

Demeter Association, Inc.
Stellar Certification Services, Inc.

FEE SCHEDULE

The following Fee Schedule has three sections: Section I is for applicants who are seeking certification for only USDA organic standards by Stellar Certification Services. Section II is for applicants who are seeking certification to only Demeter Biodynamic® standards. Section III is for applicants who wish to certify to both Stellar NOP organic and Demeter Biodynamic®, Aurora Certified Organic®. **Note: Aurora Certified Organic® certification is only available to applicants who hold a current NOP organic certificate with Stellar Certification Services, or another USDA accredited organic certifier.** Please refer to the appropriate section and worksheet to calculate your fees.

I. Stellar NOP Organic Certification Only

Stellar NOP Organic certification only – Farm Applicants

If any on or off-farm processing is to be considered under certification, please see processing fees in Section II.

- A. **NEW** Farm Application \$ 520.00*
*Includes \$200 deposit towards inspection costs.
- B. **Renewing** Farm Application.....\$ 420.00*
*Includes \$200 deposit towards inspection costs.
- C. Each additional site under certification\$50 per additional site
- D. Inspection costs, less deposit.....billed after inspection
- E. **Annual Licensing Fee (Renewing Applicants only):** Assessed according to table below.
Amount assessed is on total gross sales of certified product between January 1st and December 31st of the preceding year. For crops that are certified and not sold, but are further processed into products not certified by Stellar, licensing assessment is 0.5% of the market value of the crop. If processing of farm product occurs under the farm's certification, the Licensing Fee chart in Section II applies.

Sales between \$0 and \$1 million (\$75 minimum in the event of no or low sales)	Total sales x 0.005
Sales between \$1 million and \$2 million	\$5000 + total sales above \$1 million x 0.0025
Sales between \$2 million and \$5 million	\$7500 + total sales above \$2 million x 0.00125
Sales above \$5 million	\$11250 + total sales above \$5 million x 0.0005 \$50,000 maximum

Stellar NOP Organic certification only – Processor/Handler Applicants

- A. **NEW** Processor/Handler Application.....\$ 720.00*
**Includes \$200 deposit towards inspection costs*
- B. **Renewing** Processor/Handler Application\$ 520.00*
**Includes \$200 deposit towards inspection costs*
- C. **On-farm processing** of raw agricultural products produced only on own farm.....\$ 370.00*
**Includes \$200 deposit towards inspection costs.*
- D. **Contracted processing**, per site*\$ 370.00*
** Includes \$200 deposit towards inspection costs. This fee is for producers who contract other non-certified organic facilities to process products for them. No fee is charged for processing at facilities that hold a current NOP organic certificate. In the event that the requested processing is not covered under the facility's certification, the \$370 fee will be assessed and an application and inspection visit will be required.*
- E. Inspection costs, less deposit.....billed after inspection
- F. Annual Licensing Fee: Assessed according to table below. Amount assessed is on total gross sales of certified product between January 1st and December 31st of preceding year.

For operations that perform private labeling or co-processing services, licensing fees are assessed on the gross income from private labeling and co-processing services.

Sales between \$0 and \$1 million (\$200 minimum in the event of no or low sales)	Total sales x 0.005
Sales between \$1 million and \$2 million	\$5000 + total sales above \$1 million x 0.0025
Sales between \$2 million and \$5 million	\$7500 + total sales above \$2 million x 0.00125
Sales above \$5 million	\$11250 + total sales above \$5 million x 0.0005 \$50,000 maximum

See examples below

Licensing Fee Examples

- A certified entity does not sell any certified product in the previous calendar year – The minimum Licensing Fee of \$75 applies.
- A certified entity has gross sales of \$10,000 on certified product in the previous calendar year - $\$10,000 \times 0.005 = \50 . The minimum Licensing Fee of \$75 applies.
- A certified entity has gross sales of \$125,000 on certified product in the previous calendar year - $\$125,000 \times 0.005 = \625 . The Licensing Fee is \$625.
- A certified entity has gross sales of \$1, 275,000 on certified product in the previous calendar year - $\$275,000 \times 0.0025 = \$687.50 + \$5000 = \5687.50 . The Licensing Fee is \$5687.50.
- A certified entity has gross sales of \$4,385,000 on certified product in the previous calendar year. - $\$2,385,000 \times 0.00125 = \$2981.25 + \$7500 = \$10,481.25$. The Licensing Fee is \$10,481.25.

- vi. A certified entity has gross sales of \$11,435, 224 on certified product in the previous calendar year - $\$6,435,224 \times 0.0005 = \$3217.62 + \$11,250 = \$14,467.62$. The Licensing Fee is \$14,467.62.

Stellar-only Traders

- A. **NEW** Trader Applicant.....\$ 275.00
 B. **Renewing** Trader Applicant\$ 225.00
 C. Trader Co-Pack/Co-Processor..... Stellar contracted-processor fees apply
 D. Inspection costs, if applicablebilled after inspection
 E. Licensing Fee for **renewing** traders for sales between January 1st and December 31st of preceding year.

Sales between \$0 and \$1 million (\$75 minimum in the event of no or low sales)	Total sales x 0.005
Sales between \$1 million and \$2 million	\$5000 + total sales above \$1 million x 0.0025
Sales between \$2 million and \$5 million	\$7500 + total sales above \$2 million x 0.00125
Sales above \$5 million	\$11250 + total sales above \$5 million x 0.0005 \$50,000 maximum

IN ADDITION TO THE ABOVE FEES, ALL MISCELLANEOUS FEES AT THE END OF THIS FEE SCHEDULE APPLY TO STELLAR-ONLY CLIENTS.

II. Demeter Biodynamic® Certification only

Demeter only – Farm & Compost Applicants

If any on or off-farm processing is to be considered under certification, please see processing fees in Section VIII.

- A. **NEW** Farm Application, including commercial compost operations..... \$520.00*
**Includes \$200 deposit towards inspection costs*
 B. **Renewing** Farm Application, including commercial compost operations.....\$420.00*
**Includes \$200 deposit towards inspection costs*
 C. Each additional site under your certification\$50 per additional site
 D. Inspection costsbilled after inspection
 E. Annual Licensing Fee: Assessed according to table below. Amount assessed is on total gross sales of certified product between January 1st and December 31st of preceding year. If processing of farm product occurs under the farm's certification, the Licensing Fee chart in Section IV applies. For crops that are certified and not sold, but are further processed into products not certified

by Demeter, licensing assessment is 0.5% of the market value of the crop. **In all cases a licensing agreement between the label owner and the Demeter Association is necessary to allow use of the DEMETER and BIODYNAMIC certification marks on such labels.**

Total Gross Sales (\$75 minimum in the event of no or low sales)	Total sales x 0.005 Maximum \$50,000
Total Market Value of certified crop harvested, not sold, and further processed into non-certified product (not applicable to commercial compost operations)	Total market value x 0.005 Maximum \$50,000

Demeter only – Processor/Handler Applicant

- A. **NEW** Processor Application.....\$ 720.00*
**Includes \$200 deposit towards inspection costs.*
- B. **Renewing** Processor Application\$ 520.00*
**Includes \$200 deposit towards inspection costs*
- C. **On-farm processing** of raw agricultural products produced on own farm.....\$ 370.00*
**Includes \$200 deposit towards inspection costs.*
- D. **Contracted processing**, per site*\$ 370.00*
**Includes \$200 deposit towards inspection costs. This fee is for growers who contract other non-certified organic facilities to process products for them.*
- E. Contracted processing where contracted processor is NOP certified.....\$ 100.00
- F. Inspection costsbilled after inspection

Annual Licensing Fee (Renewals only): Assessed according to table below. Amount assessed is on total gross sales of certified product between January 1st and December 31st of preceding year. **In all cases a licensing agreement between the label owner and the Demeter Association is necessary to allow use of the DEMETER and BIODYNAMIC certification marks on such labels.**

G.

Total Gross Sales (\$200 minimum in the event of no or low sales)	Total sales x 0.006 Maximum \$50,000
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Demeter Only Traders

- A. **New** Trader Applicant.....\$ 270.00
- B. **Renewing** Trader Applicant\$ 220.00
- C. Trader Co-Pack/Co-Processor Demeter contracted-processor fees apply
- D. Trader Co-Processor that is certified NOP organic.....\$100 per site
- E. Inspection costs, if applicablebilled after inspection

Licensing Fee for renewing traders: **(Renewals only):** Assessed according to table below. Amount assessed is on total gross sales of certified product between January 1st and December 31st of preceding year. **In all cases a licensing agreement between the label owner and the**

Demeter Association is necessary to allow use of the DEMETER and BIODYNAMIC certification marks on such labels.

F.

Total gross sales assessed at 0.6 % for all traded product (\$200 minimum in the event of no or low sales)	Total gross sales x 0.006 Maximum \$50,000
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IN ADDITION TO THE ABOVE FEES, ALL MISCELLANEOUS FEES AT THE END OF THIS FEE SCHEDULE APPLY TO DEMETER-ONLY CLIENTS.

III. Certification to both Demeter Biodynamic® and Stellar NOP Standards

Demeter and Stellar – Farm Applicants

If any on or off-farm processing is to be considered under certification, please see processing fees in Section XIII.

A. New Farm Applicant.....\$ 670.00*

**Includes \$200 deposit towards inspection costs.*

B. Renewing Farm Applicant.....\$ 570.00*

**Includes \$200 deposit towards inspection costs.*

C. Each additional site under your certification\$50 per additional site

E. Inspection costs.....billed after inspection

F. Licensing Fee: Assessed according to table below. Amount assessed is on total gross sales of certified product between January 1st and December 31st of preceding year. If processing of farm product occurs under the farm's certification, the Licensing Fee chart in Section IV applies. For crops that are certified and not sold, but are further processed into products not certified by Stellar and/or Demeter, licensing assessment is 0.5% of the market value of the crop. **In all cases a licensing agreement between the label owner and the Demeter Association is necessary to allow use of the DEMETER and BIODYNAMIC certification marks on such labels.**

0.5% of Total Gross Sales between January 1 st and December 31 st of preceding year for Demeter certified products (\$75 minimum in the event of no or low sales)	Total sales x 0.005 Maximum \$50,000
Total Market Value of certified crop harvested, not sold, and further processed into non-certified product.	

Demeter and Stellar – Processor/Handler Applicants

- A. New Processor/Handler Application.....\$ 870.00*
*Includes \$200 deposit towards inspection costs
- B. **Renewing** Processor/Handler Application.....\$ 670.00*
*Includes \$200 deposit towards inspection costs.
- C. **On-farm processing** of raw agricultural products produced on own farm.....\$ 470.00*
*Includes \$200 deposit towards inspection costs
- D. **Contracted processing**, per site*\$ 470.00*
* Includes \$200 deposit towards inspection costs. This fee is for growers who contract other non-certified organic facilities to process products for them.
- E. Contracted processing where contracted processor holds current NOP certification...\$ 100.00
In the event that the requested processing is not covered under the facility's NOP Certification, the \$470 fee will be assessed and an application and inspection visit will be required.
- F. Inspection costsbilled after inspection

G. Annual Licensing Fee (Renewing Applicants only): In all cases a licensing agreement between the label owner and Demeter Association is necessary to allow use of the DEMETER and BIODYNAMIC certification marks on such labels.

0.6% of Total Gross Sales between January 1 st and December 31 st of preceding year for Demeter and Demeter/Stellar certified products.	Total sales x 0.005 or 0.006
0.5% of Total Gross Sales between January 1 st and December 31 st of preceding year for Stellar-only certified products.	Maximum \$50,000
\$200 minimum in the event of no or low sales	

Demeter and Stellar Traders

- A. **New** trader applicant\$ 380.00
- B. **Renewing** Trader Applicant\$ 330.00
- C. New Trader Co-Pack/Co-Processor Demeter contracted-processor fees apply
- D. Inspection costs, if applicablebilled after inspection
- E. **Annual Licensing Fee (Renewing Applicants only)**

0.6% of Total Gross Sales between January 1 st and December 31 st of preceding year for Demeter and Demeter/Stellar certified products.	Total gross sales x 0.005 or 0.006
0.5% of Total Gross Sales between January 1 st and December 31 st of preceding year for Stellar-only certified products.	Maximum \$50,000
\$200 minimum in the event of no or low sales	

IN ADDITION TO THE ABOVE FEES, ALL MISCELLANEOUS FEES AT THE END OF THIS FEE SCHEDULE APPLY TO STELLAR AND DEMETER CLIENTS.

Fee Descriptions and Miscellaneous Fees

The following fees are applicable to all categories of certification unless otherwise noted.

Application and Renewal Fees

Application and renewal fees are listed above. Each new and renewing applicant receives a copy of the current Fee Schedule and may use the Fee Schedule to help determine annual certification costs. New applicants will receive an initial estimate of costs for certification. Renewing applicants can use the Fee Worksheet to help determine estimated costs, and may request a cost estimate from Demeter/Stellar at any time if they are not able to adequately determine costs with the information stated in this Fee Schedule.

Incomplete applications

A fee of \$25 may be assessed for any applications that need to be returned to the applicant due to incompleteness.

Assessment of Licensing Fees

All renewing applicants are billed the annual licensing fee based on the sales value of all certified product produced and/or sold in the previous year. Included in the licensing fee calculation is any crop production that is not sold as organic/Biodynamic and is not further processed into a product that is certified by Stellar/Demeter. All certified production must be reported- even if not sold as organic/Biodynamic - on the fee calculation worksheet provided with the annual renewal application.

Evidence of production value, including sales records and/or production capacity, must be available for review at the annual certification inspection. Demeter/Stellar reserves the right to adjust the annual licensing fee based on information verified at the inspection. Evidence of production value includes, but is not limited to: sales records, income tax revenue statements, acreage multiplied by per acre yield and crop value (may be based on county agricultural commissioner reports), or other third party records.

An applicant may request to pay licensing fees incurred on a quarterly basis in the year the sales occur.

Expedited Certification Fee

A fee of \$850 will be charged for operations that wish to expedite their certification process. This may apply to new applicants, as well as to current clients who need to add new fields/sites, facilities, and/or certification scope(s). This fee is in addition to the application or renewal fees and inspection costs. If the expedited process is requested for more than one scope, the \$850 will apply to each scope.

By requesting an expedited certification process, Demeter and/or Stellar will provide the following services:

- Priority attention for initial review and processing of documents
- Priority to assigning and scheduling the onsite inspection
- The inspection report will be submitted within 2 days of the inspection
- The inspection report will be reviewed and conditions for certification will be identified within 2 business days of receipt of the report

Requesting expedited certification services does not guarantee a date of certification. Demeter and Stellar reserve the right to decline requests for expedited certification should we not have the capacity to provide the services at the time the request is made. Demeter/Stellar will notify you if an expedited request is declined.

Inspection Fees

The annual inspection fee varies from year to year and is dependent on several factors including location, number of scopes, difficulty of inspection, availability of the operator, etc. This fee is billed based on time and material costs. Inspection preparation, on-site visit, and reporting are billed hourly at a rate of \$65 per hour. Travel time is billed at \$30 per hour. All material expenses, including travel, mileage, food, lodging, etc. are billed at cost. The average inspection cost for one scope of certification is \$400 - \$700.

Additional Inspection Visit Costs

If additional inspection visits are necessary to assess compliance to regulations, all additional inspection costs will be billed to the applicant.

Unannounced Inspection Costs

No fee will be charged to applicants for unannounced inspections.

Late Application Fees – ALL RENEWALS ARE DUE ON February 1st of the renewal year

For renewal applications postmarked or received between February 16th and March 1st, a late fee of \$50 will be assessed.

For renewal applications postmarked or received between March 2nd and April 31st, a late fee of \$150 will be assessed.

For renewal applications postmarked or received May 1st or later, a late fee of \$200 will be assessed.

Delinquent Account Fees

Accounts with past-due amounts are subject to the assessment of the following fees and procedures:

30 days past due - First notice mailed and late fees added based on a rate of 2.5% per month.

60 days - Second notice mailed, 2.5% interest continues to be applied, and a warning letter sent that suspension procedures will be initiated if account goes past 90 days past due

90 days- Third notice mailed via certified mail and notification to Stellar members that a Notice of Non-Compliance will be issued and copied to the USDA, followed by a Notice of Proposed Suspension and Suspension if fees are not resolved within the timeframe specified in the Notice of Non-Compliance.

Because processing delinquent accounts is costly to Stellar and takes away from the ability to provide service to our members, all members who receive Notices of Non-Compliance, Proposed Suspension, and/or Suspension For Non-Payment will be charged an additional \$75 to cover administrative costs.

If not able to make full payments within the required timeframe, an applicant may delay the penalty process by submitting a request for a payment plan. If SCS accepts a payment plan, SCS has full authority to determine the pay-off period. Failure to follow through on an established payment plan will lead to the penalty process being reinstated.

Non-renewal of Certification

If a decision is made to drop certification prior to February 1st of the renewal year, the applicable Licensing Fee will be due on sales from the previous calendar year and any sales of certified product up to the point of successful discontinuation of certification for the current year.

If a decision is made to drop certification after February 1st of the renewal year, a fee of \$150 will be assessed + the Licensing Fee on sales from the previous calendar year and any sales of certified product up to the point of successful discontinuation of certification for the current year.

Non-refundable Certification Fees

New applicants whose applications do not proceed to a site visit will be refunded the initial application fees, less \$150 administrative fee. If the applicant withdraws after travel arrangements have been made by the inspector, any non-refundable expenses accrued by the inspector will be added to the \$150 administrative fee. If the applicant withdraws after an inspection visit has occurred or does not achieve certification, no refund of application fees will be made and all inspection costs will be billed to the applicant, less any inspection deposit(s).

Renewing applicants that withdraw prior to being visited will be refunded the application fees, less a \$150 administrative fee. Any non-refundable costs accrued by the inspector will be billed to the applicant.

Fees for Adverse Actions

A fee of \$75 will be charged to applicants for each issued Notice of Proposed Suspension, Notice of Proposed Revocation, Notice of Suspension, and Notice of Revocation.

Mediation, Suspension, Appeal, and Decertification Fees

A fee of \$75 will be assessed for proposed suspension or decertification notifications. If the process proceeds to suspension and/or decertification, another fee of \$75 will be assessed. All costs of suspension, decertification, sanctions, mediation and appeals will be billed to the applicant.

Label Approvals

There is no charge for the initial submission of a label for approval. If the label is sent back to the applicant for changes required to make the label compliant to labeling standards, a fee of \$25 may be assessed each time the label needs to be resubmitted.

Transaction Certificates

Domestic transaction certificates will be assessed at \$15.00 + postage if other than First Class regular mail.

International transaction certificates, including TM-11s, will be assessed at \$25.00 + postage, if other than First Class regular domestic mail.

Lost/Replacement Certificates

A charge of \$25 will be assessed for the reissue of certificates due to loss by the applicant. This fee will also be assessed if the applicant requests a certificate to be sent (i.e. fax, email, etc.) on their behalf due to the applicant not having the current certificate on file once the certificate has been issued to the applicant.

Residue and Water Testing

If residue testing for products and/or production land is required by Stellar Certification Services, all costs of testing will be paid for by Stellar Certification Services.

If water tests for irrigation are required by Stellar Certification Services, all costs of testing will be paid for by Stellar Certification Services. Water testing costs for normal processing and produce wash water is the responsibility of the applicant.

Fees for Residue Results

A fee of \$50 + postage per result will be charged for public requests for pesticide residue results. The fee is due upon request for results and must be paid before results will be provided.

Translation Fees

All translation costs of documents not submitted in English will be billed to the applicant at the Miscellaneous Hourly Rate.

Miscellaneous Hourly Rate

Stellar and Demeter reserve the right to assess a fee of \$50/hour + postage for work done in excess of normal certification procedures, with a minimum of one hour billed. This includes, but is not limited to, releasing information as allowed and required by law to the public.