Solicitation amendment 002 is issued to delete the clause of the Limitation of Liability at article 7.14.

1. At article 7.14, Limitation of Liability:

DELETE: **7.14 Limitation of Liability**

- 1. This section applies despite any other provision of the Contract and replaces the section of the general conditions entitled "Liability". Any reference in this section to damages caused by the Contractor also includes damages caused by its employees, as well as its subcontractors, agents, and representatives, and any of their employees.
- 2. Whether the claim is based in contract, tort, or another cause of action, the Contractor's liability for all damages suffered by Canada caused by the Contractor's performance of or failure to perform the Contract is limited to \$2,000,000. This limit applies not only to damages to Canada, but also limits the amount that the Contractor must reimburse to Canada if Canada is required, as a result of joint and several liability, to pay a third party in respect of damages caused by the Contractor. This limitation of the Contractor's liability does not apply to:
 - a. any infringement of intellectual property rights; or
 - b. any breach of warranty obligations.
- 3. Despite the above, this article does not require Canada to reimburse the Contractor for amounts that the Contractor is required by law to pay directly to any third party, even if those amounts are for damages that relate to the Contractor's performance of or failure to perform the contract. Canada is not required to defend the Contractor against any third party claims made directly against the Contractor, even if Canada is also a party to the litigation.

All other terms and conditions remain the same