



Appalachian Harvest (AH) Herb Hub Producer Agreement - PART 1

This following information is being provided for those who wish to sell product through Appalachian Sustainable Development's (ASD) AH Herb Hub with details on requirements, commitments and expectations. Questions about this agreement should be directed to Katie Commender, ASD's Agroforestry Director, at kcommender@asdevelop.org and/or Robin Suggs, ASD's Procurement Manager, at rsuggs@asdevelop.org.

As a grower participating in the AH Herb Hub, I agree to the following internal control requirements:

1. I commit to raising herbs for the Appalachian Harvest Herb Hub (hereafter referred to as "AH") as stipulated in the attached production schedule in Part 2 (found on page 7-8) of this Producer Agreement.
2. I warrant that all crops were harvested legally and sustainably following state and federal guidelines, including the Convention on International Trade in Endangered Species of Wild Fauna and Flora ([CITES](#)) if applicable.
3. I warrant that all crops were harvested in season and sustainably, in accordance with the [AH Herb Hub Farmer Training Manual](#) and [Quick Reference Herb Guidelines](#).
4. I agree to only harvest crops for sale through AH that I know are accurately identified as to the *genus and species*. I understand that in order to do so, I may need to plan ahead, observe my herbs in flower, or consult with a botanical specialist for positive identification.
5. I agree to create lot numbers for all crops harvested and sold through AH, in accordance with instructions in the [Herb Hub Farm Traceability System](#).
6. I warrant that no Genetically Modified Organisms (GMO's) were/will be used in the production of any crops sold through AH.
7. I warrant that no bio-solids (sewage sludge) were/will be utilized on any land area used for production.
8. I warrant that irradiation was/will not be used on products sold through AH.
9. I certify that no illegal materials/pesticides have been or will be used in the production of crops sold through AH. In addition, the use of any legal materials/pesticides was carried out strictly in accordance with their labeling directions for herbs being grown and/or collected.
10. I agree to watch AH's *Medicinal Herbs: Good Handling and Agricultural Practices (GAP/GHP) [webinar](#)* prior to processing material for sale. Upon completion, I agree to take a [quiz](#) with a 10/10 passing score to demonstrate a proficient understanding of herb safety best practices.

11. I agree to provide AH staff a copy of any current certifications (i.e. Organic Certificate, Forest Grown Verification) and inspection report(s) if applicable. I understand that certification(s) and report(s) must be submitted before sales can be made to buyers who require certification. If my certification lapses, is surrendered, revoked, or otherwise invalidated, I will inform AH immediately and will not market my products through AH as certified.
12. I will maintain *regular and timely* communication with AH staff regarding status and quality of crops, including planting, harvesting, and processing schedules, yield forecasts, and production issues throughout the year. I understand that the more notice and reliable information I can provide to AH, the better their ability to serve both producers and buyers. I also understand that product is often aggregated from multiple farmers to collectively meet demand, and failure to communicate issues as they occur can negatively impact all farmers and market security.
13. I commit to processing my own crops for AH markets at AH, by following buyer specifications and standard operating procedures ([SOPs](#)) outlined in the AH food safety plan. I understand that AH does not have the staffing capacity or legal ability to process my herbs for me. Failure to process my own crops will result in rejection.
14. I agree to attend a mandatory AH orientation training during my first scheduled processing day at AH. I understand that this training will help me comply with AH regulations and buyer quality standards, and is necessary to maintain my eligibility to sell through AH.
15. I agree to schedule a processing window for DRIED material during the operating hours of Monday, Tuesday, and Wednesday between 10am-6pm or another mutually agreed upon day/time, by emailing Robin Suggs a request at least 7-14 days in advance of processing. I understand that AH is a *shared-use* facility, and advanced scheduling is required to avoid double booking and to ensure equipment and staff availability for my product.
16. I agree to schedule a processing window for FRESH material during the operating hours of Monday and Tuesday only between 10am-6pm or another mutually agreed upon day/time, by emailing Robin Suggs a request at least 7-14 days in advance of processing. I understand that most buyers will only accept fresh shipments Monday-Wednesday so they have enough time to process fresh material upon receipt.
17. I agree to contact Robin Suggs to discuss and obtain pre-approval of any off-site processing. Off-site processing may only be approved in advance if all of the following criteria are met: 1) commuting to AH is deemed too far to maintain herb quality and/or cost-prohibitive; 2) you have better/closer access to food safety compliant processing space and equipment that is inspected and pre-approved by AH staff; 3) you agree to follow herb hub food safety procedures; 4) you have access to packaging and labeling that meets buyer specifications and can easily be opened for inspection by AH staff prior to shipment; and 5) you agree to ship/deliver the finished product to AH for aggregation and shipment as needed. I understand that processing off-site may result in quality issues and could increase my risk of rejection from buyers. If processing off-site, I accept the liability for return costs incurred from rejections.
18. I agree to record the incoming fresh weight of my crops processed at AH on logs and scales provided at AH to help keep track of dry down ratios.
19. I agree to clean and sanitize the AH workspaces (floorspace, tables, racks, etc.), tools, and equipment I use while processing my herbs, as specified in accordance with the [AH Herb Hub Farmer Training Manual](#) and corresponding [Cleaning Checklist](#) and [Cleaning SOPs](#). I understand that failure to clean up after myself will result in a corresponding cleaning fee deducted from my

Grower Statement. The total fee will vary depending on the amount of time it takes AH staff to clean. If issues continue, AH reserves the right to terminate use of AH facilities and services.

20. I understand that I am responsible for all harvest, processing, packaging, and delivery costs to the purchaser(s)/final buyer(s) of my crop.
21. I understand that my herbs may be aggregated to meet a purchase order, and as a result, sales may be delayed until the full aggregated order has been received by AH from all participating producers. As such, it is important for all producers to harvest and process in a timely manner. To expedite timely aggregation and sales, I agree to comply with the *Volume and Harvest Schedule* as outlined in Part 2 of this Agreement (see page 7-8). Failure to comply with the *Schedule* may result in a late fee of \$10.00 for every week delayed. If issues continue, AH reserves the right to terminate use of AH facilities and services. AH understands that delays born of hardship (weather, emergencies, natural disaster etc.) may occur, but these will only be taken into account if communicated in a timely manner as they occur.
22. I understand that AH has the right to reject, in part or whole, any product I deliver to them, their agent, or cooperating partner, due to certification, quality, or food safety issues.
23. I agree that I am liable for any losses resulting from the buyer's rejection of my product, including, without limitation, losses due to reduced pricing or return costs, when the buyer's rejection arises in whole or in part from defects or failures in my production or in my processing of the product, including, without limitation:
 - a) my failure to produce a product of acceptable quality due to a lack of compliance with any of the internal control requirements outlined in this agreement.
 - b) my failure to produce a product of acceptable quality due to my failure to follow production and processing guidelines as specified in the [AH Herb Hub Producer Onboarding Packet](#) (including, among items, the Farmer Training Manual, Quick Reference Herb Guidelines, and SOPs).
 - c) my failure to produce a product of acceptable quality due to my failure to follow the prescribed processing procedures and quality specifications as outlined in onboarding training offered by AH Herb Hub staff.
24. I understand that the buyer will conduct quality testing on my herbs, including pre-ship sample tests and sensory or “organoleptic” tests, which will determine whether my product is accepted or rejected. I assume the risk that my product may be rejected by the buyer on that basis and I agree that I am liable for any losses, including, without limitation, losses due to reduced pricing or return costs, when my product is rejected, in whole or in part, on that basis.
25. I understand that if my product is rejected and returned, it will be my sole responsibility to re-market such product to a buyer of my choosing.
26. I agree that if my sales price is renegotiated due to quality issues, in lieu of rejection, I will accept the reduced price as determined by the buyer and AH.
27. I understand that as AH is not a “packer” as defined by the FDA - AH cannot sort or repack herbs that are delivered to them. If my product is rejected and needs to be reworked and repacked before resale, I agree to assume all responsibility for such work within one week of delivery.
28. I will allow AH to dispose of or otherwise cull any portion of my product that is compromised with regards to food safety, so that AH’s GAP compliance is maintained at all times.

29. I understand that AH has limited storage capacity and is unable to store rejected product, except for a limited time frame. As such, I agree to reclaim my herbs within two days of rejection. I know that due to food safety restrictions, some rejected product may not be stored by AH at all.

While not required, it is suggested that producers obtain product liability insurance in the amount of at least \$1 million. As time and schedules allow, growers are highly encouraged to attend herb farming related training offered by AH, Cooperative Extension, and other reputable entities to ensure greater success and to reduce the risk of product rejection.

Appalachian Harvest agrees to provide the following services to the prospective producer:

1. Provide aggregated buyer demand figures and guidance on making decisions regarding crop selection, production volume, certifications required, and timing of harvest.
2. Provide various training opportunities throughout the year to help growers with documentation and knowledge related to required skills. Training will be delivered through group training sessions, one-on-one sessions, conference calls, webinars, and other means as necessary.
3. Communication of harvesting and processing schedules to producers as required for timely shipment(s) to buyer(s).
4. Market and distribute product in accordance with the grower commitments included in Part 2 (found on page 7-8) of this Producer Agreement.
5. Calculate and apply the blended price to be received by all AH growers for the season within which a producer's herb is sold. The producer will be paid 90% (10% commission fee) of the delivered, blended sales price of any product sold through AH. AH will deduct from these amounts paid to producers any costs associated with but not exclusive to packaging supplies, rejection fees, or other expenses as agreed to in this document.
6. Pay the producer within net 14 business days *after* AH receives payment from the buyer. Many AH buyers are required to conduct quality tests on all incoming lots and then wait for test results before approving. As a result, buyers may require up to net 30 payment terms with AH.
7. Communicate issues regarding quality, grading, producer performance, etc. in a timely fashion. Should a rejection, price renegotiation, or request for protection on the grower's product occur, AH will communicate the situation to the grower, and packer if applicable, as soon as possible.
8. AH will store rejected herbs for up to two days before disposal. AH will attempt to store rejected herbs longer, though AH cannot guarantee capacity to do so. Please refer to #27-29 above.
9. AH will be liable for losses resulting from the buyer's rejection of my product when such rejection is due solely to errors or defects in the drying, packaging and/or labeling processes and when my rejected product was in fact dried in AH's dryers, and/or was packaged or labeled by AH.
10. Provide a printed grower statement with each payment. All cost deductions (i.e. operational expenses, packaging material, shipping, etc.) will be itemized on the statement.
11. Maintain a \$5 million product liability policy to cover AH operations.
12. Maintain USDA GAP certification, USDA National Organic Program Certification, and Forest Grown Verification for the AH.

13. Make reusable plastic containers (RPCs) available to borrow for harvesting, so long as they are returned, cleaned and sanitized, on the scheduled processing day.
14. Make packaging materials (i.e. polywoven bags, boxes, labels) available for use.
15. Deliver final packaged and labeled herbs to the buyers(s) with all required documentation.

By signing this document, the Grower agrees to follow all of the internal control requirements as a participating member of the AH Herb Hub. If any trips/farm visits for corrective actions are required by AH staff, the Grower will reimburse ASD (AH parent company) for the travel costs @ \$0.57 cents per mile relevant to the corrective action.

By signing this document, AH agrees to fulfill all of its obligations as stated herein.

Disclaimer: The AH Herb Hub reserves the right to remove any Grower from participation if the integrity, or safety, of the enterprise is called into question by a Grower's behavior, or unwillingness to follow protocol.

Dispute Resolution: In the event a dispute arises between the parties to this agreement, the parties agree to participate in at least four hours of mediation with a mutually agreed upon mediator. The parties agree to share equally in the costs of the mediation.

Term and Termination: The term of this Agreement shall begin on the Effective Date below and continue for the period set forth in Part 1; unless earlier terminated pursuant to the Agreement. Either party may terminate this agreement with 30 days written notice.

Grower (please print legibly)

Name (checks payable to): _____

Mailing Address (for checks _____

and correspondence): _____

Physical Address (of main _____

farm location if different): _____

Phone Number: _____

Email Address: _____

Grower Name (printed): _____

Grower Signature: _____

Date Signed: _____

AH Herb Hub (please print legibly)

AH Representative Name (printed): _____

AH Representative Signature: _____

Effective Date Signed: _____

<p>For Office Use:</p> <p>Appalachian Harvest Grower #: _____</p>

2024 Volume & Harvest Schedule - PART 2

#1 Crop Name (<i>common, genus, species</i>)	
Planting Date(s) (<i>if applicable</i>)	
Estimated Date(s) of Harvest(s)	
Total Fresh Pounds Harvested for AH	
Total Dry Pounds Harvested for AH	

#2 Crop Name (<i>common, genus, species</i>)	
Planting Date(s) (<i>if applicable</i>)	
Estimated Date(s) of Harvest(s)	
Total Fresh Pounds Harvested for AH	
Total Dry Pounds Harvested for AH	

#3 Crop Name (<i>common, genus, species</i>)	
Planting Date(s) (<i>if applicable</i>)	
Estimated Date(s) of Harvest(s)	
Total Fresh Pounds Harvested for AH	
Total Dry Pounds Harvested for AH	

#4 Crop Name (<i>common, genus, species</i>)	
Planting Date(s) (<i>if applicable</i>)	
Estimated Date(s) of Harvest(s)	
Total Fresh Pounds Harvested for AH	
Total Dry Pounds Harvested for AH	

#5 Crop Name (<i>common, genus, species</i>)	
Planting Date(s) (<i>if applicable</i>)	
Estimated Date(s) of Harvest(s)	

Total Fresh Pounds Harvested for AH	
Total Dry Pounds Harvested for AH	

#6 Crop Name (<i>common, genus, species</i>)	
Planting Date(s) (<i>if applicable</i>)	
Estimated Date(s) of Harvest(s)	
Total Fresh Pounds Harvested for AH	
Total Dry Pounds Harvested for AH	

#7 Crop Name (<i>common, genus, species</i>)	
Planting Date(s) (<i>if applicable</i>)	
Estimated Date(s) of Harvest(s)	
Total Fresh Pounds Harvested for AH	
Total Dry Pounds Harvested for AH	

#8 Crop Name (<i>common, genus, species</i>)	
Planting Date(s) (<i>if applicable</i>)	
Estimated Date(s) of Harvest(s)	
Total Fresh Pounds Harvested for AH	
Total Dry Pounds Harvested for AH	

#9 Crop Name (<i>common, genus, species</i>)	
Planting Date(s) (<i>if applicable</i>)	
Estimated Date(s) of Harvest(s)	
Total Fresh Pounds Harvested for AH	
Total Dry Pounds Harvested for AH	