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January 21, 2011

VIA U.S. MAIL

Top Hat Plan Exemption
Employee Benefits Security Administration
Room N-1513
U.S. Department of Labor
200 Constitution Ave. N.W.
Washington, DC 20210

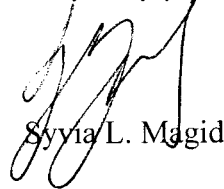
Re: Art Supply Enterprises, Inc.

Dear Sir or Madam:

Enclosed please find the original and one copy of the *Alternative Method of Compliance with Reporting and Disclosure Requirements Pursuant to Section 2520.104-23 of the Department of Labor Regulations* for filing with your office. Please provide us with a stamped acknowledgment receipt on the enclosed copy and returning it to us in the self-addressed, stamped envelope.

Thank you.

Very truly yours,



Sylvia L. Magid

SLM/ap
Enclosures

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Top Hat Plan Exemption
Employee Benefits Security Administration
Room N-1513
U.S. Department of Labor
200 Constitution Avenue N.W.
Washington, D.C. 20210

Re: *Alternative Method of Compliance with Reporting and Disclosure
Requirements Pursuant to Section 2520.104-23 of the Department of Labor
Regulations*

Dear Sir or Madam:

This statement is filed in accordance with the requirements of the above-captioned regulations and in lieu of Internal Revenue Service Form 5500:

I. EMPLOYER NAME, ADDRESS AND TAXPAYER IDENTIFICATION NUMBER:

Art Supply Enterprises, Inc.
1351 Ocean Ave
Emeryville, CA 94608
Employer Identification Number: 94-1152693

II. STATEMENT AS TO PLAN:

The Employer maintains, at the above address, the MacPherson's Management Incentive Plan ("Plan") primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees. At present, 25 employees participate in the Plan.

III. ERISA COMPLIANCE:


The Employer is making this filing solely as a protective measure in the unlikely event its Plan should be determined at some point to be an employee benefit plan as defined in section 3(3) of ERISA. This form and this filing are not, and should not be construed as, an admission by the Employer that the Plan is an employee benefit plan subject to ERISA for any purpose.

IV. COPY OF PLAN:

A copy of the Plan will be provided to the Department of Labor upon request.

Sincerely,

Art Supply Enterprises, Inc.

By: 
Its: President