

TO: SUBMITTER COMPANY: Faxed to Submitter's Fax Number

Oct. 26. 2010 2:16PM

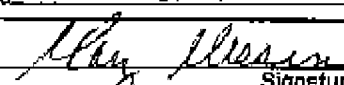
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Form PTO-1595 (Rev. 03-09)
OMB No. 0651-0027 (exp. 03/31/2009)

U.S. DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

RECORDATION FORM COVER SHEET PATENTS ONLY

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies) Hamilton Animal Products LLC Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		2. Name and address of receiving party(ies) Name: Audubon Capital SBIC, L.P., as Collateral Agent Internal Address: _____ Street Address: _____ 217 N. Columbia Street City: Covington State: LA Country: USA Zip: 70433 Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
3. Nature of conveyance/Execution Date(s): Execution Date(s) October 20, 2010 <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Joint Research Agreement <input type="checkbox"/> Government Interest Assignment <input type="checkbox"/> Executive Order 9424; Confirmatory License <input type="checkbox"/> Other _____			
4. Application or patent number(s): <input type="checkbox"/> This document is being filed together with a new application. A. Patent Application No.(s) B. Patent No.(s) D467,046 Additional numbers attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
5. Name and address to whom correspondence concerning document should be mailed: Name: Mary Messina, c/o Phelps Dunbar, L.L.P. Internal Address: _____ Street Address: _____ 365 Canal Street, Suite 2000 City: New Orleans State: LA Zip: 70130 Phone Number: 504-566-1311, ext. 1156 Fax Number: 504-566-9130 Email Address: mary.messina@phelps.com		6. Total number of applications and patents involved: 365 Canal Street, Suite 2000 7. Total fee (37 CFR 1.21(h) & 3.41) \$ 120.00 <input type="checkbox"/> Authorized to be charged to deposit account <input checked="" type="checkbox"/> Enclosed <input type="checkbox"/> None required (government interest not affecting title)	
8. Payment information Deposit Account Number _____ Authorized User Name _____			
9. Signature:  Signature Date: 10/26/10 Mary Messina Name of Person Signing		Total number of pages including cover sheet, attachments, and documents: 9	

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0148, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

OP \$120.00 D4670416

Schedule I
to
Patent Security Agreement

The Patents

<u>Title</u>	<u>Country</u>	<u>Serial Number</u>	<u>Patent Number</u>	<u>Issue Date</u>
Animal Halter	USA	29/127,996	D467,046	12/10/02
Halter Display	USA	29/043,408	D381,693	7/29/97
Quick Release Pet Leash Latch	USA	29/057,668	D390,096	2/3/98

PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT (this "Agreement") is dated, and is effective, as of this 20th day of October, 2010, by and between Audubon Capital SBIC, L.P., as Collateral Agent for the ratable benefit of the Purchasers (hereinafter defined) party to the Debenture and Preferred Stock Purchase Agreement referred to below (in such capacity, together with its successors and assigns in such capacity, the "Secured Party"), and Hamilton Animal Products LLC, an Ohio limited liability company (the "Debtor").

WHEREAS, the Purchasers have agreed to make certain loans to MiracleCorp Products, an Ohio corporation and the parent company of Debtor (the "Company"), on the terms and subject to the conditions set forth in that certain Debenture and Preferred Stock Purchase Agreement dated as of October 31, 2005 among the Company, the purchasers of the debentures thereunder (together with their respective successors and assigns, the "Purchasers"), certain other parties as holders of certain preferred stock of the Company, and the Secured Party, as amended by Amendment No. 1 to Debenture and Preferred Stock Purchase Agreement dated as of June 19, 2006, Amendment No. 2 to Debenture and Preferred Stock Purchase Agreement dated as of March 23, 2007, Amendment No. 3 to Debenture and Preferred Stock Purchase Agreement dated as of February 15, 2008, Amendment No. 4 to Debenture and Preferred Stock Purchase Agreement dated as of April 10, 2008, Amendment No. 5 to Debenture and Preferred Stock Purchase Agreement dated as of January 31, 2010, and Amendment No. 6 to Debenture and Preferred Stock Purchase Agreement dated of even date herewith (as so amended, and as it may be further amended, modified, supplemented or restated from time to time, the "Purchase Agreement");

WHEREAS, Debtor has executed a Joinder Agreement dated as of June 19, 2006 between the Company and Debtor in favor of the Purchasers, the holders of certain preferred stock of the Company and the Secured Party, pursuant to which Debtor has agreed to be bound by all of the terms and provisions of the Purchase Agreement (the "Joinder Agreement");

WHEREAS, pursuant to the Purchase Agreement, Debtor has executed a Guaranty Agreement dated as of June 19, 2006 (as amended, modified, supplemented or restated from time to time, the "Guaranty") in favor of the Purchasers and the Secured Party pursuant to which the Debtor has guaranteed the payment and performance of all of the Liabilities (hereinafter defined) of the Company to the Purchasers and the Secured Party pursuant to the Purchase Agreement;

WHEREAS, pursuant to a Security Agreement dated as of June 19, 2006 between the Debtor and the Secured Party, the Debtor has granted the Secured Party, for the ratable benefit of the Purchasers, a security interest in the Patents (hereinafter defined) and in all assets relating to and deriving from the Patents on the terms and conditions set forth therein (as it may from time to time be amended, modified, supplemented or restated, the "Security Agreement"; the Purchase Agreement, the Joinder Agreement, the Guaranty, the Security Agreement and the documents, instruments, and agreements ancillary thereto, as any of the same (including this Agreement) may be amended, extended or replaced from time to time, are referred to herein collectively as the "Transaction Documents");

WHEREAS, the Purchase Agreement requires that the Debtor shall execute and deliver this Agreement; and

WHEREAS, all capitalized terms used herein without definition shall have the respective meanings ascribed thereto in the Purchase Agreement;

NOW, THEREFORE, in consideration of the above recited premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Debtor and the Secured Party hereby agree as follows:

1. To secure the complete and timely satisfaction of all of Debtor's and the Company's respective obligations under their respective Transaction Documents, including without limitation any obligations to repay any loans or guaranties thereunder, and also to secure the Debtor's performance of its covenants hereunder (collectively, the "Liabilities"), Debtor hereby mortgages, assigns, grants and conveys to the Secured Party, for the ratable benefit of the Purchasers, a security interest, pledge, conditional assignment and mortgage in all of the patents and patent applications, and any patents issued with respect to or as a result of such applications, listed in Schedule 1 attached hereto, as the same may be amended pursuant hereto from time to time, including, without limitation, all renewals thereof, all proceeds of the foregoing, including proceeds of infringement suits, the right to sue for past, present, and future infringements and all rights corresponding thereto (all of the foregoing are collectively called herein the "Patents").

2. Debtor hereby covenants, agrees, and warrants that:

a. As of the date hereof, the Patents are subsisting and have not been adjudged invalid or unenforceable. Debtor is not aware of any pending or threatened action alleging the invalidity or unenforceability of any of the Patents;

b. As of the date hereof, to the best of Debtor's knowledge, each of the Patents is valid and enforceable;

c. As of the date hereof, no claim has been made that the use of any of the Patents does or may violate the rights of any Person;

d. Debtor is, and will defend its rights as, the sole and exclusive owner of the entire and unencumbered right, title, and interest in and to each of the Patents, free and clear of any liens, charges, and encumbrances, including, without limitation, pledges, assignments, licenses, registered user agreements, and covenants by Debtor not to sue third persons other than as permitted by the Purchase Agreement;

e. Debtor has the unqualified right to enter into this Agreement and perform its terms; and

f. Debtor intends to use proper statutory notice in connection with its use of the Patents.

3. Debtor hereby grants to the Secured Party and the Purchasers and their respective officers, managers, partners, employees and agents the right to visit Debtor's plants and facilities which manufacture, inspect or store products sold under any of the Patents, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. Debtor shall do any and all acts reasonably required by the Secured Party to ensure Debtor's compliance with this Agreement.

4. Debtor shall not enter into any agreement which is inconsistent with Debtor's obligations under this Agreement, without the Secured Party's prior written consent.

5. Debtor shall give the Secured Party prompt written notice should it obtain the rights to any new patents or patent applications which relate to or are in any way necessary or desirable for the continued use of the Patents; regardless of such notice, the terms and conditions of this Agreement shall automatically apply to any and all new patents and patent applications.

6. Debtor authorizes the Secured Party to modify this Agreement by amending Schedule 1 to include any such future patents and patent applications which are described in Section 5 immediately preceding, and shall cooperate in all reasonable requests of the Secured Party for the assignment to the Secured Party, for the ratable benefit of the Purchasers, of such future patents.

7. Neither this Agreement nor any of the other Transaction Documents creates, or is intended to create, a present assignment of the Patents. Subject to the rights of the Secured Party and the Purchasers, it is the intention of the parties hereto that Debtor continue to own the Patents, and this Agreement and the other Transaction Documents creates a security interest only. Debtor agrees not to sell, assign or license any interest in the Patents without the prior written consent of the Secured Party.

8. Upon any default hereunder or under any one or more of the Transaction Documents, and provided that any applicable cure period has expired (a "Default"), the Secured Party shall have, in addition to and cumulative with all other rights and remedies given to it by this Agreement, the Security Agreement or any other security agreement securing the Liabilities, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents may be located. Without limiting the generality of the foregoing, the Secured Party may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Debtor, all of which Debtor hereby expressly waives, and, without advertisement, sell at public or private sale or otherwise realize upon, at Debtor's place(s) of business or elsewhere, all or from time to time any of the Patents, or any interest which Debtor may have therein, and after deducting from the proceeds of sale or other disposition all expenses (including all reasonable attorney or broker's fees), shall apply the proceeds to payment of the Liabilities in such order as the Secured Party may determine. Any remainder of the proceeds after payment in full of the Liabilities shall be paid over to Debtor. Notice of any sale or other disposition of the Patents disposed of in connection therewith shall be given to Debtor at least five (5) days before the time of any intended public or private sale or other disposition of the Patents is to be made, which Debtor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, the Secured Party or the Purchasers or any Purchaser may, to the extent permissible under applicable law, purchase the whole or any part of the Patents sold, free from any right of redemption on the part of Debtor, which right is hereby waived and released. The Secured Party may also exercise at any time and from time to time following any Default any rights or privileges under any power of attorney which Debtor has now or may hereafter grant to the Secured Party, for the ratable benefit of the Purchasers, with respect to the Patents.

9. All reasonable fees, costs, and expenses, of whatever kind or nature, including the reasonable attorney fees (both outside counsel and allocated costs of in-house counsel) and legal expenses incurred by the Secured Party in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Patents, or in defending or prosecuting any actions or proceedings arising out of or related to the Patent, shall be borne and paid by Debtor on demand by the Secured Party and until so paid shall be added to the principal amount of the Liabilities and shall bear interest at the default rate prescribed in the Transaction Documents.

10. Debtor shall have the duty, through counsel acceptable to the Secured Party, to prosecute diligently any patent applications with respect to the Patents pending as of the date of this Agreement or thereafter, to make federal application on registrable but unregistered Patents, to file and prosecute opposition and cancellation proceedings and to do any and all acts which are necessary or desirable to preserve and maintain all rights in the Patents. Any expenses incurred in connection with the Patents shall be borne by Debtor. Debtor shall not abandon any Patent without the consent of the Secured Party, which consent shall not be unreasonably withheld.

11. Debtor shall have the right, with the prior written consent of the Secured Party, which will not be unreasonably withheld, to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the Patents, in which event the Secured Party may, if necessary, be joined as a nominal party to such suit if the Secured Party shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. Debtor shall promptly, upon demand, reimburse, and indemnify the Secured Party for all damages, costs, and expenses, including attorney fees, incurred by the Secured Party in the fulfillment of the provisions of this paragraph.

12. Cumulative with, and not in limitation of, any other power of attorney which Debtor has now or may hereafter grant to the Secured Party with respect to the Patents, Debtor hereby irrevocably authorizes and empowers the Secured Party, for the ratable benefit of the Purchasers, after the occurrence of a Default, to make, constitute, and appoint any officer or agent of the Secured Party as the Secured Party may select, in its exclusive discretion, as Debtor's true and lawful attorney-in-fact, with the power to endorse Debtor's name on all applications, documents, papers and instruments necessary for the Secured Party or any Purchaser to use the Patents, or to grant or issue any exclusive or nonexclusive license under the Patents to anyone else, or necessary for the Secured Party or any Purchaser to assign, pledge, convey or otherwise transfer title in or dispose of the Patents to anyone else. Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof.

13. If Debtor fails to comply with any of its obligations hereunder, the Secured Party may do so in Debtor's name or in the Secured Party's name, but at Debtor's expense, and Debtor hereby agrees to reimburse the Secured Party in full for all expenses, including reasonable attorney fees, incurred by the Secured Party in protecting, defending, and maintaining the Patents.

14. This Agreement is irrevocable and shall not terminate unless and until the Liabilities shall have been fully paid in cash.

15. No course of dealing between Debtor and the Secured Party or the Purchasers, nor any failure to exercise, nor any delay in exercising, on the part of Secured Party or the Purchasers, any right, power, or privilege hereunder, under the Transaction Documents, under any other agreement, document, or instrument between the Secured Party or the Purchasers and Debtor, or applicable law, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power, or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power, or privilege.

16. All of the Secured Party's rights and remedies with respect to the Patents, whether established hereby or by the Transaction Documents, or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently.

17. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall

not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

18. This Agreement is subject to alteration, modification or amendment only by a writing signed by the parties, except as provided in Section 6.

19. All rights of the Secured Party under this Agreement shall inure to the benefit of its respective successors and assigns, and all obligations of Debtor shall bind its successors or assigns.

20. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws of Louisiana.

21. Capitalized terms not otherwise defined herein are used with the same meanings as in the Purchase Agreement.

22. Audubon Capital SBIC, L.P., as Secured Party, has been appointed collateral agent for the Purchasers pursuant to Article X of the Purchase Agreement. It is expressly understood and agreed by the parties to this Agreement that any authority conferred upon the Secured Party hereunder is subject to the terms of the delegation of authority made by the Purchasers to the Secured Party pursuant to the Purchase Agreement, and that the Secured Party has agreed to act (and any successor Secured Party shall act) as such hereunder only on the express conditions contained in such Article X. Any successor Secured Party appointed pursuant to Article X of the Purchase Agreement shall be entitled to all the rights, interest and benefits of the Secured Party hereunder. In the case of foreclosure hereunder, any purchaser shall not be required to inquire into the power and authority of the Secured Party to act under this Agreement.

23. Notwithstanding anything herein to the contrary, (i) the obligations evidenced by this Agreement are subordinated to the prior Payment in Full of the Senior Debt Obligations pursuant to, and to the extent provided in the Senior Debt Subordination Agreement, (ii) the liens and security interests granted to the Secured Party and the Purchasers herein are expressly subject and subordinate to the liens and security interests granted to the Senior Debt Holder under the Senior Debt Documents and (iii) the exercise of any right or remedy by the Secured Party and the Purchasers hereunder is subject to the limitations and provisions of the Senior Debt Subordination Agreement. In the event of any conflict between the terms of the Senior Debt Subordination Agreement and the terms of this Agreement, the terms of the Senior Debt Subordination Agreement shall govern.

In addition to the foregoing paragraph and notwithstanding anything herein to the contrary, (i) the obligations evidenced by this Agreement are subordinated to the prior Payment in Full of the Mezzanine Debt Obligations pursuant to, and to the extent provided in, the Mezzanine Debt Subordination Agreement, (ii) the liens and security interests granted to the Secured Party and the Purchasers herein are expressly subject and subordinate to the liens and security interests granted to FTMFG under the Mezzanine Debt Documents and (iii) the exercise of any right or remedy by the Secured Party or the Purchasers hereunder is subject to the limitations and provisions of the Mezzanine Debt Subordination Agreement. In the event of any conflict between the terms of the Mezzanine Debt Subordination Agreement and the terms of this Agreement, the terms of the Mezzanine Debt Subordination Agreement shall govern.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the Debtor and Secured Party have caused this Agreement to be executed by their officers thereunto duly authorized on the day and year first above written.

HAMILTON ANIMAL PRODUCTS LLC

By: Patricia Weimer
Name: Patricia Weimer
Title: Chief Financial Officer

AUDUBON CAPITAL SBIC, L.P., as collateral agent

By Audubon SBIC Partners, L.L.C., its
general partner

By: _____
Name: Robert N. Cowin
Title: Manager

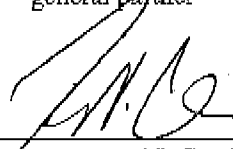
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HAMILTON ANIMAL PRODUCTS LLC

By: _____
Name: Patricia Weimer
Title: Chief Financial Officer

AUDUBON CAPITAL SBIC, L.P., as collateral agent

By Audubon SBIC Partners, L.L.C., its
general partner

By:  _____
Name: Robert N. Cowin
Title: Manager