TRADEMARK ASSIGNMENT

Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE: NEW ASSIGNMENT

NATURE OF CONVEYANCE: SECURITY INTEREST

CONVEYING PARTY DATA

| Name | Formerly | Execution Date | Entity Type |
|----------------------------------|----------|----------------|--|
| Penn Detroit Diesel Allison, LLC | | 106/18/2009 I | LIMITED LIABILITY COMPANY: PENNSYLVANIA |

RECEIVING PARTY DATA

| Name: | General Electric Capital Corporation, as Administrative Agent | |
|-----------------|---|--|
| Street Address: | 201 Merritt 7 | |
| City: | Norwalk | |
| State/Country: | CONNECTICUT | |
| Postal Code: | 06856-5201 | |
| Entity Type: | CORPORATION: DELAWARE | |

PROPERTY NUMBERS Total: 6

| Property Type | Number | Word Mark |
|----------------------|----------|--------------------------|
| Registration Number: | 3112642 | NORTHEAST ENERGY SYSTEMS |
| Registration Number: | 3067425 | PENN POWER SYSTEMS |
| Serial Number: | 77744045 | WESTERN ENERGY SYSTEMS |
| Serial Number: | 77744047 | WESTERN ENERGY SYSTEMS |
| Serial Number: | 77744050 | WESTERN ENERGY SYSTEMS |
| Serial Number: | 77422382 | PENN POWER GROUP |

CORRESPONDENCE DATA

Fax Number: (312)993-9767

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 312/876-7628

Email: linda.kastner@lw.com

Correspondent Name: Linda R. Kastner, c/o Latham & Watkins

233 S. Wacker Drive Address Line 1:

Address Line 2: Suite 5800

Address Line 4: Chicago, ILLINOIS 60606

TRADEMARK 900136673 REEL: 004007 FRAME: 0821

| NAME OF SUBMITTER: | Linda Kastner |
|--|---------------|
| Signature: | /lk/ |
| Date: | 06/18/2009 |
| Total Attachments: 5 source=TrademarkAgreement#page1.tif source=TrademarkAgreement#page2.tif source=TrademarkAgreement#page3.tif source=TrademarkAgreement#page4.tif source=TrademarkAgreement#page5.tif | |

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT, dated as of June 18, 2009, is made by each entity on the signature pages hereof (each a "Grantor" and, collectively, the "Grantors"), in favor of GENERAL ELECTRIC CAPITAL CORPORATION, as Administrative Agent under the Credit Agreement described below.

WITNESSETH:

WHEREAS, pursuant to the Credit Agreement, dated as of the date hereof (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") by and among Borrower, the other Credit Parties party thereto, the Lenders and L/C Issuers from time to time party thereto, General Electric Capital Corporation, as Revolver Agent and as Administrative Agent, the Lenders and the L/C Issuers have severally agreed to make extensions of credit to Borrower upon the terms and subject to the conditions set forth therein;

WHEREAS, each Grantor (other than Borrower) has agreed, pursuant to a Guaranty and Security Agreement, of even date herewith, in favor of the Administrative Agent (as amended, restated, supplemented or otherwise modified from time to time, the "Guaranty and Security Agreement"), to guarantee the Guaranteed Obligations (as defined in the Guaranty and Security Agreement); and

WHEREAS, all of the Grantors are party to the Guaranty and Security Agreement pursuant to which the Grantors are required to execute and deliver this Trademark Security Agreement.

NOW, THEREFORE, in consideration of these premises and to induce the Lenders, the L/C Issuers and the Administrative Agent to enter into the Credit Agreement and to induce the Lenders and the L/C Issuers to make their respective extensions of credit to Borrower thereunder, each Grantor hereby agrees with the Administrative Agent as follows:

<u>Section 1.</u> <u>Defined Terms</u>. Capitalized terms used herein without definition are used as defined in the Guaranty and Security Agreement.

Section 2. Grant of Security Interest in Trademark Collateral. Each Grantor, as collateral security for the prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Secured Obligations, hereby mortgages, pledges and hypothecates to the Administrative Agent, for the benefit of the Secured Parties, and grants to the Administrative Agent, for the benefit of the Secured Parties, a Lien on and security interest in, all of its right, title and interest in, to and under the following Collateral of such Grantor (the "Trademark Collateral"):

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- (a) all of its Trademarks and all IP Licenses providing for the grant by or to such Grantor of any right under any Trademark, including, without limitation, those referred to on Schedule 1 hereto;
 - (b) all renewals and extensions of the foregoing;
- (e) all goodwill of the business connected with the use of, and symbolized by, each such Trademark; and
- all income, royalties, proceeds and Liabilities at any time due or payable or asserted under and with respect to any of the foregoing, including, without limitation, all rights to sue and recover at law or in equity for any past, present and future infringement, misappropriation, dilution, violation or other impairment thereof.
- Section 3. Guaranty and Security Agreement. The security interest granted pursuant to this Trademark Security Agreement is granted in conjunction with the security interest granted to the Administrative Agent pursuant to the Guaranty and Security Agreement and each Grantor hereby acknowledges and agrees that the rights and remedies of the Administrative Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Guaranty and Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.
- <u>Section 4.</u> <u>Grantor Remains Liable.</u> Each Grantor hereby agrees that, anything herein to the contrary notwithstanding, such Grantor shall assume full and complete responsibility for the prosecution, defense, enforcement or any other necessary or desirable actions in connection with their Trademarks and IP Licenses subject to a security interest hereunder.
- <u>Section 5.</u> <u>Counterparts.</u> This Trademark Security Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart.
- Section 6. Governing Law. This Trademark Security Agreement and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

[SIGNATURE PAGES FOLLOW]

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IN WITNESS WHEREOF, each Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

PENN DETROIT DIESEL ALLISON, LLC, as Grantor

By:
Name: C.C.Cannon
Title: CEO

[Signature Page to Trademark Security Agreement]

ACCEPTED AND AGREED as of the date first above written:

GENERAL ELECTRIC CAPITAL CORPORATION,

as Administrative Agent

Name:

Title:

[Signature Page to Trademark Security Agreement]

SCHEDULE I TO TRADEMARK SECURITY AGREEMENT

1. REGISTERED TRADEMARKS

| No. | Trademark | Registration No. | Registration Date |
|-----|-------------------------------------|------------------|-------------------|
| 1. | Northeast Energy Systems | 3112642 | July 4, 2006 |
| 2. | Penn Power Systems | 3067425 | March 14, 2006 |
| 3. | Western Energy Systems (and Design) | 77/744,045 | May 26, 2009 |
| 4. | Western Energy Systems (and Design) | 77/744,047 | May 26, 2009 |
| 5. | Western Energy Systems (and Design) | 77/744,050 | May 26, 2009 |

2. TRADEMARK APPLICATIONS

| No. | Trademark | Application No. | Application Date |
|-----|------------------|-----------------|------------------|
| 1. | Penn Power Group | 77-422382 | March 14, 2008 |

3. TRADEMARK LICENSES

None

RECORDED: 06/18/2009