



RETURN BIDS TO:

RETOURNER LES SOUMISSIONS À:

**Bid Receiving - PWGSC / Réception des soumissions -
TPSGC**

11 Laurier St. / 11, rue Laurier

Place du Portage , Phase III

Core 0B2 / Noyau 0B2

Gatineau

Québec

K1A 0S5

Bid Fax: (819) 997-9776

**SOLICITATION AMENDMENT
MODIFICATION DE L'INVITATION**

The referenced document is hereby revised; unless otherwise indicated, all other terms and conditions of the Solicitation remain the same.

Ce document est par la présente révisé; sauf indication contraire, les modalités de l'invitation demeurent les mêmes.

Comments - Commentaires

THIS DOCUMENT CONTAINS A SECURITY
REQUIREMENT.

Vendor/Firm Name and Address

**Raison sociale et adresse du
fournisseur/de l'entrepreneur**

Issuing Office - Bureau de distribution

Marine Machinery and Services / Machineries et
services maritimes

11 Laurier St. / 11, rue Laurier

6C2, Place du Portage

Gatineau

Québec

K1A 0S5

Title - Sujet Delegated Statutory Inspection Prog	
Solicitation No. - N° de l'invitation F7044-150039/B	Amendment No. - N° modif. 003
Client Reference No. - N° de référence du client F7044-150039	Date 2018-03-15
GETS Reference No. - N° de référence de SEAG PW-\$\$ML-029-26670	
File No. - N° de dossier 029ml.F7044-150039	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2018-03-16	Time Zone Fuseau horaire Eastern Daylight Saving Time EDT
F.O.B. - F.A.B. Plant-Usine: <input type="checkbox"/> Destination: <input type="checkbox"/> Other-Autre: <input type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Guay, Yvan	Buyer Id - Id de l'acheteur 029ml
Telephone No. - N° de téléphone (819) 420-2907 ()	FAX No. - N° de FAX (819) 956-0897
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction:	

Instructions: See Herein

Instructions: Voir aux présentes

Delivery Required - Livraison exigée	Delivery Offered - Livraison proposée
Vendor/Firm Name and Address Raison sociale et adresse du fournisseur/de l'entrepreneur	
Telephone No. - N° de téléphone Facsimile No. - N° de télécopieur	
Name and title of person authorized to sign on behalf of Vendor/Firm (type or print) Nom et titre de la personne autorisée à signer au nom du fournisseur/ de l'entrepreneur (taper ou écrire en caractères d'imprimerie)	
Signature	Date

This Amendment 003 to the Request for Proposal (RFP) is issued to provide this questions and answers set 3 as stated below.

Questions and Answers Set 3

Question 29:

MC 2 (b): Could you please clarify what type of certificate is being referenced here?

Answer 29:

Explained. The certificate referred to here is a Type Approval certificate.

Question 30:

Limitation of Liability

This question relates to the connection between the following Articles - “Limitation of Contractor Liability for Damages to Canada”. Article 7.13 (Page 24 of 61); “Priority of Documents”. Article 7.10 (Page 23 of 61); “Annex ‘A’”. Article 5(d) (Page 31 of 61).

As insurance premiums must be included in the cost of any business, it is beneficial for bidders’ insurers to properly evaluate the risks which need to be covered, in order to avoid having to set rates that include unnecessary expenditure. Bidders cannot propose commercially acceptable rates if they are facing unlimited liability for things such as simple negligence. Some bidders are Recognized Organizations pursuant to an “Authorization and Agreement Governing the Delegation of Statutory Functions for Vessels Registered in Canada between the Minister of Transport and [Bidder Name]” (“DSIP Agreement”) signed by and between Transport Canada and [Bidder Name]. In the case of this bidder, the DSIP Agreement includes Articles 12.7 – 12.12 on liability. The Request for Proposal (RFP) proposes a similar program for the CCG’s fleet, but includes its own Article 7.13 (Limitation of Contractor Liability for Damages to Canada).

There are important differences between the RFP and the DSIP Agreement. In Article 7.13 of the RFP, claims for any breach of warranty are unlimited, as is any liability to Canada where a claim is made by a third party in tort for any act or omission of bidder. These exceptions in contract and in tort are so wide that bidders have in effect no tangible limitation and must insure the risk accordingly. However, if the insurance exceeds the limitation amount (which it would have to do if the limitation is so ineffective) the additional insurance coverage removes the benefit of the limit for any claim whatsoever under Article 7.13(4). Under the DSIP Agreement, if one excludes willful acts or omissions of bidder, the limits (which are far lower than what is established in this RFP) apply to any act or omission of bidder.

Consequently, can you please confirm our understanding that the “Articles of Agreement” as referenced in Article 7.10(a) will be comprised of the resulting contract clauses of the RFP as included in the Contract at contract award? If our understanding of which clauses will form the “Articles of Agreement” is correct, as well as our further understanding that the “Articles of Agreement”, including Article 7.13, will be ranked first in the Priority of Documents as indicated in Article 7.10(a), how will preexisting and negotiated limitations of liability in our DSIP Agreement be considered by Canada? As currently contemplated by this RFP, Annex “A” is listed well below the “Articles of Agreement” in the Priority of Documents – Article 7.10(d). Will Canada consider adherence to the limitations of liability established in the DSIP Agreement

with Transport Canada as is customary for the statutory inspection services described in Annex A? If so, can Articles 12.7 – 12.12 of the DSIP Agreement be given priority over Article 7.13 of the RFP, by the specific incorporation of Articles 12.7 – 12.12 into the RFP or otherwise?

Answer 30:

Explained. This question refers to Answer 1, which amended RFP Article 7.1. The Articles of Agreement stated in RFP Article 7.10(a) are currently including the amended RFP Article 7.1, which added the Sub-Article 7.1.4 Organization Rules. The Organization Rules also includes the Authorization and Agreement Governing the Delegation of Statutory Functions for Vessels Registered in Canada in RFP 7.1.4.5 (b) in Answer 1. The Government of Canada acknowledges that the Authorization and Agreement Government the Delegation of Statutory Functions for Vessels Registered in Canada contains the Liability Articles (12.7 to 12.12 in this case) indicated in your question. The Government of Canada accepts to provide a higher priority with the amended RFP Article 7.1 over RFP Article 7.13.