

Clearance certificate types

A clearance certificate is a letter from WCB-Alberta that states an employer's account is in good standing, and clears a third party from liability for that account should the employer default on their premiums. It also authorizes the release of final payment on a specified contract. Holding third parties responsible for unpaid premiums ensures WCB-Alberta's insurance fund is maintained at a sufficient level to pay worker benefits.

S126 - Work performed for a principal

When a principal hires contractors or subcontractors with their own WCB-Alberta accounts, a clearance must be obtained to ensure the accounts are in good standing. This protects the principal from becoming liable for payment of the contractor's or subcontractor's premiums. More information is available in the "Contractor and Subcontractor Responsibilities" fact sheet.

S129/S130 - Priority of amount due to the board

Financial institutions and security holders obtain Section 129 and Section 130 certificates for:

- refinancing
- partial sale of assets
- creditors realizing on their security

These letters are required because WCB-Alberta has priority over property or proceeds of property used in connection with the business of an employer; priority over all writs, judgments, debts, liens, charges, security interests and other claims or encumbrances.

S132 - Sale of business

When a vendor sells the bulk stock or equipment used in connection with their business, a certificate must be obtained stating WCB-Alberta has no claim against the vendor of the industry, stock or equipment. If a certificate is not obtained, the purchaser is liable for the amount due by the vendor to WCB-Alberta, not exceeding the fair market value of the industry, stock or equipment.

S133 - Sale of primary timber products

When a vendor sells primary timber products (with the exception of retail sale of primary timber products), a certificate must be obtained stating WCB-Alberta has no claim against the producer or vendor of the primary timber products. If a certificate is not obtained, the purchaser is liable for the amount due by the producer or vendor to the Board not exceeding the fair market value of the primary timber products.