

Form PTO-1595  
(Rev. 10/02)RECORDATION FORM COVER SHEET  
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OMB No. 0651-0027 (exp. 6/30/2005)

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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Michael Silverman

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

3. Nature of conveyance:



Assignment



Merger



Security Agreement



Change of Name



Other \_\_\_\_\_

Execution Date: 10/02/2000

2. Name and address of receiving party(ies)

Name: Martin S. Silverman

Internal Address: 880 Calle Plano, Ste. K

Street Address: \_\_\_\_\_

City: Camarillo State: CA Zip: 93012

Additional name(s) & address(es) attached? ☐ Yes ☒ No

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is: \_\_\_\_\_

A. Patent Application No.(s)

B. Patent No.(s)

5,251,326

Additional numbers attached? ☐ Yes ☒ No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Bruce A. Jagger

Internal Address: P.O. Box 29000

Street Address: \_\_\_\_\_

City: Glendale State: CA Zip: 91209-9000

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 3.41).....\$ 40.00



Enclosed



Authorized to be charged to deposit account

8. Deposit account number:

10-0231

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

*To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.*

Bruce A. Jagger

Name of Person Signing



Signature

06/21/2004

Date

Total number of pages including cover sheet, attachments, and documents: 5

Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patents & Trademarks, Box Assignments  
Washington, D.C. 20231

PATENT

REEL: 014754 FRAME: 0516

700092976

CH \$40.00 100231 6261326

**SECURED PROMISSORY NOTE**  
**\$20,000 INITIAL LOAN ON AN OPEN LINE OF CREDIT,**  
**NOT TO EXCEED \$125,000.00**

October 1, 2000

Camarillo, CA

Michael Silverman, referred to herein as "MAKER", agrees to pay to the Order of Martin S. Silverman, 880 Calle Plano Suite K, Camarillo, CA 93012, referred to herein as "HOLDER", or order, the total sum of incurred indebtedness (\$20,000 initial loan as part of an open line of credit, not to exceed \$125,000.00), with interest thereon at the rate of (8%) eight percent per annum, annually-compounded interest, with the exception of the debt incurred on Martin S. Silverman's credit cards by Michael Silverman. This credit card debt shall accrue, in addition to the principal amount, all penalties, late fees, cash advance fees, plus the exact rate charged by each credit card company. At Martin S. Silverman's sole discretion, the open line of credit may be extended beyond the \$125,000.00 limit.

This note shall be due on demand, at any time following the first thirty (30) days after the first delivery of the Swimman product to MAKER or HYDROPHONICS, DBA. Beginning thirty (30) days after first delivery of the Swimman product, monthly installment payments of at least \$5,000 shall be paid directly to the HOLDER until principal and compounded interest have been paid in full. The line of credit will cease on the date of the delivery of the first Swimman product to MAKER or HYDROPHONICS, DBA. At Martin S. Silverman's sole discretion, the open line of credit may be extended beyond this date of delivery.

This note is payable in U.S. Dollars. At any time the maximum rate of interest applicable to this transaction shall not exceed the legal maximum rate of interest for a note of this type. Any sums paid in excess of any lawful limitation shall be applied to principal.

This initial loan and any additional indebtedness incurred under this line of credit is secured by the following property:

- (1) Swimman U.S. Patents numbered US4683587: Submersible personal stereo; US5251326: Two-way communication system for water sports; and any ownership you may have on any future patents on the Swimman product.
- (2) Swimman and Hydrophopics trademarks.
- (3) Swimman inventory and stock on hand, including, but not limited to, cassette decks, headsets and component parts.
- (4) Swimman tooling, including, but not limited to, case molds and assembly fixtures.

Upon any default herein, this note will bear interest at the highest legal rate for this type of note until paid in full. Upon any default, MAKER agrees to pay a reasonable attorney's fee for any and all services of an attorney, whether in or out of court, and for appeal and post-judgment collection legal services.

Dated: 10/2/00

  
MAKER: Michael Silverman

**DEMAND LETTER/LETTER OF DEFAULT**

September 1, 2001

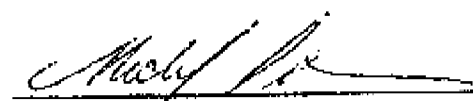
Dear Michael Silverman,

You and Hydrophonics received the first shipments of the Swimman product on July 1, 2001. Per our agreement of October 1, 2000, thirty days following receipt of this shipment, you were to commence the monthly payments of \$5,000 each on the line of credit established on October 1, 2000 from me. As of this date, I have not received any such payment, nor does it appear that you will have the means to make this or subsequent payments. Therefore, following the provisions of the October 1, 2000 secured line of credit agreement, I am demanding that all the secured property<sup>1</sup> in such agreement be assigned to me.

  
Martin S. Silverman

9/1/01  
Date

Received and Acknowledged by:

  
Michael Silverman

9/22/01  
Date

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<sup>1</sup>Swimman U.S. Patents numbered US4683587: Submersible personal stereo; US5251326: Two-way communication system for water sports; and any ownership you may have on any future patents on the Swimman product. Swimman and Hydrophonics trademarks. Swimman inventory and stock on hand, including, but not limited to, cassette decks, headsets and component parts. Swimman tooling, including, but not limited to, case molds and assembly fixtures.