



Batch	Date received at RPA
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**Milk Quotas**

**MQ/3**

**Notification of temporary transfer (lease) of milk quota in 2014/2015**

Council Regulation (EC) 1234/07, Commission Regulation (EC) 595/2004 and the Dairy Produce Quotas Regulations 2005, as amended

**Notes about this form**

- A** Please complete in ink and use BLOCK CAPITALS.
- B** If you make any corrections to your answers on this form, please initial them clearly. Do not use correction fluid on this form.
- C** Please read the attached explanatory notes **before** completing this form. If you do not have a copy, please ring 01392 315700/315775.

**Data Protection Act**

Defra is the data controller for personal data you give to us or we hold about you. We use it in line with the Data Protection Act. For more information visit our website at [www.rpa.defra.gov.uk](http://www.rpa.defra.gov.uk), then put 'Personal Data' into the search box.

Payment details

**Important:** the completed form and a cheque for £25.00 (including VAT) made payable to the Rural Payments Agency must be **received by** the Rural Payments Agency at PO Box 69, Reading, RG1 3YD by 31 March 2015.

Please enter cheque details:

Account name	
Account number	
Cheque number	

Butterfat base of wholesale quota to be leased out, that is, the permanent butterfat base. **Read note 5 in the explanatory notes.**

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Agent's Stamp – Lessor

**FOR OFFICIAL USE ONLY**  
Remittance details

Remittance details

Agent's Stamp – Lessee

## Part A – to be completed by the lessor

1. Name and address of lessor  
(for example, trading title)

Postcode
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2. Telephone no

3. Status

Please select

If other, please specify

4. Trader registration no

5. Please give the total unused (clean) quota to be transferred. **Read Note 3 in the explanatory notes.**

Wholesale (litres)	Direct sales (litres)

6. Name of milk purchaser that **wholesale** quota is registered with

7. Purchaser's trader registration no (if known)

8. Are you currently in milk production?  
If 'No', when did you cease production?

Yes  No

### Declaration

The lessor:

- has read and understood the attached explanatory notes to form MQ/3;
- accepts the conditions of the milk quota system, including those set out in section 4 of the explanatory notes;
- agrees that the lease will be processed using the butterfat base held on the quota register at the time of processing; and
- has given details that are true and complete to the best of their knowledge and belief.

**WARNING: any person who makes a false declaration may be prosecuted.**

Signature of lessor
Date
Name (BLOCK CAPITALS)
Capacity of person signing – please specify (for example: sole proprietor, partner, director, agent)

## Part B – to be completed by the lessee

9. Name and address of lessee  
(including, trading title)

Postcode
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10. Telephone no

11. Status

Please select

12. Trader registration no

**Read Note 4 of explanatory notes**

13. Name of milk purchaser that **wholesale** quota is to be registered with

14. Purchaser's trader registration no (if known)

### Declaration

The lessee:

- has read and understood the attached explanatory notes to form MQ/3;
- accepts the conditions of the milk quota system, including those set out in section 4 of the explanatory notes;
- agrees that the lease will be processed using the butterfat base held on the quota register at the time of processing; and
- has given details that are true and complete to the best of their knowledge and belief.

**WARNING: any person who makes a false declaration may be prosecuted.**

Signature of lessee
Date
Name (BLOCK CAPITALS)
Capacity of person signing – please specify (for example: sole proprietor, partner, director, agent)

# Temporary Transfer (Lease) of wholesale quota in 2014/2015 – Explanatory Notes to form MQ/3

## 1. Introduction

A lease is a temporary transfer of quota which lasts for the current quota year only. Part 9 of the Guide to Milk Quotas gives information on leasing quota.

## 2. Definitions

- **Lessor** - the person, or firm, registered with the Rural Payments Agency, who wishes to lease out quota, that is, the quota holder.
- **Lessee** - the person, or firm, registered with the Rural Payments Agency, who wishes to lease in quota.
- **Milk purchaser** - the person, or firm, approved by the Rural Payments Agency to whom you sell your milk, or with whom your quota is registered (wholesale quota only).

## 3. Conditions – Lessor

- You must be the registered holder of the quota to be leased out.
- You must be a producer during the quota year in which the quota is to be leased out.
- You must be the owner-occupier of the land to which the quota is attached or you must occupy the land under a current Tenancy Agreement or with the consent of the owner.
- If you are a tenant you may need your landlord's permission to lease out quota particularly during the last year of the tenancy. You must tell your landlord, or any other person with an interest, of your intention to lease out quota before you apply.
- Only **unused** permanently held quota may be leased out. Quota against which deliveries or direct sales have already been made is used quota and cannot be leased out. Therefore, you must ensure that sufficient quota remains with your milk purchaser to cover any deliveries made up to the date we receive this form. This amount must be adjusted for butterfat content. Please consult your milk purchaser if you are in any doubt about the amount of quota you must retain.
- **You cannot lease out quota that you have leased in.**
- If you have permanently converted quota on form MQ/6 earlier in the year, you cannot now lease out any quota of the type to which you converted, unless you did a temporary conversion of quota in the previous quota year.
- If your holding is subject to a Herd Movement Restriction, leasing out any quota may invalidate a later claim for priority allocation.
- Please ensure that you **sign** and **date** the form, or where an agent has signed on your behalf, you should ensure that you have signed a letter of authority for the transfer.

## 4. Conditions – Lessee

You should note that:

- You have no legal entitlement to leased in quota after 31 March 2015.
- Your ongoing butterfat base for the quota year may be altered as a result of the lease, read note 5;
- Please ensure that you **sign** and **date** the form, or where an agent has signed on your behalf, you should ensure that you have signed a letter of authority for the transfer.
- You will need to be registered with the RPA for milk quota purposes before we can process this lease. If you do not have a trader registration number (previously known as an 'IB' number), please contact our Customer Service Centre on 0845 603 7777 to obtain a trader registration number for milk quota purposes.

## 5. Butterfat – wholesale quota only

- Wholesale quota which is leased out will have the lessor's 'permanent' butterfat base attached to it. A producer's 'permanent' butterfat base is the butterfat base attached to his permanent quota, as adjusted for transfers and special allocations. **The butterfat base held on the quota register at the time of processing will be used in dealing with this form irrespective of the figure entered on the transfer notification.**

If you have any specific queries or problems, please contact Milk Quotas on 01392 315700/315775.

- We will then calculate and adjust, if necessary, the lessor's and the lessee's 'ongoing' butterfat base, that is, their butterfat base for the current quota year, which we will take into account for levy calculation purposes. Read Part 9 and 10 of the Guide to Milk Quotas. Please note that the calculation of the butterfat base will be rounded to 6 decimal places.

## 6. Scottish Islands Area

If you are in a Scottish Islands Area, you may only lease **out** quota to producers within the same Area. However, you can lease **in** quota from outside that Area. Please read Part 9 of the Guide to Milk Quotas.

## 7. Lease Fee

An administrative fee of £25.00 (including VAT) will be charged. Please enter the account name, account number and number of the cheque in the space provided at the foot of the form.

We cannot amend the register unless the appropriate fee has been paid.

**If we cash your cheque it does not mean that your application has been successful.** We will write to tell you whether we have processed or rejected your application. If we have rejected it we will explain why.

## 8. Withdrawal of a Notification

You can withdraw a notification of a temporary transfer (lease) form only if:

- the Quota Register has not been updated; and
- both the Lessor and Lessee agree in writing.

## 9. Deadline for Receipt of Notifications

Completed forms must be received by the Rural Payments Agency no later than 31 March 2015.

## 10. Receipt of Notification

When we receive your form and cheque, we will send an acknowledgement letter that will give a batch reference number.

If you submitted your form through an agent, we will send the acknowledgement to your agent.

## 11. Notification of Lease to Milk Purchaser – wholesale quota only

On receipt of the MQ/3 form, we will notify the lessor's milk purchaser of the lease of wholesale quota, and give the lessor's purchaser the opportunity to notify us if there is insufficient unused quota at the date we received the form to enable the lease to proceed.

**We reserve the right to amend the quota register in instances where it is found that quota has been leased on the basis of an incorrect description of its true status.**

## 12. Amendment of Quota Register

If there are any problems with your form we will contact you. If there are no problems, we aim to update the quota register with details of your lease within 28 days of receiving your form.

## 13. Confirmation of Leases by the Rural Payments Agency

- When we authorise the lease and update the Quota Register, we will send written confirmation to the lessor, the lessee and (for wholesale quota only) their purchasers.
- Note: By submitting an MQ/3 you are notifying us of an agreement between the lessor and the lessee. We have the right to reject the notification in whole or part.
- The Rural Payments Agency is not party to any agreement relating to a lease and cannot accept responsibility for false declarations.
- **Producers making a false declaration on form MQ/3 may be prosecuted.**

If you have any specific queries or problems, please contact Milk Quotas on 01392 315700/315775.

## 14. Further information

For further information on the leasing of quota, please read Part 9 in the Guide to Milk Quotas. If you do not have a copy of the Guide, you can obtain a copy by ringing our Milk Quotas team on 01392 315700/315775 or via the RPA's website: [www.rpa.defra.gov.uk](http://www.rpa.defra.gov.uk).

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