

HQ Sustainable Maritime Industries, Inc. Retainer Agreement

This Retention Agreement governs the retention of Zeldes & Haeggquist, LLP ("Zeldes & Haeggquist ") by those institutions or individuals (the "Client") who have authorized Zeldes & Haeggquist to prosecute claims arising out of their purchase of HQ Sustainable Maritime Industries, Inc.'s stock.

I. SCOPE OF SERVICES/CASE HANDLING

A. Upon execution of the retention agreement by Zeldes & Haeggquist, Client retains and authorizes Zeldes & Haeggquist to prosecute claims relating to the securities of HQ Sustainable Maritime Industries, Inc. (the "Litigation"). Client provides authorization to seek appointment as Lead Plaintiff in the class action, while Zeldes & Haeggquist will seek to be appointed Class Counsel. If this occurs, the Litigation will be prosecuted as a class action.

B. Zeldes & Haeggquist is authorized to prosecute the Litigation. The appointed Lead Plaintiffs will monitor, review and participate with counsel in the prosecution of the Litigation. Zeldes & Haeggquist shall consult with the appointed Lead Plaintiffs concerning all major substantive matters related to the Litigation, including, but not limited to, the complaint, dispositive motions and settlement. Because of potential differences of opinion between Clients concerning, among other things, strategy, goals and objectives of the Litigation, Zeldes & Haeggquist shall consult with the appointed Lead Plaintiffs as to the courses of action to pursue. The Client agrees to abide by the decisions of the appointed Lead Plaintiffs, which shall be final and binding on all Clients.

C. Zeldes & Haeggquist shall provide sufficient resources, including attorney time and capital for payment of costs and expenses, to vigorously prosecute the Litigation.

D. Any recovery will be divided among the defined Class Members based on the recognized loss of each Class Member as calculated by a damage allocation plan which will be prepared by a financial expert, provided to the appointed Lead Plaintiffs, be subject to the Court's approval and will account for such factors as size of stock ownership, date of purchase, date of sale and continued holdings, if any.

II. CONTINGENT FEE AGREEMENT

A. Zeldes & Haeggquist shall advance all expenses in the Litigation. The Client is not liable to pay any of the expenses of the Litigation, whether attorneys' fees or costs. Recovery of costs and other expenses is contingent upon a recovery being obtained. If no recovery is obtained, Client will owe nothing for costs and other expenses. In the event that an order is entered awarding costs and expenses in favor of defendants, Attorneys will be responsible for such costs and expenses, not the Client.

B. If there is a recovery in the Litigation, whether by settlement or judgment, Zeldes & Haeggquist shall be compensated via payment of a reasonable percentage of any recovery as approved by the Court, which amount shall include attorneys' fees plus reasonable disbursements in the Litigation. "Disbursements" shall include, but not be limited to, costs of travel, telephone, copying, fax transmission, depositions, investigators, messengers, mediation expenses, computer research fees, court fees, expert fees, other consultation fees and paralegal expenses. Any recovery in the Litigation shall first be used to reimburse disbursements.

C. In the event that the Litigation is resolved by settlement under terms involving any "in-kind" payment, such as stock, the contingent fee agreement shall apply to such "in-kind" payment.

III. GENERAL REQUIREMENTS

A. This Agreement may not be assigned by Zeldes & Haeggquist, although Zeldes & Haeggquist is authorized to engage co-counsel if, in its discretion, Zeldes & Haeggquist believes that co-counsel will aid in prosecuting this action.

B. Client agrees to cooperate in the prosecution of the suit including providing documents to substantiate the Client's claim, and to cooperate in providing discovery information, including a deposition if necessary.

C. Client recognizes that Zeldes & Haeggquist are representing other HQ Sustainable Maritime Industries, Inc. investors in the Litigation. The Client agrees that any conflicts caused by such representation are waived.

IV. TERMINATION

A. Client may terminate this Agreement as to Zeldes & Haeggquist, with or without cause and without penalty, by providing Zeldes & Haeggquist with written notice of termination. Zeldes & Haeggquist may terminate this agreement with or without cause and without penalty, by providing Client with written notice of termination if the Client fails to cooperate in the prosecution of this action or such other reason as appropriate, or as may be approved upon application to the Court.

B. If Zeldes & Haeggquist are terminated for any reason, Attorneys shall be entitled (a) to be reimbursed, pursuant to §II above, for reasonable out-of-pocket costs and expenses that they incurred, but only if and when recovery is obtained, and (b) to be paid such compensation as might be payable to them in accordance with this Agreement, but only if and to the extent and at the time compensation is payable to Zeldes & Haeggquist from any recovery in the Litigation pursuant to §II above.

V. NOTICE

A. All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and registered as follows:

TO THE CLIENT

The address set out in the HQ Sustainable Maritime Industries, Inc. Certification and Authorization form.

TO ATTORNEYS

Zeldes & Haeggquist, LLP
625 Broadway, Suite 906
San Diego, California 92101
Attention: Amber L. Eck

B. Any actions arising out of this Agreement shall be governed by the laws of California, and shall be brought and maintained in the San Diego Superior Court, which shall have exclusive jurisdiction thereof.

C. This agreement, along with the signed Certification and Authorization of Named Plaintiff, sets forth the entire Agreement between the parties, and supersedes all other oral or written provisions.

ZELDES & HAEGGQUIST, LLP [*This Agreement
is not effective until executed by Zeldes & Haeggquist, LLP.
If executed, Zeldes & Haeggquist will promptly notify Client]

/s/
CLIENT