

IMVU, Inc.

Response of the Division of Corporation Finance Securities Act of 1933 Section 2(a)(1)

Re: IMVU, Inc.

Incoming letter dated November 17, 2020

Based on the facts presented, the Division will not recommend enforcement action to the Commission if, in reliance on your opinion as counsel that VCOIN is not a security, IMVU offers and sells VCOIN, which is transferable both on and off of IMVU's platform, without registration under Section 5 of the Securities Act and does not register VCOIN as a class of equity securities under Section 12(g) of the Exchange Act. Capitalized terms have the same meanings as defined in your letter.

In reaching this position, we particularly note that:

- IMVU will not use proceeds from the sale of VCOIN to finance its Upgrade, which has been fully developed and will be fully functional and operational immediately upon its launch and before any VCOIN is sold;
- VCOIN will be immediately usable for its intended purpose at the time it is sold;
- IMVU will impose specified limits on VCOIN purchases, conversions, and transfers;
- VCOIN holders will be subject to KYC/AML checks when they establish Open Wallets and thereafter on an ongoing basis;
- VCOIN will be made continuously available in unlimited quantities and at a fixed price, and IMVU will always generate enough supply of VCOIN to maintain VCOIN's fixed price;
- IMVU will not promote or support listing or trading of VCOIN on any third-party trading platform;
- IMVU will market and sell VCOIN to Users solely for consumptive use as a means of exchanging value on, and in connection with, the Platform; and
- IMVU will require Users who purchase VCOIN from IMVU to affirm that, among other things, they are acquiring the VCOIN for consumptive use and not for speculative purposes.

This position is based on the representations made to the Division in your letter. Any different facts or conditions might require the Division to reach a different conclusion. Further, this response expresses the Division's position on enforcement action only and does not express any legal conclusion on the question presented or on the applicability of any other laws, including the Bank Secrecy Act and anti-money laundering and related frameworks.

Sincerely,

Jonathan A. Ingram
Legal Advisor, FinHub
Division of Corporation Finance