



July 6, 2006

All US retailers

Dear Retailer:

By way of this letter, we wish to inform you that effective May 15, 2006, the Allegro Group has been appointed our exclusive distributor for **Audika Records** in the USA. 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.

In addition, please be advised as follows:

1. The previous distributor for our products in the USA was N/A.
2. Beginning immediately, product returns should be shipped to:

In the US:

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

Yours truly,

Steve Knutson
President and CEO