

Dairy Farmers of Ontario New Producer Program (NPP)

Introduction

The Dairy Farmers of Ontario (DFO) New Producer Program allows one new producer applicant per month who has provided a non-refundable deposit to be eligible to participate on the quota exchange and be exempt from the quota exchange proration exemption for a minimum of 10 kg and a maximum of 35 kg of quota.

Application forms are available on DFO's website, or by request to DFO's head office or a Field Services Representative.

What are the eligibility requirements?

- A new producer applicant must be at least 18 years of age at the time of application.
- A new producer applicant is not eligible for the quota exchange proration exemption if they or their spouse held a licence to produce and market milk in Canada in the previous five years.
- A new producer applicant is not eligible for the quota exchange proration exemption if they are starting on a farm on which a parent or parent-in-law held a licence to produce and market milk in the previous five years.
- A new producer applicant is not eligible for the quota exchange proration exemption if they and/or their spouse hold quota.
- A new producer applicant can only submit one application or be listed on one application.
- A new producer applicant must produce and market milk from their own separately licensed dairy facility and cannot share facilities with a licensed dairy farmer.

What does the application process involve?

The new producer applicant must submit an application form and non-refundable application fee of \$1,000 to Dairy Farmers of Ontario by mail. The cheque is to be made payable to Dairy Farmers of Ontario.

DFO will review the application and the new producer applicant will be notified by mail of their acceptance. New producer applicants will be given a NPP queue number and estimated quota exchange month based on the date their application and fee are received at DFO's head office.

An advance deposit of \$10,000 is to be submitted by the new producer applicant whose queue month is in the twelfth upcoming exchange position.

DFO will advise new producer applicants by letter when the advance deposit of \$10,000 is to be submitted. If the advance deposit is not received within 15 days of notice, the new producer applicant will be removed from the NPP queue.

The \$10,000 advance deposit will be credited to the first purchase of quota on the assigned exchange.

The \$10,000 advance deposit will not be returned if the new producer applicant decides to withdraw from the NPP queue, does not bid for quota on the assigned exchange, or does not produce and market milk.

The \$10,000 advance deposit will be held back from the payment of quota proceeds if the new producer does not produce and market milk after acquiring quota.

The non-refundable application fee will be returned to those who have not yet purchased quota if DFO cancels the NPP.

The \$1,000 application fee and \$10,000 advance deposit, if applicable, will be returned if the new producer applicant in the NPP queue is selected for and participates in the New Entrant Quota Assistance Program.

DFO Quota Exchange Procedures

Before placing a bid on the quota exchange, a new producer applicant will need to schedule an appointment and meet with a DFO Field Services Representative to fill out the required forms to become a producer. New producer applicants must agree to meet all DFO policies and DFO and provincial regulations.

DFO will allow one new producer applicant to participate on a single quota exchange when the quota price cap is in effect.

A new producer applicant is exempt from proration for up to a maximum of 35 kg of quota on a single quota exchange.

A new producer applicant's bid will be cancelled if there is an insufficient volume available on a quota exchange to fill the bid amount. The new producer applicant whose bid was cancelled will be notified as soon as possible after it is known a bid was cancelled.

The new producer applicant whose bid was cancelled will maintain their queue order for the next quota exchange.

If a new producer applicant does not bid on the assigned exchange month, it will not change the assigned exchange month for the next 12-month period.

Important Information

A new producer applicant who purchases quota on the quota exchange and is exempt from the proration policy cannot transfer quota or conduct a quota ownership update or share facilities for a period of five years from the effective date of the initial quota acquisition.

It is the responsibility of the new producer applicant to notify DFO of any change of address. If DFO correspondence to a new producer applicant is returned as undeliverable, the new producer applicant will be removed from the NPP queue.

The most recent DFO Quota and Milk Transportation Policies book is available on our website (www.milk.org) as well as a link to Ontario Regulation 761.

If you have any other questions regarding the New Producer Program, please call Dairy Farmers of Ontario.

Dairy Farmers of Ontario
Production Division
6780 Campobello Road, Mississauga, Ontario L5N 2L8
Telephone: 905-821-8970 FAX: 905-821-3160
E-mail: questions@milk.org Website: www.milk.org



**APPLICATION FOR DAIRY FARMERS OF ONTARIO (DFO)
NEW PRODUCER PROGRAM**

Name of Applicant (as it is to appear on DFO Licence) _____

Shareholder/Partner name(s) (if above is a business or corporate name) _____

Shareholder/Partner name (s) (if above is a business or corporate name) _____

Shareholder/Partner name (s) (if above is a business or corporate name) _____

Shareholder/Partner name (s) (if above is a business or corporate name) _____

Note: If more than four "Shareholder/Partner name(s)", use an additional form.

Mailing Address _____

City/Town _____

Province _____ Postal Code _____

Contact Phone Number (_____) _____

E-mail _____

If known,

Farm Location Address _____

City/Town _____ County _____

Province _____ Postal Code _____

Alternate Phone Number (_____) _____

Fax (_____) _____

<i>Please answer all questions by putting your initials in the appropriate box.</i>	Yes	No
Are all applicants 18 years of age or older?		
Have any applicants been licensed to produce and market milk in Canada in the previous five years?		
If yes, province _____ licence number _____ name on licence _____		
Have any of the applicants' spouses been licensed to produce and market milk in Canada in the previous five years?		
If yes, province _____ licence number _____ name on licence _____		
Do any applicants currently hold quota?		
Do any of the applicants' spouses currently hold quota?		
Are any applicants starting on a dairy facility on which their parents or parents-in-law held a licence to produce and market milk in the previous five years?		
Do you agree to abide by all government and DFO rules and regulations?		

NOTES

New producers must meet all DFO policies, and DFO and provincial regulations. 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. The Policies book can be found in the "publications" section.

If DFO determines that a producer has contravened the intent of policies by providing incorrect information at the time of application, the Board may require that any quota acquired be sold on the quota exchange.

APPLICATION REQUIREMENTS

Applicants are to send by mail, in a single package:

1. Application for Dairy Farmers of Ontario (DFO) New Producer Program.
2. Non-refundable application fee of \$1,000. The cheque is to be made payable to Dairy Farmers of Ontario.

The undersigned certify the information herein contained is complete, true and correct in all respects. Furthermore, the undersigned acknowledge that any breach of these requirements will entitle DFO to take appropriate action.

Witness' Name (non-family member) _____ Witness' Signature _____ Applicant's Name _____ Applicant's Signature _____ Date _____

Please send by mail to New Producer Program at the above address.

FOR OFFICE USE ONLY Date Received _____ Date Acknowledged _____