

January 4, 2018

e-mail: gberman@dsi.biz

TO THE MEMBERS OF:

VIXLET, LLC, a Delaware limited liability company
555 WEST FIFTH STREET, 50TH FLOOR
LOS ANGELES, CALIFORNIA 90017

Re: GENERAL ASSIGNMENT FOR THE BENEFIT OF CREDITORS

Please be advised that Vixlet, LLC, a Delaware limited liability company, hereinafter referred to as the "Assignor" or "VRM", executed a general assignment for the benefit of creditors in favor of DSI Assignments, LLC, solely in its capacity as Assignee for the benefit of creditors (the "Assignee") on Tuesday, December 18, 2017 (the "Assignment").

Vixlet developed a new platform for social media content that was user driven rather than host driven. The Company had a number of major sporting businesses as clients using its product under the terms of licensing agreements with those entities¹. Vixlet's principals tried over the course of the ninety days prior to the execution of the general assignment to raise additional capital. That effort failed in early December and the execution of the general assignment followed.

The Assignee has already begun efforts to find parties that might have an interest in the source code. Creditors are invited to direct interested parties to Steven L. Victor (svictor@dsi.biz) who is leading our work in trying to maximize the value of the source code and other intellectual property, along with the Vixlet social media sites (which are shut down for the time being again so as to not violate any trademark licenses).

Vixlet has a creditor that is secured by a lien on all of its assets. That creditor has agreed to subordinate its security interest to the fees and costs of the Assignee to administer this estate. The secured creditor was owed \$3.62 million as of the time of the general assignment.

¹ The Assignee can't reference the specific clients as of the release of this notice as it has not received permission to use the respective entities' trademarks and does not want to violate any such trademark.

LOS ANGELES

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For those of you unfamiliar with general assignments, the process is similar to liquidations administered under Chapter 7 of the United States Bankruptcy Code, however, California law controls rather than federal bankruptcy law. The Assignee has the rights of a lien creditor, meaning that creditors are left in the position of priority they had at the moment immediately preceding the making of the assignment for the benefit of creditors. This process has been upheld in both California and federal courts since the early 1900's.

The Assignee has retained the firm of Polsinelli, P.C. to serve as its counsel in this and the related Funds. Randye Soref and Stephen Astringer are working with the Assignee to oversee the liquidation of the Vixlet assets and address creditor issues.

Attached hereto creditors will find Vixlet's Balance Sheet as of November 30, 2017. This Balance Sheet has not been reviewed or audited by the Assignee. Creditors will note that there is a large "Prepaid Marketing" amount, as well as capitalized software. The prepaid marketing is likely now a liability by reason of the company's failure. Also attached hereto creditors will find a form Proof of Claim by which creditors can file their claims with the Assignee. Please note that pursuant to California law (*see* Code of Civil Procedure §1802), the last day to file proofs of member interest in this estate is June 7, 2018. Creditors who fail to file their proofs of claim by March 11, 2018 will not be entitled to share in any distribution arising out of the liquidation of Vixlet's assets. The Assignee will accept proofs of claim via facsimile, e-mail, or thru its website so long as they are received by the claims bar date, June 7, 2018, and the original signed proof of member interest is received by the Assignee shortly thereafter. Please remember to include copies of your supporting documents of your claim with your proof of claim.

The Assignee (DSI) has established a separate website for creditors to access information about the *Assignment for the Benefit of Creditors*. The website can be found at www.dsiassignments.com/Cases/108. The website is password protected and each creditor will receive specific information on how to access the website and the documents posted thereon.

Vixlet, LLC,
a Delaware limited liability company
January 4, 2018
Page 3

Very truly yours,

DSI Assignments, LLC, solely in its capacity as Assignee for the Benefit
of Creditors of Vixlet, LLC a Delaware limited liability company



By:

Geoffrey L. Berman

Enclosure: Form Proof of Claim
November 30, 2017 Balance Sheet