

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT

CONVEYING PARTY DATA

Name	Execution Date
CPI Card Group - Colorado, Inc.	09/30/2011

RECEIVING PARTY DATA

Name:	The Bank of Nova Scotia
Street Address:	720 King Street West, 2nd Floor
Internal Address:	c/o GWS Loan Operations, ATTN: US Agency Loan Operations
City:	Toronto
State/Country:	CANADA
Postal Code:	M5V2T3

PROPERTY NUMBERS Total: 10

Property Type	Number
Patent Number:	7134603
Patent Number:	7429036
Application Number:	12901015
Application Number:	12901038
Patent Number:	D632735
Application Number:	12869221
Application Number:	61471004
Application Number:	61496957
Application Number:	12494672
Application Number:	29339414

CORRESPONDENCE DATA

Fax Number: (212)728-9673
 Phone: 212-728-8673
 Email: mhungate@willkie.com

CH \$400.00 7134603

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.

Correspondent Name: Meghan M. Hungate
Address Line 1: 787 7th Ave
Address Line 2: Willkie Farr & Gallagher LLP
Address Line 4: New York, NEW YORK 10019

ATTORNEY DOCKET NUMBER:	110467.00027/MMH
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NAME OF SUBMITTER:	Meghan M. Hungate
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Total Attachments: 6

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PATENT SECURITY AGREEMENT

PATENT SECURITY AGREEMENT, dated as of September 30, 2011 (this "Agreement"), between The Bank of Nova Scotia, as the Collateral Agent under the Security Agreement referred to below (together with its successors and assigns, the "Collateral Agent"), and CPI Card Group – Colorado, Inc. (the "Grantor").

W I T N E S S E T H:

WHEREAS, CPI HOLDING CO., a Colorado corporation, CPI ACQUISITION, INC., a Delaware corporation, Grantor, a Colorado corporation, CPI CARD GROUP - NEVADA, INC., a California corporation, CPI CARD GROUP - INDIANA, INC., an Indiana corporation, and CPI CARD GROUP - MINNESOTA, INC., a Delaware corporation (collectively, the "Borrowers" and, individually, each a "Borrower"), CPI HOLDINGS I, INC., a Delaware corporation ("Holdings"), the financial institutions party thereto as lenders and the Collateral Agent have entered into the Credit Agreement, dated as of September 30, 2011 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement");

WHEREAS, in connection with the Credit Agreement, the Grantor, Holdings and the other Borrowers have entered into the Security Agreement, dated as of September 30, 2011 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Security Agreement") in favor of the Collateral Agent for the benefit of the Secured Parties (as defined therein);

WHEREAS, pursuant to the Security Agreement, the Grantor granted to the Collateral Agent for the benefit of the Secured Parties, a security interest in certain collateral, including but not limited to all right, title and interest of the Grantor in and to its Patents; and

WHEREAS, the Collateral Agent and the Grantor have agreed to execute and deliver this Agreement in order to perfect the security interest of the Collateral Agent in the Grantor's Patents.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Defined Terms. All capitalized terms not defined herein shall have the meaning ascribed to them in, or incorporated by reference in, the Security Agreement, and the rules of interpretation set forth in Section 1.2 of the Security Agreement shall be applicable hereto.

SECTION 2. Grant of Security Interest. Subject to the terms and conditions of the Security Agreement, as security for the prompt payment and performance of the Obligations, the Grantor hereby grants to the Collateral Agent, for the benefit of the Secured Parties, a security interest in, a general lien upon and/or a right of set off against (whether now owned or hereafter acquired by the Grantor and whether acquired in the United States or elsewhere in the world) all

right, title and interest of the Grantor in and to the following, whether now existing or hereafter acquired:

(i) all of the Patents issued by the United States Patent and Trademark Office owned or filed on behalf of the Grantor or in which the Grantor has rights (including, without limitation, those listed on Schedule A hereto);

(ii) all applications for Patents to be issued by the United States Patent and Trademark Office owned by or filed on behalf of the Grantor (including, without limitation, those listed on Schedule A to this Agreement);

(iii) all Patents owned or filed on behalf of the Grantor or in which the Grantor has rights issued by any other country or any office, agency or other governmental authority thereof;

(iv) all applications for Patents owned or filed on behalf of the Grantor or in which the Grantor has rights to be issued by any office, agency or other governmental authority referred to in clause (iii) above;

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

(vi) all reissues, continuations, continuations-in-part, extensions and divisions of any of the foregoing;

(vii) all Patent Licenses, and other agreements relating in whole or in part to any Patents, inventions, processes, production methods, proprietary information or know-how covered by 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 relating to any of the foregoing; and

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

SECTION 3. Reference to Security Agreement. This Agreement has been entered into by the Grantor 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.

SECTION 4. Governing Law. This Agreement and the rights of the parties hereunder shall be construed and interpreted in accordance with the law of the State of New York, without application of the rules regarding conflicts of laws (other than section 5-1401 of the New York General Obligations Law).

SECTION 5. JURY TRIAL WAIVER. THE ASSIGNOR HEREBY IRREVOCABLY WAIVES ALL RIGHTS TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE

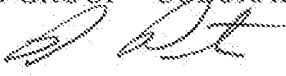
OTHER LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

(Signature page follows.)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their duly authorized officers as of the date first set forth above.

CPI CARD GROUP -- COLORADO, INC.

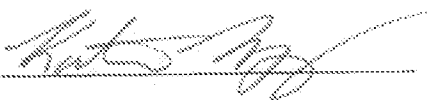
By: _____


Name: Nicholas A. Peters

Title: Vice President and Treasurer

Accepted and acknowledged by:

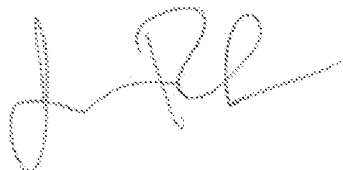
THE BANK OF NOVA SCOTIA,
as Collateral Agent

By: 

Name:

Title:

Katherine Hogg
Associate



James J. Rhee
Director

Patent Security Agreement (CPI Card Group - Colorado, Inc.)

PATENT
REEL: 027009 FRAME: 0048

Registrations

CPI Card Group – Colorado, Inc.

1. U.S. Patent No. 7,134,603 for “Method for Making a Transparent Transaction Card” issued November 14, 2006; owned by CPI Card Group – Colorado, Inc.; record owner is **Colorado Plasticard, Inc.**
2. U.S. Patent No. 7,429,036 (Application No. 20060087542) for “Method and System for Efficiently Printing and Sorting Multiple Orders of Transaction Cards” issued September 30, 2008; owned by CPI Card Group – Colorado, Inc.; record owner is CPI Card Group, Inc.
3. U.S. Patent Application No. 12/901,015 for “Secure Card Packaging With Concealed Activation Field” filed October 8, 2010; owned by CPI Card Group – Colorado, Inc.; record owner is CPI Card Group, Inc.
4. U.S. Patent Application No. 12/901,038 for “Secure Package Edge” filed October 8, 2010; owned by CPI Card Group – Colorado, Inc.; record owner is CPI Card Group, Inc.
5. U.S. Patent No. D632735 for “Clear Single Laminate Transaction or Access Card with Wood Veneer Layer” issued February 15, 2011; owned by CPI Card Group – Colorado, Inc.; record owner is CPI Card Group, Inc.

Applications

CPI Card Group – Colorado, Inc.

1. U.S. Patent Application No. 12/869,221 for “Automated Pre Personalization Card Production Processing” filed August 26, 2010; owned by CPI Card Group – Colorado, Inc.; record title owner is CPI Card Group, Inc. October 6, 2010.
2. U.S. Patent Application No. 61/471,004 for “Card Security Activation Label and Method” filed April 1, 2011; owned by CPI Card Group – Colorado, Inc.; record title owner is CPI Card Group, Inc. April 11, 2011.
3. U.S. Patent Application No. 61/496,957 for “System and Method for Secure Card Packaging and Activation” filed June 14, 2011; owned by CPI Card Group – Colorado, Inc.; record title owner is CPI Card Group, Inc. June 14, 2011.
4. U.S. Patent Application No. 12/494,672 for “Clear Laminate Wood Card and Method of Manufacture” filed June 30, 2009; owned by CPI Card Group – Colorado, Inc.; record title owner is CPI Card Group, Inc. September 10, 2009.
5. U.S. Patent Application No. 29/339,414 for “Clear Dual Laminate Transaction or Access Card With Wood Veneer Layer” filed June 30, 2009; record title owner is CPI Card Group – Colorado, Inc.; assigned to CPI Card Group, Inc. September 9, 2009.