

August 17, 2018

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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

As creditors and investors will recall, 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 had 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. Prior to the Assignment, Vixlet had attempted to trademark its hexagon format, however, the trademark registration was denied. Vixlet had no other patents or other registered intellectual property. The Assignee undertook significant efforts to find parties that might have had interest in the source code. This included reaching out to the existing users, as well as other logical users of social media platforms. None of our overtures were met with any expression of interest in the source code or social media platform.

The company had established an offshore entity in the Cayman Islands. We reviewed the limited activity in that entity and bank account and did not find any misuse of company monies. A number of creditors and investors have questioned the Assignee about the activities of Lisa and Krishna Gopala. Our office has not had any interaction with the Gopala's since the execution of the Assignment. All correspondence to them has been returned as undeliverable or gone unanswered.

¹ A number of those clients signed limited Non-Disclosure Agreements with the Assignee to enable the Assignee to try to market the source code. We did not receive authorization to release those clients' names for the purpose of communicating with creditors and investors.

LOS ANGELES

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Creditors and investors are reminded that 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 Assignment. The secured creditor has requested he be assigned the rights in the source code in partial satisfaction of his secured claim, something to which the Assignee has agreed and the Assignee and counsel are presently working on. We are disappointed that the company's work on developing the social media platform did not result in value for creditors besides the secured creditor.

Attached hereto creditors and investors will find a statement of receipts and disbursements, which statement summarizes the monies handled by the Assignee throughout the limited administration of this assignment estate. Our office will not be sending further updates and creditors are requested to close their files in this matter.

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: Statement of Receipts and Disbursements

Vixlet

Receipts and Disbursements

Receipts

Initial Transfer from Bank Accounts	89,000.00
Refunds	3,977.28
Sale of Assets	40,692.43
Total Receipts	133,669.71

Disbursements

Administrative	140.42
Disposal of Equipment	505.31
Outside Services	13,475.47
Professional Fees/Expenses	
Development Specialists, Inc.	41,871.78
Polsinelli	49,694.93
Rent	26,935.77
Storage	246.03
Taxes	800.00
Total Disbursements	133,669.71

Remaining Funds	<u>0.00</u>
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