

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

JASON MOOMJY, Individually and On Behalf of
All Others Similarly Situated,

Plaintiff,

v.

Case No. 2:11-cv-00726-RSL

HQ SUSTAINABLE MARITIME
INDUSTRIES, INC., NORBERT SPORNS
and JEAN-PIERRE DALLAIRE, *et al.*,

CLASS ACTION

Defendants.

PROOF OF CLAIM AND RELEASE

I. GENERAL INSTRUCTIONS

A. To recover as a member of the Class based on your claim in the action entitled *HQSM Securities Litigation*, Case No. 2:11-cv-00726-RSL (the "Litigation"), you must complete this Proof of Claim and Release form ("Proof of Claim"). If you fail to submit a Proof of Claim by the submission deadline, your claim may be rejected and you may be precluded from any recovery from the Settlement Fund created in connection with the proposed settlement of the Litigation ("Settlement"), as set forth in the Stipulation and Agreement of Settlement ("Stipulation") dated September 28, 2012.

B. Submission of this Proof of Claim, however, does not ensure that you will share in the proceeds of the Settlement Fund created in this Litigation.

C. YOU MUST COMPLETE AND SUBMIT YOUR PROOF OF CLAIM VIA MAIL **POSTMARKED NO LATER THAN APRIL 30, 2013**, ADDRESSED TO THE CLAIMS ADMINISTRATOR AS FOLLOWS:

HQSM Securities Litigation
c/o Strategic Claims Services
600 N. Jackson Street, Suite 3
Media, PA 19063

If you are NOT a member of the Class, as defined in the Notice of Proposed Settlement of Class Action, Motion for Attorney's Fees and Reimbursement of Expenses and Settlement Fairness Hearing (the "Notice"), then DO NOT submit a Proof of Claim.

D. If you are a member of the Class, you are bound by the terms of any judgment entered in the Action, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM.

II. INSTRUCTIONS FOR CLAIMANT IDENTIFICATION SCHEDULE

A. If you purchased or otherwise acquired HQ Sustainable Maritime Industries, Inc. ("HQSM") common stock between May 12, 2009 and April 1, 2011, inclusive, or if you acquired common stock or warrants to purchase common stock of HQSM issued in or traceable to its securities offerings in June 2009 or August 2010, and were damaged thereby (the "Class"), and held the stock and/or warrants in your name, you are the beneficial purchaser as well as the record purchaser. If, however, the stock and/or warrants were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial purchaser and the third party is the record purchaser.

B. Use "Part I" of this form (below) entitled "Claimant Identification" to identify each owner of record ("nominee"), if different from the beneficial owner of the HQSM common stock which form the basis of this claim. **THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL OWNER(S), OR THE LEGAL REPRESENTATIVE OF SUCH OWNER(S) OF THE HQSM COMMON STOCK AND/OR WARRANTS UPON WHICH THIS CLAIM IS BASED.**

C. All joint purchasers must sign this claim. Executors, administrators, guardians, conservators, and trustees must complete and sign this claim on behalf of persons or entities represented by them and their authority must accompany this claim and their titles or capacities must be stated. The Social Security (or taxpayer identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

III. INSTRUCTIONS FOR SCHEDULE OF TRANSACTIONS

A. In the space provided below, supply all required details of your transaction(s) in HQSM common stock. If you need more space, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

B. Please provide all of the requested information with respect to **all** of your purchases and acquisitions of HQSM common stock, regardless of whether such transactions resulted in a profit or a loss. Failure to report all such transactions may result in the rejection of your claim.

C. List each transaction separately and in chronological order by trade date, beginning with the earliest. You must accurately provide the month, day, and year of each transaction you list.

D. Broker confirmations or other documentation of your transactions in HQSM common stock should be attached to your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.

E. The requests are designed to provide the minimum amount of information necessary to process the most simple claims. The Claims Administrator may request additional information as required to efficiently and reliably calculate your losses. In some cases where the Claims Administrator cannot perform the calculation accurately or at a reasonable cost to the Class with the information provided, the Claims Administrator may condition acceptance of the claim upon the production of additional information and/or the hiring of an accounting expert at the claimant's cost.

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

HQSM Securities Litigation
Case No. 2:11-cv-00726-RSL

PROOF OF CLAIM AND RELEASE

Must be Postmarked No Later Than: April 30, 2013

Please Type or Print

I. CLAIMANT INFORMATION

Name

[Grid for Name]

Street Address

[Grid for Street Address]

City: [Grid] State: [Grid] Zip Code: [Grid]-[Grid]

Foreign Province and Postal Code: [Grid] Foreign Country: [Grid]

Social Security Number or Taxpayer Identification Number (if U.S. Citizen/Resident)

Social Security Number (for individuals)
[Grid]-[Grid]-[Grid]

Taxpayer Identification Number
(for estates, trusts, corporations, etc.)
[Grid]-[Grid]

(used only to verify claim, and failure to provide could delay same or result in rejection of claim)

Area Code Telephone No. (Day) Area Code Telephone No. (Night) Area Code Facsimile Number
[Grid] [Grid]-[Grid] [Grid] [Grid]-[Grid] [Grid] [Grid]-[Grid]

Email Address

[Grid for Email Address]

Specify one of the following:

Individual(s) Corporation Joint Owners IRA Estate Other: _____

PART II: SCHEDULE OF TRANSACTIONS IN HQSM COMMON STOCK

A. **OPENING HOLDINGS:** State the total number of shares of HQSM common stock owned at the close of trading on May 11, 2009. (If none, write 0.) (must be documented)

[Box for Opening Holdings]

B. **PURCHASES:** Separately list each and every purchase of HQSM common stock during the period between May 12, 2009 and April 1, 2011, inclusive and provide the following information (*must be documented*):

Trade Date (List Chronologically) (Month/Day/Year)	Number of Shares Purchased	Price Per Share	Total Cost (excluding commissions, taxes and fees)
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C. **SALES:** Separately list each and every sale of HQSM common stock during the period between May 12, 2009 and April 1, 2011, inclusive and provide the following information (*must be documented*):

Trade Date (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Price Per Share	Amount Received (excluding commissions, taxes and fees)
□□/□□/□□	□□□□□□□□	\$ □□□.□□□□□□	\$ □□□□□□□□.□□
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D. **ENDING HOLDINGS:** State the total number of shares of HQSM common stock owned at the close of trading on April 1, 2011.
(If none, write 0.) (*must be documented*):

YOU MUST READ AND SIGN THE RELEASE ON PAGES 14-15. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

If you require additional space, attach extra schedules in the same format as above. Copies of broker’s confirmations or other documentation evidencing your transactions in HQSM common stock should be attached.

PART III: SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGEMENTS

1. I (We) submit this Proof of Claim and Release under the terms of the Stipulation and Agreement of Settlement described in the Notice. I (We) also submit to the jurisdiction of the United States District Court Western District of Washington with respect to my (our) claim as a Class Member and for purposes of enforcing the release set forth herein and any judgment which may be entered in the Action. I (We) further acknowledge that I (we) am (are) bound by and subject to the terms of any judgment that may be entered in the Action.

2. I (We) agree to furnish additional information to the Claims Administrator to support this claim if required to do so.

PART IV: RELEASE

Upon the occurrence of the Court’s approval of the Settlement and its Effective Date, as detailed in the Notice, I (we) agree and acknowledge that I (we) am (are) bound by the terms of any judgment in the Litigation, and my (our) signature(s) on this document will effect and constitute a full and complete release, remise and discharge by me (us) and my (our) current and former heirs, executors, administrators, successors, attorneys, legal representatives, and assigns of each of the “Released Persons” of all “Released Claims,” as defined in the Notice. If I am (we are) submitting this Proof of Claim on behalf of a corporation, a partnership, estate or one or more other persons, this release is made by it, him, her or them, and by its, his, her or their current and former heirs, executors, administrators, successors, attorneys, legal representatives, and assigns.

Note: This means that you are giving up all rights to sue concerning the claims in this Litigation and all related claims, defined as the “Released Claims.” The “Released Persons” are each and all of the Defendants, their insurers, insurers’ affiliates, and reinsurers, and their Related Parties, which shall include, without limitation, all current and former members of HQSM’s board of directors, each of whom will be released from all Released Claims. “Released Claims” means any and all claims, debts, demands, rights or causes of action or liabilities whatsoever, whether based

on federal, state, local, statutory or common law, statute, or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, whether class and/or individual in nature, including both known claims and "Unknown Claims", (1) that have been asserted in this Action by Lead Plaintiff against any of the Released Persons on behalf of itself or the Class or otherwise, or (2) that could have been asserted in this Action, or in any other action or forum by Lead Plaintiff and/or the members of the Class and/or any HQSM shareholder or any of them, against any of the Released Persons which arise out of or are based upon or relate in any way to the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Action and/or the Derivative Actions, including by way of example and without limitation, any claims related to or arising out of the purchase or acquisition of HQSM common stock or warrants pursuant or traceable to the Offerings or on the open market during the Class Period.

PART V: SUBSTITUTE FORM W-9

Request for Taxpayer Identification Number:

Enter taxpayer identification number below for the Beneficial Owner(s). For most individuals, this is your Social Security Number. The Internal Revenue Service ("I.R.S.") requires such taxpayer identification number. If you fail to provide this information, your claim may be rejected.

Social Security Number
(for individuals)

□□□□ - □□ - □□□□□□

or

Taxpayer Identification Number
(for estates, trusts, corporations, etc.)

□□ - □□□□□□□□

PART VI: REPRESENTATIONS AND CERTIFICATION

1. I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.

2. I (We) hereby warrant and represent that I (we) have included information about all of my (our) purchases, acquisitions and sales transactions in HQSM common stock which occurred between May 12, 2009 and April 1, 2011, inclusive, as well as the number of shares of HQSM common stock held by me (us) at the close of trading on May 11, 2009 and the close of trading on April 1, 2011.

3. I (We) certify that I am (we are) not subject to backup withholding under the provisions of Section 3406(a)(1)(c) of the Internal Revenue Code.

NOTE: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above.

Under the penalty of perjury, I (we) certify that all of the information I (we) provided on this Proof of Claim and Release form is true, correct and complete and that this form was executed this _____ day of

_____ in _____
(month, year) (City, State, Country)

(Sign your name here)

(Sign your name here)

(Type or print your name here)

(Type or print your name here)

(Capacity of persons signing, e.g., Beneficial Purchaser, Executor or Administrator)

(Capacity of persons signing, e.g., Beneficial Purchaser, Executor or Administrator)

**ACCURATE CLAIMS PROCESSING TAKES A
SIGNIFICANT AMOUNT OF TIME
THANK YOU FOR YOUR PATIENCE**

HQSM Securities Litigation
c/o Strategic Claims Services
600 N. Jackson Street, Suite 3
Media, PA 19063

PLEASE FORWARD

FIRST CLASS MAIL
U.S. POSTAGE
PAID
PERMIT NO. 138
PHILADELPHIA, PA

FIRST CLASS MAIL

PLEASE FORWARD—IMPORTANT LEGAL NOTICE

Reminder Checklist

1. Please sign the Certification section of the Proof of Claim and Release on Page 15.
2. If this claim is being made on behalf of joint claimants, both must sign.
3. Remember to attach supporting documentation.
4. Do not send original stock certificates.
5. Keep a copy of your Proof of Claim and Release form and all documents submitted for your records.
6. If you desire an acknowledgment of receipt of your claim form, please send it Certified Mail, Return Receipt Requested.
7. If you move, please send the Claims Administrator your new address.

**This form and your supporting documentation must be postmarked
no later than April 30, 2013 to:**

HQSM Securities Litigation
c/o Strategic Claims Services
600 N. Jackson Street, Suite 3
Media, PA 19063