

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
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NATURE OF CONVEYANCE:	SECURITY INTEREST
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CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
National Railway Equipment Co.		07/12/2007	CORPORATION: ILLINOIS

RECEIVING PARTY DATA

Name:	LaSalle Bank, N.A.
Street Address:	135 South LaSalle Street
Internal Address:	Suite 216
City:	Chicago
State/Country:	ILLINOIS
Postal Code:	60603
Entity Type:	National Association: UNITED STATES

PROPERTY NUMBERS Total: 6

Property Type	Number	Word Mark
Serial Number:	78943808	N-VIROMOTIVE
Serial Number:	77016715	MLW
Registration Number:	3119479	NATIONAL RAILWAY EQUIPMENT CO
Registration Number:	3032281	NRE
Registration Number:	3041582	NRE
Registration Number:	3041738	VMV PADUCAHBILT

CORRESPONDENCE DATA

Fax Number: (312)977-4405
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 3129774872
 Email: nedebaun@uhl.com
 Correspondent Name: Nathan E. DeBaun
 Address Line 1: 70 West Madison
 Address Line 2: 3500 Three First National Plaza
 Address Line 4: Chicago, ILLINOIS 60602

TRADEMARK

OP \$165.00 78943808

ATTORNEY DOCKET NUMBER:	4782702-0009
NAME OF SUBMITTER:	Nathan E. DeBaun
Signature:	/Nathan E. DeBaun/
Date:	08/07/2007
Total Attachments: 7 source=IPSA - NREC#page1.tif source=IPSA - NREC#page2.tif source=IPSA - NREC#page3.tif source=IPSA - NREC#page4.tif source=IPSA - NREC#page5.tif source=IPSA - NREC#page6.tif source=IPSA - NREC#page7.tif	

PATENT AND TRADEMARK SECURITY AGREEMENT

THIS PATENT AND TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of July 12, 2007 is executed by NATIONAL RAILWAY EQUIPMENT CO., an Illinois corporation ("NREC"), NREC POWER SYSTEMS, INC., a Louisiana corporation ("Power Systems"), NRE WHEELWORKS, INC., an Illinois corporation ("NRE Wheelworks"), N.R.E. ACQUISITION CO., L.L.C., a Kentucky limited liability company ("NRE Acquisition"), NRE ALCO LOCOMOTIVES OF CANADA, INC., an Illinois corporation ("NRE-ALCO"), ALCO LOCOMOTIVE COMPANY, an Illinois corporation ("ALCO"), NRE-ALCO LOCOMOTIVES OF CANADA CO., a Nova Scotia unlimited liability company ("NRE Canada") (each a "Grantor" and collectively, the "Grantors"), in favor of LASALLE BANK NATIONAL ASSOCIATION, in its capacity as administrative agent for the Lenders (in such capacity, the "Administrative Agent").

RECITALS

A. The Grantors have entered into a Credit Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") with various financial institutions and the Administrative Agent, pursuant to which such financial institutions have agreed to make loans to, and issue or participate in letters of credit for the account of Grantors.

B. The Grantors have entered into a Security Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement") with the Administrative Agent pursuant to which certain obligations owed to the Lenders are secured.

C. Pursuant to the Security Agreement, the Grantors are required to execute and deliver to the Administrative Agent, for the ratable benefit of the Lenders, this Agreement.

D. Pursuant to the terms of the Security Agreement, Grantor has granted to the Administrative Agent, for the benefit of the Lenders, a security interest in substantially all the assets of the Grantor, including all right, title and interest of the Grantor in, to and under all now owned and hereafter acquired patents, patent applications, patent licenses, trademarks, trademark applications and trademark licenses, and all products and proceeds thereof, to secure the payment of all amounts owing by the Grantors under the Credit Agreement.

In consideration of the mutual agreements set forth herein and in the Credit Agreement, each Grantor does hereby grant to the Administrative Agent, for the benefit of the Lenders, a continuing security interest in all of such Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired:

- (1) each trademark and trademark application, including, without limitation, each trademark and trademark application referred to in Schedule 1 annexed hereto,

together with any reissues, continuations or extensions thereof and all goodwill associated therewith;

- (2) each trademark license, including, without limitation, each trademark license listed on Schedule 1 annexed hereto, together with all goodwill associated therewith;
- (3) all products and proceeds of the foregoing, including, without limitation, any claim by such Grantor against third parties for past, present or future infringement of any trademark, including, without limitation, any trademark referred to in Schedule 1 annexed hereto, any trademark issued pursuant to a trademark application referred to in Schedule 1 and any trademark licensed under any trademark license listed on Schedule 1 annexed hereto (items 1 through 3 being herein collectively referred to as the "Trademark Collateral");
- (4) each patent and patent application, including, without limitation, each patent and patent application referred to in Schedule 2 annexed hereto, together with any reissues, continuations or extensions thereof and all goodwill associated therewith;
- (5) each patent license, including, without limitation, each patent license listed on Schedule 2 annexed hereto, together with all goodwill associated therewith;
- (6) all products and proceeds of the foregoing, including, without limitation, any claim by such Grantor against third parties for past, present or future infringement of any patent, including, without limitation, any patent referred to in Schedule 2 annexed hereto, any patent issued pursuant to a patent application referred to in Schedule 2 and any patent licensed under any patent license listed on Schedule 2 annexed hereto (items 4 through 6 being herein collectively referred to as the "Patent Collateral").

This security interest is granted in conjunction with the security interests granted to the Administrative Agent pursuant to the Security Agreement and subject to limitations set forth therein. Each Grantor hereby acknowledges and affirms that the rights and remedies of the Administrative Agent with respect to the security interest in the Trademark Collateral and the Patent Collateral made and granted hereby are more fully set forth in the Credit Agreement and Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. Capitalized terms used but not defined herein have the respective meanings ascribed thereto in the Security Agreement.

[signature page follows]

The Grantors have caused this Patent and Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the date first set forth above.

NATIONAL RAILWAY EQUIPMENT CO.,
an Illinois corporation

By: L. J. Beal
Name: Lawrence J. Beal
Title: President / CEO

NRE WHEELWORKS, INC., an Illinois corporation

By: L. J. Beal
Name: Lawrence J. Beal
Title: President / CEO

NRE ACQUISITION CO., L.L.C., a
Kentucky limited liability company

By: L. J. Beal
Name: Lawrence J. Beal
Title: President / CEO

NRE ALCO LOCOMOTIVES OF
CANADA, INC., an Illinois corporation

By: L. J. Beal
Name: Lawrence J. Beal
Title: President / CEO

ALCO LOCOMOTIVE COMPANY, an
Illinois corporation

By: L. J. Beal
Name: Lawrence J. Beal
Title: President / CEO

NRE-ALCO LOCOMOTIVES OF
CANADA CO., a Nova Scotia unlimited
liability company

By: L. J. Beal
Name: Lawrence J. Beal
Title: President / CEO

NREC POWER SYSTEMS, INC., a
Louisiana corporation

By: L. J. Beal
Name: Lawrence J. Beal
Title: President / CEO

Acknowledged:

LASALLE BANK NATIONAL ASSOCIATION,
as Administrative Agent

By: _____
Title: _____

The Grantors have caused this Patent and Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the date first set forth above.

NATIONAL RAILWAY EQUIPMENT CO.,
an Illinois corporation

NRE WHEELWORKS, INC., an Illinois corporation

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

NRE ACQUISITION CO., L.L.C., a
Kentucky limited liability company

NRE-ALCO LOCOMOTIVES OF
CANADA, INC., an Illinois corporation

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

ALCO LOCOMOTIVE COMPANY, an
Illinois corporation

NRE-ALCO LOCOMOTIVES OF
CANADA CO., a Nova Scotia unlimited
liability company

By: _____
Name: _____
Title: _____

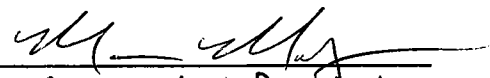
By: _____
Name: _____
Title: _____

NREC POWER SYSTEMS, INC., a
Louisiana corporation

By: _____
Name: _____
Title: _____

Acknowledged:

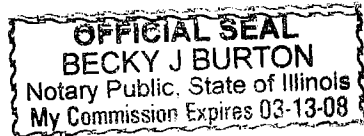
LASALLE BANK NATIONAL ASSOCIATION,
as Administrative Agent

By: 
Title: Senior Vice President

STATE OF ILLINOIS)
)ss.
COUNTY OF JEFFERSON)

On this 2nd day of July, 2007, before me personally appeared Lawrence Beal, to me personally known, who being by me duly sworn, says that he is the President of National Railway Equipment Co., NREC Power Systems, Inc., NRE Wheel Works, Inc., Alco Locomotive Company, NRE ALCO Locomotives of Canada, Inc., NRE-ALCO Locomotives of Canada, Co. and the President of the sole member, National Railway Equipment, Co., of NRE Acquisition, Co., L.L.C. that the foregoing instrument was signed on behalf of said companies and limited liability company, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC: Becky J. Burton
My commission expires: 03-13-08



SCHEDULE 1
to
PATENT AND TRADEMARK SECURITY AGREEMENT

GRANTOR: National Railway Equipment Co.

Patent Applications

US Patent Application for “Adhesion Control System for Off-Highway Vehicle”, Filing Receipt (00253801), application serial number 11/469,299

US Patent Application for “Engine Start/Stop Control for Multiple Engine OHV Based on Operating Conditions”, Filing Receipt (00285368), application serial number 11/469,317

Patent Application for “Engine Start/Stop Control for Multiple Engine OHV Based on Operating Statistics”, Filing Receipt (00253800), application serial number 11/469,312.

Trademarks & Trademark Applications


US Trademark Application, for the mark, “N-VIROMOTIVE,” application serial number 78943808.

US Trademark Application, for the mark, “MLW,” application serial number 77016715.

Registered US Trademark “NATIONAL RAILWAY EQUIPMENT CO.”, registration number 3,119,479, application serial number 78548966.

Registered US Trademark “NRE”, registration number 3,032,281, application serial number 78541905.



Registered US Trademark, “”, registration number 3,041,582, application serial number 78541914.

Registered US Trademark, “VMV PADUCAHBILT”, registration number 3,041,738, application serial number 78548937.

NREC has granted BNSF a license to use all NREC intellectual property of the N-ViroMotive locomotive for operation and maintenance of locomotives purchased from NREC.

All other GRANTORS: NONE.

SCHEDULE 2
to
PATENT AND TRADEMARK SECURITY AGREEMENT

GRANTOR: National Railway Equipment Co.

Patent Applications

US Patent Application for “Adhesion Control System for Off-Highway Vehicle”, Filing Receipt (00253801), application serial number 11/469,299

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