

October 30, 2019

9912 - 107 Street
PO Box 2415
Edmonton AB T5J 2S5Phone: 780-498-3999
Fax: 780-498-7999
Website: www.wcb.ab.ca
Toll Free: 1-866-922-9221C CUBED DATA INTEGRATORS INC.
3 WOOD WILLOW CLOSE SW
CALGARY AB T2W 4H1**Account Number: 7395348**

Dear CARLA COOK:

RE: Account Approval – Exempt Industry Personal Coverage

Thank you for contacting us to reinstate your WCB-Alberta coverage. Further to our discussion on October 30, 2019 this letter confirms that your request for coverage for your I.T. CONSULTING operations has been approved. This coverage is effective October 30, 2019 to cover you. Coverage is in place under Sec 14(2) of the Workers' Compensation Act. This section of the Act states:

".....An employer in an industry exempted under the regulations may apply to the Board for an order declaring that the Act applies to the workers in the employer's employment in that industry."

This coverage remains in effect until you request it be withdrawn; it may also be withdrawn by WCB-Alberta for non-compliance. Please refer to the summary below for important account information:

- Account Number: 7395348
- Industry: 86902
- Your first invoice will be mailed on November 24, 2019 and must be paid within 30 days.

Personal Coverage effective date is October 30, 2019 for:

PC Name	PC Amount
CARLA MARIA COOK	\$31,300.00

As a business whose operations are in an industry exempted under Schedule A of the Workers' Compensation Regulations (also called "an exempt industry") coverage is considered optional and can be withdrawn at any time. The optional coverage provides workers' compensation insurance to all workers; until such date that the coverage is withdrawn. **If you hire workers, please contact us within 15 days of hiring, as all assessable earnings must be reported.**

For additional information regarding your responsibilities under the Workers' Compensation Act, please review the attached fact sheets or visit our website at www.wcb.ab.ca or call our office at 780-498-3999.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jennifer Byun". The signature is written in a cursive, flowing style.

Jennifer Byun

Employer Account Services E1B

encl.

New account holders

WCB provides no-fault workplace disability insurance that protects both workers and employers against financial loss due to work-related injury and illnesses.

Visit our [website](#) for more information about services and your responsibilities under the Alberta *Workers' Compensation Act*.

Industry classification and premiums

Classifying your business is based on your overall operations. Your industry classification determines your premium rate, charged on every \$100 of assessable earnings and personal coverage.

This rate may be adjusted yearly after reviewing the claim costs of your industry and your company. Depending on these components over the next three to five year period, you may experience a future discount or surcharge on the industry rate.

Premium rate statements are not mailed to you. Statements are available electronically in mid-December of each year.

A premium invoice will be sent to you. Please review it to confirm your business information as well as your industry rate, the estimate you provided for workers and any personal coverage requested. It will also indicate your installment amounts and dates.

You can [pay premiums](#) online using INTERAC, Visa and MasterCard, sign up for pre-authorized debit by completing the online application form.

Your responsibilities

When you hire workers you must contact our office within 15 days of the workers' start date, or your account will be subject to a late registration penalty. Our definition of "worker" includes:

- Any full-time, part-time, temporary and casual worker.
- Unpaid help, family members.
- Subcontractors operating without their own WCB-Alberta coverage.

For farming and ranching operations, there are exemptions for who isn't covered and what earnings need to be reported. Please visit the [farming coverage fact sheet](#) or contact us at 1-866-922-9221 for more details.

You must report a work related injury within 72 hours of injury notification. Quick reporting practices will ensure faster benefit decisions for your workers and will lower your claims and disability costs. Your worker will receive treatment quickly and return to the job sooner.

Please ensure you have a copy of our 1-2-3 poster displayed in your workplace. This poster outlines the steps to be taken if an injury occurs and can be downloaded or ordered from our [website](#).

All employers have a responsibility to promote workplace safety and focus on injury prevention with their employees. If a workplace injury occurs, the employer is responsible for supporting a safe and effective return to work for the injured worker.

This ensures we are achieving the best possible outcome for Alberta's workforce, while affording employers the lowest possible WCB premium.

WCB-Alberta is a provincial jurisdiction. If you begin operating outside Alberta you must contact the Workers' Compensation Board or Authority in that location to determine if you are required to register there. If not, WCB-Alberta may extend coverage if certain conditions are met.

Personal coverage

Optional [personal coverage](#) is available if you aren't automatically eligible for workers' compensation benefits. This coverage is available to:

- Business owners with or without workers.
- Partnerships with workers.
- Directors of a corporation and members of a society, board, authority, commission or foundation.

You can receive compensation benefits if you choose to purchase personal coverage. Although personal coverage is optional in Alberta, principals may require it as a condition of contract.

Personal coverage will automatically renew Jan. 1 of the next year at the same amount. If you no longer require personal coverage it is important to contact WCB and terminate your coverage.

You can revise or terminate your personal coverage at any time. Changes or amendments will affect your account on the day you contact our office as they cannot be back-dated.

If you are injured on the job and your claim is accepted, you will need to verify your self-employment earnings through records such as T4 slips, tax returns, income and expense statements or payroll stubs.

If your records do not match the amount of coverage purchased, compensation benefits will be based on the lesser of the amount of coverage purchased, guaranteed coverage amount (if applicable) or verified earnings (minimum \$31,300 to maximum \$98,700 for 2019).

Please note dividends and shareholder loans are not covered as employment income and corporate tax returns aren't acceptable as proof of earnings.

WCB can terminate your personal coverage due to non-payment of premiums. **Even if payment is made in full on your overdue account, you must call to reactivate your personal coverage—it does not re-instate automatically.**

Penalties

Late filing penalty (LFP)

On or before the last day of February each year, employers are required to report the insurable earnings paid to all workers for the last calendar year.

This also includes an estimate of insurable earnings they expect to pay all workers for the current year. This information is required for each business the employer operates.

Filing your annual return helps ensure you have the correct WCB coverage and accurate premiums. It also informs us of any changes required on your account and whether your business still needs coverage.

An annual return received after the deadline is subject to a LFP. The penalty is 10 per cent of the net premium resulting from the previous year's adjustment and the current year's premium plus daily interest from the reporting deadline to the date we receive the information.

Late registration penalty (LRP)

An employer is required to establish an account within 15 days after hiring workers, when operating in an industry to which the *Workers' Compensation Act* applies. An employer who registers after this grace period is subject to a LRP. The penalty is an amount equal to 10 per cent of the employer's premium, plus daily interest, for each year.

Overdue charges

When an employer's premium payment is overdue 30 or more days after the due date, WCB will add monthly interest to an employer's account. Overdue charges are calculated on each outstanding transaction from its original date, compounding monthly.

Overdue charges are shown as one total for all transactions past due. The interest rate is set annually at Prime + 8 per cent.

Penalties for under-reporting earnings

Check your workers' assessable earnings estimate throughout the year. If your estimate is not accurate, you must revise it before Dec. 31 of the current year to avoid penalties. While we provide you with a 50 per cent margin of error, penalties are assessed on earnings that exceed this margin.

This means that if your actual assessable earnings exceed 150 per cent of your estimate (as of Dec. 31), a 10 per cent penalty plus interest (based on the bank rate as of Jan. 1, 2019, which carries throughout the year) is levied on the premium portion that exceeds 150 per cent of the estimate.

No penalties or interest apply if your actual is less than your estimate. Revisions to your assessable earnings can be made through [myWCB](#) online services.

Example:

Your 2018 estimate is originally \$85,000. On Oct. 3, 2018, you revise it to \$100,000. No further revisions occur and on Feb. 15, 2019, you report 2018 actual insurable earnings of \$160,000. The portion of your earnings that exceed your margin of error:

The maximum reportable insurable earnings without penalty or interest is \$100,000 (your last estimate received by us up to Dec. 31, 2018) X 150% = \$150,000)

The excess amount is therefore \$160,000 (actual earnings reported) - \$150,000 (maximum allowed before penalty applies)
= \$10,000

Penalty = (\$10,000 x (your premium rate)) x (10% + bank interest rate) (from Jan. 1/19 to Feb. 15/19).

On your next invoice, you will be assessed for the earnings that exceed your estimate [(\$60,000) x (your premium rate)], plus the above penalty and interest, with the total being due in one payment.

Using our Online Services

Visit www.wcb.ab.ca and register for a User ID to access the following online services:

- **File your annual return** (file your payroll (assessable earnings) information every year)
- **Maintain your account** (revise estimates, update business information, close account)
- **Obtain a clearance certificate** (confirm subcontractor coverage)
- **Obtain your account statistics/industry statistics**
- **Report an injury online**
- **Pay your WCB-Alberta premiums** (pay premiums online)
- **Access return-to-work information from your worker's physician** (pink copies)

For more detailed information on these online services visit our [website](http://www.wcb.ab.ca). WCB also provides detailed fact sheets on all WCB procedures. To find employer fact sheets, click [here](#).

To obtain information about safety regulations, please visit the [Alberta Labour website](http://www.alberta.ca).



Coverage for exempt industries

Workers' compensation is disability insurance that protects you and your workers against the impact of workplace injuries. It compensates your injured workers for lost income, health care and other costs due to a work-related injury. It protects you from being sued by workers or employers with Alberta workers' compensation coverage, who are injured or get occupational diseases during the course of employment.

Optional coverage in most exempt industries

Not all industries are automatically covered by workers' compensation insurance. Employers may voluntarily apply to have their workers protected. For a list of exempt industries, click [here](#). For information on optional personal coverage to protect an employer, director of a corporation or society, or member of an association, board, authority, commission or foundation, see our [personal coverage](#) page.

**All employers and workers covered by accounts classified in exempt industries become subject to the same requirements and conditions as those automatically protected, and they are entitled to the same benefits.*

Benefits to injured workers

Cost of optional coverage in exempt industries

Compensation	Medical Expenses	Other
Disability benefits based on 90 per cent of a worker's net earnings.	Approved health care treatments: chiropractic treatments, physiotherapy or counselling.	If an accident results in a fatality, limited expenses for transportation of body, burial, cremation, memorial services and benefits for eligible dependents.
Travel (if treatment is not available in worker's community).	Braces, crutches, canes, hearing aids, other aids.	Vocational rehabilitation services.
Lump sum payment for permanent disability or impairment.	Orthotic alteration of footwear.	
Self care and home maintenance allowances.	Dental treatment prosthetics, eyeglasses or dentures.	
Clothing (damaged due to workplace accident).	Hospital expenses/medication costs.	

WCB-Alberta collects premiums to cover the costs of insuring work-related injuries. A premium rate is set annually based on the average losses in an industry. Employers who have similar operations and share similar risks are grouped for premium rate setting purposes.

$$\text{premium rate} \times \text{the insurable earnings} / \$100 + \text{any personal coverage} \\ = \text{premium payable}$$

To maintain an account, a \$200 minimum annual premium is applied to cover insurance and administration costs.

How to apply

Apply on our [website](#), by phone or by written application to a WCB office.

Mandatory information needed to determine account eligibility:

- Employer's complete legal name(s)—individual, partnership, corporation, etc.
- Trade name.
- Date from which coverage is required.
- Description of the industry or operations.
- Location of operations.
- Estimated assessable earnings for the remainder of the calendar year (insurable earnings are the gross earnings of all workers (to a maximum of \$98,700 each for 2019), before any deductions such as income tax, EI, pension plans, etc.).
- the earnings of all your workers must be included in the application. A worker for WCB purposes is any person who enters into or works under a contract of service or apprenticeship, written or oral, expressed or implied, whether by way of manual labour or otherwise. Workers include:
 - Full-time, part-time, temporary or casual workers, family members.
 - Contract/subcontract, unless they are operating through a corporation or have their own WCB account.
 - Unpaid workers. If you are a for-profit organization and have any individuals who are not paid, you must report a fair market value for their services with the insurable earnings information you submit for your workers.
 - Volunteers. If you are a not-for-profit organization and have any individuals who are not paid, you may choose to cover these volunteers through a special request for coverage. If you choose to cover your volunteers, you must report a fair market value for their services with the assessable earnings information you submit for your workers.

- All individuals actively providing a service to the business with the exception of proprietors with their own WCB coverage, partners in a partnership when one or more partners has WCB coverage or directors of a corporation.

Important information about optional coverage in exempt industries

- If a worker is injured prior to WCB's approval of an application, the claim will not be accepted.
- If the application is approved, it is effective the date the request is received by WCB.
- Optional coverage remains in effect unless you request it to be cancelled or WCB rescinds it for non-compliance, which includes, but is not limited to:
 - Non-payment of premiums.
 - Failure to file annual returns.
 - Unlawful deductions.
 - Providing false or misleading information to WCB in connection with an employer account.
 - Possessing or using a forged or false clearance certificate.

