

COLLATERAL ASSIGNMENT OF TRADEMARKS

This COLLATERAL ASSIGNMENT OF TRADEMARKS, dated as of August 31, 2005 ("Agreement"), is entered into by Magnequench, Inc., a Delaware corporation (together with its successors and assigns, the "Assignor"), in favor of National City Bank of Indiana, as collateral agent (together with its successors and assigns in such capacity, the "Collateral Agent"), for the benefit of the Secured Creditors (as defined in the Security Agreement referred to below):

RECITALS:

(1) This Agreement is made pursuant to the Credit Agreement, dated as of August 31, 2005 (as amended, restated or otherwise modified from time to time, the "Credit Agreement"), among Magnequench International, Inc., a Delaware corporation ("MQI"), MI Intermediate LLC, a Delaware limited liability company, the Assignor, the other Guarantors (as defined in the Credit Agreement) party thereto, the lenders party thereto, and the Administrative Agent (as defined in the Credit Agreement).

(2) In connection with the Credit Agreement, the Assignor is a party to a Pledge and Security Agreement, dated as of August 31, 2005 (as amended, restated or otherwise modified from time to time, the "Security Agreement"), among MQI, the Assignor, the other grantors named therein and the Collateral Agent, pursuant to which the Assignor has granted to the Collateral Agent, for the benefit of the Secured Creditors, a continuing security interest in, collateral assignment of and lien on substantially all of its assets, whether now owned or existing or hereafter acquired or arising.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor hereby covenants and agrees with the Collateral Agent and the other Secured Creditors as follows:

Section 1. Defined Terms. Terms used herein without definition shall have the respective meanings ascribed thereto in the Security Agreement.

Section 2. Assignment and Grant of Security Interest. As security for the prompt payment and performance of the Secured Obligations, the Assignor hereby collaterally assigns, transfers, conveys and grants to the Collateral Agent, for the benefit of the Secured Creditors, a security interest in, a general lien upon and/or a right of set-off against (whether now owned or hereafter acquired by the Assignor and whether acquired in the United States or elsewhere in the world) all right, title and interest of the Assignor in and to the following, whether now existing or hereafter acquired:

(i) all trademarks, trade names and service marks registered with the United States Patent and Trademark Office (including, without limitation, those listed on Schedule A hereto);

(ii) all applications for the registration of trademarks, trade names and service marks filed with the United States Patent and Trademark Office (including, without limitation, those listed on Schedule A hereto);

(iii) all trademarks, trade names and service marks registered with any office, agency or other governmental authority of any State, the District of Columbia or any possession or territory of the United States;

(iv) all trademarks, trade names and service marks registered with any office, agency or other governmental authority of any other country or any province, department or other governmental subdivision thereof;

(v) all registrations and recordings with respect to any of the foregoing;

(vi) all renewals of any of the foregoing;

(vii) all licenses and other agreements relating in whole or in part to any of the foregoing, including all rights to payments in respect thereof;

(viii) all rights to sue for past, present or future infringements of any of the foregoing;

(ix) all good will related to any of the foregoing;

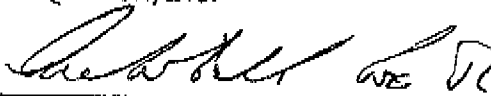
(x) to the extent not included above, all general intangibles (as such term is defined in the UCC) of the Assignor related to the foregoing; and

(xi) all proceeds of any and all of the foregoing.

Section 3. Reference to Separate Security Agreement. This Agreement has been entered into by the Assignor and the Collateral Agent primarily for recording purposes as contemplated by the Security Agreement. In the event of any inconsistency between any of the terms or provisions hereof and the terms and provisions of the Security Agreement, the terms and provisions of the Security Agreement shall govern.

IN WITNESS WHEREOF, the Assignor has caused this Agreement to be executed and delivered by its duly authorized officer as of the date first written above.

MAGNEQUENCH, INC.

By: 
Name:
Title:

Accepted and acknowledged by:

NATIONAL CITY BANK OF
INDIANA, as the Collateral Agent

By: _____
Name:
Title:

Signature Page to Collateral Assignment of Trademarks

TRADEMARK
REEL: 003194 FRAME: 0069

IN WITNESS WHEREOF, the Assignor has caused this Agreement to be executed and delivered by its duly authorized officer as of the date first written above.

MAGNEQUENCH, INC.

By: _____
Name:
Title:

Accepted and acknowledged by:

NATIONAL CITY BANK OF
INDIANA, as the Collateral Agent

By: *R. Douglas Allen*
Name: *R. Douglas Allen*
Title: *Senior Vice President*

Signature Page to Collateral Assignment of Trademarks

Schedule A
to
Collateral Assignment of Trademarks

Trademark	Registration No.
LEADING MAGNET INNOVATION	2463513
MAGNEQUENCH	1720017
MAGNEQUENCH	1741009
MQ1	1725261
MQ2	1709840
MQ3	1734515
MQP	1707644
NEOENERGY	2406208