



Don't Panic Records
912 Riverside Drive
Nashville, TN 37206

June 19, 2008

All US and Canadian music retailers

Dear Retailer:

By way of this letter, we wish to inform you that effective June 19, 2008, NAIL Distribution, a division of the Allegro Media Group has been appointed our exclusive distributor for Don't Panic Records in the USA and Canada. Accordingly, we respectfully request that effective the above noted date you acknowledge NAIL Distribution, a division of Allegro Media Group 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 n/a and in Canada our previous distributor was n/a.
2. Beginning immediately, product returns should be shipped to the addresses below.

In the US:

NAIL Distribution, a div of
Allegro Media Group
20048 NE San Rafael Street
Portland, OR 97230-7459

In Canada:

NAIL Distribution, a div of
Allegro Entertainment Canada Ltd.
c/o GTW Warehouse
34 Armstrong Avenue
Georgetown, ON L7G 4R9
CANADA

Yours truly,

A handwritten signature in black ink that reads "Corey McAfee". The signature is written in a cursive, flowing style.

Corey McAfee
Chief Executive Officer