

ARCLIGHT RECORDS

PO Box 302978 Austin, TX 78703 ph. 512.796.4827 f. 512.293.2263
e. info@arclightrecords.com

5/1/2008

All US and Canadian music retailers

Dear Retailer:

By way of this letter, we wish to inform you that effective April 8, 2008, the Allegro Group has been appointed our exclusive distributor for **Arclight Records** in the USA and Canada. Accordingly, we respectfully request that effective the above noted date you acknowledge NAIL Distribution, a division of Allegro Corporation as the exclusive distributor for our products in the USA and Allegro Entertainment Canada Ltd. as the exclusive distributor for our products in Canada.

In addition, please be advised as follows:

1. The previous distributor for our products in the USA was **Select-O-Hits** and in Canada our previous distributor PHD Canada.
2. Beginning immediately, product returns should be shipped to the addresses below. (PHD is used as NAIL's Canadian return facility only.)

In the US:

NAIL Distribution, a div of
Allegro Corporation
14134 NE Airport Way
Portland, OR 97230

In Canada:

NAIL Distribution, a div of
Allegro Entertainment Canada Ltd.
c/o PHD Canada Distributing Ltd.
1330 Main Street
North Vancouver, BC V7J 1C3
CANADA

Yours truly,



Mauro E. Arrambide, Jr.
Owner