

met 12/16/99

FORM PTO-1595  
(Rev. 6-93)

U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

RECORDATION FORM COVER SHEET

01-27-2000

MRD 12-16-99



Attorney Docket No.: 47630-0001

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

101251346

ATTN: BOX ASSIGNMENT

1. Name of conveying party(ies):

De La Rue Card Systems, Inc.  
(a Pennsylvania corporation)

Additional name(s) & address(es) attached?

Yes  No

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

2. Name and address of receiving party(ies):

Name: Banque Nationale de Paris  
(a French banking corporation)

Address: 16 Boulevard des Italiens  
75009 Paris, France

Additional name(s) & address(es) attached?

Yes  No

3. Nature of conveyance:

Assignment  Merger  
 Security Agreement  Change of Name  
 Other \_\_\_\_\_

Execution Date: October 1, 1999

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

A. Patent Application No.(s) B. Patent No.(s)  
5,923,759

Additional numbers attached:  Yes  No

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

Name: Nancy L. Rowe, Esq.  
Internal Address: Morgan, Lewis & Bockius LLP  
Attn: TMSU

Street Address: 1800 M Street, N.W.  
City: Washington State: DC Zip: 20036

6. Total number of applications and patents involved: 1

7. Total fee (37 C.F.R §3.41): \$40.00  
 Enclosed  
 Authorized to be charged to deposit account 13-4520  
 Debit insufficiency or credit over payment to Deposit Account No. 13-4520

8. Deposit account number: 13-4520  
Attach duplicate of page if paying by deposit account

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.

Nancy L. Rowe  
Name of Person Signing

*Nancy L. Rowe*  
Signature

12/16/99  
Date

Total number of pages including cover sheet, attachments and documents: 6

40.00  
00000133 5923759

01/24/2000 VBRDUM  
01 FC:581

Additional Receiving Party:

Credit Lyonnais  
(a French banking corporation)  
19 Boulevard des Italiens  
75002 Paris, France

## PATENT SECURITY AGREEMENT

PATENT SECURITY AGREEMENT, dated as of October 1, 1999, between DE LA RUE CARD SYSTEMS, INC., a Pennsylvania corporation (the "*Grantor*"), and BANQUE NATIONALE DE PARIS, as agent (in such capacity, the "*Bank Collateral Agent*") for the Banks referred to in the below mentioned Security Agreement, CREDIT LYONNAIS, as agent for certain holders of Mezzanine Bonds referred to in such Security Agreement (the "*Mezzanine Collateral Agent*" and with the Bank Collateral Agent collectively, the "*Collateral Agents*") and BANQUE NATIONALE DE PARIS, as Intercreditor Agent (in such capacity, the "*Intercreditor Agent*").

Reference is made to a Security Agreement, dated as of October 1, 1999 (the "*Security Agreement*"), among Oberthur Smart Cards S.A., (the "*Borrower*"), the Grantor and certain other subsidiaries of the Borrower parties thereto (all such subsidiaries collectively, the "*Pledgors*"), the Collateral Agents, and the Intercreditor Agent. Under the Security Agreement, the Pledgors have created in favor of the Collateral Agents certain liens on and security interests in certain of the assets of the Pledgors to secure, among other things, the indebtedness and other Obligations of the Borrower under a Senior Loan Agreement and certain Mezzanine Bonds referred to in such Security Agreement. Pursuant to Section 3.2(b) of the Security Agreement, the Grantor is required to execute and deliver this Agreement and to grant to each of the Collateral Agents a continuing security interest in all of the Patent Collateral (as defined below) to secure the payment or performance, as the case may be, in full of all of the Obligations secured under the Security Agreement.

Accordingly, the Grantor and the Collateral Agents, the latter on behalf of themselves and each of the other Secured Parties (and each of their respective successors or assigns), hereby agree as follows:

SECTION 1. *Definition of Terms Used Herein.* Unless the context otherwise requires, all capitalized terms used but not defined herein (including the preamble and preliminary statement of this Agreement) shall have the meanings set forth in the Security Agreement.

SECTION 2. *Grant of Security Interest.* For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure all of the Obligations the Grantor hereby bargains, sells, conveys, assigns, sets over, mortgages, pledges, hypothecates and transfers to each of the Collateral Agents and their respective successors and assigns, for the Ratable Benefit of the Secured Parties, and hereby grants to each of the Collateral Agents and their respective successors and assigns, a security interest in, all of the Grantor's right, title and interest in, to and under all of the following property (the "*Patent Collateral*"), whether now existing or owned or hereafter arising or acquired:

- (a) all letters patent and applications for letters patent throughout the world, including all patent applications in preparation for filing anywhere in the world and

including each patent and patent application referred to in Item A of Attachment 1 attached hereto;

(b) all reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the items described in clause (a);

(c) all patent licenses, including each patent license referred to in Item B of Attachment 1 attached hereto; and

(d) all proceeds of, and rights associated with, the foregoing (including license royalties and proceeds of infringement suits), the right to sue third parties for past, present or future infringements of any patent or patent application referred to in Item A of Attachment 1 attached hereto, and for breach or enforcement of any patent license, including any patent license referred to in Item B of Attachment 1 attached hereto, and all rights corresponding thereto throughout the world.

SECTION 3. *Security Agreement.* This Agreement has been executed and delivered by the Grantor for the purpose of registering the security interests of the Collateral Agents in the Patent Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Collateral Agents for the Ratable Benefit of the Secured Parties under the Security Agreement. The Security Agreement (and all rights and remedies of the Collateral Agents and each of the other Secured Parties thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. *Release of Security Interest.* When all of the Obligations have been indefeasibly paid in full (other than Obligations in respect of indemnification and expense reimbursement obligations hereunder, under the Security Agreement or under any other Loan Document to the extent such Obligations are not due and payable) and the Banks have no further commitment to lend, the security interest granted hereby shall automatically terminate. Upon such termination, each of the Collateral Agents will, at the Grantor's sole expense, execute and deliver to the Grantor such documents as the Grantor shall reasonably request of such Collateral Agent to evidence such termination within ten (10) Business Days after receipt of the Grantor's request.

SECTION 5. *Acknowledgments.* The Grantor hereby further acknowledges and affirms that the rights and remedies of the Collateral Agents with respect to the security interest in the Patent Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein. The parties hereto further acknowledge and affirm that under the Security Agreement the Intercreditor Agent is authorized to act on behalf of the Collateral Agents in the manner and under the circumstances more fully set forth in such Security Agreement.

SECTION 6. *Loan Documents, etc.* This Agreement is a Loan Document executed pursuant to the Security Agreement and shall (unless otherwise expressly indicated herein) be

construed, administered, enforced and applied in accordance with the terms and provisions of the Security Agreement.

SECTION 7. *Counterparts*. This Agreement may be executed in two or more counterparts each of which shall constitute an original but all of which, when taken together, shall constitute but one contract and shall become effective when executed and delivered by each of the Grantor and the Collateral Agents.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

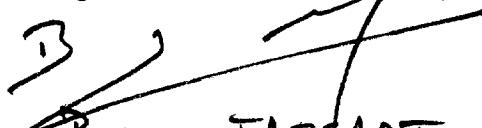
DE LA RUE CARD SYSTEMS, INC.

By: 

Name: Thomas SAVARE

Title: DIRECTOR

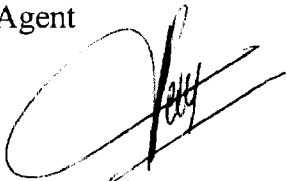
BANQUE NATIONALE DE PARIS,  
as Collateral Agent and as Intercreditor Agent

By: 

Name: Bruno TASSART

Title: Head of Acquisition Finance

CREDIT LYONNAIS,  
as Collateral Agent

By: 

Name:

Title: J. Poisson

Item A. Patents

Issued Patents

<i>Country</i>	<i>Patent No.</i>	<i>Issue Date</i>	<i>Title</i>
U.S.A.	5,923,759	July 13, 1999	“System for accessing secure data in smart cards”

Pending Patent Applications

<i>Country</i>	<i>Serial No.</i>	<i>Filing Date</i>	<i>Title</i>
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None

Patent Applications in Preparation

<i>Country</i>	<i>Docket No.</i>	<i>Expected Filing Date</i>	<i>Title</i>
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None

Item B. Patent Licenses

<i>Country or Territory</i>	<i>Licensor</i>	<i>Licensee</i>	<i>Effective Date</i>	<i>Expiration Date</i>	<i>Subject Matter</i>
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None