



Province of Alberta

## **GARAGE KEEPERS' LIEN ACT**

Revised Statutes of Alberta 2000  
Chapter G-2

Current as of January 1, 2002

© Published by Alberta Queen's Printer

Alberta Queen's Printer  
7<sup>th</sup> Floor, Park Plaza  
10611 - 98 Avenue  
Edmonton, AB T5K 2P7  
Phone: 780-427-4952  
Fax: 780-452-0668

E-mail: [qp@gov.ab.ca](mailto:qp@gov.ab.ca)  
Shop on-line at [www.qp.alberta.ca](http://www.qp.alberta.ca)

### Copyright and Permission Statement

Alberta Queen's Printer holds copyright on behalf of the Government of Alberta in right of Her Majesty the Queen for all Government of Alberta legislation. Alberta Queen's Printer permits any person to reproduce Alberta's statutes and regulations without seeking permission and without charge, provided due diligence is exercised to ensure the accuracy of the materials produced, and Crown copyright is acknowledged in the following format:

© Alberta Queen's Printer, 20\_\_.\*

\*The year of first publication of the legal materials is to be completed.

### Note

All persons making use of this document are reminded that it has no legislative sanction. The official Statutes and Regulations should be consulted for all purposes of interpreting and applying the law.

### Regulations

The following is a list of the regulations made under the *Garage Keepers' Lien Act* that are filed as Alberta Regulations under the Regulations Act.

	<b>Alta. Reg.</b>	<i>Amendments</i>
<b>Garage Keepers' Lien Act</b>		
Garage Keepers' Form .....	259/2002 .....	35/2007, 106/2012, 102/2015

# **GARAGE KEEPERS' LIEN ACT**

## Chapter G-2

### *Table of Contents*

<b>1</b>	Definitions
<b>2</b>	Lien of garage keeper
<b>3</b>	Termination of lien
<b>4</b>	Postponement of lien
<b>5</b>	When 2 or more lienholders
<b>6</b>	Term of lien
<b>7</b>	Memorandum of discharge of lien
<b>8, 9</b>	Seizure of vehicle
<b>10</b>	Discharge of lien
<b>11</b>	Regulations

HER MAJESTY, by and with the advice and consent of the  
Legislative Assembly of Alberta, enacts as follows:

### **Definitions**

**1** In this Act,

- (a) “farm vehicle” means a farm machine or other machine or equipment
  - (i) that is identifiable by a manufacturer’s serial number cut, embossed or otherwise permanently marked or attached on it,
  - (ii) that is used, or intended for use, in any type of farming operations, and
  - (iii) that is not a motor vehicle;

- (b) “financing change statement” means a financing change statement as defined in the *Personal Property Security Act*;
- (c) “financing statement” means a financing statement as defined in the *Personal Property Security Act*;
- (d) “garage keeper” means a person who keeps a place of business for the housing, storage or repair of a motor vehicle or farm vehicle and who receives compensation for that housing, storage or repair;
- (e) “motor vehicle”
  - (i) means a vehicle propelled by any power other than muscular power, and
  - (ii) includes an airplane, but
  - (iii) does not include a motor vehicle that runs only on rails;
- (f) “prescribed” means prescribed in the regulations made under the *Personal Property Security Act*;
- (g) “Registrar” means the Registrar of the Registry;
- (h) “Registry” means the Personal Property Registry under the *Personal Property Security Act*.

RSA 1980 cG-1 s1;1983 cC-7.1 s21;1988 cP-4.05 s83

#### **Lien of garage keeper**

**2(1)** In addition to every other remedy that a garage keeper has for the recovery of money owing to the garage keeper for

- (a) the storage, repair or maintenance of a motor vehicle or a farm vehicle or of any part of a motor vehicle or farm vehicle, or
- (b) the price of accessories or parts furnished for a motor vehicle, farm vehicle or part of a motor vehicle or farm vehicle,

a garage keeper who is entitled to payment of a sum for the storage, repair or maintenance or the price of accessories or parts furnished, has a lien on the motor vehicle or part of it or the farm vehicle or part of it for the sum to which the garage keeper is entitled.

(2) No garage keeper is entitled to a lien under this Act for the price of fuel, oil or grease furnished for a motor vehicle or farm vehicle.

(3) No garage keeper is entitled to a lien under this Act unless the garage keeper retains possession of the motor vehicle or farm vehicle or the garage keeper obtains from

- (a) the person who authorized the storage, repair or maintenance or the person's authorized agent, or
- (b) the person who ordered that accessories or parts be furnished for the motor vehicle or farm vehicle or the person's authorized agent,

an acknowledgment of indebtedness by requiring that person or that person's agent to sign an invoice or other statement of account.

RSA 1980 cG-1 s2

#### **Termination of lien**

**3(1)** A lien referred to in section 2 terminates on the 21st day after the day

- (a) on which possession of the motor vehicle or farm vehicle is surrendered to the owner or the owner's agent,
- (b) on which repairs were completed to the motor vehicle or farm vehicle or any part of the motor vehicle or farm vehicle if the vehicle was not at the time of repair in the possession of the garage keeper, or
- (c) on which the accessories or parts for the motor vehicle or farm vehicle were furnished,

as the case may be, unless on or before the 21st day the garage keeper registers in the Registry a financing statement indicating a claim of lien on the motor vehicle or farm vehicle.

(2) A financing statement referred to in subsection (1) must be signed by the garage keeper or by a person authorized by the garage keeper.

RSA 1980 cG-1 s3;1988 cP-4.05 s83

#### **Postponement of lien**

**4** Every lien on a motor vehicle or farm vehicle under this Act shall be postponed to an interest in or charge, lien or encumbrance on the motor vehicle or farm vehicle,

- (a) that is created or arises
  - (i) in good faith, and
  - (ii) without express notice of the first mentioned lien,
- and
- (b) that was created or arose before the registration of a financing statement referred to in section 3(1).

RSA 1980 cG-1 s5;1988 cP-4.05 s83

#### **When 2 or more lienholders**

**5(1)** If at any one time more persons than one have a lien under this Act on the same motor vehicle or farm vehicle,

- (a) the person whose claim of lien is registered earlier in time has a prior lien over that of the person whose claim of lien is registered later in time, and
- (b) if one of those persons seizes the motor vehicle or farm vehicle, that person is deemed to have made that seizure on behalf of all persons who have on the motor vehicle or farm vehicle a lien subsisting at the time of seizure.

**(2)** If at any one time a person has more than one lien under this Act on the same motor vehicle or farm vehicle, seizure of the motor vehicle or farm vehicle under any one of the liens constitutes a seizure in respect of all of the liens of that person on the motor vehicle or farm vehicle.

RSA 1980 cG-1 s6;1988 cP-4.05 s83

#### **Term of lien**

**6(1)** On registration of a financing statement pursuant to section 3, the lien continues for a further period of 6 months from the date of the registration.

**(2)** A lien determines on the expiry of 6 months from the date of registration of a financing statement unless, within that 6-month period,

- (a) there is delivered to a civil enforcement agency proof satisfactory to the civil enforcement agency that the lien is the subject of a subsisting registration in the Registry and a warrant in the prescribed form addressed to the civil enforcement agency and directing the civil enforcement agency to seize the motor vehicle or farm vehicle in

accordance with the requirements of the *Civil Enforcement Act*, and

- (b) seizure of the motor vehicle or farm vehicle that is subject to the lien has been effected.

(3) Notwithstanding subsection (2), when it appears that a seizure cannot be effected within the 6 months provided for in that subsection, the Court of Queen's Bench may, on ex parte application made during those 6 months, extend the time within which the seizure may be made for a further period not exceeding 6 months from the date of the order, and in that case the lien does not determine until the date so specified, if a financing change statement is registered in respect of the order in the Registry prior to the expiration of the 6-month period provided for in subsection (2).

RSA 1980 cG-1 s7;1988 cP-4.05 s83;1991 c21 s10;1994 cC-10.5 s127

#### **Memorandum of discharge of lien**

7 The garage keeper on receipt of the amount due in respect of the lien the garage keeper holds shall sign and deliver to a person who demands it a memorandum in writing stating that the garage keeper's lien is discharged.

RSA 1980 cG-1 s8

#### **Seizure of vehicle**

8 A civil enforcement agency shall in accordance with the *Civil Enforcement Act* seize the motor vehicle or farm vehicle in respect of which the warrant was issued if the vehicle is found anywhere in Alberta.

RSA 1980 cG-1 s9;1994 cC-10.5 s127

#### **Seizure of vehicle**

9(1) On a seizure of a motor vehicle or farm vehicle pursuant to this Act, Part 5 of the *Civil Enforcement Act*, except where expressly otherwise provided in this Act, governs and applies to the seizure, and the lienholder shall, subject to subsection (2), enforce the lienholder's rights and remedies under this Act in accordance with that Act.

(2) The proceeds of the sale shall be applied first in payment of the expenses of the sale and then in payment of the lienholder's debt, and the subsequent payment out of the balance, if any, shall be governed by the provisions of the *Civil Enforcement Act* respecting the payments of a surplus remaining after distraint under that Act.

RSA 1980 cG-1 s10;1994 cC-10.5 s127

**Discharge of lien**

**10(1)** Where a financing statement or a financing change statement referred to in section 6(3) is registered and

- (a) the indebtedness, with respect to which the lien is claimed and the financing statement or financing change statement has been registered, is paid,
- (b) the motor vehicle or farm vehicle has been sold in accordance with section 9, or
- (c) the garage keeper is not entitled to maintain the registration of the financing statement or financing change statement relating to a claim of lien on a motor vehicle or farm vehicle,

the garage keeper shall discharge the registration by registering a financing change statement.

**(2)** If a garage keeper fails to discharge a registration as required by subsection (1), the owner or any person with an interest in the motor vehicle or farm vehicle may give a written demand to the garage keeper requiring the garage keeper to register a financing change statement discharging the registration or an order of the Court of Queen's Bench confirming that the registration need not be amended or discharged.

**(3)** If a garage keeper fails to comply with a demand referred to in subsection (2) within 30 days after the demand is given, the person giving the demand may register the financing change statement referred to in subsection (2) on providing to the Registrar satisfactory proof that the demand has been given to the garage keeper.

**(4)** A demand referred to in subsection (2) may be given in accordance with section 72 of the *Personal Property Security Act* or by registered mail addressed to the address of the garage keeper as it appears on the financing statement.

**(5)** On application to the Court by the garage keeper, the Court may order that the registration be confirmed or discharged.

**(6)** No fee shall be charged and no amount shall be accepted by a garage keeper for compliance with a demand referred to in subsection (2).

**(7)** If a garage keeper fails to comply with subsection (1) or the demand referred to in subsection (2), the owner or any person with an interest in the motor vehicle or farm vehicle has a right to

recover any loss or damage that was reasonably foreseeable as liable to result from the non-compliance.

1988 cP-4.05 s83

### **Regulations**

**11** The Lieutenant Governor in Council may make regulations

- (a) respecting forms for use under this Act;
- (b) prescribing fees that may be charged in respect of a warrant and a seizure under it or any matter incidental to it.

RSA 1980 cG-1 s12;1983 cC-7.1 s21;1988 cP-4.05 s83;  
1994 cC-10.5 s127







Printed on Recycled Paper 