



580 Broadway, Suite 1203
New York, New York 10012
T 212-734-1900 F 212-734-8300

February 22, 2005

All US and Canadian music retailers
Dear Retailer:

By way of this letter, we wish to inform you that effective February 22, 2005, the Allegro Group has been appointed our exclusive distributor for **Subharmonic, Interra, ExWorks, Terrascope, RReMark, X-Ploit, Hudson Vandam, Omni-Parc, NYCMusic, MetroTone, DiscoBox, CineVU, Beverly Wilshire Filmworks, Valis, Cobot, and NuMedia** labels in the USA and Canada. Accordingly, we respectfully request that effective the above noted date you acknowledge 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. **This includes the Celluloid Records label effective June 1, 2006.**

In addition, please be advised as follows:

1. The previous distributor for our products in the USA was Bayside Entertainment Distribution.
2. Beginning immediately, product returns should be shipped to:

In the US:
Allegro Corporation
14134 NE Airport Way
Portland, OR 97230

In Canada:
Allegro Entertainment Canada, Ltd.
c/o PHD Canada Distributing Ltd.
1330 Main Street
North Vancouver, BC V7J 1C3
CANADA

3. Questions can be directed to Ed Finley, Business Affairs, NuMedia, Prince Street Station, Box 111, 580 Broadway, Suite 1203, New York, New York 10012. Tel 212-734-1900, Fax 212-734-8300.

Yours truly,

A handwritten signature in blue ink, appearing to read 'Ed Finley', with a stylized flourish at the end.

CEO NuMedia, Ltd.
JTM/em