



DAIRY FARMERS OF ONTARIO
ATTENTION: FINANCE DIVISION

6780 Campobello Road, Mississauga, Ontario L5N 2L8 Telephone (905) 821-8970 Fax (905) 821-0116

The policies book posted on DFO's website (www.milk.org) contains the most up-to-date policies and will be used for all policy and quota transaction interpretation.

APPLICATION TO REGISTER A DIRECTION OF PROCEEDS
RESULTING FROM A SALE OF ONTARIO MILK QUOTA
(FOR USE BY PRODUCERS WITH ONLY ONE LENDER)

DFO Licence No. Lender, Customer or Loan No. (optional)

Name on DFO Licence

I hereby authorize and direct Dairy Farmers of Ontario to remit on my behalf the saleable portion of the proceeds from a sale of milk quota to the lender indicated below.

I acknowledge that the maximum term that a quota acquisition can be registered is for 20 years and the direction will remain in force until the term expires or until revoked by me and the lender indicated below.

The lender also acknowledges the conditions of the registration of this direction by signing this document.

This direction is for the following (choose one):

- A. Standing direction for all quota purchased by me for a period of 20 years from the effective date of receipt of this application.
B. Standing direction for all existing quota and all new purchases for a period of 20 years following receipt of this application.
C. Direction for only the kilograms listed below [see note (a) below]:

Kilograms Start date Expiry date

- Notes:
(a) Letters of Direction are for kilograms of quota. The saleable and non-saleable proportions will be calculated administratively by DFO at the time of a quota sale.
(b) If saleable quota is reduced through a general provincial quota reduction, resulting in the saleable quota held by the producer being less than the amount of quota secured by the Letter of Direction, the amount of quota secured will be reduced by a corresponding amount and, if there is more than one lender with a Letter of Direction, the quota registered by the Letters of Direction will be reduced by a prorated share for each of the lenders.
(c) If there is more than one Letter of Direction on file at DFO and there is a partial sale of quota, the payment will be made on a first in, first out basis according to the date the LODs were first registered with DFO.
(d) In the event of a quota sale, and there is both secured and unsecured quota, quota proceeds will be applied to the Letter or Letters of Direction on file before being paid to the producer.

Payable to:

Name of Lender

Address

Telephone No. Fax No.

E-mail

Signature of the lender or lender's authorized representative

Date signed by lender

Producer Authorization - By signing, I/we declare that we have the authority to bind our business entity.

WITNESS' NAME (non-family member) WITNESS' SIGNATURE DIRECTOR'S (Producer) NAME DIRECTOR'S (Producer) SIGNATURE DATE SIGNED

DFO ACKNOWLEDGEMENT SECTION (DFO USE ONLY)

Dairy Farmers of Ontario hereby acknowledges receipt and consent of the above direction for:

- standing letter of direction for saleable quota which, if applicable, does not include quota loaned in assistance
kg of quota (saleable and non-saleable) which, if applicable, does not include quota loaned in assistance

Effective Date Expiry Date

Authorized Signature Date