Peter Chou, CEO HTC America November 14, 2011 Page 2

designation of origin. We therefore demand that your company cease and desist from infringing Vivid Entertainment's intellectual property.

If we have not heard from your company before the close of business on Monday, November 21, 2011, in response to this letter, our client will have no alternative but to pursue all legal remedies. The demands made herein are not made to the exclusion of other rights or remedies to which Vivid Entertainment is entitled, and nothing in this letter, nor any act or omission by Vivid Entertainment, shall be construed as a waiver of any right or remedy possessed by Vivid Entertainment, all of which are expressly reserved.

Your prompt attention to this matter is appreciated.

Thank you.

Very truly yours,

LABOWE, LABOWE & HOFFMAN, LLP

Mark S. Hoffman

MSH:ib

cc: Vivid Entertainment, LLC