

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA

IN RE CP SHIPS LTD. SECURITIES)
LITIGATION)

No. 8:05-MD-1656-T-27TBM

**NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT AND MOTION FOR ATTORNEYS' FEES
AND EXPENSES AND FINAL HEARING**

IF YOU PURCHASED OR OTHERWISE ACQUIRED THE SECURITIES OF CP SHIPS LTD. ("CP SHIPS" OR THE "COMPANY") BETWEEN JANUARY 29, 2003 AND AUGUST 9, 2004, INCLUSIVE, EXCEPT FOR CANADIAN CITIZENS WHO PURCHASED SHARES OF CP SHIPS ON CANADIAN EXCHANGES DURING THE CLASS PERIOD (THE "CLASS"), YOU COULD RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT.

A federal court authorized this Notice. This is not a solicitation from a lawyer.

Securities and Time Period: CP Ships common stock, CP Ships 4% Convertible Senior Subordinated Notes due 2024, and CP Ships 10-3/8% Senior Notes due 2012 (collectively, the "Securities") purchased or otherwise acquired between January 29, 2003 and August 9, 2004, inclusive (the "Class Period"), except for CP Ships Securities purchased by Canadian citizens on Canadian exchanges during the Class Period.

Settlement Fund: \$1,300,000 in cash. Your recovery will depend on the amount and type of CP Ships Securities purchased or acquired between January 29, 2003 and August 9, 2004, inclusive, and the timing of your purchases, acquisitions, and any sales. Depending on the number of claims filed and when Class members purchased and/or acquired and sold their CP Ships Securities, the estimated average recovery per share of CP Ships common stock will be approximately \$0.11, after taking into consideration the relative average payment that would be paid to purchasers of CP Ships Notes (as defined below) during the Class Period (estimated at approximately 16.82% of total damages). This average is an estimate and is before deduction of Court-approved fees and expenses.

The Lawsuit: The Settlement resolves class action litigation over whether CP Ships, Ray Miles, Frank Halliwell, and Ian Webber (collectively, the "Defendants") issued materially false and misleading statements and/or concealed material adverse facts relating to CP Ships' financial condition. See Question 2 below for more information.

Attorneys' Fees and Expenses: Lead Counsel have litigated this Action on a contingent basis and have conducted this litigation and advanced the expenses of litigation with the expectation that if they were successful in recovering money for the Class, they would receive fees and be reimbursed for their expenses from the Settlement Fund, as is customary in this type of litigation. Court-appointed Lead Counsel will apply to the Court for attorneys' fees not to exceed 25% of the Settlement Fund and reimbursement of out-of-pocket expenses not to exceed \$150,000, plus interest on both amounts, all to be paid from the Settlement Fund. If the above amounts are requested and approved by the Court, the requested fees and expenses would amount to an average of \$0.05 per damaged share of CP Ships common stock.

DEADLINES: Submit Claim Request Exclusion File Objection	July 23, 2008 May 14, 2008 May 14, 2008
FINAL HEARING ON FAIRNESS OF SETTLEMENT	June 11, 2008

FOR MORE INFORMATION:

Claims Administrator

CP Ships Ltd. Securities Litigation
Claims Administrator
c/o A.B. Data, Ltd.
Post Office Box 170500
Milwaukee, WI 53217
Telephone: (866) 778-9624

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Your legal rights are affected whether you act or do not act. Read this Notice carefully.

Statement of Recovery

Lead Plaintiffs estimate that if all Class members make a claim against the Settlement Fund, the average payment to Class members will be \$0.11 per share of CP Ships common stock, based upon an estimate of 10,006,281 outstanding shares of CP Ships common stock as of the last day of the Class Period and after taking into consideration the relative average payment that would be paid to Authorized Claimants who purchased CP Ships 4% Convertible Senior Subordinated Notes and CP Ships 10-3/8% Senior Notes during the Class Period (estimated at approximately 16.82% of total damages). This estimate does not take into account the deduction of attorneys' fees, costs, and expenses, as approved by the Court. A Class member's actual recovery will depend on (1) the number of claims filed; (2) when Class members purchased and/or acquired their CP Ships Securities during the Class Period; (3) whether Class members either sold their CP Ships Securities during the Class Period or held these Securities past the end of the Class Period; (4) administrative costs, including the costs of notice, for the Action; and (5) the amount awarded by the Court for attorneys' fees, costs, and expenses. Distributions to Class members will be made based on the Plan of Allocation set forth in this Notice. See the Plan of Allocation on Pages 4 and 5.

The Circumstances of the Settlement

The principal reason for Lead Plaintiffs' consent to the Settlement is to provide a benefit to the Class. This benefit must be compared to the risk that no recovery might be achieved after contested motions, a contested trial, and likely appeals, possibly years into the future. While Lead Counsel believed that Defendants' motion to dismiss would be reversed on appeal by the United States Court of Appeals for the Eleventh Circuit (the "Appeals Court")

and that Lead Plaintiffs' claims would be sustained by the Court and ultimately result in a verdict for the Class, Lead Counsel recognized that success against the Defendants is not ensured. Here, the claims advanced by the Class involve numerous complex legal and factual issues, which would require extensive expert testimony and would add considerably to the expenses and duration of the litigation. In addition, the purchase of CP Ships in late 2005 by the parent of a German tourism and shipping company would likely present hurdles to Lead Plaintiffs' future discovery efforts, possibly hindering the ability of Lead Plaintiffs to obtain adequate support to establish their claims.

The parties disagree about (1) the method for determining whether CP Ships Securities traded at artificially inflated prices during the relevant period, (2) the amount of any such inflation, (3) the extent that various facts alleged by Lead Plaintiffs influenced the trading price of CP Ships Securities during the relevant period, and (4) whether the Defendants acted with scienter and are liable under the federal securities laws. Even after an extensive investigation, questions remain regarding the extent of Defendants' liability, the extent a jury might find them liable, if at all, and the true measure of the Class's damages. This Settlement, therefore, enables the Class to recover without incurring any additional risk or costs. As a result, Lead Plaintiffs believe this Settlement is a fair, reasonable, and adequate recovery for the Class.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM	The only way to receive a payment from the Settlement Fund.
EXCLUDE YOURSELF	Receive no payment from the Settlement Fund. This is the only option that allows you to participate in another lawsuit against the Defendants or the Released Parties concerning the Settled Claims.
OBJECT	You may write to the Court if you do not like this Settlement, the Plan of Allocation, or Lead Counsel's request for attorneys' fees and expenses.
GO TO A HEARING	You may ask to speak in Court about the fairness of the Settlement.
DO NOTHING	Receive no payment from the Settlement Fund.

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- The Court in charge of this Action must decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and, if there are any appeals, after appeals are resolved. Please be patient.

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BASIC INFORMATION

1. Why did I receive this Notice package?

You or someone in your family may have purchased or otherwise acquired the Securities of CP Ships between January 29, 2003 and August 9, 2004, inclusive, with the exception of Canadian citizens who purchased the shares of CP Ships on Canadian exchanges during the Class Period.

If this description applies to you, you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement and after any objections or appeals are resolved, the Claims Administrator appointed by the Court will make the payments that the Settlement allows.

This package explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to receive them.

2. What is this lawsuit about?

On or after August 12, 2004, seven class action complaints were filed against CP Ships and certain of its officers and directors alleging violations of the federal securities laws. These actions were transferred and consolidated for pretrial proceedings in the United States District Court for the Middle District of Florida by Order dated February 17, 2005. On June 13, 2005, Lead Plaintiffs filed the Consolidated Amended Class Action Complaint for Violations of Federal Securities Laws (the "Complaint"), asserting claims under Sections 10b, Rule 10b-5, and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act"). The Complaint alleged that during the period between January 29, 2003 and August 9, 2004, inclusive, Defendants issued materially false and misleading statements and/or concealed material adverse facts relating to CP Ships' financial condition, including its profits and savings, when, in fact, the Company's costs were being regularly underaccrued. Specifically, the Complaint alleged that Defendants' alleged conduct concealed CP Ships' true financial condition, enabling Defendants to, among other things, sell almost \$200 million of the Company's convertible notes as well as secure a \$525 million credit facility on very favorable terms. The Complaint further asserted that, as a result of Defendants' alleged conduct, the price of CP Ships Securities was artificially inflated, causing damage to those who purchased or acquired the Company's Securities during the Class Period.

Defendants filed a motion to dismiss the Complaint on August 9, 2005, which Lead Plaintiffs opposed on October 11, 2005. While Defendants' motion to dismiss was pending, the Lead Plaintiffs, on behalf of themselves and the Class, and Defendants (collectively, the "Parties") agreed to mediate the Action, and the Court stayed the Action pending the outcome of the mediation. On May 22, 2006, the Parties participated in a formal mediation session, which was later resumed on September 21, 2006. Following the mediation and after further settlement negotiations, the Parties were unable to reach an agreement and moved the Court to reopen the Action on November 9, 2006. The Court reopened the Action by oral order on November 14, 2006.

By Order dated April 5, 2007, the Court granted Defendants' motion to dismiss the Complaint and granted Lead Plaintiffs 45 days' leave to amend as of the date of the Order. Lead Plaintiffs opted not to amend, and on June 20, 2007, Lead Plaintiffs appealed the Court's ruling to the Appeals Court. The Court in this Action ordered the case closed on June 26, 2007.

While the appeals process was ongoing, the Parties resumed their settlement negotiations, which included participation in a telephonic mediation session with an experienced mediator for the Appeals Court. The Parties reached a tentative agreement to settle the Action in November 2007 and executed a Memorandum of Understanding outlining the general terms of their proposed settlement on December 7, 2007.

3. Why is this Action a class action?

In a class action, one or more people called class representatives (in this case the court-appointed Lead Plaintiffs: Jack Mayer, Beatrice Mayer, William Racht, Arlan Marshall, and Shaun N. Rai) sue on behalf of individuals and entities who have similar claims. All of these individuals and entities who have similar claims are referred to collectively as a class or individually as class members. One court resolves the issues for all class members, except for those who exclude themselves from the Settlement. The United States District Court for the Middle District of Florida, with the Honorable James D. Whittemore presiding, is in charge of this Action.

4. Why is there a settlement?

In order to avoid the cost and risks of further litigation and trial, both sides agreed to a settlement. As explained above, the Lead Plaintiffs and their attorneys believe the Settlement is best for all Class members.

WHO IS IN THE SETTLEMENT?

To see if you will receive money from this Settlement, you first have to determine if you are a Class member.

5. How do I know if I am part of the Settlement?

The Class includes all those who purchased or otherwise acquired the Securities of CP Ships between January 29, 2003 and August 9, 2004, inclusive, **except for Canadian citizens who purchased the shares of CP Ships on Canadian exchanges during the Class Period and those persons and entities that are excluded, as described below.**

6. What are the exceptions to being included?

Canadian citizens who purchased the shares of CP Ships on Canadian exchanges during the Class Period are excluded from the Class.

In addition, the following persons and entities are excluded from the Class: Defendants, the officers and directors of CP Ships, at all relevant times, members of their immediate families and the legal representatives, heirs, successors or assigns of any Defendant and any entity in which any Defendant has or had a controlling interest. Also excluded from the Class are any putative Class members who exclude themselves by filing a request for exclusion in accordance with the requirements set forth herein.

If you sold CP Ships Securities between January 29, 2003 and August 9, 2004, inclusive, that alone does not make you a Class member. You are a Class member only if you purchased or otherwise acquired the Securities of CP Ships during the Class Period.

If one of your mutual funds purchased or owns CP Ships Securities, that alone does not make you a Class member.

7. I am still not sure if I am included.

If you are still not sure whether you are included, you can ask for free help. You can call the Claims Administrator, A.B. Data, Ltd., at (866) 778-9624, for more information. Or you can fill out and return the Proof of Claim and Release form (the “Claim Form”) described in Question 10 to see if you qualify.

THE SETTLEMENT BENEFITS—WHAT YOU RECEIVE

8. What does the Settlement provide?

Defendants have agreed to create a Settlement Fund of \$1,300,000 in cash. The balance of this fund, after payment of Court-approved attorneys’ fees and expenses and the costs of claims administration, including the costs of printing and mailing this Notice and the cost of publishing notice (the “Net Settlement Fund”), will be divided among all Class members who submit timely and valid claims.

PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS

9. How much will my payment be?

The proposed Plan of Allocation provides for distribution of the Net Settlement Fund to Authorized Claimants as follows:

Each Person claiming to be an Authorized Claimant shall be required to submit a separate Claim Form, signed under penalty of perjury and supported by such documents as specified in the Claim Form as are reasonably available to the Authorized Claimant. If you are entitled to a payment, your share of the Net Settlement Fund will depend on the number of valid claims that Class members submit, the amount and type of CP Ships Securities you purchased or acquired during the Class Period, and when you bought, acquired, and sold your CP Ships Securities. By following the Plan of Allocation described herein, you can calculate your “Recognized Loss.” The Claims Administrator will distribute the Net Settlement Fund according to the Plan of Allocation after the deadline for submission of Claim Forms has passed.

All Claim Forms must be postmarked or received by **July 23, 2008**, addressed as follows:

**CP Ships Ltd. Securities Litigation
Claims Administrator
c/o A.B. Data, Ltd.
Post Office Box 170500
Milwaukee, WI 53217**

Unless otherwise ordered by the Court, any Class member who fails to submit a properly completed and signed Claim Form within such period, or such other period as may be ordered by the Court, shall be forever barred from receiving any payments pursuant to the Stipulation, but will in all other respects be subject to the provisions of the Stipulation and the final judgment entered by the Court.

The Net Settlement Fund will be distributed to Authorized Claimants pursuant to the terms of the Plan of Allocation described below. The Plan of Allocation provides that a Class member will be eligible to participate in the distribution of the Net Settlement Fund only if he, she, or it (i) has a net loss on all transactions in CP Ships common stock during the Class Period and/or (ii) has a net loss on all transactions in CP Ships 4% Convertible Senior Subordinated Notes due 2024 (the “4% Notes”) and CP Ships 10-3/8% Senior Notes due 2012 (the “10-3/8% Notes”) (collectively, the “Notes”) during the Class Period.

The date of purchase, acquisition, or sale is the “contract” or “trade” date and not the “settlement” date. All profits will be subtracted from all losses to determine the net Recognized Loss of each Class member. For Class members who held CP Ships Securities at the beginning of the Class Period or made multiple purchases, acquisitions, or sales during the Class Period, the first in, first out (“FIFO”) method will be applied to such holdings, purchases, acquisitions, and sales for purposes of calculating a Recognized Loss. Under the FIFO method, sales during the Class Period will be matched, in chronological order, first against your holdings at the beginning of the Class Period and thereafter, in chronological order, against subsequent purchases and acquisitions during the Class Period.

RECOGNIZED LOSS CALCULATIONS

The following proposed Plan of Allocation for calculating Recognized Losses for common stock reflects the proposition that the price of CP Ships common stock was artificially inflated throughout the entire Class Period. The Plan of Allocation takes into account the price drop which accompanied the disclosures that were made at the end of the Class Period regarding the conduct underlying the allegations of the Complaint. This Plan of Allocation is not a formalized damage study but rather a simplified methodology designed solely to compare one Class member to another based upon the stock drop that followed the disclosures made at the end of the Class Period. The methodology does not adjust the stock price reaction to eliminate the effects, if any, attributable to general market or industry conditions or to eliminate company-specific factors affecting the stock price which may have been unrelated to the alleged wrongdoing. In developing this Plan of Allocation for transactions in CP Ships common stock, Lead Counsel have considered, among other things, the impact of the disclosures made on August 9, 2004, revealing CP Ships had substantially overstated its revenue and earnings in 2002 and 2003 and the first quarter of 2004 and that investors should not rely on its previously reported financial statements for 2002 and 2003 and the first quarter of 2004. After this announcement, the price of CP Ships common stock declined by \$3.70 per share, from a close of \$16.55 per share on August 8, 2004, to a close at \$12.85 per share on August 9, 2004.

Although the Class Period includes August 9, 2004, persons who purchased and/or acquired CP Ships Securities on August 9, 2004, are not recovering under the Plan of Allocation because the disclosure at issue was made before the opening of trading that day.

The Plan of Allocation provides that the Recognized Loss (as calculated below) shall be zero for transactions of CP Ships Securities in which they were both purchased and/or acquired and sold between the beginning of the Class Period on January 29, 2003 through the close of trading on August 8, 2004 (“in and out purchases”), because (i) both the purchase/acquisition and sale occurred before the revelation of any alleged adverse information about CP Ships’ noncompliance with Generally Accepted Accounting Principles (“GAAP”) and its alleged substantially inflated revenue and earnings; and (ii) Lead Plaintiffs have not found evidence that any decline in the price of CP Ships Securities that occurred prior to the close of trading on August 8, 2004, was related to the alleged misstatements. As a result, these transactions shall have no Recognized Loss.

I. COMPUTING RECOGNIZED LOSSES FOR CP SHIPS COMMON STOCK:

For shares of common stock purchased/acquired between January 29, 2003 and the close of trading on August 9, 2004 (including purchases to cover shares sold short prior to the Class Period):

- A. **That were sold prior to the close of trading on August 8, 2004**, the Recognized Loss shall be zero.
- B. **That were still held at the close of trading on August 8, 2004**, the Recognized Loss shall be the LESSER OF:
 1. \$3.70 per share or
 2. the difference between the purchase price per share and \$12.25.¹

II. COMPUTING RECOGNIZED LOSSES FOR CP SHIPS NOTES:

The following proposed Plan of Allocation for calculating Recognized Losses for CP Ships 4% Notes is based upon a similar concept and the disclosure described above in the section for calculating Recognized Losses based on the purchase of CP Ships common stock:

With respect to the 4% Notes, the significant price impact accompanied the disclosure at the end of the Class Period on August 9, 2004, when the dealer-quoted price for the 4% Notes fell from \$987.40 per \$1,000 face amount on August 8, 2004, to \$915.30 per \$1,000 face amount on August 9, 2004, a drop of \$72.10 per \$1,000 face amount.

The following proposed Plan of Allocation also calculates Recognized Losses for CP Ships 10-3/8% Notes purchased during the Class Period. However, as trading history for the 10-3/8% Notes during the Class Period is not available, the Plan of Allocation for the 10-3/8% Notes is not based on the same concepts as described in connection with CP Ships common stock.

For the reasons stated above with respect to “in and out purchases” of CP Ships common stock, the Recognized Loss for purchases of the 4% Notes and the 10-3/8% Notes that were also sold during the Class Period will be zero.

A. CP SHIPS 4% NOTES:

For 4% Notes purchased/acquired between January 29, 2003 and the close of trading on August 9, 2004:

1. **That were sold prior to the close of trading on August 8, 2004**, the Recognized Loss shall be zero.
2. **That were still held at the close of trading on August 8, 2004**, the Recognized Loss shall be 50% of the LESSER OF:²
 - (1) \$72.10 per \$1,000 face amount or
 - (2) the difference between the purchase price per \$1,000 face amount and \$931.60.³

B. CP SHIPS 10-3/8% NOTES:

For 10-3/8% Notes purchased/acquired between January 29, 2003 and the close of trading August 9, 2004:

1. **That were sold prior to the close of trading on August 8, 2004**, the Recognized Loss shall be zero.
2. **That were still held at the close of trading on August 8, 2004**, the Recognized Loss shall be 25% of the difference of the purchase price per \$1,000 face amount and the sale price per \$1,000 face amount.⁴

The Plan of Allocation is a matter separate and apart from the proposed Settlement, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed Settlement. The Plan of Allocation may be modified in connection with, among other things, a ruling by the Court or an objection filed by a Class member, without further notice to the Class.

The Claims Administrator shall determine each Authorized Claimant’s *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant’s “Recognized Loss.” The Recognized Loss formula is not intended to be an estimate of the amount a Class member might have been able to recover after a trial, nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Loss formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants.

Each Authorized Claimant shall be paid the percentage that each Authorized Claimant’s claim bears to the total of the claims of all Authorized Claimants. The Court has reserved jurisdiction to allow, disallow, or adjust the claim of any Class member on equitable grounds. Each Claimant is deemed to have submitted to the jurisdiction of the Court with respect to the claimant’s claim, and the claim will be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to that claimant’s status as a Class member and the validity and amount of that claimant’s claim. No discovery shall be allowed on the merits of the Action.

Payments will be final and conclusive against all Class members. All Class members whose claims are not approved by the Court will be barred from participating in distributions from the Net Settlement Fund but otherwise shall be bound by all of the terms of the Settlement, including the terms of the Final Order and Judgment to be entered in the Action and will be barred from bringing any Settled Claim against any Released Parties, including Unknown Claims (as those terms are defined in the Claim Form enclosed with this Notice and in the Stipulation and Agreement of Settlement [the “Stipulation”], which is available on the Internet at abdatalawserve.com or through the mail upon request).

¹ Pursuant to Sections 21D(e)(1) and 21D(e)(2) of the Private Securities Litigation Reform Act of 1995, the award of damages to the plaintiff shall not exceed the difference between the purchase price paid by the plaintiff for the subject security and: (1) for plaintiffs who still held shares at the end of the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated, the mean trading price of that security during the 90-day period; or (2) for plaintiffs who sold shares during the 90-day period, the mean trading price of the security during the period beginning immediately after dissemination of information correcting the misstatement or omission and ending on the date on which the plaintiff sold the security. The mean (average) closing price of CP Ships common stock during the 90-day period beginning on August 9, 2004, and ending on November 6, 2004, was \$12.25.

² This discount reflects the fact that these notes had a 4% interest rate.

³ The mean (average) closing price of CP Ships 4% Notes during the 90-day period beginning on August 9, 2004, and ending on November 6, 2004, was \$931.60 per \$1,000 face amount.

⁴ This discount reflects the fact that these notes had a 10-3/8% interest rate.

HOW YOU RECEIVE A PAYMENT—SUBMITTING A CLAIM FORM

10. How will I receive a payment?

To qualify for payment, you must be an eligible Class member and you must submit a Claim Form. A Claim Form is enclosed with this Notice. Read the instructions carefully, fill out the form, include all the documents the form requests, sign it, and mail it in an envelope postmarked no later than July 23, 2008. Retain a copy of everything you mail, in case the materials are lost or destroyed during shipping.

11. When will I receive my payment?

The Court will hold a hearing on June 11, 2008, to decide whether to approve the Settlement. If the Court approves the Settlement, there may be appeals. It is always uncertain whether appeals, if any, can be resolved, and resolving them can take time, perhaps several years. In addition, the Claims Administrator must process all of the Claim Forms. The processing is complicated and will take many months. Please be patient.

12. What am I giving up by staying in the Class?

Unless you exclude yourself, you are staying in the Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against the Defendants or the Released Parties about the Settled Claims. It also means that all of the Court's orders will apply to you and legally bind you and you will release your claims in this Action against the Defendants. The terms of the release are included in the Claim Form that is enclosed.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this Settlement but you want to keep the right to sue or continue to sue the Defendants on your own about the same claims being released in this Settlement, then you must take steps to exclude yourself from the Settlement. This is referred to as opting out of the Class.

13. How do I exclude myself from the Settlement?

To exclude yourself from the Settlement, you must send a letter by mail stating that you want to be excluded from the Settlement in *In re CP Ships Ltd. Securities Litigation*, No. 8:05-MD-1656-T-27TBM. You must include your name, address, telephone number, your signature, and information concerning your purchase(s), acquisition(s), and sale(s) of CP Ships Securities during the Class Period, including the number of shares and the dates and prices of each purchase, acquisition, and sale. You must mail your exclusion request postmarked no later than **May 14, 2008**, to:

CP Ships Ltd. Securities Litigation
EXCLUSIONS
Claims Administrator
c/o A.B. Data, Ltd.
Post Office Box 170500
Milwaukee, WI 53217

Please keep a copy of everything you send by mail in case it is lost or destroyed during shipping.

You cannot exclude yourself over the phone or by e-mail. If you ask to be excluded from the Settlement, you are not eligible to receive any payment from the Net Settlement Fund and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit, and you will be able to pursue the claims that are being released in this Settlement.

14. If I do not exclude myself, can I sue the Defendants for the same thing later?

No. Unless you exclude yourself, you give up any right to sue the Defendants or the Released Parties for the claims being released by this Settlement. If you have a pending lawsuit relating to the claims being released in this Action against any of the Defendants, speak to your lawyer in that case immediately. Remember, the exclusion deadline is May 14, 2008.

15. If I exclude myself, can I receive a payment from this Settlement?

No. If you exclude yourself, do not send in a Claim Form. But, you may sue, continue to sue, or be part of a different lawsuit asserting the claims being released in this Settlement against the Defendants or the Released Parties.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court appointed the law firms of Cohen, Milstein, Hausfeld & Toll, P.L.L.C., and Schiffrin Barroway Topaz & Kessler, LLP, to represent you and the other Class members. These lawyers are called Lead Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

Lead Counsel will apply to the Court for attorneys' fees not to exceed 25% of the Settlement Fund and for reimbursement of their out-of-pocket expenses advanced in connection with the Action up to an amount of \$150,000, plus interest on both amounts at the same rate as earned by the Settlement Fund. **Such sums as may be approved by the Court will be paid from the Settlement Fund.** Class members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested will be the only payment to Lead Counsel for their efforts in achieving this Settlement and for their risk in undertaking this representation on a wholly contingent basis. To date, Lead Counsel have not been paid for their services for conducting this Action on behalf of Lead Plaintiffs and the Class or for their substantial out-of-pocket expenses. The fee requested will compensate Lead Counsel for their work in achieving the Settlement Fund and is well within the range of fees awarded to class counsel under similar circumstances in other cases of this type. The Court may, however, award less than this amount.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or some part of it.

18. How do I tell the Court that I do not like the Settlement?

If you are a Class member, you can object to the Settlement if you do not like any part of it. To object, you must send a letter saying that you object to the Settlement in *In re CP Ships Ltd. Securities Litigation*, No. 8:05-MD-1656-T-27TBM, and the reasons why you object to the Settlement. Be sure to include your name, address, telephone number, and your signature. You must also include information concerning your purchase(s), acquisition(s), and sale(s) of CP Ships Securities during the Class Period, including the number of shares and the dates and prices of each purchase, acquisition, and sale. Any objection to the Settlement must be received by **each of the following** by May 14, 2008:

COURT	LEAD COUNSEL	DEFENDANTS' COUNSEL
Clerk of the Court United States District Court Middle District of Florida Tampa Division Sam M. Gibbons U.S. Courthouse 801 North Florida Avenue Tampa, FL 33602	Daniel S. Sommers, Esq. Matthew B. Kaplan, Esq. COHEN, MILSTEIN, HAUSFELD & TOLL, P.L.L.C. 1100 New York Avenue, N.W. West Tower, Suite 500 Washington, D.C. 20005 Michael K. Yarnoff, Esq. Jennifer L. Enck, Esq. SCHIFFRIN BARROWAY TOPAZ & KESSLER, LLP 280 King of Prussia Road Radnor, PA 19087	Daniel J. Kramer, Esq. Amy L. Barton, Esq. Aaron Delaney, Esq. PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP 1285 Avenue of the Americas New York, NY 10019

19. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement, the Plan of Allocation, the application for attorneys' fees and expenses, or the request for an award to the Lead Plaintiffs. You can object **only if** you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FINAL HEARING

20. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Hearing at 3:00 p.m., on June 11, 2008, at the United States District Court for the Middle District of Florida, Sam M. Gibbons U.S. Courthouse, 801 North Florida Avenue, Tampa, FL 33602, Courtroom 13B. At this hearing, the Court will consider whether the Settlement and the Plan of Allocation are fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have requested in writing by May 14, 2008, to speak at the hearing. The Court may also consider Lead Counsel's application for attorneys' fees and reimbursement of expenses.

21. Do I have to come to the hearing?

No. Lead Counsel will answer any questions Judge Whittemore may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not required.

22. May I speak at the hearing?

You may ask the Court for permission to speak at the Final Hearing. To do so, you must send a letter stating your intention to appear in *In re CP Ships Ltd. Securities Litigation*, No. 8:05-MD-1656-T-27TBM. Be sure to include your name, address, telephone number, and your signature and also identify the date(s), price(s), and number of shares of all purchases of CP Ships Securities you made during the Class Period. Your notice of intention to appear must be received no later than May 14, 2008, and be sent to the Clerk of the Court, Lead Counsel, and Defendants' Counsel, at the addresses listed in Question 18. You cannot speak at the hearing if you exclude yourself from the Settlement.

IF YOU DO NOTHING

23. What happens if I do nothing at all?

If you do nothing, you will receive no money from this Settlement. But, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants or the Released Parties about the same claims being released in this Settlement.

OBTAINING MORE INFORMATION

24. Are there more details about the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Stipulation, dated February 20, 2008. All terms used in this Notice shall have the same meanings as in the Stipulation. You can obtain a copy of the Stipulation or more information about the Settlement by visiting abdatalawserve.com or by writing to either of the two Lead Counsel listed above in Question 18. You can also obtain a copy of the Stipulation from the Clerk of the Court at the United States District Court for the Middle District of Florida, Sam M. Gibbons U.S. Courthouse, 801 North Florida Ave., Tampa FL 33602, during regular business hours.

DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased the Securities of CP Ships between January 29, 2003 and August 9, 2004, inclusive, as nominee for a beneficial owner, then the Court has ordered that within ten (10) days after you receive this Notice, you must either (1) send a copy of this Notice by First-Class Mail to all such beneficial owners or (2) provide a list of the names and addresses of such beneficial owners to the Claims Administrator:

**CP Ships Ltd. Securities Litigation
Claims Administrator
c/o A.B. Data, Ltd.
ATTENTION FULFILLMENT
Post Office Box 170500
4057 North Wilson Drive
Milwaukee, WI 53211
(414) 963-7950 fax
fulfillment@abdatalawserve.com**

If you choose to mail the Notice and Claim Form yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for reasonable administrative costs actually incurred in connection with forwarding the Notice, which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator.

DATED: MARCH 10, 2008

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA