## SCHEDULE V - LIMITATION OF LIABILITY

- 1. Subject to sections 4 and 5 of this Schedule V, in no event will the liability of TELUS to the Province or the liability of the Province to TELUS with respect to this Agreement and the Strategic Relationship Agreement exceed, in aggregate:
  - (a) with respect to Cellular Services, the aggregate Fees payable by the Province for Cellular Services in the eighteen (18) months leading up to the first claim for Loss made, with respect to liability of TELUS, by the Province or, with respect to the liability of the Province, by TELUS subject to:
    - such limit being calculated as the average monthly aggregate fees payable under this Agreement over the Term multiplied by eighteen (18) months where the first claim is made within the first eighteen (18) months of the Term; and
    - (ii) such limit being calculated based upon the last eighteen (18) months of the Term where the first claim is made after the expiry of the Term; and
  - (b) with respect to all other Services and this Agreement and the Strategic Relationship Agreement generally (excluding the Cellular Services), an amount that will not, in the aggregate, exceed \$15 million.
- 2. Subject to sections 4 and 5 of this Schedule V, in no event will the liability of TELUS to any GPS Entity, other than the Province, or the liability of any such GPS Entity (severally, but not jointly with the other GPS Entities) to TELUS with respect to this Agreement and the Strategic Relationship Agreement exceed, in aggregate, the aggregate Fees payable by such GPS Entity in the eighteen (18) months leading up to the first claim for Loss made, with respect to the liability of TELUS, by such GPS Entity or, with respect to the liability of such GPS Entity, by TELUS subject to:
  - (a) such limit being calculated as the average monthly aggregate fees payable under this Agreement over the Term multiplied by eighteen (18) months where the first claim is made within the first eighteen (18) months of the Term; and
  - (b) such limit being calculated based upon the last eighteen (18) months of the Term where the first claim is made after the expiry of the Term.
- 3. For clarity, the limitations of liability of a GPS Entity to TELUS under sections 1 and 2 will be inapplicable to, and will not limit such GPS Entity's liability for, Fees due in payment for Services provided by TELUS under this Agreement.
- 4. Subject to Section 5 of this Schedule V, in no event will any party to this Agreement or the Strategic Relationship Agreement be liable for indirect or consequential, exemplary, punitive or special damages, even if such party has been advised of the possibility of such damages in advance. The parties agree that direct damages will include the following (and be recoverable under sections 1 and 2, subject to the limitations of liability in those sections) and will not be indirect, consequential, exemplary, punitive or special damages:

- (a) costs and expenses of restoring or reloading any lost, stolen, corrupted or damaged GPS Entity data using generally accepted data restoration techniques;
- (b) costs and expenses of implementing a work-around in respect of a failure to provide the Services or any part thereof in accordance with this Agreement;
- (c) costs and expenses of replacing lost, stolen or damaged hardware, software or other materials;
- (d) straight time, overtime or related expenses incurred by any party, including overhead allocations for employees, wages and salaries of additional employees, travel expenses, overtime expenses, telecommunication charges and similar charges, to the extent due to failure of TELUS to provide all or a portion of the Services incurred in connection with paragraphs (a) through (c) above and only to the extent they would not have been incurred by the GPS Entity had it not been for such failure;
- (e) costs and expenses incurred to bring the Services in-house or to contract to obtain the Services from an alternate source, including the costs and expenses associated with the retention of external consultants and legal counsel to assist with any re-sourcing;
- (f) fines, penalties, sanctions, interest or other monetary remedies incurred as a result of a failure to comply with Applicable Laws; and
- (g) lost discounts, late fees or interest charges incurred by a GPS Entity resulting from TELUS' breach of its obligations under this Agreement or the Strategic Relationship Agreement.
- 5. Sections 1, 2 and 4 of this Schedule V will not apply to limit:
  - the liability of any party to this Agreement for a breach of sections 22 (Confidentiality), 24 (Privacy) or 25 (Security) of the main body of this Agreement or similar provisions of the Strategic Relationship Agreement;
  - (b) TELUS' liability or obligations arising from sections 1(c), (g) and (h) of Schedule U and section 2 of Schedule U or any similar indemnification obligations under the Strategic Relationship Agreement;
  - (c) TELUS' obligation to pay Service Level Credits, Transition Credits or Progressive Data Discounts; or
  - (d) Losses suffered or incurred by any of the GPS Entities as a result of any intentional breach of an obligation to perform a material portion of the Services provided under a Service Order without a bona fide attempt to resume such portion of services or to remedy the cause of such cessation.
- 6. This Schedule V will apply irrespective of the nature of the cause of action, demand or Claim, including breach of contract (including fundamental breach), negligence, tort or any other legal theory, and will survive a fundamental breach or breaches of this

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Agreement or the Strategic Relationship Agreement or of any remedy contained herein or therein.

7. The liability of the parties under this Agreement will respect to certain Service Towers will be subject to the additional express terms and conditions set forth in Attachment V-1.

## ATTACHMENT V-1 – SERVICE TOWER SPECIFIC LIABILITY

- 1. <u>Use of Cellular Services</u>. The GPS Entities agree that the use of the Standard Cellular Services by Cellular End Users is subject to the following user guidelines (the "**User Guidelines**"):
  - (a) the Cellular End User will use the Standard Cellular Services in compliance with Applicable Law;
  - (b) the Cellular End User will not resell the Standard Cellular Services to any other Entity;
  - (c) the Cellular End User will not use the Standard Cellular Services to transmit or send any inappropriate, improper, excessive, threatening or obscene material or to otherwise harass, offend, threaten, embarrass, distress or invade the privacy of any individual or entity;
  - (d) the Cellular End User will not (and will not permit anyone other than an Entity authorized by the TELUS) reproduce, alter, adjust, repair or tamper with any signalling, identification (including the MIN, ESN, IMEI, IMSI, and other numbers) or transmission function or component of any unit of Cellular User Equipment used for the Standard Cellular Services;
  - (e) the Cellular End User will use the Standard Cellular Services in compliance with any applicable Software licensing or usage terms presented to Cellular End Users during installation or use of the Standard Cellular Services; or
  - (f) the Cellular End User will not use the Standard Cellular Services in an abusive manner that: (i) results in use of excessive network capacity; (ii) unfairly takes excessive advantage of any flat rate or limited use Cellular Service Plan; or (iii) adversely and unreasonably impacts TELUS' other customers or services; provided, however, that any use of the Standard Cellular Services that is consistent with any GPS Entity technology or data use programs or strategies as agreed by the parties will be deemed not to be abusive for purposes of this paragraph (f). TELUS will agree to any technology use or data use program or strategy of a GPS Entity unless TELUS can demonstrate the injurious impact of such program or strategy on its cellular network.

For greater certainty, the GPS Group does not agree, covenant or represent that Cellular End Users or other GPS End Users will observe or comply with the User Guidelines. The failure of a GPS Entity, Cellular End User or other GPS End Users to comply with the User Guidelines will be deemed not to constitute a default or breach of the terms of the Agreement on the part of any GPS Entity, provided, however, that such failure will entitle TELUS to suspend the Standard Cellular Services to such Cellular End User who has failed to comply with the User Guidelines until such failure is remedied to the satisfaction of TELUS acting reasonably.

2. <u>Limitations</u>. The quality and reliability of radio signals in any wireless network can be influenced by a number of factors. Radio signals fluctuate due to atmospheric,

topographic, or other environmental conditions. For example, the buildings surrounding a transmitting site may change over time and those changes may affect the radio signal path. Therefore, TELUS cannot guarantee any specific signal strength in respect of the Standard Cellular Services.

3. Mandatory Emergency Services to GPS End Users. The liability of TELUS for damages caused by negligence on the part of TELUS in the provision of mandatory emergency services as part of the provision of Cellular Services or Voice Services, except in cases where such negligence results in physical injury, death or damage to a GPS Entity's property or premises, or where such damages are caused by the deliberate fault, gross negligence, anti-competitive conduct, or breach of contract resulting from gross negligence, on the part of TELUS, is limited to the greater of \$20 and three times the amount the GPS Entity would otherwise be entitled to receive as a refund for the provision of defective Service under this Agreement. TELUS does not guarantee timely, secure, error-free or uninterrupted mandatory emergency services or related receipt of material or messages transmitted over or through TELUS network or the networks of other companies or through the Internet. In respect of the provision of mandatory emergency services, TELUS is not responsible for and shall not have any liability to the GPS Entities for (a) libel, slander, defamation or the infringement of copyright arising from material or messages transmitted over the telecommunications network of TELUS from the GPS Entity's property or premises or recorded by the GPS Entity's equipment or the equipment of TELUS; (b) damages arising out of the acts, defaults, neglect or omissions of the GPS Entities or Cellular End Users in the use or operation of equipment activated on the telecommunications networks of TELUS; (c) damages arising out of the transmission of material or messages over the telecommunications networks of TELUS on behalf of the GPS Entities, which is in any way unlawful; or (d) any act, omission or negligence of other companies or telecommunications systems in relation to the provision of the mandatory emergency services, when the facilities of such other companies or telecommunications systems are used in establishing connections to or from facilities and equipment controlled by GPS Entities. The limitations in this section do not apply in cases of deliberate fault, gross negligence, or anti-competitive conduct, or breach of contract resulting from gross negligence, on the part of TELUS.