sales of certified organic products. The annual certification fees for renewing certified operations are based on the gross income of certified products and are determined using the appropriate fee schedule as presented in the appendix. When filling out a paper version of the OSP renewal, you must list your previous year's sales to calculate your fee.

We desire that our clients submit a full 365 days of sales reporting to calculate the fee. Please keep your sales reporting dates consistent from one year to the next. So, if you are reporting on sales for a 365-day period of 05/15/20-05/14/21, the next year sales reporting date should follow accordingly – 05/15/21-05//14/22.

Here are two examples of ideal sales reporting periods.

Example 1:

January 1, 2020 renewal date

Report sales from 10/01/2018 to 09/30/2019

Example 2:

April 1, 2020 renewal date

Report sales from 01/01/2019 to 12/31/2019

If you have a question about your sales reporting dates, please call us for assistance.

Sales will be verified at the time of your inspection, and your assigned review officer will communicate discrepancies to the finance department. You may receive an additional invoice or a credit memo if your sales were overstated.

SALES REPORTING

If you have several scopes of operations with two distinct certifiers and your goods/products are 'transferred' you must report the value of those goods to calculate your fees. For example, you maintain organic certification with Oregon Tilth for crop(s) while having organic certification for processing products with a different certifier. Technically, you own both operations but are not purchasing any goods; you are merely transferring the items to your processing facility. You must report the value of these goods exchanged to calculate your fees. You may use fair market value, local county commodity postings or other appropriate methods.

It may be more cost-effective for you to switch both scopes of certification to one certifier. Give us a call and we can discuss your options.

Sales reported at renewal should include all products, land, etc. that are listed on your

OTCO Fee Schedule

certificate, even if they are not sold as organic. A portion of sales not sold as organic may be excluded from the fee calculation by petition and special permission from the Finance & Administration Director. You must submit your request in writing and follow up information and proof may be requested. All records are kept in confidentiality with law.

If you are a transitional client, you do not report sales on your organic crops until you have received your certificate. Sales from the date of certificate issue are reported as organic and are eligible for fee schedule calculations.

FARM/GROWER FEES

(Includes livestock, crop, transitional and wild harvest operations)

In the first year, the cost of certification is \$625 USD. This includes a \$325 base certification fee and a non-refundable \$300 USD new applicant fee. If you have been previously certified, use the previous year's sales and find the appropriate tier in the chart in the appendix. If you are transferring from another certifier, we will waive the \$300 USD new client fee.

Livestock Scope Addition

Livestock operations seeking certification should add an additional \$150 USD to their fee calculation, in addition to the total calculated from the appropriate tier.

Fees for multi-site operations - Grower Groups

A multi-site operation with demonstrated internal control system (a.k.a. a cooperative or grower group) involves a centrally managed association of local growers producing similar crops using similar practices and marketing their products in common.

Please reference information in the appropriate FARM/GROWER FEE section to calculate the base certification fee. For multi-site operations, an additional *grower group fee* is charged. This fee is calculated by taking the square root of the previous year's reported sales of gross organic product. The maximum grower group fee is \$12,000 USD for Farm/Growers.

Fees for multi-site operations – Production Partners

Multi-Site Operations may be production partners contracted to provide crop or livestock products, predominately to the primary operation, which contribute to a finished organic product sold by the primary operation. Please see the below section on "Production Partnerships" for a clear definition and qualifications for this arrangement. This production partnership arrangement allows the primary operation to cover the multi-site operation's certification expenses.

OTCO Fee Schedule

For each operation in the multi-site production partnership, a multi-site operation fee of \$1,700 USD and a grower group fee (see above) is charged, with a maximum combined production partner/grower group fee of \$12,000 USD.

The grower group fee calculation for production partners is calculated by taking the square root of gross organic sales. For production partners with gross sales greater than \$5 million dollars, the calculation is multiplied by 1.5 to account for greater operational complexity.

HANDLER/PROCESSOR FEES

OTCO bases fees for the certification of food, fiber, and personal care handling operations on the type of operation. Fees may be based on more than one level of the fee schedule depending on the products produced and the services provided. Additional scopes for processing certification can be found in the NSF/ANSI 305 and GOTS sections below. Your initial point of contact with Oregon Tilth will help you determine if these extra scopes and fees will apply in addition to your base processor fee.

In the first year, the cost of certification includes a \$1,000 USD base fee and a non-refundable new applicant fee of \$300 USD. If you have been previously certified, use your operation's prior year's sales and find the appropriate tier in the chart. We will waive the \$300 new client fee if you are transferring certification to Oregon Tilth.

For renewing clients and previously certified operations switching certifiers, sales reporting to calculate certification fees is determined by an operation's identified type. The two types are outlined below and if you have questions about which category you fall into, a member of your client service pod can help you identify the correct bracket.

Only report sales for organic products listed on your certificate. If you have multiple facilities and each has a separate certificate, that facility must report its sales individually to calculate the annual certification fee. If you have multiple facilities and one certificate, all facilities report their sales to the designated main contact. A processor with multiple facilities on one master certificate will be assessed \$300 USD annually for each facility on the master certificate, in addition to the base fee listed in the appendix.

Processor/Handler Class (Retail)

This main bracket will be for most operators that physically handle and manufacture organic products. This category includes companies that process their own food or fiber products or hire co-packers to perform the manufacturing for them. Retail products include those packaged for the end user (including livestock feed) and products offered in bulk by retailers. This category also includes activities such as seed cleaning as well as fruit, fiber, or vegetable packing, consolidating and/or packaging.

OTCO Fee Schedule

If more than 50 percent of your gross organic sales are from co-packed products, use this chart. Sales will be verified at point of inspection. Fee schedule column listed as “Wholesale” in appendix should be used for these operations.

Please see the appendix and follow the scheduled listed as “Retail and Dual Scope” to calculate certification fees.

Processor/Handler Class (Wholesale)

The second bracket is for companies that take little or no possession of products, have high overhead, or co-pack products for other companies. Some examples of businesses that fall into this category - commodity brokers, marketers, brand owners, storage facilities, livestock yards, slaughterhouses, distributors, and companies that co-pack labels (but do not create or modify the product formula). This category includes the production of food ingredients and fiber inputs intended for further processing prior to retail packaging and/or sale, or for the sale and transfer of goods.

Co-packing occurs at facilities that manufacture processed products for another company. Co-packer sales are based on the sale of organic product or fees received for production services as applicable. This category also includes brokers who do not pack or process product. Incidental re-packing for quality control or assembling orders is allowed. Brokers who do not pack, process, or physically handle organic product can figure their reported sales by deducting the cost of organic goods from the reported amount.

If more than 50 percent of your gross organic sales are from co-packed products, use this chart. Sales will be verified at point of inspection. Fee schedule column listed as “Wholesale” in appendix should be used for these operations.

DUAL SCOPE (FARM OWNED AND OPERATED HANDLING FACILITIES)

Organic farm operations also manufacturing and selling organic processed products which must have both classes of certification (i.e., a farm and a processor certification), pay certification fees based on the total sales of certified products (i.e., the combined sales of crops and processed products).

In the first year, the cost of certification includes a \$1,000 USD base fee and non-refundable new applicant fee of \$300 USD.

Operations with both processing and farm scope will follow the “Retail and Dual Scope” class fee schedule listed in the appendix. If you have livestock, this is considered an additional scope and will require \$150 USD added to the base certification fee listed.

PRODUCTION PARTNERSHIPS

A production partnership involves a collaborative effort among two or more companies marketing their products in common. A single production partnership certification may

OTCO Fee Schedule

cover diverse activities at diverse sites. A primary liaison is responsible for organizing application forms(s), updating information annually, and identifying billing and inspection arrangements. Each partner receives an annual inspection by OTCO, is required to submit an OSP and will be issued a certificate in their company/farm name.

An operation may choose to have farm or processing production partners that are contracted to produce or handle organic product predominately on behalf of the primary operation. Production Partners may have private label agreements with entities, but the parent entity is still responsible for production coordination. Not less than 75 percent of a partner's gross sales of the certified product shall be marketed under the primary operation's brand. This production partnership arrangement allows the operation to cover the production partner's certification expenses.

If it is found that less than 75 percent of the production partner's sales are not for the primary operation, the production partner arrangement will be invalidated. The partner will be responsible for paying the difference in the production partner fee and what the regular certification fees would have been without a production partner agreement. Inspection fees will also be required, and Oregon Tilth will notify the primary liaison in this event.

In such arrangements, the primary operation pays certification fees on its sales as outlined in the applicable fee schedule. For each partner included in the production partnership, a certification fee of \$650 USD is charged on sales under \$50,000 USD. The Production Partner fee increases to \$850 USD for operations whose sales are above \$50,000 as reported on the OSP.

All production partners are required to report their sales on the OSP renewal form, although the sales will not affect their fee amounts.

Oregon Tilth reserves the right to refuse the production partner arrangement if the complexity of the operation exceeds our administrative capacity.

RESTAURANTS AND RETAILERS

The annual fee for the certification of restaurants and retailers is based on number of retail locations. Retailers may choose to limit scope of certification "by department" and will be charged according to the "by department" fees listed.

Restaurant operations will be charged according to the "entire location" fees listed below, which is \$1,250 USD per location.

OTCO Fee Schedule

Number of Retail Locations	Entire Location Certification fee USD)	By Department Certification fee (USD)
1	\$1,250	\$500 per department, per location
2 – 5	\$5,000	\$500 per department, per location
6 – 10	\$10,000	\$500 per department, per location

INSPECTIONS

Inspection costs can be highly variable due to several factors. Size and scope of an operation can determine its complexity and time required for inspection. Client preparedness plays a key role. If records are organized and accessible, this can decrease the amount of time an inspector needs to complete an inspection. Our inspections team works, whenever possible, to negotiate grouped inspections with other operations to help defray travel costs across several clients. Additionally, the location and ease of accessibility of the inspection site may contribute to the cost of an inspection. Our Inspections Team and Finance Team work diligently to monitor inspections and keep them at a reasonable cost. The Inspection Team can help answer your inspection questions and fill your inspection needs.

INSPECTION FEES

In addition to the certification fee, operators should plan for annual inspection fees. Fees are assessed following the completion of an inspection at the site(s) of production. The inspection fee includes the inspector's time spent in preparation for, execution of, and final production of the report following the inspection. The billable rate to the client for these activities is \$68 hr. In addition, travel expenses including time, transport, lodging, and meals, will be assessed. Hourly travel rate for our inspectors is \$45 hr.

Clients must schedule a mandatory annual inspection. Our Inspections Department will contact you to arrange the annual inspection. Due to scheduling and inspector availability, the physical inspection may occur more or less than 12 months since your last inspection, although it must not exceed 18 months since last inspection. Please note that even if your inspection date is assigned 12 months or more after your certificate issue date, this does not impact the validity of your certificate.

ADDITIONAL INSPECTIONS

Additional inspections may be required for new applicants unable to demonstrate substantial compliance during the annual inspection. OTCO reserves the right to decide

OTCO Fee Schedule

if additional inspection support is needed for large-scale operations (i.e., two inspectors). Additionally, the USDA NOP and other accreditation bodies may order additional compliance inspections, which will be the responsibility of the client to cover. If additional scheduled inspections are required to demonstrate compliance or to add new fields/sites or facilities, then OTCO bills for the inspection fee plus a 10 percent administration fee.

UNANNOUNCED INSPECTIONS

Certified operators are subject to unannounced inspections and/or sampling events. No fees are assessed for unannounced inspections. Typically, we do not pass the sample costs to the client, but we reserve the right to do so regarding issues of noncompliance.

CANCELLING INSPECTIONS

If you cancel a scheduled inspection with less than one-week notice (from the date of the scheduled inspection), you will be assessed the inspector's preparation time, reimbursable expenses (travel, lodging, etc.) that have been incurred for the planned trip, as well as an administrative fee of \$100 USD. If the inspector is en route, the client will be billed for travel time, in addition to the above listed costs.

OTHER CERTIFICATIONS

Oregon Tilth continues to expand its certification services to support organic operations with socially equitable and biologically sound production.

For example, Oregon Tilth offers evaluation of organic products for compliance and/or equivalence with additional requirements of foreign markets, such as the Great Britain /European Union, Mexico, Japan, Taiwan, Korea, Switzerland, and Canada. We also offer certification to various private label standards such as the Global Organic Textile Standard (GOTS) and NSF/ANSI 305 Personal Care Standard.

Additionally, Oregon Tilth develops partnerships with other certification programs, such as Salmon Safe and Organic Plus Trust-Grass Fed, to evaluate farms to multiple standards during the same inspection. In addition to the applicable base fee schedule for the type of operation, the associated additional certification evaluation fees are as follows:

COMPLIANCE RECOGNITION TO MEXICO ORGANIC STANDARD

All U.S. organic products exported to Mexico must be certified to Mexico's Organic Standards Law (LPO) as the two countries do not have a trade equivalency agreement in place. Oregon Tilth assesses a \$1,000 fee for our current certified operators wishing to export products into Mexico. This fee is in addition to processor or farm base fees listed in the above main fee schedule section.

OTCO Fee Schedule

Those currently certified by other ACB's can apply for this compliance recognition with Oregon Tilth and they will be charged an annual fee of \$3,000. Any items added after the initial review will be treated as product and label additions and will incur the \$50 per review fee listed in the 'Additional Services/Charges section below.

SALMON SAFE



The Salmon Safe eco-label signifies an independent verification of environmental practices and management that protects water quality and habitat. This includes but is not limited to areas such as sediment and erosion control, water use, pest and animal management, and biodiversity conservation. The Salmon Safe certification can apply to farms, vineyards, urban developers and builders and land managers. Currently, Oregon Tilth only offers this service in conjunction with organic certification to farms.

A \$95 USD fee is assessed every three years and is included on your organic inspection invoice. The Salmon Safe inspection is conducted alongside the annual organic certification inspection.

OPT – GRASS FED



OTCO, in cooperation with Earth Claims LLC and The Organic Plus Trust (OPT), provides OPT Certified Grass-Fed Organic certification to organic farmers and handlers with grass-fed livestock products.

OPT Certified Grass-Fed Organic identifies farmers and businesses who are maximizing the use of pasture grazing, minimizing grain in all forms, and maximizing animal well-being. The program is underpinned by the USDA National Organic Program (NOP) and builds upon the existing organic certification requirements. OTCO-certified organic farmers and handlers are eligible to receive a flat rate fee (\$350 USD) in addition to annual certification or certifications application fees. Inspection costs will be categorized and calculated separately and be included on your normal inspection service invoice.

GOTS (Global Organic Textile Standard)



Scopes of Certification

OTCO's organic fiber program certifies to the Global Organic Textile Standard (GOTS) — a comprehensive certification service for each step throughout the textile supply chain. The GOTS standard incorporates high-level environmental standards and social criteria compliance along the entire textile chain. As such, the following four scopes have been identified as a type of entity in the textile supply chain:

SCOPE 1 - Mechanical processing and manufacturing facilities and products (e.g., gin

OTCO Fee Schedule

operations, nonwovens, bedding manufacturing, cut and sew, etc.)

SCOPE 2 - Wet processing and finishing operations and the products made (e.g., washed cotton, preparing fibers for textile production, dyeing, laundering, finishing woven and knit fabrics)

SCOPE 3- Trader/broker/marketer/importer operations that can receive and repack products (taking possession of the goods) or can be logistical coordinators such as brokers or traders (no possession of goods taken).

Base Certification Fee

GOTS clients will pay base certifications fees according to the fee schedule for Handling Operations outlined above. The same classification for GOTS brokers and marketers applies on the processing fee schedule. Each GOTS client will also pay a \$500 USD facility and licensing fee.

One Certificate, Multiple Facilities

Every GOTS facility and sub-contractor whose records must be reviewed and inspected will be charged a \$500 USD facility fee. This fee also includes the per facility royalty/licensing fee that Oregon Tilth passes on from Global Standard GmbH, the GOTS standard authority.

Trader/Marketer/Broker/Importer

The same classification for GOTS brokers and marketers applies on the processing fee schedule, so your fees will only be assessed on the net profit of goods sold, as long as physical possession of the goods does not occur.

Sample Event

In 2019, a mandatory sampling event for gin operations was implemented by the GOTS standard. These costs will be passed along to the operators and will include the laboratory analysis cost, inspector time and supply/shipping expenses. Expect this cost to be a minimum of \$600 USD per sample.

Label and Product Fees

After initial certification, if a GOTS client wishes to add a new label or product to their certificate, Oregon Tilth will levy a \$50 USD per label/product fee. If you require a faster timeline for a label or product, please see the expedited services section.

Miscellaneous

All other miscellaneous transaction fees listed in this schedule also apply to GOTS clients. These fees include but are not limited to transaction certificates, all late charges, withdrawal fees, inspections, non-refundable fees, new applicant fees, expedite fees, etc.

BEE BETTER CERTIFICATION



The Xerces Society, in partnership with Oregon Tilth, developed Bee Better Certified™ to promote pollinator conservation in agriculture. The Bee Better production standards are science-based and field-tested, guaranteeing that the actions farmers take actually improve pollinator habitat. Third-party verification from Oregon Tilth ensures that the certification process is transparent and trustworthy.

Certification fees are due every third year and will cost \$400 USD for farm/grower operations or \$1000 USD for a handler/processor. In addition, processors will pay an annual royalty fee based on gross sales of products listed under the Bee Better label. These products are listed on the royalty agreement and sales should be reported on the annual renewal. Currently, royalty fees are .01 percent of net annual sales with a cap of \$100,000 USD per product and a maximum fee of \$200,000 for all products combined.

All farm operations will have an on-site physical inspection the first year, and the inspector time and travel expenses are invoiced to the client. Processors and handlers of Bee Better verified products will receive a desk audit without an onsite audit unless the application risk assessment indicates a need for an in-person inspection. In subsequent years, Oregon Tilth reserves the choice to conduct a desk audit, or we may choose to send an inspector to ensure appropriate compliance is maintained. On-site inspections costs incurred are the responsibility of the client.

MEXICO ORGANIC PROGRAM (LPO-Ley de Productos Orgánicos)



The Mexico Organic Program requires that any products produced and/or sold in Mexico as organic must meet the requirements of the Mexico Organic Standards (LPO), or be shipped to Mexico under an equivalency arrangement. OTCO is accredited to offer LPO certification services.

OTCO offers services to evaluate crop and handling operations that comply with LPO.

Follow the fee schedule for organic certification, and then add an additional \$500 USD for the LPO certification.

Oregon Tilth must also assess and collect the Mexico 16 percent VAT tax on all certification and inspection invoices.

OTCO Fee Schedule

Payments

Operations located in Mexico should not make a payment until the Oregon Tilth Mexico Office provides an electronic invoice. To generate an electronic invoice, the following information will be requested of your operation:

1. The federal taxpayer registration card (cedula de Registro Federal de Contribuyente or RFC)
2. The operation's fiscal address, which should match the RFC
3. Your preferred payment method (bank transfer, check or cash)
4. The last 4 digits of your bank account

Included in the application packet is a form to fill in the above information.

European Union (EU) Organic Program



Oregon Tilth offers services to evaluate USDA National Organic Program certified crop and handling operations to the European Union (EU) organic standard.

Certification to the EU standard is required when organic production and product shipment occurs from countries where no equivalency or trade arrangement exists with the EU.

The fee for the addition of EU compliance is \$100 USD for farm/grower scope and \$295 USD for Processors/Handlers scope.

KRAV Program



In Sweden, consumers recognize that the KRAV Sustainability Label as assurance that standards in addition to EU organic certification, including basic "social responsibilities" are met. KRAV contracts with certifiers around the world to inspect EU certified clients to the additional KRAV Sustainability Label requirements. The fee is \$500 USD per site to complete this assessment.

Reissuing CFDI Invoices

If a client requests that their CFDI invoice emitted from Mexico be cancelled and reissued with a different date, the client will be assessed an additional \$25 USD processing fee.

OTCO Fee Schedule

NSF/ANSI 305 PERSONAL CARE PROGRAM



In addition to the regular fee schedule for Handling Operations (see fee calculations section), all NSF/ANSI 305 clients will pay an additional \$1,000 USD per facility for each calendar year. In addition to this flat fee for review, the following per product/sku license fee will be applied for products requested for certification under this standard:

Total Product SKU's	License Fee (US dollars)	Example 70 SKU's
First 25 SKU's	\$50 per SKU	25 x \$50 = \$1,250
Next 26-50 SKU's	\$30 per	25 x \$30 = \$750
Next 51-100	\$20 per	20 x \$20 = \$400
>100	\$10 per	Total = \$2150

Label and Product Fees

After initial certification, if an NSF client wishes to add a new label or product to their certificate, Oregon Tilth will levy a \$50 USD per label/product/SKU fee. If you require a faster timeline for a label or product, please see the expedited services section.

Material Review Fees

Clients who send Oregon Tilth a material input review that requires a Green Chemist review will incur a \$150 fee.

ADDITIONAL SERVICES/CHARGES

EXPEDITED SERVICES

Additional Scope, Facility or Land Adds

For operations that wish to expedite their certification as a new applicant or to add new fields/sites or facilities to be inspected and approved, OTCO charges \$3,000 USD for expedited services. This \$3,000 USD fee is in addition to the certification fee, inspection fee and new applicant fee as previously described. If you are applying for certification under multiple classes, i.e., farm and processor, the \$3,000 expedited service fee will apply to each class of certification that you wish to expedite. This fee should be paid before or at time of application submission.

If you enroll in the expedited services program, OTCO provides the following:

- Application receives expedited attention for initial review and processing
- OTCO will secure an inspector and inspection will occur as soon as possible
- The inspection report will be submitted within two (2) business days
- OTCO will review the inspection report within three (3) business days and identify any outstanding issues before certification can be granted.

OTCO Fee Schedule

The timelines outlined above may not be sufficient for complex applicant files. Every effort will be made to meet these timelines for expedited service; however, incomplete applications, complex files, and significant noncompliance issues may result in additional time needed to complete the inspection report and inspection report review. Failure of the applicant to respond to issues in a timely fashion will delay certification. Certification cannot be guaranteed by a certain date and OTCO has the right to refuse service for expedited requests if we do not have the administrative capacity to do so. In some cases, requests for this service may be outside of a geographical area in which we normally do business or may be at a high-volume service period. In these cases, OTCO will communicate if we are unable to meet your request of expedited service.

Expedited Product/Crop/Label Adds/Acreage Add/Supplier Update

In response to support of clients that run into time constraints, we have created a service category to expedite product, crop, supplier update and label reviews. The fee per label, product, crop or supplier update will be \$350 USD. Expedited review does not guarantee approval. You will receive a notification from Oregon Tilth staff within two (2) business days of the request.

We will consider the front and back of a product as one label, and the label on the product and the label on the package (if the same ingredients) as one label. This fee will not be added on top of the mid-year addition fee listed below.

MID YEAR ADDITIONS

These are fees based on additions to your certificate and operations mid-year. This includes products, labels, crops, acreage, storage facilities and processing facilities. If an additional facility or acreage results in an inspection, this fee will be waived.

The first 10 additions for products, crops and labels will be free (combined), with a cap of \$1,500 in fees. Additional items will be invoiced at \$50 per add. Clients who pay certification fees in the \$15 million sales tier bracket and above will receive no additional charge on their additions.

We will consider the front and back of a product as one label, and the label on the product and the label on the package (if the same ingredients) as one label. We will also consider the same label or product on different size packages as one label.

FACILITY FEES

Oregon Tilth charges \$300 USD for each facility listed under one master certificate. See above sections referencing handling/processor fee calculations to calculate the base fee level, then add \$300 USD per facility onto that fee.

MISREPORTED SALES

At the time of inspection, your inspector will verify the sales amount you submitted on your OSP, used to calculate your annual fee. If there is a discrepancy in sales amounts reported, the Finance Department will issue a credit (for over-reported sales) or a secondary invoice (for under-reported sales) that calculates the difference in what you were originally invoiced and what you should have been invoiced.

REINSTATEMENT FEE

Oregon Tilth will charge a \$750 USD reinstatement fee for clients that have been suspended from USDA NOP certification due to administrative complexity. This fee is in addition to certification and inspection fees. We require the reinstatement and certification fee to be paid in advance of initial review.

TRANSACTION CERTIFICATES (IMPORT/EXPORT OF GOODS)

Transaction certificates (TCs) are load specific documents that validate your shipment of organic certified products. Many countries require these types of documents to import into their country. Sometimes these documents are requested by buyers and may or may not be required. Oregon Tilth charges for the issuing of these documents. Countries that require these certificates are included but not limited to as follows: Korea, Switzerland, Japan, Taiwan, and GB/the EU. Additionally, GOTS requires transaction certificates for each step in the organic supply chain (from gin to final manufacturer).

Import/Export Certificate

Due to the technical nature and complexity of paperwork, all TCs will be billed at a rate of \$60 USD per certificate. Customers will receive their invoices on a monthly basis.

Correction Fee

Please note, OTCO charges a \$25 USD penalty fee for corrections to transaction certificates resulting from erroneous information provided by the operation. This is in addition to the applicable transaction certificate fee.

Complex/Multi-Shipment Certificates

Complex transaction certificates, meaning those requiring supporting documents or those listing more than 10 shipments/bale numbers, will result in a \$75 USD fee due to the additional administrative time and record keeping required during processing.

Expedited Certificate – One (1) Business Day

OTCO also offers an Expedited TC service when there is need for quick delivery of a transaction certificate. In these cases, OTCO will bill \$125 USD per expedited TC and guarantee completion of them by the end of the next business day, following receipt of a completed request.

OTCO Fee Schedule

Expedited Transaction Certificate – Same Day

If you require a same day expedited transaction certificate, the cost will be \$200 USD per certificate. This service is only available during our regular business hours, from 9:00 am to 5:00 pm PCT; completed requests must be received by 12:00pm PST to qualify for same day expedited processing.

LATE/NO RESPONSE BY DEADLINE

We want to ensure the success of our clients and therefore do not want our clients to overlook important steps in their certification process. If you have received notification from us with a deadline, please respond. No response triggers an administrative process that is time consuming and costly. For renewing (not first year) clients, we may charge up to \$50 USD per occurrence for late OSP renewals, no response to RFI's (requests for information), and no response to non-compliances, etc.

MEDIATION FEES

If a client has progressed toward the proposed suspension of their certificate, a mediation is formally offered to the client. If the client would like to participate in the mediation process, they will be obligated to prepay a mediation fee to engage in a signed agreement and to clear your proposed suspension. There are two levels of mediations and corresponding charges.

An informal mediation is a short mediation, often by phone or email, for smaller administrative and first-time offenses, such as non-payment of fees. The charge for this service is \$150 and must be prepaid before a mediation date and agreement is set.

The mediation charge for all other types of suspensions, and for repeat notices of the same issue, is \$350 and must be prepaid.

NON-PAYMENT OF INVOICES

If a client has not made payment on their account within 90 days of the invoice issue date, or has not arranged a payment plan, the account will be considered past due, and a noncompliance will be issued. Oregon Tilth will begin calculating interest at the rate of 18 percent per annum on past due amounts over 90 days old.

Oregon Tilth reserves the right to turn over uncollected fees to a third-party collection agency in the event of non-payment.

BANK FEES

Clients are responsible for all bank fees, deposit fees, wire fees, and returned check fees. Returned checks will be assessed at a rate of \$25 per check.

OTCO Fee Schedule

NON-REFUNDABLE FEES

Because certification fees are generally paid in advance of an inspection, OTCO allows refunds or credits of fees paid for certification services. If you wish to release (surrender) your certification the best time to do this is with your annual renewal. Otherwise, withdrawal fees will be calculated later in the year. The section below presents a table of scheduled withdrawal fees. The remainder of your certification payment will be refunded after the following fee has been assessed.

Withdrawal of expedited service request (up until scheduling of inspection, no refund of expedite fees after)	\$200 USD
Withdrawal/Surrender/Denial after initial review and before inspection	50% of certification fee
Withdrawal/Surrender/Denial at or after inspection (You are liable to pay all certification and inspection costs)	No refund

OTCO charges the following fees to new applicants who withdraw prior to completion of the certification process.

Withdrawal before initial review -non-refundable new client fee	\$300 USD
---	-----------

CERTIFICATION FEE DISCOUNTS

EDUCATION CERTIFICATION FEE WAIVER

Farms that can demonstrate exclusive use for public research and education are exempt from paying certification base fees. Applicable new applicant, expedited service fees and inspection costs will apply.

VETERAN-OWNED FARM OPERATIONS

Farms that can demonstrate primary ownership by military veterans are exempt from paying certification base fees. Applicable new client, expedited service fees and inspection costs will apply.

This discount does not apply to processing operations. If a client wishes to have both farm and processing services, the outlined processing scope fees will apply.

Please contact our office for information on how to qualify for this waiver.

PAYMENTS

Oregon Tilth offers several methods for payment. For convenience and ease, payments can be made by credit, debit card or PayPal by visiting our website at <https://tilth.org/certification/tilth-fee-calculator/>. You can calculate fees and renew or contact our office to arrange payment over the phone.

OTCO Fee Schedule

Mexico clients may call 01 [52] (452) 255-0953 for payment information.

If mailing a check, please send to:

Oregon Tilth, Inc.
PO Box 368
Corvallis, OR 97339

If paying certification and/or inspection fees in a lump sum causes financial difficulties, operators may contact the Finance Department to inquire about setting up a payment plan contract. All payment plan contracts must be signed and returned to the Finance staff before they are considered active. A \$25 USD administrative charge will apply to each payment plan contract arranged, in lieu of an interest fee. This fee will be added to your first payment. It is important that you send in timely payments, otherwise the contract will be considered void and interest fees may accrue on open balances.



We understand that organic certification can be a complex and detailed process. Therefore, we will give our utmost to offer quality customer service, to help you understand our fee schedule and answer your questions. We are just a phone call or email away.

Thank you,
The Oregon Tilth Finance Team

OTCO Fee Schedule

APPENDIX – FEE TABLE

GROSS INCOME FROM SALE OF CERTIFIED PRODUCTS		Farm/Grower	Farm w livestock	Retail and Dual Scope	Wholesale
At least (USD)	Not more than (USD)	new clients add \$300 USD			
\$0	\$10,000	\$325	\$475	\$750	\$750
\$10,001	\$25,000	\$425	\$575	\$1,000	\$1,000
\$25,001	\$40,000	\$625	\$775	\$1,000	\$1,000
\$40,001	\$65,000	\$725	\$875	\$1,000	\$1,000
\$65,001	\$100,000	\$850	\$1000	\$1,000	\$1,000
\$100,001	\$125,000	\$1,000	\$1,150	\$1,000	\$1,000
\$125,001	\$150,000	\$1,200	\$1,350	\$1,200	\$1,000
\$150,001	\$200,000	\$1,300	\$1,450	\$1,300	\$1,000
\$200,001	\$250,000	\$1,800	\$1,950	\$1,800	\$1,000
\$250,001	\$350,000	\$2,300	\$2,450	\$2,300	\$1,000
\$350,001	\$550,000	\$2,500	\$2,650	\$2,500	\$1,000
\$550,001	\$700,000	\$2,600	\$2,750	\$3,000	\$1,050
\$700,001	\$800,000	\$2,750	\$2,900	\$3,250	\$1,100
\$800,001	\$900,000	\$3,000	\$3,150	\$3,500	\$1,200
\$900,001	\$1,000,000	\$3,250	\$3,400	\$3,750	\$1,300
\$1,000,001	\$1,500,000	\$3,500	\$3,650	\$4,000	\$1,500
\$1,500,001	\$2,000,000	\$3,750	\$3,900	\$5,500	\$1,900
\$2,000,001	\$2,500,000	\$4,250	\$4,400	\$6,750	\$2,400
\$2,500,001	\$3,000,000	\$4,750	\$4,900	\$7,000	\$2,700
\$3,000,001	\$3,500,000	\$5,250	\$5,400	\$7,250	\$3,000
\$3,500,001	\$4,000,000	\$5,500	\$5,650	\$7,500	\$3,300
\$4,000,001	\$4,500,001	\$5,750	\$5,900	\$8,000	\$3,600
\$4,500,001	\$5,000,000	\$6,250	\$6,400	\$8,500	\$3,900
\$5,000,001	\$5,500,000	\$6,750	\$6,900	\$8,750	\$4,200
\$5,500,001	\$10 million	\$8,375	\$8,525	\$9,000	\$5,000
\$10 million	\$15 million	\$10,000	\$10,150	\$12,000	\$7,000
\$15 million	\$20 million	\$12,000	\$12,150	\$14,000	\$10,000
\$20 million	\$25 million			\$16,500	\$16,500
\$25 million	\$30 million			\$18,000	\$18,000

OTCO Fee Schedule

\$30 million	\$40 million			\$22,000	\$22,000
\$40 million	\$50 million			\$27,000	\$27,000
\$50 million	\$60 million			\$30,000	\$30,000
\$60 million	\$75 million			\$35,000	\$35,000
\$75 million	above			\$42,000	\$42,000