



Somerset Entertainment/Puretracks Partnership Provides Integrated Music Solution for Brands & Retailers

Somerset Acquisition of Puretracks Merges Physical and Digital Distribution Capabilities of Two Leading Music Providers

(Toronto, Ontario – July 8, 2009) -- Brands and retailers interested in leveraging music to grow their businesses in the U.S. and Canada now have an integrated digital and physical music solution available to them, thanks to the recent acquisition of Puretracks Inc. by Somerset Entertainment Income Fund.

[Somerset Entertainment](#), the leading North American producer and distributor of specialty music sold internationally through mass merchants and other non-traditional retailers, announced last week that it had acquired [Puretracks](#), a leading North American digital music provider that specializes in customized music solutions for businesses in the U.S. and Canada. The new Somerset/Puretracks partnership merges the physical and digital music distribution capabilities of the two companies – uniquely positioning them to provide a fully integrated music solution for businesses interested in harnessing the power of music to drive new revenue streams, increase sales and connect with customers.

Puretracks, which has a music library of 3.4 million songs licensed from all four major music labels and numerous independent labels in both the U.S. and Canada, serves as a behind-the-scenes music partner for top-tier brands, retailers, telecom providers and media companies. Puretracks focuses on the development and delivery of customized music solutions that include [consumer promotions](#), [private label music stores](#), album card redemption services, subscription platforms and platform development services. Puretracks also offers businesses a multilingual platform with three music stores to choose from: English, Spanish and French. In addition, Puretracks has its own [online music store](#).

The acquisition of Puretracks provides Somerset with a robust digital platform and enhances their digital music strategy. Somerset, which produces and distributes music through interactive displays located in thousands of retail locations throughout North America, brings to the relationship an extensive retail distribution network and comprehensive point-of-sale and merchandising expertise. The company also brings music production capabilities – providing a start-to-finish music solution.

“By joining forces with Somerset, Puretracks is able to capitalize on Somerset’s music production capabilities, its extensive music industry knowledge, and its wealth of experience in the retail sector,” notes Puretracks CEO Andrea Ziegler. “We are excited to have the opportunity to leverage Somerset’s strengths to broaden Puretracks’ customer relationships and to take advantage of significant cross-selling opportunities.”

“With the addition of Puretracks, Somerset becomes a unique player in the music industry with both a niche physical and digital strategy,” adds Andy Burgess, CEO of Somerset. “Puretracks’ carrier-grade technology platform and digital music services expertise will enable Somerset to offer an entirely new suite of programs to our existing customer base. With a digital store offering 3.4 million songs, Somerset will be able to provide retailers a complete music solution that bridges the physical and digital space.”



ABOUT PURETRACKS

Puretracks, a subsidiary of Somerset Entertainment Income Fund, is a leading North American digital music service provider offering a comprehensive suite of solutions to clients – including branded digital entertainment stores, customized promotions, album card redemption platforms, web services and affiliate programs. The Puretracks music store is one of the largest digital music download stores in North America, offering more than three million tracks from top mainstream and indie artists across a complete range of genres. Puretracks is based in Toronto, Ontario, Canada, and employs over 25 people.

ABOUT SOMERSET ENTERTAINMENT INCOME FUND

Somerset is the leading North American producer and distributor of specialty music and DVDs sold internationally through non-traditional music retailers using interactive displays and a distributor of music in digital format to consumers. Somerset's extensive distribution network includes mass merchants, specialty chains and independent gift stores in more than 20 countries, including the United States and Canada. Based in Toronto, Canada, Somerset employs over 180 people at offices in Toronto, Ontario (Canada); Buffalo Grove, Illinois, and Minneapolis, Minnesota (U.S.A.); and Essex, England (U.K.).

FORWARD LOOKING STATEMENTS

Certain statements in this news release may constitute "forward looking" statements that involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Fund or Somerset to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. When used in this news release, such statements use such words as "may", "will", "intend", "should", "expect", "believe", "plan", "anticipate", "estimate", "predict", "potential", "continue" or the negative of these terms or other similar terminology. These statements reflect current expectations regarding future events and operating performance and speak only as of the date of this news release. Forward looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements, including, but not limited to, customer concentration, integration of the Puretracks business following closing, lack of written customer contracts, reliance on suppliers and other risks described in the Fund's most recent management's discussion and analysis (which can be found at www.sedar.com). These forward looking statements contained in this news release are made as of the date of this news release, and neither the Fund nor Somerset assume any obligation to update or revise them to reflect new events or circumstances.

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