

**Douglas Alexander and William Barrett, as Representative Plaintiffs v.  
HMS Financial Inc. et al  
Alberta Court of Queen's Bench Action No. 0501 08152**

**NOTICE OF APPLICATION FOR COURT APPROVAL OF SETTLEMENT WITH  
THE DEFENDANT CANADIAN IMPERIAL BANK OF COMMERCE**

TO: HMS INVESTOR CLASS MEMBERS

AND TO: THE DEFENDANTS

The Defendants named in this action are: HMS Financial Inc., Skyward Management Inc., Garth S. Bailey, Garth S. Bailey Professional Corporation, 990137 Alberta Ltd., 1037149 Alberta Ltd., operating as Cedar Management, 1053382 Alberta Inc., 1070199 Alberta Ltd., 1079373 Alberta Ltd., 993638 Alberta Ltd., A-Z Investment Group, ABBA Resources Unlimited, Academy Financial Inc., Academy Financial Planners & Consultants Inc., Ailanthus International Inc., Altruistic Holdings Ltd., Bailey & Dawes LLC, Bogner Industries Ltd. a.k.a. Bogner Industries Inc., B.P. Fritz Consulting Inc., Canadian Imperial Bank Of Commerce, The Carpenter's Shop Corporation, Casselman MCS Financial Inc., Cedar Pointe Consulting Group Inc., Chase Forbes Trust Ltd., CLJ Consulting LLC, Commonwealth Marketing Group Ltd., Community Credit Union Ltd., Companions Inc., The Dakota Corporation, Dana I. Carlson, Datas Consulting, Defreitas & Associates, Ethan Equities Inc., Five Continents Consulting, Five Continents Consulting Corporation, Warren Goss, Graceful Beneficence, Guessworks, Guessworks Foundation, The Hillpro Group Inc., Horizon Bank International Limited, Horizon Fiduciary Inc., HSBC Bank Canada, In House Counsel Cameron Campbell, International Investments Inc., Kamikey Services Inc., Kelso Enterprises Inc., Kingdom Advisors, Klass "A" Strategies Inc., Labalta Ltd., Legal Structures Inc., Linden Village Inn, Lindenhall Limited, Lindenhall Pty Ltd., M & M Computer Consulting, M & M Investments 101 Ltd., Maritime LLC, McCullough Financial Corporation, Michael Grosh Professional Corporation, Mountain Star Capital Corp., Mountain View Credit Union Limited, NDX Development LLC, Numa Ltd., Oxyoke Farms Ltd., Paget Capital Ltd., Paradise Bay Holdings Inc., Phoenix Global Resources Ltd., Pine Grove Management Inc., William H. Randall, RLM Consulting LLC, Sellars Financial Inc., Talisman Financial Investments Inc., Tamika Enterprises Inc., Thor Empire Trust, Titania Consulting Inc., TJ Kelly Inc., Tools Of The Carpenter, Trans Max Technologies Inc., Triple-SSS Holdings Inc., Tyrolia Foundation, Vitron Consulting Inc., Zurich Ventures Inc., A. Gary Young, Guy Bailey, Alfred Barnfield, Connie Bartel, Robert Bartel, Victor Bauman, Mylo Berstad, Nancy Buford, Cameron Campbell, Rick Childers, Blaine A. Cisna, Kevin Coombes, Ellen Kate Covey, Douglas A. Cowan, Margaret Dart, Stanley Defreitas, Don Dickerson, Eugene Leroy Duce, Arnold Dyck, Juan Exposito, Alfredo Farpon, Ray Fisher, Jack Folsom, Jim Folsom, Barie Fritz, Crystal Anne Fyn, Phyllis Fyn, Robert E. Fyn a.k.a. Colonel Fyn, Allan A. Gray, Michael Grosh, David Guess, Neil Guess, Kendra Haskett, Arnold Henry, David Henry, Gord Hiebert, Samuel Higgins, Wayne Johnson, Terry Kelly, Barbara L. King, Arthur Klassen, Edwin Knott, Ruby Leachman, George Lennox, William Lenz, Daniel Lescamela, Willie Lichtner, Lucia Ling, Barbara Lockhart, Ron Lowrie, Don MacGillivray, Danny R. MacNaughton, Norma A. MacNaughton, Michael Mccullough, William McGrath, Dave Miller, Rosendo Mendez, Peter Mergenthaler, Peter Mol, Brad Mooney, Peter Morrisseau, Tom Oldridge, Roy Overton, Gertrude M. Prete, Donald Rabby, Amin Ramji, Bilkish Ramji, Stan W. Remin, Jeffrey Robinson, Daniel Romero, John Romero, Orest Rusnak, Arie Schalk, Randall Seabrook, Claude Seguin, Robert J. Sellars, William Serediuk, Peter L. Sheridan, Janet Stark, Murray Stark a.k.s. Harold Murray Stark a.k.a. Murray H. Stark, Delmer Strobel, Verna Strobel, Cheryl Taylor, Milton Teibe, Robert F. Terborg, Enrique Toscano A.K.A. Chico Toscano, Lee-Anna Toscano, Henk Ujiterlinde, Wilma Ujiterlinde, Heather Vance, Christine Williams, William A. Williamson A.K.A. Bill Williamson, John W. Willock, Alberta Lawyers' Insurance Association and Canadian Lawyers' Insurance Association

1. The Representative Plaintiffs have instructed Class Counsel to enter into a settlement with the Defendant, Canadian Imperial Bank of Commerce (“CIBC”), summarized below. This settlement requires Court approval and the Court has designated Tuesday, July 26, 2011 at 9:00 a.m. at the Calgary Courthouse, to hear the application by the Representative Plaintiffs seeking an Order approving the CIBC settlement.
2. A summary of the CIBC settlement is as follows:
  - a. CIBC will pay \$350,000.00 to the Plaintiff Class;
  - b. The Action shall be dismissed by the Court as against CIBC without costs, on the understanding that the Action will continue against the Remaining Defendants.
3. Should you wish to oppose the CIBC Settlement, then you must:
  - a. Advise Class Counsel by email, at [lsedgwick@mross.com](mailto:lsedgwick@mross.com), or fax at 780-482-9100, not later than 4:00 p.m. on July 12, 2011;
  - b. Provide an Affidavit setting forth the facts as to why you oppose the application to approve the CIBC Settlement, file a copy of the Affidavit at the Courthouse in Calgary and deliver a filed copy to McLennan Ross LLP, 1600 Stock Exchange Tower, 300 – 5<sup>th</sup> Avenue SW, Calgary, Alberta T2P 3C4, no later than 4:00 p.m., the 12<sup>th</sup> day of July 2011;
  - c. Appear in Court in Calgary on the date, time and courtroom set forth above to present your arguments.
4. Should the CIBC settlement be approved by the Court, this means that a further \$350,000.00 will be deposited into the pool of funds currently being held in trust by Class Co-Counsel for the benefit of the Class, to be distributed with the other funds collected on behalf of the Class at the conclusion of the action under the direction of the Alberta Court.