

April 17, 2009

Jennifer Long
Indiana Department of Workforce Development
10 North Senate Avenue
Indianapolis, IN 46204

Re: Notice of Mass Lay-Off Pursuant to Federal WARN Provisions

Dear Madams:

This letter shall serve as the notice of a "plant closing" pursuant to the Federal Worker Adjustment and Retraining Notification Act, 29 U.S.C. Section 2101, et seq. The employees that are the subject of this notice are all regular and temporary employees who have been employed for at least six (6) months within the last twelve (12) months.

The layoff that is the subject of this notice will occur at Cinram, Inc. (the "Company") located at 1600 Rich Road, Richmond, Indiana 47374. The Company will close its facility entirely and permanently, although seven (7) management level employees will continue to be employed by the Company. The closure will take place in three phases, with the first phase of layoffs taking place effective on or about June 16, 2009, the second phase taking place effective on or about June 30, 2009, and the third and final phase taking place effective on or about August 28, 2009. The notice provided for herein is with respect to the first phase of the layoffs. Notification of the second and third phase will follow at or around the time the notice is provided to the affected employees.

The closing will affect a total of 330 employees within all positions of the Richmond facility, as follows:

Directors	2
Managers & Supervisors	22
Administrative	35
Finance	11
Information Technology	1
Manufacturing/Production	259

Non-bargaining unit employees do not have any bumping rights. Rather, employment decisions involving these individuals will be based on the needs of the Company and the skills and experience of the affected employee. Layoffs for bargaining unit employees are to be accomplished in terms of seniority, however, there are not bumping rights as provided by the terms of the applicable collective bargaining agreements negotiated between Cinram, Inc. and the International Brotherhood of Electrical Workers, Local 2043 and any subsequent agreement

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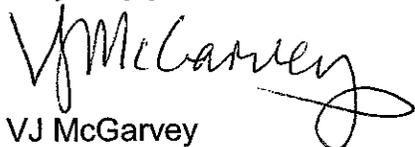
reached between Cinram and the union concerning the shutdown of the Richmond facility. However, given the nature of the closure, it is not expected that any bumping rights will apply. The chief elected union official for the union may be contacted at the following address:

International Representative: Jeff Carter
IBEW International Representative
410 4th Avenue
Jonesboro, Indiana 46938

Local Union President: Jason Stern
IBEW International Representative, Local 2043
1600 Rich Road
Richmond, Indiana 47347

This information is based on the best information currently available to the Company, but may change due to subsequent events beyond our control. The undersigned is the person to be contacted for further information at the number specified.

Very truly yours,



VJ McGarvey
Vice President, Human Resources
(615)424-8462