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12 Lead Counsel for Plaintiffs

13 UNITED STATES DISTRICT COURT

14 NORTHERN DISTRICT OF CALIFORNIA

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|----|-------------------------------|---|-----------------------------------|
| 15 | In re VERIFONE HOLDINGS, INC. |) | Master File No. 3:07-cv-06140-EMC |
| 16 | SECURITIES LITIGATION |) | |
| 17 | _____ |) | <u>CLASS ACTION</u> |
| 18 | This Document Relates To: |) | STIPULATION OF SETTLEMENT |
| 19 | ALL ACTIONS. |) | |
| 20 | _____ |) | |

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1 This Stipulation of Settlement dated as of August 9, 2013 (the “Stipulation”), is made and
2 entered into by and among: (i) Lead Plaintiff National Elevator Industry Pension Fund (on behalf of
3 itself and each of the Class Members), by and through its counsel of record in the Litigation; and (ii)
4 Defendants VeriFone Systems, Inc., f/k/a VeriFone Holdings, Inc. (“VeriFone” or the “Company”),
5 Douglas G. Bergeron and Barry Zwarenstein, by and through their counsel of record in the
6 Litigation. The Stipulation is intended to fully, finally, and forever resolve, discharge, and settle the
7 Released Claims (as defined herein), subject to the approval of the Court and the terms and
8 conditions set forth in this Stipulation.

9 **I. THE LITIGATION**

10 **A. Commencement, Consolidation and the Appointment of Lead**
11 **Plaintiff**

12 On December 4, 2007, the first action was filed in the United States District Court for the
13 Northern District of California (the “Court”). Dkt. No. 1. Between December 6, 2007 and January
14 7, 2008, eight additional actions were filed arising out of the same transactions and occurrences as
15 are at issue in this Litigation.¹ See Dkt. No. 9. On February 5, 2008, the Court entered a Stipulation
16 and Order Consolidating Related Cases. Dkt. No. 54. The Order consolidated the nine cases and
17 provided that defendants were not required to respond to any complaints until the filing of a
18 consolidated complaint or the designation of an operative complaint. *Id.*

19 On February 4, 2008, six movants, or groups of movants, filed motions to be appointed lead
20 plaintiff and to have their selection of lead counsel of approved. See Dkt. No. 124 at 3. On August
21 22, 2008, following a hearing and substantial briefing, the Court issued a Memorandum and Order
22 appointing National Elevator Industry Pension Fund as Lead Plaintiff and approving its selection of
23 Robbins Geller Rudman and Dowd LLP as Lead Counsel. Dkt. No. 155.

24 ¹ Those actions were *Eichenholtz v. VeriFone Holdings, Inc., et al.*, No. C 07-6140 MHP; *Lien*
25 *v. VeriFone Holdings, Inc., et al.*, No. C 07-6195 JSW; *Vaughn, et al. v. VeriFone Holdings, Inc., et*
26 *al.*, No. C 07-6197 VRW; *Feldman, et al. v. VeriFone Holdings, Inc., et al.*, No. C 07-6218 MMC;
27 *Cerini v. VeriFone Holdings, Inc., et al.*, No. C 07-6228 SC; *Westend Capital Management LLC v.*
28 *VeriFone Holdings, Inc., et al.*, No. C 07-6237 MMC; *Hill v. VeriFone Holdings, Inc., et al.*, No. C
07-6238 MHP; *Offutt v. VeriFone Holdings, Inc., et al.*, No. C 07-6241 JSW; and *Feitel v. VeriFone*
Holdings, Inc., et al., No. C 08-0118 CW.

1 completed on May 12, 2010. Dkt Nos. 224-234. A hearing on defendants' motions to dismiss was
2 held on May 17, 2010. Dkt. No. 249.

3 On July 30, 2010, prior to the issuance of an order on defendants' motions to dismiss, Lead
4 Plaintiff filed a Motion for Leave to File Third Amended Consolidated Complaint to Add New Facts
5 From 776 Pages of Transcripts of Testimony Produced by the Securities and Exchange Commission
6 (the "Motion for Leave to Amend"). Dkt. Nos. 250-253. The Motion for Leave to Amend was
7 based on new allegations based on transcripts of interviews of Bergeron, Zwarenstein and Laura
8 Merkl produced by the SEC pursuant to a January 13, 2010, Freedom of Information Act Request
9 made by Lead Plaintiff. Dkt. No. 251. The parties subsequently stipulated to the filing of the Third
10 Amended Complaint, and on August 26, 2010, the Court issued a Memorandum and Order re
11 Plaintiffs' Motion for Leave to File Third Amended Complaint. Dkt. No. 256. The Court ordered
12 that Lead Plaintiff's Third Amended Complaint be filed by September 15, 2010, and that limited
13 subsequent briefing was to be completed by November 1, 2010. *Id.*

14 Pursuant to the Court's Order, Lead Plaintiff's Revised Third Amended Consolidated
15 Complaint for Violations of the Federal Securities Laws ("Third Amended Complaint") was filed on
16 September 15, 2010 and the parties' supplemental briefing was completed on November 1, 2010.
17 Dkt. Nos. 262, 264-273.

18 On March 8, 2011, the Court issued a Memorandum and Order re Defendants' Motion to
19 Dismiss Plaintiffs' Third Amended Complaint. Dkt. No. 275. The Court found that notwithstanding
20 the new allegations contained in the Third Amended Complaint, Lead Plaintiff had still failed to
21 allege a strong inference of scienter as to any of the defendants. The Court granted defendants'
22 motions to dismiss with prejudice and entered judgment the same day. Dkt. Nos. 275-276.

23 **D. The Ninth Circuit Appeal**

24 On April 5, 2011, Lead Plaintiff timely filed its Notice of Appeal. Dkt. No. 282. On
25 December 21, 2012, the Ninth Circuit issued an Opinion reversing the District Court's dismissal. *In*
26 *re VeriFone Holdings, Inc. Sec. Litig.*, 704 F.3d 694 (9th Cir. 2012). The Ninth Circuit concluded
27 that Lead Plaintiff's Third Amended Complaint adequately alleged scienter as to defendants
28

1 VeriFone, Bergeron and Zwarenstein, the only defendants whose dismissal Lead Plaintiff appealed.
2 The Ninth Circuit's Mandate was issued on February 8, 2013. App. Dkt. No. 62.

3 On January 4, 2013, defendants VeriFone and Bergeron, joined by Zwarenstein, filed a
4 Petition for Rehearing *en banc*. App. Dkt. Nos. 59-60. On January 30, 2013, the Ninth Circuit
5 denied defendants' petition for rehearing.

6 On March 4, 2013, the Ninth Circuit's Mandate was entered by the District Court, and, in
7 light of Chief District Judge Marilyn H. Patel's retirement, the case was reassigned to District Judge
8 Edward M. Chen. Dkt. Nos. 287-289.

9 **E. Post-Appeal Litigation and Settlement Negotiations**

10 Following the denial of Defendants' *en banc* petition, on February 26, 2013, the parties
11 conducted a Rule 26(f) conference, after which, on February 27, 2013, Lead Plaintiff began serving
12 discovery requests on Defendants as well as numerous third parties. VeriFone produced, and Lead
13 Plaintiff reviewed over 300,000 pages of documents responsive to Lead Plaintiff's discovery
14 requests. In addition, both VeriFone and the SEC produced transcripts of certain depositions which
15 had been taken in the course of the SEC's investigation of VeriFone.

16 On March 26, 2013, the parties attended a full-day mediation before the Honorable Layn R.
17 Phillips, United States District Judge (Ret.). The parties submitted comprehensive mediation
18 statements in advance of the mediation. While all parties participated in the mediation in good faith,
19 no agreement could be reached to resolve the action. Following several months of additional
20 negotiations between Lead Plaintiff and Defendants with the assistance of Judge Phillips, on June
21 17, 2013, the Settling Parties reached an agreement-in-principle for the resolution of the Litigation
22 based on Judge Phillips' recommendation. Subsequently, the Settling Parties continued negotiations
23 resulting in the terms and conditions set forth in this Stipulation.

24 **II. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY**

25 Defendants have denied and continue to deny each and all of the claims alleged by Lead
26 Plaintiff in the Litigation. Defendants expressly have denied and continue to deny all charges of
27 wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions
28 alleged, or that could have been alleged, in the Litigation. Defendants also have denied and continue

1 to deny, among other allegations, the allegations that the Lead Plaintiff or the Class have suffered
2 any damage, that the price of VeriFone Publicly Traded Securities were artificially inflated by
3 reasons of alleged misrepresentations, non-disclosures or otherwise, or that the Lead Plaintiff or the
4 Class were harmed by the conduct alleged in the Litigation. Defendants believe that the evidence
5 developed to date supports their position that they acted properly at all times and that the Litigation
6 is without merit.

7 Nonetheless, Defendants have concluded that further conduct of the Litigation would be
8 protracted and expensive, and that it is desirable that the Litigation be fully and finally settled in the
9 manner and upon the terms and conditions set forth in this Stipulation. Defendants also have taken
10 into account the uncertainty and risks inherent in any litigation, especially in complex cases like the
11 Litigation. Defendants have, therefore, determined that it is desirable and beneficial to them that the
12 Litigation be settled in the manner and upon the terms and conditions set forth in this Stipulation.

13 **III. CLAIMS OF THE LEAD PLAINTIFF AND BENEFITS OF 14 SETTLEMENT**

15 The Lead Plaintiff believes that the claims asserted in the Litigation have merit and that the
16 evidence developed to date supports the claims. However, Lead Plaintiff and its counsel recognize
17 and acknowledge the expense and length of continued proceedings necessary to prosecute the
18 Litigation against Defendants through trial, post-trial motions and appeals. Lead Plaintiff and its
19 counsel also have taken into account the uncertain outcome and the risk of any litigation, especially
20 in complex actions such as the Litigation, as well as the difficulties and delays inherent in such
21 litigation. Lead Plaintiff and its counsel also are mindful of the inherent problems of proof under
22 and possible defenses to the securities law violations asserted in the Litigation. Lead Plaintiff and its
23 counsel believe that the settlement set forth in the Stipulation confers substantial benefits upon the
24 Class. Based on their evaluation, Lead Plaintiff and its counsel have determined that the settlement
25 set forth in the Stipulation is in the best interests of the Class.

26 **IV. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT**

27 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among the
28 Lead Plaintiff (for itself and the Class Members) and the Defendants, by and through their respective

1 counsel or attorneys of record, that, subject to the approval of the Court, the Litigation and the
2 Released Claims shall be finally and fully compromised, settled, and released, and the Litigation
3 shall be dismissed with prejudice, as to all Settling Parties, upon and subject to the terms and
4 conditions of the Stipulation, as follows.

5 **1. Definitions**

6 As used in the Stipulation the following terms have the meanings specified below:

7 1.1 “Authorized Claimant” means any Class Member whose claim for recovery has been
8 allowed pursuant to the terms of the Stipulation.

9 1.2 “Claims Administrator” means the firm of Gilardi & Co. LLC.

10 1.3 “Class” means all Persons who purchased VeriFone Publicly Traded Securities
11 between August 31, 2006 and April 1, 2008 on any domestic or foreign exchange or otherwise,
12 excluding all Defendants, VeriFone’s former and current officers and directors and their families and
13 affiliates. Also excluded from the Class are those Persons who validly and timely request exclusion
14 from the Class.
15

16 1.4 “Class Member” or “Member of the Class” mean a Person who falls within the
17 definition of the Class as set forth in ¶1.3 above.

18 1.5 “Class Period” means the period beginning on August 31, 2006 and going through
19 and including April 1, 2008.
20

21 1.6 “Defendants” means VeriFone, Douglas G. Bergeron and Barry Zwarenstein.

22 1.7 “Effective Date” means the first date by which all of the events and conditions
23 specified in ¶7.1 of the Stipulation have been met and have occurred.

24 1.8 “Escrow Agent” means the law firm of Robbins Geller Rudman & Dowd LLP or its
25 successor(s).
26

27 1.9 “Final” means the time when the Final Order and Judgment have not been reversed,
28 vacated, or modified in any way and are no longer subject to appellate review, either because of

1 disposition on appeal and conclusion of the appellate process or because of passage, without action,
2 of time for seeking appellate review. More specifically, Final refers to when: (1) either no appeal
3 has been filed and the time has passed for any notice of appeal to be timely filed in the Litigation; or
4 (2) an appeal has been filed and the court of appeals has/have either affirmed the judgment or
5 dismissed that appeal and the time for any reconsideration or further appellate review has passed; or
6 (3) a higher court has granted further appellate review and that court has either affirmed the
7 underlying judgment or affirmed the court of appeals' decision affirming the judgment or dismissing
8 the appeal. For purposes of this paragraph, an "appeal" shall include any petition for a writ of
9 certiorari or other writ that may be filed in connection with approval or disapproval of this
10 settlement, but shall not include any appeal which concerns only the issue of attorneys' fees and
11 expenses, the Plan of Allocation of the Settlement Fund, as hereinafter defined, or the procedures for
12 determining Authorized Claimants' recognized claims and any such appeal shall not in any way
13 delay or affect the time set forth above for the Final Order and Judgment to become Final.
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16 1.10 "Final Order" means the Order Approving the Settlement and Order of Dismissal
17 with Prejudice substantially in the form attached hereto as Exhibit B.

18 1.11 "Individual Defendants" means Douglas G. Bergeron and Barry Zwarenstein.

19 1.12 "Judgment" means the judgment to be rendered by the Court, substantially in the
20 form attached hereto as Exhibit C.
21

22 1.13 "Lead Counsel" means Robbins Geller Rudman & Dowd LLP.

23 1.14 "Lead Plaintiff" means National Elevator Industry Pension Fund.

24 1.15 "Litigation" means the consolidated securities class *In re VeriFone Holdings, Inc.*
25 *Securities Litigation*, Master File No. 3:07-cv-06140-EMC.

26 1.16 "Net Settlement Fund" means the portion of the Settlement Fund that shall be
27 distributed to Authorized Claimants as allowed by the Stipulation, the Plan of Allocation, or the
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1 Court, less (i) any Court awarded attorneys' fees, costs, and expenses; (ii) notice and administration
2 costs; (iii) Taxes and Tax Expenses; and (iv) other Court-approved deductions.

3 1.17 "Person" means an individual, corporation, partnership, limited partnership,
4 association, joint stock company, joint venture, limited liability company, professional corporation,
5 estate, legal representative, trust, unincorporated association, government or any political
6 subdivision or agency thereof, and any business or legal entity and their spouses, heirs, predecessors,
7 successors, representatives, or assignees.
8

9 1.18 "Plan of Allocation" means a plan or formula of allocation of the Settlement Fund
10 whereby the Settlement Fund shall be distributed to Authorized Claimants after payment of expenses
11 of notice and administration of the settlement, Taxes and Tax Expenses, and such attorneys' fees,
12 costs, expenses, and interest, as well as Lead Plaintiff's expenses, if any, as may be awarded by the
13 Court. Any Plan of Allocation is not part of the Stipulation and neither Defendants nor their Related
14 Parties shall have any responsibility or liability with respect thereto.
15

16 1.19 "Related Parties" means each of a Defendant's past or present directors, officers,
17 employees, partners, insurers, co-insurers, reinsurers, controlling shareholders, attorneys,
18 accountants or auditors, personal or legal representatives, predecessors, successors, parents,
19 subsidiaries, divisions, joint ventures, agents, assigns, spouses, heirs, executors, estates,
20 administrators, related or affiliated entities, any entity in which a Defendant has a controlling
21 interest, any members of any Individual Defendant's immediate family, or any trust of which any
22 Individual Defendant is the settlor or which is for the benefit of any Individual Defendant's family.
23

24 1.20 "Released Claims" means any and all claims, debts, demands, disputes, rights, causes
25 of action, suits, matters, damages, or liabilities of any kind, nature, and character whatsoever
26 (including, but not limited to, any claims for damages, interest, attorneys' fees, expert or consulting
27 fees, and any and all other costs, expenses or liabilities whatsoever), whether under federal, state,
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1 local, statutory, common law, foreign law, or any other law, rule or regulation, whether fixed or
2 contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or
3 unmatured, including Unknown Claims (collectively, “Claims”), that both (1) concern, arise out of,
4 relate to, or are based upon the purchase of VeriFone Publicly Traded Securities during the Class
5 Period and (2) were asserted or could have been asserted by Lead Plaintiff or any Class Member
6 against any of the Released Persons in this Litigation. Released Claims do not include any
7 derivative claims.
8

9 1.21 “Released Persons” means each and all of the Defendants and their Related Parties.

10 1.22 “Settlement Amount” means Ninety Five Million Dollars (\$95,000,000) in cash to be
11 paid by wire transfer to the Escrow Agent pursuant to ¶2.1 of this Stipulation.
12

13 1.23 “Settlement Fund” means the Settlement Amount plus all interest and accretions
14 thereto and which may be reduced by payments or deductions as provided herein or by Court order.

15 1.24 “Settling Parties” means, collectively, Defendants and Lead Plaintiff on behalf of
16 itself and the Class.

17 1.25 “Unknown Claims” means any Released Claims which Lead Plaintiff or any Class
18 Member does not know or suspect to exist in his, her, or its favor at the time of the release of the
19 Released Persons which, if known by him, her, or it, might have affected his, her, or its settlement
20 with and release of the Released Persons, or might have affected his, her, or its decisions with
21 respect to this settlement. With respect to any and all Released Claims, the Settling Parties stipulate
22 and agree that, upon the Effective Date, Lead Plaintiff shall expressly waive and relinquish, and each
23 of the Class Members shall be deemed to have, and by operation of the Judgment shall have,
24 expressly waived and relinquished, the provisions, rights, and benefits of California Civil Code
25 §1542, which provides:
26

27 **A general release does not extend to claims which the creditor does not**
28 **know or suspect to exist in his or her favor at the time of executing the release,**

1 **which if known by him or her must have materially affected his or her**
2 **settlement with the debtor.**

3 Lead Plaintiff shall expressly waive and relinquish, and each of the Class Members shall be deemed
4 to have, and by operation of the Judgment shall have, expressly waived and relinquished, any and all
5 provisions, rights, and benefits conferred by any law of any state or territory of the United States, or
6 principle of common law, which is similar, comparable or equivalent to California Civil Code
7 §1542. Lead Plaintiff and Class Members may hereafter discover facts in addition to or different
8 from those which he, she or it now knows or believes to be true with respect to the subject matter of
9 the Released Claims, but Lead Plaintiff upon the Effective Date shall expressly, fully, finally, and
10 forever settle and release and each Class Member, upon the Effective Date, shall be deemed to have,
11 and by operation of the Judgment shall have, fully, finally, and forever settled and released any and
12 all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent,
13 whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of
14 law or equity now existing or coming into existence in the future, including, but not limited to,
15 conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule,
16 without regard to the subsequent discovery or existence of such different or additional facts. Lead
17 Plaintiff acknowledges, and the Class Members shall be deemed by operation of the Judgment to
18 have acknowledged, that the foregoing waiver was separately bargained for and a key element of the
19 settlement of which this release is a part.

20 1.26 “VeriFone” or the “Company” mean VeriFone Systems, Inc. (f/k/a VeriFone
21 Holdings, Inc.), and any of its predecessors, successors, parents, subsidiaries, divisions, or affiliates.

22 1.27 “VeriFone Publicly Traded Securities” means VeriFone common stock and VeriFone
23 put and call options.

24 **2. The Settlement**

25 **a. The Settlement Fund**

26 2.1 VeriFone shall pay or cause to be paid the principal amount of \$95,000,000 to be
27 transferred to the Escrow Agent no later than fifteen (15) business days after the later of (a) the order
28

1 granting the motion for preliminary approval or (b) the receipt by Defendants' counsel of wire
2 instructions and a Form W-9 providing the tax identification number for the escrow account. If
3 VeriFone is acquired within six months from the Court entering an order preliminarily approving the
4 settlement, the Settlement Consideration shall be increased by a percentage equal to the percentage
5 increase, if any, (i) in the case of a tender offer or merger, between the per-share acquisition price
6 and the closing price of VeriFone's shares on the date immediately prior to the public announcement
7 of the acquisition multiplied, in the case of a transaction for less than 100% of VeriFone's shares, by
8 the percentage of shares being acquired or sold, or (ii) in the case of the sale of substantially all of
9 the assets, between the total amount of consideration received by VeriFone and the market
10 capitalization of VeriFone based on the closing price of VeriFone's shares on the date immediately
11 prior to the public announcement of the transaction, in each case up to a maximum increase in the
12 Settlement Consideration of \$7 million (the "Payment Premium"). This provision shall apply even if
13 the acquisition has not closed within the six month period, provided that the acquisition is publicly
14 announced within such six month period and provided further that it closes thereafter. For purposes
15 of this Stipulation, "acquired" shall mean (i) at least a majority of the issued and outstanding shares
16 of VeriFone common stock is acquired by a third party in a tender offer or exchange offer for, or
17 merger with, VeriFone, or (ii) all or substantially all of VeriFone's assets are sold, exchanged or
18 otherwise disposed of, other than to an affiliate of VeriFone or to VeriFone's shareholders (each, an
19 "Acquisition Transaction"). The Individual Defendants and their Related Parties shall have no
20 obligation to pay or cause to be paid any amount under ¶2.1 or otherwise, in connection with the
21 settlement.
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25 **b. The Escrow Agent**

26 2.2 The Escrow Agent shall invest the Settlement Amount deposited pursuant to ¶2.1
27 hereof in short term United States Agency or Treasury Securities or other instruments backed by the
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1 Full Faith & Credit of the United States Government or an Agency thereof, or fully insured by the
2 United States Government or an Agency thereof and shall reinvest the proceeds of these instruments
3 as they mature in similar instruments at their then-current market rates. All risks related to the
4 investment of the Settlement Fund in accordance with the investment guidelines set forth in this
5 paragraph shall be borne by the Settlement Fund and the Released Persons shall have no
6 responsibility for, interest in, or liability whatsoever with respect to investment decisions or the
7 actions of the Escrow Agent, or any transactions executed by the Escrow Agent.
8

9 2.3 The Escrow Agent shall not disburse the Settlement Fund except as provided in the
10 Stipulation, by an order of the Court, or with the written agreement of counsel for Defendants.

11 2.4 Subject to further order(s) and/or directions as may be made by the Court, or as
12 provided in the Stipulation, the Escrow Agent is authorized to execute such transactions as are
13 consistent with the terms of the Stipulation.
14

15 2.5 All funds held by the Escrow Agent shall be deemed and considered to be in *custodia*
16 *legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such
17 funds shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

18 2.6 Without further order of the Court, the Settlement Fund may be used by Lead Counsel
19 to pay reasonable costs and expenses actually incurred in connection with providing notice to the
20 Class, locating Class Members, soliciting claims, assisting with the filing of claims, administering
21 and distributing the Net Settlement Fund to Authorized Claimants, processing Proof of Claim and
22 Release forms, and paying escrow fees and costs, if any, and all Taxes and Tax Expenses.
23

24 **c. Taxes**

25 2.7 (a) The Settling Parties and the Escrow Agent agree to treat the Settlement Fund
26 as being at all times a “Qualified Settlement Fund” within the meaning of Treas. Reg. §1.468B-1. In
27 addition, the Escrow Agent shall timely make such elections as necessary or advisable to carry out
28

1 the provisions of this ¶2.7, including the “relation-back election” (as defined in Treas. Reg. §1.468B-
2 1) back to the earliest permitted date. Such elections shall be made in compliance with the
3 procedures and requirements contained in such regulations. It shall be the responsibility of the
4 Escrow Agent to timely and properly prepare and deliver the necessary documentation for signature
5 by all necessary parties, and thereafter to cause the appropriate filing to occur.
6

7 (b) For the purpose of §1.468B of the Internal Revenue Code of 1986, as
8 amended, and the regulations promulgated thereunder, the “administrator” shall be the Escrow
9 Agent. The Escrow Agent shall timely and properly file all informational and other tax returns
10 necessary or advisable with respect to the Settlement Fund (including, without limitation, the returns
11 described in Treas. Reg. §1.468B-2(k)). Such returns (as well as the election described in ¶2.7(a)
12 hereof) shall be consistent with this ¶2.7 and in all events shall reflect that all Taxes (including any
13 estimated Taxes, interest, or penalties) on the income earned by the Settlement Fund shall be paid
14 out of the Settlement Fund as provided in ¶2.7(c) hereof.

15 (c) All (a) taxes (including any estimated taxes, interest or penalties) arising with
16 respect to the income earned by the Settlement Fund, including any taxes or tax detriments that may
17 be imposed upon the Released Persons or their counsel with respect to any income earned by the
18 Settlement Fund for any period during which the Settlement Fund does not qualify as a “Qualified
19 Settlement Fund” for federal or state income tax purposes (“Taxes”), and (b) expenses and costs
20 incurred in connection with the operation and implementation of this ¶2.7 (including, without
21 limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs and
22 expenses relating to filing (or failing to file) the returns described in this ¶2.7) (“Tax Expenses”),
23 shall be paid out of the Settlement Fund; in all events the Released Persons and their counsel shall
24 have no liability or responsibility for the Taxes or the Tax Expenses. The Escrow Agent, through the
25 Settlement Fund, shall indemnify and hold each of the Released Persons and their counsel harmless
26 for Taxes and Tax Expenses (including, without limitation, Taxes payable by reason of any such
27 indemnification). Further, Taxes and Tax Expenses shall be treated as, and considered to be, a cost
28 of administration of the Settlement Fund and shall be timely paid by the Escrow Agent out of the

1 Settlement Fund without prior order from the Court and the Escrow Agent shall be authorized
2 (notwithstanding anything herein to the contrary) to withhold from distribution to Authorized
3 Claimants any funds necessary to pay such amounts, including the establishment of adequate
4 reserves for any Taxes and Tax Expenses (as well as any amounts that may be required to be
5 withheld under Treas. Reg. §1.468B-2(l)(2)); neither the Defendants nor their Related Parties are
6 responsible nor shall they have any liability for any Taxes or Tax Expenses. The parties hereto agree
7 to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent
8 reasonably necessary to carry out the provisions of this ¶2.7.

9 **d. Termination of Settlement**

10 2.8 In the event that the Stipulation is not approved or the Stipulation is terminated,
11 canceled, or fails to become effective for any reason, the Settlement Fund (including accrued
12 interest) less expenses paid, incurred or due and owing in connection with the administration of
13 settlement including providing notice to the Class, locating Class Members, soliciting claims,
14 assisting with the filing of claims administering and distributing the Net Settlement Fund to
15 Authorized Claimants, processing Proof of Claim and Release forms, escrow fees and costs if any
16 and all Taxes and Tax Expenses, provided for herein, shall be refunded pursuant to written
17 instructions from counsel to the Defendants (in accordance with ¶7.4 herein).

19 **3. Preliminary Approval Order and Settlement Hearing**

20 3.1 Shortly after execution of the Stipulation, the Settling Parties shall submit the
21 Stipulation together with its exhibits (the “Exhibits”) to the Court and shall apply for entry of an
22 order on the earliest available date (the “Preliminary Approval Order”), substantially in the form of
23 Exhibit A attached hereto, requesting, *inter alia*, the preliminary approval of the settlement set forth
24 in the Stipulation, and approval for the mailing of a settlement notice (the “Notice”) and publication
25 of a summary notice, substantially in the forms of Exhibits A-1 and A-3 attached hereto. The Notice
26 shall include the general terms of the settlement set forth in the Stipulation, the proposed Plan of
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1 Allocation, the general terms of the Fee and Expense Application, as defined in ¶6.1 hereof, and the
2 date of the Settlement Hearing as defined below.

3 3.2 Lead Counsel shall request that after notice is given, the Court hold a hearing (the
4 “Settlement Hearing”) and approve the settlement of the Litigation as set forth herein. At or after the
5 Settlement Hearing, Lead Counsel also will request that the Court approve the proposed Plan of
6 Allocation and the Fee and Expense Application.
7

8 **4. Releases**

9 4.1 Upon the Effective Date, the Lead Plaintiff and each and every Class Member shall
10 be deemed to have, and by operation of the Final Order and Judgment shall have, fully, finally, and
11 forever waived, released, relinquished, discharged, and dismissed each and every one of the
12 Released Claims against each and every one of the Released Persons, whether or not such Class
13 Member executes and delivers the Proof of Claim and Release form, and whether or not such Class
14 Member shares in the Settlement Fund.
15

16 4.2 Upon the Effective Date, each and every Class Member and anyone claiming through
17 or on behalf of any of them, will be forever barred and enjoined from commencing, instituting,
18 prosecuting or continuing to prosecute any action or other proceeding in any court of law or equity,
19 arbitration tribunal, administrative forum, or any other forum, asserting the Released Claims against
20 any of the Released Persons.
21

22 4.3 Upon the Effective Date, each of the Released Persons shall be deemed to have, and
23 by operation of the Final Order and Judgment shall have, fully, finally, and forever released,
24 relinquished, and discharged Lead Plaintiff, each and all of the Class Members, Lead Counsel, and
25 Plaintiffs’ counsel from all claims (including Unknown Claims) arising out of, relating to, or in
26 connection with the institution, prosecution, assertion, settlement or resolution of the Litigation or
27 the Released Claims.
28

1 **5. Administration and Calculation of Claims, Final Awards and**
2 **Supervision and Distribution of the Settlement Fund**

3 5.1 The Claims Administrator, subject to such supervision and direction of the Court as
4 may be necessary or as circumstances may require, shall administer and calculate the claims
5 submitted by Class Members and shall oversee distribution of the Net Settlement Fund to Authorized
6 Claimants.

7 5.2 The Settlement Fund shall be applied as follows:

8 (a) to pay all the costs and expenses reasonably and actually incurred in
9 connection with providing notice, locating Class Members, soliciting Class claims, assisting with the
10 filing of claims, administering and distributing the Net Settlement Fund to Authorized Claimants,
11 processing Proof of Claim and Release forms, and paying escrow fees and costs, if any;

12 (b) to pay the Taxes and Tax Expenses described in ¶2.7 hereof;

13 (c) to pay Lead Plaintiff's counsel attorneys' fees and expenses (the "Fee and
14 Expense Award"), if and to the extent allowed by the Court; and

15 (d) to distribute the balance of the Net Settlement Fund to Authorized Claimants
16 as allowed by the Stipulation, the Plan of Allocation, or the Court.

17 5.3 After the Effective Date, and in accordance with the terms of the Stipulation, the Plan
18 of Allocation, or such further approval and further order(s) of the Court as may be necessary or as
19 circumstances may require, the Net Settlement Fund shall be distributed to Authorized Claimants,
20 subject to and in accordance with the following.

21 5.4 Within ninety (90) days after the mailing of the Notice or such other time as may be
22 set by the Court, each Person claiming to be an Authorized Claimant shall be required to submit to
23 the Claims Administrator a completed Proof of Claim and Release form, substantially in the form of
24 Exhibit A-2 attached hereto, signed under penalty of perjury and supported by such documents as are
25 specified in the Proof of Claim and Release form.
26
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1 5.5 Except as otherwise ordered by the Court, all Class Members who fail to timely
2 submit a valid Proof of Claim and Release form within such period, or such other period as may be
3 ordered by the Court, or otherwise allowed, shall be forever barred from receiving any payments
4 pursuant to the Stipulation and the settlement set forth herein, but will in all other respects be subject
5 to and bound by the provisions of the Stipulation, the releases contained herein, and the Judgment.
6 Notwithstanding the foregoing, Lead Counsel shall have the discretion to accept late-submitted
7 claims for processing by the Claims Administrator so long as the distribution of the Settlement Fund
8 is not materially delayed thereby.

10 5.6 The Net Settlement Fund shall be distributed to the Authorized Claimants
11 substantially in accordance with the Plan of Allocation set forth in the Notice and approved by the
12 Court. If there is any balance remaining in the Net Settlement Fund after six (6) months from the
13 initial date of distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed
14 checks or otherwise), Lead Counsel shall, if feasible, reallocate such balance among Authorized
15 Claimants in an equitable and economic fashion. Thereafter, any balance which still remains in the
16 Net Settlement Fund shall be donated to Bay Area Legal Aid.

18 5.7 The Defendants and their Related Parties shall have no responsibility for, interest in,
19 or liability whatsoever with respect to the distribution of the Net Settlement Fund, the Plan of
20 Allocation, the determination, administration, or calculation of claims, the payment or withholding
21 of Taxes, or any losses incurred in connection therewith. No Person shall have any claim of any
22 kind against the Defendants or their Related Parties with respect to the matters set forth in ¶¶5.1-5.9
23 hereof; and the Class Members, the Lead Plaintiff, and Lead Plaintiff's counsel release the
24 Defendants and their Related Parties from any and all liability and claims arising from or with
25 respect to the investment or distribution of the Settlement Fund.
26
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1 5.8 No Person shall have any claim against the Lead Plaintiff, Lead Plaintiff's counsel or
2 the Claims Administrator, or any other Person designated by Lead Plaintiff's counsel based on
3 distributions made substantially in accordance with the Stipulation and the settlement contained
4 herein, the Plan of Allocation, or further order(s) of the Court.

5 5.9 It is understood and agreed by the Settling Parties that any proposed Plan of
6 Allocation of the Net Settlement Fund including, but not limited to, any adjustments to an
7 Authorized Claimant's claim set forth therein, is not a part of the Stipulation and is to be considered
8 by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy
9 of the settlement set forth in the Stipulation, and any order or proceeding relating to the Plan of
10 Allocation shall not operate to terminate or cancel the Stipulation or affect the finality of the Court's
11 Judgment approving the Stipulation and the settlement set forth therein, or any other orders entered
12 pursuant to the Stipulation.
13

14
15 **6. Lead Counsel's Attorneys' Fees and Expenses**

16 6.1 Lead Counsel may submit an application or applications (the "Fee and Expense
17 Application") for: (a) an award of attorneys' fees; plus (b) expenses incurred in connection with
18 prosecuting the Litigation, plus any interest on such attorneys' fees and expenses at the same rate
19 and for the same periods as earned by the Settlement Fund (until paid) as may be awarded by the
20 Court. Lead Counsel reserves the right to make additional applications for fees and expenses
21 incurred.
22

23 6.2 The fees and expenses, as awarded by the Court, shall be paid to Lead Counsel, as
24 ordered, immediately after the Court executes an order awarding such fees and expenses and enters
25 the Judgment. Lead Counsel may thereafter allocate the attorneys' fees among other Lead plaintiff's
26 counsel in a manner in which they in good faith believe reflects the contributions of such counsel to
27 the initiation, prosecution, and resolution of the Litigation.
28

1 6.3 In the event that the Effective Date does not occur, or the Final Order or Judgment or
2 the order making the Fee and Expense Award is reversed or modified, or the Stipulation is canceled
3 or terminated for any other reason, and in the event that the Fee and Expense Award has been paid to
4 any extent, then plaintiffs' counsel shall refund to the Settlement Fund such fees and expenses
5 previously paid to them from the Settlement Fund, plus interest thereon at the same rate as earned on
6 the Settlement Fund, within five (5) business days from receiving notice from the Defendants'
7 counsel or from the Court. Any refunds required pursuant to this paragraph shall be the joint and
8 several obligation of each plaintiffs' counsel to make appropriate refunds or repayments to the
9 Settlement Fund. Each plaintiffs' counsel, as a condition of receiving such fees, expenses and/or
10 costs on behalf of itself and each partner and/or shareholder of it, agrees that its law firm and its
11 partners and/or shareholders are subject to the jurisdiction by the Court for the purpose of enforcing
12 the provisions of this paragraph. Without limitation, each plaintiffs' counsel agrees that the Court
13 may, upon application of Defendants and notice to Lead Counsel, summarily issue orders including,
14 but not limited to, judgments and attachment orders and may make appropriate findings of or
15 sanctions for contempt, should such law firm fail timely to repay fees and expenses pursuant to this
16 ¶6.3.

17
18
19 6.4 The procedure for and the allowance or disallowance by the Court of any applications
20 by Lead Counsel for attorneys' fees and expenses, to be paid out of the Settlement Fund, are not part
21 of the settlement set forth in the Stipulation, and are to be considered by the Court separately from
22 the Court's consideration of the fairness, reasonableness, and adequacy of the settlement set forth in
23 the Stipulation, and any order or proceeding relating to the Fee and Expense Application, or any
24 appeal from any order relating thereto or reversal or modification thereof, shall not operate to
25 terminate or cancel the Stipulation, or affect or delay the finality of the Judgment approving the
26 Stipulation and the settlement of the Litigation set forth therein.
27
28

1 6.5 Any fees and expenses awarded by the Court shall be paid solely from the Settlement
2 Fund. VeriFone and its Related Parties shall have no responsibility or liability for any payment of
3 attorneys' fees and expenses to Lead Plaintiff's counsel from their payment of the Settlement Fund,
4 with the other Defendants and their Related Parties having no responsibility or liability for any
5 payment of attorneys' fees and expenses to Lead Plaintiff's counsel.
6

7 6.6 Defendants and their Related Parties shall have no responsibility for any payment of
8 attorneys' fees and expenses to Lead Plaintiff's counsel over and above payment out of the
9 Settlement Fund.

10 6.7 Defendants and their Related Parties shall have no responsibility for the allocation
11 among any other counsel for Lead Plaintiff, and/or any other Person who may assert some claim
12 thereto, of any Fee and Expense Award that the Court may make in the Litigation, and the
13 Defendants and their Related Parties take no position with respect to such matters.
14

15 **7. Conditions of Settlement, Effect of Disapproval, Cancellation or**
16 **Termination**

17 7.1 The Effective Date of the Stipulation shall be the date when all of the following shall
18 have occurred and is conditioned on the occurrence of all of the following events:

19 (a) VeriFone has timely made or caused to be made the contribution to the
20 Settlement Fund, as required by ¶2.1 hereof;

21 (b) the Court has entered the Preliminary Approval Order, as required by ¶3.1
22 hereof;

23 (c) VeriFone has not terminated the Stipulation pursuant to ¶7.3 hereof;

24 (d) the Court has entered the Final Order substantially in the form of Exhibit B
25 hereto;

26 (e) the Court has entered the Judgment substantially in the form of Exhibit C
27 hereto; and

28 (f) the Final Order and Judgment have become Final, as defined in ¶1.9 hereof.

1 7.2 Upon the occurrence of all of the events referenced in ¶7.1 hereof, any and all
2 remaining interest or right of the Defendants or the Defendants' insurers in or to the Settlement
3 Fund, if any, shall be absolutely and forever extinguished. If all of the conditions specified in ¶7.1
4 are not met, then the Stipulation shall be canceled and terminated subject to ¶7.5 hereof unless Lead
5 Counsel and counsel for the Defendants mutually agree in writing to proceed with the Stipulation.
6

7 7.3 VeriFone shall have the option to terminate the settlement in the event that Class
8 Members who purchased in the aggregate more than a certain number of shares of VeriFone
9 common stock during the Class Period choose to exclude themselves from the Class, as set forth in a
10 separate agreement (the "Supplemental Agreement") executed between Lead Counsel and
11 Defendant's counsel. The Supplemental Agreement will not be filed with the Court unless requested
12 by the Court or unless a dispute among the Settling Parties concerning its interpretation or
13 application arises and in that event, the Settling Parties will use their best reasonable efforts to file
14 the Supplemental Agreement for the Court's *in camera* review and/or under seal.
15

16 7.4 Unless otherwise ordered by the Court, in the event the Stipulation shall terminate, or
17 be canceled, or shall not become effective for any reason, within five (5) business days after written
18 notification of such event is sent by counsel for the Defendants or Lead Counsel to the Escrow
19 Agent, the Settlement Fund, less expenses which have either been disbursed pursuant to ¶¶2.6 and
20 2.7 hereof, or are determined to be chargeable to the Settlement Fund, shall be refunded pursuant to
21 written instructions by Defendants' counsel. The Escrow Agent or its designee shall apply for any
22 tax refund owed on the Settlement Fund and pay the proceeds, after deduction of any fees or
23 expenses incurred in connection with such application(s) for refund, pursuant to written instructions
24 from Defendants' counsel.
25

26 7.5 In the event that the Stipulation is not approved by the Court or the settlement set
27 forth in the Stipulation is terminated or fails to become effective in accordance with its terms: (i) the
28

1 Settling Parties shall be restored to their respective positions in the Litigation as of June 17, 2013. In
2 such event, the terms and provisions of the Stipulation, with the exception of ¶¶1.1-1.27, 2.6-2.8,
3 6.3-6.4, 7.4-7.6, and 8.4 hereof, shall have no further force and effect with respect to the Settling
4 Parties and shall not be used in this Litigation or in any other proceeding for any purpose, and any
5 judgment or order entered by the Court in accordance with the terms of the Stipulation shall be
6 treated as vacated, *nunc pro tunc*. No order of the Court or modification or reversal on appeal of any
7 order of the Court concerning the Plan of Allocation or the amount of any attorneys' fees, costs,
8 expenses, and interest awarded by the Court to any of Plaintiffs' counsel shall constitute grounds for
9 cancellation or termination of the Stipulation.
10

11 7.6 If the Effective Date does not occur, or if the Stipulation is terminated pursuant to its
12 terms, neither Lead Plaintiff nor any of its counsel shall have any obligation to repay any amounts
13 actually and properly disbursed pursuant to ¶¶2.6 or 2.7. In addition, any expenses already incurred
14 pursuant to ¶¶2.6 or 2.7 hereof at the time of such termination or cancellation but which have not
15 been paid, shall be paid by the Escrow Agent in accordance with the terms of the Stipulation prior to
16 the balance being refunded in accordance with ¶¶2.8 and 7.4 hereof.
17

18 **8. Miscellaneous Provisions**

19 8.1 The Settling Parties (a) acknowledge that it is their intent to consummate this
20 agreement; and (b) agree to cooperate to the extent reasonably necessary to effectuate and implement
21 all terms and conditions of the Stipulation and to exercise their best efforts to accomplish the
22 foregoing terms and conditions of the Stipulation.
23

24 8.2 The Settling Parties intend this settlement to be a final and complete resolution of all
25 disputes between them with respect to the Litigation. The settlement compromises claims which are
26 contested and shall not be deemed an admission by any Settling Party as to the merits of any claim or
27 defense. The Final Judgment will contain a finding that, during the course of the Litigation, the
28

1 parties and their respective counsel at all times complied with the requirements of Federal Rule of
2 Civil Procedure 11. The Settling Parties agree that the Settlement Amount and the other terms of the
3 settlement were negotiated in good faith by the Settling Parties, and reflect a settlement that was
4 reached voluntarily after consultation with competent legal counsel. The Settling Parties reserve
5 their right to rebut, in a manner that such party reasonably determines to be appropriate, any
6 contention made by any of the Settling Parties in any public forum that the Litigation was brought or
7 defended in bad faith or without a reasonable basis.
8

9 8.3 Neither the Stipulation nor the settlement contained therein, nor any act performed or
10 document executed pursuant to or in furtherance of the Stipulation or the settlement: (a) is or may be
11 deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claim,
12 or of any wrongdoing or liability of the Released Persons; or (b) is or may be deemed to be or may
13 be used as an admission of, or evidence of, any fault or omission of any of the Released Persons in
14 any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal.
15 The Released Persons may file the Stipulation and/or the Judgment in any action that may be
16 brought against them in order to support a defense or counterclaim based on principles of *res*
17 *judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other
18 theory of claim preclusion or issue preclusion or similar defense or counterclaim.
19

20 8.4 All agreements made and orders entered during the course of the Litigation relating to
21 the confidentiality of information shall survive this Stipulation pursuant to their own terms.
22

23 8.5 All of the Exhibits to the Stipulation are material and integral parts hereof and are
24 fully incorporated herein by this reference.

25 8.6 The Stipulation may be amended or modified only by a written instrument signed by
26 or on behalf of all Settling Parties or their respective successors-in-interest.
27
28

1 8.7 The Stipulation and the Exhibits attached hereto and the Supplemental Agreement
2 constitute the entire agreement among the parties hereto and no representations, warranties or
3 inducements have been made to any party concerning the Stipulation or its Exhibits other than the
4 representations, warranties, and covenants contained and memorialized in such documents. Except
5 as otherwise provided herein, each party shall bear its own costs.
6

7 8.8 Lead Counsel, on behalf of the Class, is expressly authorized by Lead Plaintiff to take
8 all appropriate action required or permitted to be taken by the Class pursuant to the Stipulation to
9 effectuate its terms and also is expressly authorized to enter into any modifications or amendments to
10 the Stipulation on behalf of the Class which they deem appropriate.

11 8.9 Each counsel or other Person executing the Stipulation or any of its Exhibits on
12 behalf of any party hereto hereby warrants that such Person has the full authority to do so.
13

14 8.10 The Stipulation may be executed in one or more counterparts. All executed
15 counterparts and each of them shall be deemed to be one and the same instrument. A complete set of
16 executed counterparts shall be filed with the Court.

17 8.11 The Stipulation shall be binding upon, and inure to the benefit of, the successors and
18 assigns of the parties hereto.

19 8.12 The Court shall retain jurisdiction with respect to implementation and enforcement of
20 the terms of the Stipulation, and all parties hereto submit to the jurisdiction of the Court for purposes
21 of implementing and enforcing the settlement embodied in the Stipulation.
22

23 8.13 This Stipulation and the Exhibits hereto shall be considered to have been negotiated,
24 executed and delivered, and to be wholly performed, in the State of California, and the rights and
25 obligations of the parties to the Stipulation shall be construed and enforced in accordance with, and
26 governed by, the internal, substantive laws of the State of California without giving effect to that
27 State's choice-of-law principles.
28

1 IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed, by
2 their duly authorized attorneys, dated as of August 9, 2013.

3 ROBBINS GELLER RUDMAN
4 & DOWD LLP
5 CHRISTOPHER P. SEEFER
6 CHRISTOPHER M. WOOD

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2 their duly authorized attorneys, dated as of August 9, 2013.

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Attorneys for Defendant Barry Zwarenstein

EXHIBIT A

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

In re VERIFONE HOLDINGS, INC.
SECURITIES LITIGATION

) Master File No. 3:07-cv-06140-EMC

) CLASS ACTION

This Document Relates To:

) [PROPOSED] ORDER PRELIMINARILY
) APPROVING SETTLEMENT AND
) PROVIDING FOR NOTICE

ALL ACTIONS.

) EXHIBIT A

1 WHEREAS, a consolidated action is pending before this Court styled *In re VeriFone*
2 *Holdings, Inc. Securities Litigation*, Master File No. 3:07-cv-06140-EMC (the “Litigation”);

3 WHEREAS, the parties having made application, pursuant to Federal Rule of Civil
4 Procedure 23(e), for an order approving the settlement of this Litigation, in accordance with a
5 Stipulation of Settlement dated as of August 9, 2013 (the “Stipulation”), which, together with the
6 Exhibits annexed thereto, sets forth the terms and conditions for a proposed settlement of the
7 Litigation and for dismissal of the Litigation with prejudice upon the terms and conditions set forth
8 therein; and the Court having read and considered the Stipulation and the Exhibits annexed thereto;
9 and

10 WHEREAS, all defined terms herein have the same meanings as set forth in the Stipulation.

11 NOW, THEREFORE, IT IS HEREBY ORDERED:

12 1. The Court does hereby preliminarily approve the Stipulation and the settlement set
13 forth therein, subject to further consideration at the Settlement Hearing described below.

14 2. The Court hereby certifies a Class, for settlement purposes only, defined as: “all
15 Persons who purchased VeriFone Publicly Traded Securities between August 31, 2006 and April 1,
16 2008 on any domestic or foreign exchange or otherwise, excluding all Defendants, VeriFone’s
17 former and current officers and directors and their families and affiliates. Also excluded from the
18 Class are those Persons who validly and timely request exclusion from the Class.”

19 3. With respect to the Class, this Court finds for purposes of effectuating this settlement
20 that (a) the Members of the Class are so numerous that joinder of all Class Members in the Litigation
21 is impracticable; (b) there are questions of law and fact common to the Class which predominate
22 over any individual questions; (c) the claims of the Lead Plaintiff are typical of the claims of the
23 Class; (d) Lead Plaintiff and Lead Counsel have fairly and adequately represented and protected the
24 interests of all of the Class Members; and (e) a class action is superior to other available methods for
25 the fair and efficient adjudication of the controversy, considering: (i) the interests of the Members of
26 the Class in individually controlling the prosecution of the separate actions; (ii) the extent and nature
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1 of any litigation concerning the controversy already commenced by Members of the Class; (iii) the
2 desirability or undesirability of continuing the litigation of these claims in this particular forum; and
3 (iv) the difficulties likely to be encountered in the management of the class action.

4 4. A hearing (the "Settlement Hearing") shall be held before this Court on
5 _____, 2013, at __: __ .m., at the United States District Court for the Northern District of
6 California, 450 Golden Gate Avenue, San Francisco, CA 94102, to determine whether the proposed
7 settlement of the Litigation on the terms and conditions provided for in the Stipulation is fair,
8 reasonable, and adequate to the Class and should be approved by the Court; whether the Final Order
9 and Judgment as provided in ¶¶1.10 and 1.12 of the Stipulation should be entered; whether the
10 proposed Plan of Allocation should be approved; and to determine the amount of fees and expenses
11 that should be awarded to Lead Counsel. The Court may adjourn the Settlement Hearing without
12 further notice to the Members of the Class.
13
14

15 5. The Court approves, as to form and content, the Notice of Proposed Settlement of
16 Class Action (the "Notice"), the Proof of Claim and Release form (the "Proof of Claim"), and
17 Summary Notice annexed as Exhibits A-1, A-2, and A-3 hereto and finds that the mailing and
18 distribution of the Notice and publishing of the Summary Notice substantially in the manner and
19 form set forth in ¶¶5-6 of this Order meet the requirements of Federal Rule of Civil Procedure 23
20 and due process, and is the best notice practicable under the circumstances and shall constitute due
21 and sufficient notice to all Persons entitled thereto.
22

23 6. The firm of Gilardi & Co. LLC ("Claims Administrator") is hereby appointed to
24 supervise and administer the notice procedure as well as the processing of claims as more fully set
25 forth below:

26 (a) The Claims Administrator shall make reasonable efforts to identify all Persons
27 who are Members of the Class and not later than _____, 2013 (the "Notice Date"), the
28

1 Claims Administrator shall cause a copy of the Notice and the Proof of Claim, substantially in the
2 forms annexed as Exhibits A-1 and A-2 hereto, to be mailed by First-Class Mail to all Class
3 Members who can be identified with reasonable effort;

4 (b) Not later than _____, 2013, the Claims Administrator shall cause the
5 Summary Notice to be published once in *Investor's Business Daily*, once in *Globes*, and once over
6 the *Business Wire*;

7 (c) At least seven (7) calendar days prior to the Settlement Hearing, Lead Counsel
8 shall cause to be served on Defendants' counsel and filed with the Court proof, by affidavit or
9 declaration, of such mailing and publishing; and

10 (d) Not later than _____, 2013, the Claims Administrator shall post on its
11 website the Stipulation and its Exhibits.

12
13 7. Nominees who purchased VeriFone Publicly Traded Securities for the beneficial
14 ownership of Class Members during the Class Period shall send the Notice and the Proof of Claim to
15 all beneficial owners of such VeriFone Publicly Traded Securities within ten (10) days after receipt
16 thereof, or send a list of the names and addresses of such beneficial owners to the Claims
17 Administrator within ten (10) days of receipt thereof, in which event the Claims Administrator shall
18 promptly mail the Notice and Proof of Claim to such beneficial owners. Lead Counsel shall, if
19 requested, reimburse banks, brokerage houses or other nominees solely for their reasonable out-of-
20 pocket expenses incurred in providing notice to beneficial owners who are Class Members out of the
21 Settlement Fund, which expenses would not have been incurred except for the sending of such
22 notice, subject to further order of this Court with respect to any dispute concerning such
23 compensation.

24 8. All Members of the Class shall be bound by all determinations and judgments in the
25 Litigation concerning the settlement, whether favorable or unfavorable to the Class.
26
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1 9. Class Members who wish to participate in the settlement shall complete and submit
2 Proofs of Claim in accordance with the instructions contained therein. Unless the Court orders
3 otherwise, all Proofs of Claim must be postmarked no later than ninety (90) days from the Notice
4 Date. Any Class Member who does not timely submit a Proof of Claim within the time provided for,
5 shall be barred from sharing in the distribution of the proceeds of the Settlement Fund, unless
6 otherwise ordered by the Court. Notwithstanding the foregoing, Lead Counsel may, in their
7 discretion, accept late-submitted claims for processing by the Claims Administrator so long as
8 distribution of the Net Settlement Fund is not materially delayed thereby.
9

10 10. Any Member of the Class may enter an appearance in the Litigation, at their own
11 expense, individually or through counsel of their own choice. If they do not enter an appearance,
12 they will be represented by Lead Counsel.
13

14 11. Any Person falling within the definition of the Class may, upon request, be excluded
15 from the Class. Any such Person must submit to the Claims Administrator a request for exclusion
16 (“Request for Exclusion”), postmarked no later than _____, 2013. A Request for Exclusion
17 must state: (a) the name, address, and telephone number of the Person requesting exclusion; (b) each
18 of the Person’s purchases and sales of VeriFone Publicly Traded Securities made during the Class
19 Period, including the dates of purchase or sale, the number of shares of common stock and/or put and
20 call options purchased and sold, and the price paid or received for each such purchase or sale; and (c)
21 that the Person wishes to be excluded from the Class. All Persons who submit valid and timely
22 Requests for Exclusion in the manner set forth in this paragraph shall have no rights under the
23 Stipulation, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by
24 the Stipulation or the Final Order or Judgment entered in the Litigation.
25

26 12. Any Member of the Class may appear and show cause, if he, she or it has any, why
27 the proposed settlement of the Litigation should or should not be approved as fair, reasonable, and
28

1 adequate, why a judgment should or should not be entered thereon, why the Plan of Allocation
2 should or should not be approved, why attorneys' fees and expenses should or should not be awarded
3 to counsel for the Lead Plaintiff; provided, however, that no Class Member or any other Person shall
4 be heard or entitled to contest such matters, unless that Person has delivered by hand or sent by First-
5 Class Mail written objections and copies of any papers and briefs such that they are received on or
6 before _____, 2013, by Robbins Geller Rudman & Dowd LLP, Jeffrey D. Light, 655 West
7 Broadway, Suite 1900, San Diego, CA 92101; Sullivan & Cromwell LLP, Brendan P. Cullen, 1870
8 Embarcadero Road, Palo Alto, CA 94303; Morrison & Foerster LLP, Jordan Eth, 425 Market Street,
9 San Francisco, CA 94105, and filed said objections, papers, and briefs with the Clerk of the United
10 States District Court for the Northern District of California, on or before _____, 2013. Any
11 Member of the Class who does not make his, her or its objection in the manner provided shall be
12 deemed to have waived such objection and shall forever be foreclosed from making any objection to
13 the fairness or adequacy of the proposed settlement as set forth in the Stipulation, to the Plan of
14 Allocation, or to the award of attorneys' fees and expenses to counsel for Lead Plaintiff, unless
15 otherwise ordered by the Court.

16 13. All funds held by the Escrow Agent shall be deemed and considered to be in *custodia*
17 *legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such
18 funds shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

19 14. All opening briefs and supporting documents in support of the settlement, the Plan of
20 Allocation, and any application by Lead Counsel for attorneys' fees and expenses shall be filed and
21 served fourteen (14) calendar days prior to the deadline for objections in ¶11. Replies to any
22 objections shall be filed and served seven (7) calendar days prior to the Settlement Hearing.

23 15. Neither the Defendants and their Related Parties nor the Defendants' counsel shall
24 have any responsibility for the Plan of Allocation or any application for attorneys' fees or expenses
25 submitted by Lead Counsel, and such matters will be considered separately from the fairness,
26 reasonableness, and adequacy of the settlement.
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1 16. At or after the Settlement Hearing, the Court shall determine whether the Plan of
2 Allocation proposed by Lead Counsel, and any application for attorneys' fees or payment of
3 expenses shall be approved.

4 17. All reasonable expenses incurred in identifying and notifying Class Members, as well
5 as administering the Settlement Fund, shall be paid as set forth in the Stipulation. In the event the
6 settlement is not approved by the Court, or otherwise fails to become effective, neither Plaintiffs nor
7 any of their counsel shall have any obligation to repay any amounts incurred or properly disbursed
8 pursuant to ¶¶2.6 or 2.7 of the Stipulation.

9 18. Neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations
10 or proceedings connected with it, shall be construed as an admission or concession by the
11 Defendants of the truth of any of the allegations in the Litigation, or of any liability, fault, or
12 wrongdoing of any kind.

13 19. The Court reserves the right to adjourn the date of the Settlement Hearing without
14 further notice to the Members of the Class, and retains jurisdiction to consider all further
15 applications arising out of or connected with the proposed settlement. The Court may approve the
16 settlement, with such modifications as may be agreed to by the Settling Parties, if appropriate,
17 without further notice to the Class.

18 20. If the Stipulation and the settlement set forth therein is not approved or consummated
19 for any reason whatsoever, the Stipulation and settlement and all proceedings had in connection
20 therewith shall be without prejudice to the rights of the Settling Parties *status quo ante*.

21 IT IS SO ORDERED.

22 DATED: _____

23 _____
24 THE HONORABLE EDWARD M. CHEN
25 UNITED STATES DISTRICT JUDGE

1 Submitted by:

2 ROBBINS GELLER RUDMAN
3 & DOWD LLP
4 CHRISTOPHER P. SEEFER
5 CHRISTOPHER M. WOOD

6 s/ Christopher P. Seefer
7 CHRISTOPHER P. SEEFER

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11 Telephone: 415/288-4545
12 415/288-4534 (fax)

13 ROBBINS GELLER RUDMAN
14 & DOWD LLP
15 PATRICK J. COUGHLIN
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20 San Diego, CA 92101
21 Telephone: 619/231-1058
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23 Lead Counsel for Plaintiffs
24
25
26
27
28

EXHIBIT A-1

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 fdigiacco@rgrdlaw.com

12 Lead Counsel for Plaintiffs

13 UNITED STATES DISTRICT COURT
 14
 15 NORTHERN DISTRICT OF CALIFORNIA

| | | | |
|----|--|---|-----------------------------------|
| 16 | In re VERIFONE HOLDINGS, INC. SECURITIES LITIGATION |) | Master File No. 3:07-cv-06140-EMC |
| 17 | _____ |) | <u>CLASS ACTION</u> |
| 18 | This Document Relates To: |) | NOTICE OF PROPOSED SETTLEMENT OF |
| 19 | ALL ACTIONS. |) | CLASS ACTION |
| 20 | _____ |) | EXHIBIT A-1 |

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1 *If you purchased VeriFone Systems, Inc. (f/k/a VeriFone Holdings, Inc.)¹ common stock*
2 *and put and call options (collectively, “VeriFone Publicly Traded Securities”) on any domestic or*
3 *foreign exchange or otherwise during the period from August 31, 2006 to April 1, 2008, inclusive*
4 *(the “Class Period”) on any domestic or foreign exchange or otherwise, and are not otherwise*
5 *excluded from the Class (see Question 6 below), you could get a payment from a class action*
6 *settlement.*

7 A federal court authorized this Notice. This is not a solicitation from a lawyer.

8 **Security and Time Period:** VeriFone common stock and put and call options (“VeriFone
9 Publicly Traded Securities”) between August 31, 2006 and April 1, 2008, inclusive.

10 **Settlement Fund:** \$95,000,000 in cash plus any interest earned. Your recovery will depend
11 on the timing of your purchases and sales of VeriFone Publicly Traded Securities during the Class
12 Period. Based on the information currently available to Lead Plaintiff and the analysis performed by
13 its damages consultants, it is estimated that if Class Members submit claims for 100% of the shares
14 eligible for distribution under the Plan of Allocation (described below), the estimated average
15 distribution per share of common stock will be approximately \$0.71 before deduction of Court-
16 approved fees and expenses, including the cost of notifying Members of the Class and settlement
17 administration and any attorneys’ fees and expenses awarded by the Court to counsel for the Lead
18 Plaintiff. Historically, actual claims rates are less than 100%, which result in higher distributions per
19 share. A Class Member’s actual recovery will be a proportion of the Net Settlement Fund
20 determined by that claimant’s recognized claim as compared to the total recognized claims of all
21 Class Members who submit valid Proof of Claim and Release forms (“Proof of Claim”).

22 **Reasons for Settlement:** Avoids the costs and risks associated with continued litigation,
23 including the danger of no recovery.

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26 ¹ This Notice incorporates by reference the definitions in the Stipulation of Settlement dated as
27 of August 9, 2013 (“Stipulation”), and all capitalized terms used, but not defined herein, shall have
28 the same meanings as in the Stipulation. The Stipulation can be obtained at www.gilardi.com.

1 **If the Case Had Not Settled:** Continuing with the case could have resulted in loss at
 2 summary judgment, trial or on appeal. The two sides vigorously disagree on both liability and the
 3 amount of money that could have been won if Lead Plaintiff prevailed at trial. The parties disagree
 4 about: (1) whether the Defendants knew the alleged false statements were false when made; (2) the
 5 method for determining whether the price of VeriFone Publicly Traded Securities was artificially
 6 inflated during the relevant period; (3) whether there was any such inflation and the amount of any
 7 such alleged inflation; (4) that there was any wrongdoing on the part of Defendants; (5) the extent
 8 that various facts alleged by Lead Plaintiff influenced the trading price of VeriFone Publicly Traded
 9 Securities during the Class Period; and (6) whether the facts alleged were material, false, misleading
 10 or otherwise actionable under the federal securities laws.

11 **Attorneys’ Fees and Expenses:** Court-appointed Lead Plaintiff’s counsel will ask the Court
 12 for attorneys’ fees of 20% of the Settlement Fund and expenses not to exceed \$360,000 to be paid
 13 from the Settlement Fund plus interest.² Lead Plaintiff’s counsel have not received any payment for
 14 their work over the past six years investigating the facts, prosecuting this Litigation, and negotiating
 15 this settlement on behalf of the Lead Plaintiff and the Class. If the above amounts are requested and
 16 approved by the Court, the average cost per share of common stock will be approximately \$0.14.

17 **Deadlines:**

18 Submit Claim: _____, 2013

19 Request Exclusion: _____, 2013

20 File Objection: _____, 2013

21 **Court Hearing on Fairness of Settlement:** _____, 2013

22 **More Information:** www.gilardi.com or

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² The requested attorneys’ fees is net of any expenses the Court awards to Lead Plaintiff’s counsel.

| | |
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| <p>1 Claims Administrator:</p> <p>2 <i>VeriFone Securities Litigation</i></p> <p>3 Claims Administrator</p> <p>4 c/o Gilardi & Co. LLC</p> <p>5 P.O. Box 8040</p> <p>6 San Rafael, CA 94912-8040</p> <p>7 1-800-447-7657</p> | <p>Representative of Lead Plaintiff’s counsel:</p> <p>Rick Nelson</p> <p>Shareholder Relations</p> <p>Robbins Geller Rudman & Dowd LLP</p> <p>655 West Broadway, Suite 1900</p> <p>San Diego, CA 92101</p> <p>1-800-449-4900</p> |
|--|--|

- Your legal rights are affected whether you act or do not act. Read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

- | | |
|---|--|
| <p>8 SUBMIT A CLAIM FORM</p> <p>9 EXCLUDE YOURSELF</p> <p>10 OBJECT</p> <p>11 GO TO A HEARING</p> <p>12 DO NOTHING</p> | <p>The only way to get a payment.</p> <p>Get no payment. This is the only option that allows you to participate in another lawsuit against the Defendants for the legal claims in this case.</p> <p>You may write to the Court if you do not like the settlement, the request for attorneys’ fees and expenses, or the Plan of Allocation.</p> <p>You may ask to speak in Court about the fairness of the settlement, the request for attorneys’ fees and expenses, or the Plan of Allocation.</p> <p>Get no payment. Give up your rights.</p> |
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- These rights and options — *and the deadlines to exercise them* — are explained in this Notice.
- The Court in charge of this case must decide whether to approve the settlement. Payments will be made if the Court approves the settlement and, if there are any appeals, after appeals are resolved. Please be patient.

BASIC INFORMATION

1. Why did I get this notice package?

You or someone in your family may have purchased VeriFone common stock and/or VeriFone put and call options, between August 31, 2006 and April 1, 2008, inclusive.

1 The Court directed that you be sent this Notice because you have a right to know about a
2 proposed settlement of a class action lawsuit, and about all of your options, before the Court decides
3 whether to approve the settlement. If the Court approves it and after any objections or appeals (if
4 there are any) are resolved, the Claims Administrator appointed by the Court will make the payments
5 that the settlement allows.

6 This package explains the lawsuit, the settlement, your legal rights, what benefits are
7 available, who is eligible for them, and how to get them.

8 The Court in charge of the case is the United States District Court, Northern District of
9 California, and the case is known as *In re VeriFone Holdings, Inc. Securities Litigation*, Master File
10 No. 3:07-cv-06140-EMC. The entity that leads the Litigation, National Elevator Industry Pension
11 Fund, is called the Lead Plaintiff and the company and the individuals it sued are called Defendants.

12 **2. What is this lawsuit about?**

13 This Litigation alleges that VeriFone and certain of its executives violated the federal
14 securities laws by falsely representing throughout the Class Period that: (1) the Company's April
15 2006 acquisition of Lipman Electronic Engineering Ltd. ("Lipman") would – and did – increase
16 gross margins and earnings in 2007; (2) VeriFone's 1Q07, 2Q07 and 3Q07 financial results were
17 fairly presented in all material respects; (3) they had evaluated the Company's disclosure controls
18 and procedures and concluded they were effective; and (4) the reported increases in 1Q07, 2Q07 and
19 3Q07 gross margins and earnings were the result of higher-margin wireless revenue, better supply
20 chain efficiencies and better sourcing of strategic components, procurement synergies and other
21 factors. Lead Plaintiff alleges that when Defendants disclosed the truth about the Company's
22 financial results, Class Members suffered damages as a result of the decline in the price of VeriFone
23 Publicly Traded Securities.

24 Defendants deny all of Lead Plaintiff's allegations and further deny that they did anything
25 wrong.

26 **3. Why is this a class action?**

27 In a class action, one or more people called class representatives (in this case, the Court-
28 appointed the National Elevator Industry Pension Fund as Lead Plaintiff), sue on behalf of people

1 who have similar claims. All of these people and/or entities are called a class or class members.
2 One judge – in this case, United States District Court Judge Edward M. Chen – resolves the issues
3 for all Class Members, except for those who exclude themselves from the Class.

4 **4. Why is there a settlement?**

5 The Court did not decide in favor of the Lead Plaintiff or Defendants. Instead, the lawyers
6 for both sides of the lawsuit have negotiated a settlement, with the assistance of the Honorable Layn
7 Phillips (Ret.), a former United States District Court Judge, that they believe is in the best interests
8 of their respective clients. The settlement allows both sides to avoid the risks and cost of lengthy
9 and uncertain litigation and the uncertainty of a trial and appeals, and permits Class Members to be
10 compensated without further delay. The Lead Plaintiff and its attorneys think the settlement is best
11 for all Class Members.

12 **WHO GETS MONEY FROM THE SETTLEMENT**

13 To see if you will get money from this settlement, you first have to determine if you are a
14 Class Member.

15 **5. How do I know if I am part of the settlement?**

16 The Class includes *all Persons who purchased VeriFone's common stock and VeriFone's*
17 *put and call options between August 31, 2006 and April 1, 2008, inclusive, on any domestic or*
18 *foreign exchange or otherwise.*

19 **6. Are there exceptions to being included in the Class?**

20 Yes. Excluded from the Class are Defendants, VeriFone's officers and directors, and their
21 families and affiliates. Also excluded from the Class are those Persons who timely and validly
22 request exclusion from the Class pursuant to this Notice.

23 **7. I'm still not sure if I am included.**

24 If you still are not sure whether you are included, you can ask for free help. You can call 1-
25 800-447-7657 or visit www.gilardi.com for more information; or, you can call Rick Nelson,
26 Shareholder Relations, Robbins Geller Rudman & Dowd LLP, at 1-800-449-4900 for more
27 information; or, you can fill out and return the Proof of Claim described in Question 10 to see if you
28 qualify.

1 **THE SETTLEMENT BENEFITS – WHAT YOU GET**

2 **8. What does the settlement provide?**

3 VeriFone has agreed to pay or cause to be paid \$95,000,000 in cash (the “Settlement Fund”).
4 The Settlement Fund, plus interest earned from the date it is established, less costs, fees, and
5 expenses (the “Net Settlement Fund”), will be divided among all eligible Class Members who send
6 in valid Proofs of Claim (“Authorized Claimants”). Costs, fees, and expenses include Court-
7 approved attorneys’ fees and expenses, the costs of notifying Class Members, including the costs of
8 printing and mailing this Notice and the cost of publishing newspaper notice, the costs of claims
9 administration, and taxes on the Settlement Fund.

10 **9. How much will my payment be?**

11 Your share of the Net Settlement Fund will depend on the number of valid Proofs of Claim
12 that Class Members send in and how many VeriFone Publicly Traded Securities you purchased
13 during the relevant period and when you bought and sold them.

14 For purposes of determining the amount an Authorized Claimant may recover under the Plan
15 of Allocation, Lead Plaintiff’s counsel conferred with their damages consultants and the Plan of
16 Allocation reflects their judgment regarding the relative strengths of the claims at issue in light of the
17 orders issued by the District Court and the Court of Appeals for the Ninth Circuit that they believe
18 could have been recovered had Lead Plaintiff prevailed at trial.

19 In the unlikely event there are sufficient funds in the Net Settlement Fund, each Authorized
20 Claimant will receive an amount equal to the Authorized Claimant’s claim, as defined below. If,
21 however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total
22 claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of
23 the Net Settlement Fund that each Authorized Claimant’s claim bears to the total of the claims of all
24 Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized
25 Claimants.

26 A “Claim” will be calculated as follows:
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COMMON STOCK

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1. For shares of VeriFone Systems, Inc. common stock ***purchased on or between August 31, 2006 through March 1, 2007***, the claim per share shall be 50% of the following:
 - (a) if sold on or between August 31, 2006 through April 1, 2008, the claim per share shall be the lesser of: (i) the inflation in Table A at the time of purchase less the inflation in Table A at the time of sale; or (ii) the difference between the purchase price and the sales price;
 - (b) if retained at the end of April 1, 2008 and sold before July 1, 2008, the claim per share shall be the lesser of (i) the inflation in Table A at the time of purchase; (ii) the difference between the purchase price and the sales price; or (iii) the difference between the purchase price per share and the average closing price per share up to the date of sale as set forth in Table B below;
 - (c) if retained at the close of trading on June 30, 2008, or sold thereafter, the claim per share shall be the lesser of: (i) the inflation in Table A at the time of purchase; or (ii) the difference between the purchase price per share and \$13.09 per share.
2. For shares of VeriFone Systems, Inc. common stock ***purchased on or between March 2, 2007 through December 2, 2007***, the claim per share shall be as follows:
 - (a) if sold on or between March 2, 2007 through April 1, 2008, the claim per share shall be the lesser of: (i) the inflation in Table A at the time of purchase less the inflation in Table A at the time of sale; or (ii) the difference between the purchase price and the sales price;
 - (b) if retained at the end of April 1, 2008 and sold before July 1, 2008, the claim per share shall be the lesser of (i) the inflation in Table A at the time of purchase; (ii) the difference between the purchase price and the sales price; or (iii) the difference between the purchase price per share and the average closing price per share up to the date of sale as set forth in Table B below;
 - (c) if retained at the close of trading on June 30, 2008, or sold thereafter, the claim per share shall be the lesser of: (i) the inflation in Table A at the time of purchase; or (ii) the difference between the purchase price per share and \$13.09 per share.
3. For shares of VeriFone Systems, Inc. common stock ***purchased on or between December 3, 2007 through April 1, 2008***, the claim per share shall be 50% of the following:
 - (a) if sold on or between December 3, 2007 through April 1, 2008, the claim per share shall be the lesser of: (i) the inflation in Table A at the time of purchase less the inflation in Table A at the time of sale; or (ii) the difference between the purchase price and the sales price;
 - (b) if retained at the end of April 1, 2008 and sold before July 1, 2008, the claim per share shall be the lesser of (i) the inflation in Table A at the time of purchase; (ii) the difference between the purchase price and the sales price; or (iii) the difference between the purchase price per share and the average closing price per share up to the date of sale as set forth in Table B below;

- 1 (c) if retained at the close of trading on June 30, 2008, or sold thereafter, the claim
 2 per share shall be the lesser of: (i) the inflation in Table A at the time of purchase;
 3 or (ii) the difference between the purchase price per share and \$13.09 per share.

4 **TABLE A**

| Time Period | Inflation |
|--------------------------------------|-----------|
| August 31, 2006 | \$0.00 |
| September 1, 2006 - December 7, 2006 | \$5.14 |
| December 8, 2006 - March 1, 2007 | \$6.75 |
| March 2, 2007 - September 6, 2007 | \$30.88 |
| September 7, 2007 - December 2, 2007 | \$33.62 |
| December 3, 2007 | \$11.84 |
| December 4, 2007 - January 1, 2008 | \$10.25 |
| January 2, 2008 - March 5, 2008 | \$7.05 |
| March 6, 2008 - April 1, 2008 | \$3.18 |

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1 **TABLE B**

| | | Average Closing | | | | Average Closing |
|-----------|---------|-----------------------|--|-----------|---------|-----------------------|
| | | Price from | | | | Price from |
| Sales | Closing | April 2, 2008 through | | Sales | Closing | April 2, 2008 through |
| Date | Price | Sales Date | | Date | Price | Sales Date |
| 4/2/2008 | \$13.64 | \$13.64 | | 5/19/2008 | \$12.90 | \$12.48 |
| 4/3/2008 | \$13.61 | \$13.63 | | 5/20/2008 | \$12.81 | \$12.49 |
| 4/4/2008 | \$13.99 | \$13.75 | | 5/21/2008 | \$12.75 | \$12.50 |
| 4/7/2008 | \$13.25 | \$13.62 | | 5/22/2008 | \$13.04 | \$12.51 |
| 4/8/2008 | \$13.14 | \$13.53 | | 5/23/2008 | \$13.31 | \$12.53 |
| 4/9/2008 | \$12.82 | \$13.41 | | 5/27/2008 | \$13.46 | \$12.56 |
| 4/10/2008 | \$12.68 | \$13.30 | | 5/28/2008 | \$13.34 | \$12.57 |
| 4/11/2008 | \$12.45 | \$13.20 | | 5/29/2008 | \$14.44 | \$12.62 |
| 4/14/2008 | \$12.00 | \$13.06 | | 5/30/2008 | \$14.68 | \$12.67 |
| 4/15/2008 | \$11.98 | \$12.96 | | 6/2/2008 | \$14.46 | \$12.71 |
| 4/16/2008 | \$12.20 | \$12.89 | | 6/3/2008 | \$15.02 | \$12.76 |
| 4/17/2008 | \$12.18 | \$12.83 | | 6/4/2008 | \$14.50 | \$12.80 |
| 4/18/2008 | \$12.01 | \$12.77 | | 6/5/2008 | \$15.00 | \$12.85 |
| 4/21/2008 | \$11.94 | \$12.71 | | 6/6/2008 | \$14.98 | \$12.90 |
| 4/22/2008 | \$11.34 | \$12.62 | | 6/9/2008 | \$14.96 | \$12.94 |
| 4/23/2008 | \$11.44 | \$12.54 | | 6/10/2008 | \$14.69 | \$12.97 |
| 4/24/2008 | \$11.41 | \$12.48 | | 6/11/2008 | \$14.26 | \$13.00 |
| 4/25/2008 | \$10.92 | \$12.39 | | 6/12/2008 | \$14.13 | \$13.02 |
| 4/28/2008 | \$10.29 | \$12.28 | | 6/13/2008 | \$14.27 | \$13.05 |
| 4/29/2008 | \$10.39 | \$12.18 | | 6/16/2008 | \$14.52 | \$13.07 |
| 4/30/2008 | \$11.19 | \$12.14 | | 6/17/2008 | \$14.40 | \$13.10 |
| 5/1/2008 | \$11.19 | \$12.09 | | 6/18/2008 | \$13.98 | \$13.11 |
| 5/2/2008 | \$12.20 | \$12.10 | | 6/19/2008 | \$14.21 | \$13.13 |
| 5/5/2008 | \$13.13 | \$12.14 | | 6/20/2008 | \$13.80 | \$13.15 |
| 5/6/2008 | \$13.50 | \$12.20 | | 6/23/2008 | \$13.18 | \$13.15 |
| 5/7/2008 | \$13.17 | \$12.23 | | 6/24/2008 | \$12.84 | \$13.14 |
| 5/8/2008 | \$13.30 | \$12.27 | | 6/25/2008 | \$13.30 | \$13.14 |
| 5/9/2008 | \$13.53 | \$12.32 | | 6/26/2008 | \$12.59 | \$13.13 |
| 5/12/2008 | \$13.82 | \$12.37 | | 6/27/2008 | \$11.80 | \$13.11 |
| 5/13/2008 | \$13.44 | \$12.41 | | 6/30/2008 | \$11.95 | \$13.09 |
| 5/14/2008 | \$13.07 | \$12.43 | | | | |
| 5/15/2008 | \$13.11 | \$12.45 | | | | |
| 5/16/2008 | \$13.05 | \$12.47 | | | | |

1 **CALL/PUT OPTIONS**

2 **Call Options**

- 3 1. For call options on VeriFone Systems, Inc. common stock ***purchased from August***
4 ***31, 2006 through March 1, 2007***, and
5 (i) held at the end of any of the following dates: December 2, 2007, December
6 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim per call
7 option is 50% of the difference between the price paid for the call option less the
8 proceeds received upon the settlement of the call option contract;
9 (ii) not held at the end of and of the following dates: December 2, 2007,
10 December 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim
11 per call option is \$0.
12 2. For call options on VeriFone Systems, Inc. common stock ***purchased from March 2,***
13 ***2007 through December 2, 2007***, and
14 (i) held at the end of any of the following dates: December 2, 2007, December
15 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim per call
16 option is the difference between the price paid for the call option less the proceeds
17 received upon the settlement of the call option contract;
18 (ii) not held at the end of and of the following dates: December 2, 2007,
19 December 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim
20 per call option is \$0.
21 3. For call options on VeriFone Systems, Inc. common stock ***purchased from***
22 ***December 3, 2007 through April 1, 2007***, and
23 (i) held at the end of any of the following dates: December 2, 2007, December
24 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim per call
25 option is 50% of the difference between the price paid for the call option less the
26 proceeds received upon the settlement of the call option contract;
27 (ii) not held at the end of and of the following dates: December 2, 2007,
28 December 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim
per call option is \$0.
4. For call options on VeriFone Systems, Inc. common stock ***written from August 31,***
2006 through April 1, 2008, the claim per call option is \$0.

23 **Put Options**

- 24 1. For put options on VeriFone Systems, Inc. common stock ***written from August 31,***
25 ***2006 through March 1, 2007***, and
26 (i) held at the end of any of the following dates: December 2, 2007, December
27 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim per put
28 option is 50% of the difference between the price paid upon settlement of the put
option contract less the initial proceeds received upon the sale of the put option
contract;

1 (ii) not held at the end of any of the following dates: December 2, 2007,
2 December 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim
per put option is \$0.

3 2. For put options on VeriFone Systems, Inc. common stock *written from March 2,*
4 *2007 through December 2, 2007,* and

5 (i) held at the end of any of the following dates: December 2, 2007, December
6 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim per put
option is the difference between the price paid upon settlement of the put option
contract less the initial proceeds received upon the sale of the put option contract;

7 (ii) not held at the end of any of the following dates: December 2, 2007,
8 December 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim
per put option is \$0.

9 3. For put options on VeriFone Systems, Inc. common stock *written from December 3,*
10 *2007 through April 1, 2008,* and

11 (i) held at the end of any of the following dates: December 2, 2007, December
12 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim per put
option is 50% of the difference between the price paid upon settlement of the put
option contract less the initial proceeds received upon the sale of the put option
contract;

13 (ii) not held at the end of any of the following dates: December 2, 2007,
14 December 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim
per put option is \$0.

15 4. For put options on VeriFone Systems, Inc. common stock *purchased from August*
16 *31, 2006 through April 1, 2008,* the claim per put option is \$0.

17 **Note:** In the case the option was exercised for VeriFone common stock, the amount paid, or
18 proceeds received, upon settlement of the option contract equals the intrinsic value of the option
19 using VeriFone common stock's closing price on the date the option was exercised.

20 **Note:** The combined recovery for the Put/Call Options shall not exceed 3% of the net
21 Settlement Fund.

22 For Class Members who held VeriFone Publicly Traded Securities at the beginning of the
23 Class Period or made multiple purchases or sales during the Class Period, the first-in, first-out
24 ("FIFO") method will be applied to such holdings, purchases, and sales for purposes of calculating a
25 claim. Under the FIFO method, sales of VeriFone Publicly Traded Securities during the Class
26 Period will be matched against the same type of security, in chronological order, first against
27 securities held at the beginning of the Class Period. The remaining sales of VeriFone Publicly
28

1 Traded Securities during the Class Period will then be matched, in chronological order, against like
2 VeriFone Publicly Traded Securities purchased during the Class Period.

3 An Authorized Claimant will be eligible to receive a distribution from the Net Settlement
4 Fund only if a Class Member had a net loss, after all profits from transactions in VeriFone Publicly
5 Traded Securities during the Class Period are subtracted from all losses. However, the proceeds
6 from sales of VeriFone Publicly Traded Securities which have been matched against VeriFone
7 Publicly Traded Securities held at the beginning of the Class Period will not be used in the
8 calculation of such net loss.

9 The Court has reserved jurisdiction to allow, disallow or adjust the claim of any Class
10 Member on equitable grounds.

11 Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all
12 Authorized Claimants. No Person shall have any claim against Lead Plaintiff, any Plaintiffs'
13 counsel, any claims administrator or other Person designated by Lead Plaintiff's counsel or
14 Defendants and/or the Related Parties and/or the Released Persons and/or their counsel based on
15 distributions made pursuant to the Stipulation and the settlement contained therein, the Plan of
16 Allocation, or further orders of the Court. All Class Members who fail to complete and file a valid
17 and timely Proof of Claim shall be barred from participating in distributions from the Net Settlement
18 Fund (unless otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the
19 Stipulation, including the terms of any order and/or judgment entered and the releases given.

20 **HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM**

21 **10. How will I get a payment?**

22 To qualify for a payment, you must send in a Proof of Claim. A Proof of Claim is enclosed
23 with this Notice. Read the instructions carefully, fill out the form, include all the documents the
24 form asks for, sign it, and mail it in the enclosed envelope postmarked no later than _____,
25 2013.

26 **11. When would I get my payment?**

27 The Court will hold a hearing on _____, 2013, at _____, to decide whether to approve
28 the settlement. If Judge Chen approves the settlement, there may be appeals. It is always uncertain

1 whether these appeals can be resolved favorably, and resolving them can take time, perhaps more
2 than a year. It also takes time for all the claim forms to be processed. If there are no appeals and
3 depending on the number of claims submitted, the Claims Administrator could distribute the Net
4 Settlement Fund as early as nine months after the fairness hearing. Please be patient.

5 **12. What am I giving up to get a payment or stay in the Class?**

6 Unless you exclude yourself, you are staying in the Class, and that means that you cannot
7 sue, continue to sue, or be part of any other lawsuit against the Defendants about the same issues in
8 this case or about issues that could have been asserted in this case. It also means that all of the
9 Court's orders will apply to you and legally bind you and you will release your Released Claims in
10 this case against Defendants and their Related Parties. "Released Claims" means any and all claims,
11 debts, demands, disputes, rights, causes of action, suits, matters, damages, or liabilities of any kind,
12 nature, and character whatsoever (including, but not limited to, any claims for damages, interest,
13 attorneys' fees, expert or consulting fees, and any and all other costs, expenses or liabilities
14 whatsoever), whether under federal, state, local, statutory, common law, foreign law, or any other
15 law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or
16 unliquidated, at law or in equity, matured or unmatured, including Unknown Claims (collectively,
17 "Claims"), that both (1) concern, arise out of, relate to, or are based upon the purchase of VeriFone
18 Publicly Traded Securities during the Class Period and (2) were asserted or could have been asserted
19 by Lead Plaintiff or any Class Member against any of the Released Persons in this Litigation.
20 Released Claims do not include any derivative claims.

21 "Related Parties" means each of a Defendant's past or present directors, officers, employees,
22 partners, insurers, co-insurers, reinsurers, controlling shareholders, attorneys, accountants or
23 auditors, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions,
24 joint ventures, agents, assigns, spouses, heirs, executors, estates, administrators, related or affiliated
25 entities, any entity in which a Defendant has a controlling interest, any members of any Individual
26 Defendant's immediate family, or any trust of which any Individual Defendant is the settlor or which
27 is for the benefit of any Individual Defendant's family.

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EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this settlement, but you want to keep the right to sue or continue to sue the Defendants on your own about the same issues in this case, then you must take steps to get out of the Class. This is called excluding yourself or is sometimes referred to as opting out of the Class.

13. How do I get out of the Class?

To exclude yourself from the Class, you must send a letter by mail stating that you want to be excluded from *In re VeriFone Holdings, Inc. Securities Litigation*, Master File No. 3:07-cv-06140-EMC. You must include your name, address, telephone number, your signature, the number of shares of VeriFone common stock and/or other VeriFone Publicly Traded Securities you purchased and sold between August 31, 2006 and April 1, 2008, inclusive, and the dates and prices of such purchases and sales. You must mail your exclusion request postmarked no later than _____, 2013 to:

VeriFone Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

You cannot exclude yourself on the phone or by e-mail. If you ask to be excluded, you are not eligible to get any settlement payment, and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit.

14. If I do not exclude myself, can I sue Defendants for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Defendants and their Related Parties for the claims that this settlement resolves. Remember, the exclusion deadline is _____, 2013.

15. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, do not send in a Proof of Claim to ask for any money. Once you exclude yourself, you will receive no cash payment even if you also submit a Proof of Claim.

1 **THE LAWYERS REPRESENTING YOU**

2 **16. Do I have a lawyer in this case?**

3 The Court appointed the law firm of Robbins Geller Rudman & Dowd LLP to represent you
4 and other Class Members. These lawyers are called Lead Counsel. These lawyers will apply to the
5 Court for payment from the Settlement Fund; you have not been and will not otherwise be charged
6 for their work. If you want to be represented by your own lawyer, you may hire one at your own
7 expense.

8 **17. How will the lawyers be paid?**

9 At the fairness hearing, Lead Plaintiff's counsel will request the Court to award attorneys'
10 fees of 20% of the Settlement Fund and for expenses up to \$360,000, which were incurred in
11 connection with the Litigation.³ If awarded, the cost would be approximately \$0.14 per share. This
12 compensation will be paid from the Settlement Fund. Class Members are not personally liable for
13 any such fees or expenses. To date, Lead Plaintiff's counsel have not received any payment for their
14 services in conducting this Litigation over the past six years on behalf of the Lead Plaintiff and the
15 Class, nor have counsel been paid for their expenses. The fee requested will compensate Lead
16 Plaintiff's counsel for their work in achieving the Settlement Fund and is within the range of fees
17 awarded to class counsel under similar circumstances in other cases of this type. The Court may
18 award less than this amount.

19 **OBJECTING TO THE SETTLEMENT**

20 You can tell the Court that you do not agree with the settlement, the Plan of Allocation, or
21 Lead Plaintiff's counsel's request for an award of attorneys' fees and expenses.

22 **18. How do I tell the Court that I do not like the settlement?**

23 If you are a Class Member (and you have not excluded yourself), you can object to the
24 settlement, the request for attorneys' fees and expenses, or the Plan of Allocation if you do not like
25 any part of it. You can give reasons why you think the Court should not approve the settlement, the

26 _____
27 ³ The requested attorneys' fees is net of any expenses the Court awards to Lead Plaintiff's
28 counsel.

1 request for attorneys' fees and expenses, or the Plan of Allocation. The Court will consider your
2 views. To object, you must send a signed letter saying that you object to the proposed settlement in
3 *In re VeriFone Holdings, Inc. Securities Litigation*, Master File No. 3:07-cv-06140-EMC. Be sure
4 to include your name, address, telephone number, your signature, the number of shares of VeriFone
5 Publicly Traded Securities purchased between August 31, 2006 and April 1, 2008, inclusive, and the
6 reasons you object to the settlement, the requested attorneys' fees and expenses, or the Plan of
7 Allocation. Any such objection must be mailed or delivered such that it is received by each of the
8 following no later than _____, 2013:

9 *Court:*

10 Clerk of the Court
11 United States District Court
12 Northern District of California
13 450 Golden Gate Avenue
14 San Francisco, CA 94102

15 *Lead Plaintiff's counsel:*

16 ROBBINS GELLER RUDMAN & DOWD LLP
17 JEFFREY D. LIGHT
18 655 West Broadway, Suite 1900
19 San Diego, CA 92101

20 *Defendants' counsel:*

21 SULLIVAN & CROMWELL LLP
22 BRENDAN P. CULLEN
23 1870 Embarcadero Road
24 Palo Alto, CA 94303-308

25 MORRISON & FOERSTER LLP
26 JORDAN ETH
27 425 Market Street
28 San Francisco, CA 94105-2406

19. What is the difference between objecting and excluding myself from the settlement?

Objecting is telling the Court that you do not like something about the proposed settlement. You can object *only* if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer applies to you.

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THE COURT’S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the proposed settlement. You may attend, but you do not have to.

20. When and where will the Court decide whether to approve the settlement?

The Court will hold a hearing at _____, on _____, 2013, at the United States District Court, Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. The Court will also decide whether to approve the payment of fees and expenses to Lead Plaintiff’s counsel and the Plan of Allocation. We do not know how long the hearing will take or whether the Court will make its decision on the day of the hearing or sometime later.

21. Do I have to come to the hearing?

No. Lead Plaintiff’s counsel will answer questions Judge Chen may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but you are not required to do so.

22. May I speak at the hearing?

You may ask the Court for permission to speak at the hearing. To do so, you must send a letter saying that it is your intention to appear in *In re VeriFone Holdings, Inc. Securities Litigation*, Master File No. 3:07-cv-06140-EMC. Be sure to include your name, address, telephone number, your signature, and the number of VeriFone Publicly Traded Securities purchased between August 31, 2006 and April 1, 2008, inclusive. Your notice of intention to appear must be received no later than _____, 2013 by the Clerk of the Court, Lead Plaintiff’s counsel, and Defendants’ counsel, at the addresses listed in Question 18. You cannot speak at the hearing if you exclude yourself from the Class.

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IF YOU DO NOTHING

23. What happens if I do nothing at all?

If you do nothing, you will get no money from this settlement. But, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants or their Related Parties about the same issues in this case.

GETTING MORE INFORMATION

24. Are there more details about the settlement?

This Notice summarizes the proposed settlement. More details are in the Stipulation dated August 9, 2013, which has been filed with the Court. You can get a copy of the Stipulation from the Clerk’s office at the United States District Court, Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102, during regular business hours, or at www.gilardi.com, or you can contact a representative of Lead Counsel at the number and address below in the answer to Question 25.

25. How do I get more information?

For more information about the settlement or the Litigation, you can call 1-800-449-4900 or write to a representative of Lead Plaintiff’s counsel, Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, or visit the Claims Administrator’s website at www.gilardi.com. *Please do not call the Court or the Clerk of the Court for additional information about the settlement.*

26. Special notice to banks, brokers, and other nominees

If you hold any VeriFone common stock or put and call options purchased between August 31, 2006 and April 1, 2008, inclusive, as a nominee for a beneficial owner, then, within ten (10) days after you receive this Notice, you must either: (1) send a copy of this Notice by First-Class Mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

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VeriFone Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator.

DATED: _____, 2013

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

EXHIBIT A-2

1 ROBBINS GELLER RUDMAN
& DOWD LLP
2 CHRISTOPHER P. SEEFER (201197)
CHRISTOPHER M. WOOD (254908)
3 Post Montgomery Center
One Montgomery Street, Suite 1800
4 San Francisco, CA 94104
Telephone: 415/288-4545
5 415/288-4534 (fax)
chriss@rgrdlaw.com
6 cwood@rgrdlaw.com
- and -

7 PATRICK J. COUGHLIN (111070)
RANDI D. BANDMAN (145212)
8 FRANCIS A. DIGIACCO (265625)
655 West Broadway, Suite 1900
9 San Diego, CA 92101
Telephone: 619/231-1058
10 619/231-7423 (fax)
patc@rgrdlaw.com
11 randib@rgrdlaw.com
fdigiacco@rgrdlaw.com

12 Lead Counsel for Plaintiffs

13 UNITED STATES DISTRICT COURT
14 NORTHERN DISTRICT OF CALIFORNIA

15 In re VERIFONE HOLDINGS, INC.) Master File No. 3:07-cv-06140-EMC
16 SECURITIES LITIGATION)
_____) CLASS ACTION
17)
This Document Relates To:) PROOF OF CLAIM AND RELEASE
18)
ALL ACTIONS.) EXHIBIT A-2
19 _____)

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1 **I. GENERAL INSTRUCTIONS**

2 1. To recover as a Member of the Class based on your claims in the consolidated action
3 entitled *In re VeriFone Holdings, Inc. Securities Litigation*, Master File No. 3:07-cv-06140-EMC
4 (the “Litigation”), you must complete and, on page ___ hereof, sign this Proof of Claim and Release
5 form (“Proof of Claim”). If you fail to file a properly addressed (as set forth in paragraph 3 below)
6 Proof of Claim, your claim may be rejected and you may be precluded from any recovery from the
7 Net Settlement Fund created in connection with the proposed settlement.
8

9 2. Submission of this Proof of Claim, however, does not assure that you will share in the
10 proceeds of the settlement of the Litigation.

11 3. YOU MUST MAIL YOUR COMPLETED AND SIGNED PROOF OF CLAIM
12 POSTMARKED ON OR BEFORE _____, 2013, ADDRESSED AS FOLLOWS:

13
14 *VeriFone Securities Litigation*
15 Claims Administrator
16 c/o Gilardi & Co. LLC
17 P.O. Box 8040
18 San Rafael, CA 94912-8040

19 If you are NOT a Member of the Class (as defined in the Notice of Proposed Settlement of Class
20 Action (“Notice”)) DO NOT submit a Proof of Claim.

21 4. If you are a Member of the Class and you did not timely request exclusion in
22 connection with the proposed settlement, you are bound by the terms of any judgment entered in the
23 Litigation, including the releases provided therein, WHETHER OR NOT YOU SUBMIT A PROOF
24 OF CLAIM.

25 **II. CLAIMANT IDENTIFICATION**

26 If you purchased VeriFone Systems, Inc. (f/k/a VeriFone Holdings, Inc.) common stock or
27 VeriFone put or call options (collectively “VeriFone Publicly Traded Securities”) and held the
28 certificate(s) in your name, you are the beneficial purchaser as well as the record purchaser. If,
however, you purchased VeriFone Publicly Traded Securities and the certificate(s) were registered in

1 the name of a third party, such as a nominee or brokerage firm, you are the beneficial purchaser and
2 the third party is the record purchaser.

3 Use Part I of this form entitled “Claimant Identification” to identify each purchaser of record
4 (“nominee”), if different from the beneficial purchaser of the VeriFone Publicly Traded Securities
5 which forms the basis of this claim. THIS CLAIM MUST BE FILED BY THE ACTUAL
6 BENEFICIAL PURCHASER(S) OR THE LEGAL REPRESENTATIVE OF SUCH
7 PURCHASER(S) OF THE VERIFONE PUBLICLY TRADED SECURITIES UPON WHICH THIS
8 CLAIM IS BASED.

9 All joint purchasers must sign this claim. Executors, administrators, guardians, conservators,
10 and trustees must complete and sign this claim on behalf of persons represented by them and their
11 authority must accompany this claim and their titles or capacities must be stated. The Social
12 Security (or taxpayer identification) number and telephone number of the beneficial owner may be
13 used in verifying the claim. Failure to provide the foregoing information could delay verification of
14 your claim or result in rejection of the claim.

15 **III. CLAIM FORM**

16 Use Part II of this form entitled “Schedule of Transactions in VeriFone Publicly Traded
17 Securities” to supply all required details of your transaction(s) in VeriFone Publicly Traded
18 Securities. Use Part III of this form entitled “Schedule of Transactions in VeriFone Options” to
19 supply all required details of your transaction(s) in put and call options of VeriFone common stock.
20 If you need more space or additional schedules, attach separate sheets giving all of the required
21 information in substantially the same form. Sign and print or type your name on each additional
22 sheet.

23 On the schedules, provide all of the requested information with respect to *all* of your
24 purchases of VeriFone Publicly Traded Securities which took place at any time from August 31,
25 2006 to April 1, 2008, inclusive (the “Class Period”), and *all* of your sales of VeriFone common
26 stock which took place at any time from August 31, 2006 to June 30, 2008, inclusive, and *all* of your
27 sales of other VeriFone Publicly Traded Securities which took place at any time from August 31,
28 2006 to April 1, 2008, inclusive, whether such transactions resulted in a profit or a loss. You must

1 also provide all of the requested information with respect to **all** of the VeriFone Publicly Traded
2 Securities you held at the close of trading on August 30, 2006 and April 1, 2008, as well as the
3 number of shares of VeriFone common stock held at the close of trading on June 30, 2008. Failure
4 to report all such transactions may result in the rejection of your claim.

5 List each transaction in the Class Period separately and in chronological order, by trade date,
6 beginning with the earliest. You must accurately provide the month, day, and year of each
7 transaction you list.

8 The date of covering a “short sale” is deemed to be the date of purchase of VeriFone
9 common stock. The date of a “short sale” is deemed to be the date of sale of VeriFone common
10 stock.

11 Copies of broker confirmations or other documentation of your transactions in VeriFone
12 Publicly Traded Securities should be attached to your claim. Failure to provide this documentation
13 could delay verification of your claim or result in rejection of your claim.

14 NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of
15 transactions may request, or may be requested, to submit information regarding their transactions in
16 electronic files. All claimants **MUST** submit a manually signed paper Proof of Claim whether or not
17 they also submit electronic copies. If you wish to file your claim electronically, you must contact the
18 Claims Administrator at _____ to obtain the required file layout. No electronic files will be
19 considered to have been properly submitted unless the Claims Administrator issues to the claimant a
20 written acknowledgment of receipt and acceptance of electronically submitted data.

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

In re VeriFone Holdings, Inc. Securities Litigation, Master File No. 3:07-cv-06140-EMC

PROOF OF CLAIM AND RELEASE

Must Be Postmarked No Later Than:

_____, 2013

Please Type or Print

PART I: CLAIMANT IDENTIFICATION

Beneficial Owner's Name (First, Middle, Last)

Street Address

City

State or Province

Zip Code or Postal Code

Country

Social Security Number or
Taxpayer Identification Number

Individual
Corporation/Other

Area Code

Telephone Number (work)

Area Code

Telephone Number (home)

Record Owner's Name (if different from beneficial owner listed above)

1 PART II: SCHEDULE OF TRANSACTIONS IN VERIFONE PUBLICLY TRADED
 2 SECURITIES

3 1. Common Stock

4 A. Number of shares of VeriFone common stock held at the close of trading on
 5 August 30, 2006: _____

6 B. Purchases of VeriFone common stock (August 31, 2006 – April 1, 2008,
 inclusive):

| Trade Date Month Day Year | Number of Shares Purchased | Total Purchase Price |
|------------------------------|-------------------------------|----------------------|
| 1. _____ | 1. _____ | 1. _____ |
| 2. _____ | 2. _____ | 2. _____ |
| 3. _____ | 3. _____ | 3. _____ |

11
 12 IMPORTANT: Identify by number listed above all purchases in which you covered a “short
 sale”: _____

13 C. Sales of VeriFone common stock (August 31, 2006 – June 30, 2008,
 14 inclusive):

| Trade Date Month Day Year | Number of Shares Sold | Total Sales Price |
|------------------------------|--------------------------|-------------------|
| 1. _____ | 1. _____ | 1. _____ |
| 2. _____ | 2. _____ | 2. _____ |
| 3. _____ | 3. _____ | 3. _____ |

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 20 D. Number of shares of VeriFone common stock held at the close of trading on
 April 1, 2008: _____

21 E. Number of shares of VeriFone common stock held at the close of trading on
 22 June 30, 2008: _____

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PART III. SCHEDULE OF TRANSACTIONS IN VERIFONE OPTIONS

PURCHASES/REPURCHASES

A. I made the following purchase/repurchase of options on VeriFone common stock during the period from August 31, 2006 through April 1, 2008, inclusive:

| Option Type | Date(s) of transaction (List Chronologically) | Number of Option contracts acquired | Expiry Date (Month/Year) | Strike Price | Transaction price per option contract | [X]expired [A]ssigned [E]xercised |
|----------------------------|--|--|-----------------------------|--------------|--|---|
| | M M D D Y Y | | M M Y Y | | | |
| <input type="radio"/> Put | | | | | | |
| <input type="radio"/> Call | | | | | | |
| <input type="radio"/> Put | | | | | | |
| <input type="radio"/> Call | | | | | | |
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| <input type="radio"/> Put | | | | | | |
| <input type="radio"/> Call | | | | | | |

SALES/WRITTEN

B. I made the following sales/written options on VeriFone common stock during the period from August 31, 2006 through April 1, 2008, inclusive:

| Option Type | Date(s) of transaction (List Chronologically) | Number of Option contracts acquired | Expiry Date (Month/Year) | Strike Price | Transaction price per option contract | [X]expired [A]ssigned [E]xercised |
|----------------------------|--|--|-----------------------------|--------------|--|---|
| | M M D D Y Y | | M M Y Y | | | |
| <input type="radio"/> Put | | | | | | |
| <input type="radio"/> Call | | | | | | |
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If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.

1 **YOU MUST READ AND SIGN THE RELEASE ON PAGE __. FAILURE TO SIGN**
2 **THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF**
3 **YOUR CLAIM.**

4 **IV. SUBMISSION TO JURISDICTION OF COURT AND**
5 **ACKNOWLEDGMENTS**

6 I (We) submit this Proof of Claim under the terms of the Stipulation of Settlement described
7 in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the
8 Northern District of California, with respect to my (our) claim as a Class Member and for purposes
9 of enforcing the release set forth herein. I (We) further acknowledge that I am (we are) bound by
10 and subject to the terms of any judgment that may be entered in the Litigation. I (We) agree to
11 furnish additional information to the Claims Administrator to support this claim (including
12 transactions in other VeriFone securities) if requested to do so. I (We) have not submitted any other
13 claim covering the same purchases or sales of VeriFone Publicly Traded Securities during the Class
14 Period and know of no other person having done so on my (our) behalf.

15 **V. RELEASE**

16 1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully,
17 finally, and forever settle, release, and discharge from the Released Claims each and all of the
18 “Released Persons,” defined as each and all of the Defendants and their Related Parties. “Related
19 Parties” means each of a Defendant’s past or present directors, officers, employees, partners,
20 insurers, co-insurers, reinsurers, controlling shareholders, attorneys, accountants or auditors,
21 personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint
22 ventures, agents, assigns, spouses, heirs, executors, estates, administrators, related or affiliated
23 entities, any entity in which a Defendant has a controlling interest, any members of any Individual
24 Defendant’s immediate family, or any trust of which any Individual Defendant is the settlor or which
25 is for the benefit of any Individual Defendant’s family.

26 2. “Released Claims” means any and all claims, debts, demands, disputes, rights, causes
27 of action, suits, matters, damages, or liabilities of any kind, nature, and character whatsoever
28

1 (including, but not limited to, any claims for damages, interest, attorneys' fees, expert or consulting
2 fees, and any and all other costs, expenses or liabilities whatsoever), whether under federal, state,
3 local, statutory, common law, foreign law, or any other law, rule or regulation, whether fixed or
4 contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or
5 unmatured, including Unknown Claims (collectively, "Claims"), that both (1) concern, arise out of,
6 relate to, or are based upon the purchase of VeriFone Publicly Traded Securities during the Class
7 Period and (2) were asserted or could have been asserted by Lead Plaintiff or any Class Member
8 against any of the Released Persons in this Action. Released Claims do not include any derivative
9 claims.
10

11 3. "Unknown Claims" means any Released Claims which Lead Plaintiff or any Class
12 Member does not know or suspect to exist in his, her, or its favor at the time of the release of the
13 Released Persons which, if known by him, her, or it, might have affected his, her, or its settlement
14 with and release of the Released Persons, or might have affected his, her, or its decisions with
15 respect to this settlement. With respect to any and all Released Claims, the Settling Parties stipulate
16 and agree that, upon the Effective Date, Lead Plaintiff shall expressly waive and relinquish, and each
17 of the Class Members shall be deemed to have, and by operation of the Judgment shall have,
18 expressly waived and relinquished, the provisions, rights, and benefits of California Civil Code
19 §1542, which provides:

20 **A general release does not extend to claims which the creditor does not**
21 **know or suspect to exist in his or her favor at the time of executing the release,**
22 **which if known by him or her must have materially affected his or her**
settlement with the debtor.

23 Lead Plaintiff shall expressly waive and relinquish, and each of the Class Members shall be deemed
24 to have, and by operation of the Judgment shall have, expressly waived and relinquished, any and all
25 provisions, rights, and benefits conferred by any law of any state or territory of the United States, or
26 principle of common law, which is similar, comparable or equivalent to California Civil Code
27 §1542. Lead Plaintiff and Class Members may hereafter discover facts in addition to or different
28 from those which he, she or it now knows or believes to be true with respect to the subject matter of

1 the Released Claims, but Lead Plaintiff upon the Effective Date shall expressly, fully, finally, and
2 forever settle and release and each Class Member, upon the Effective Date, shall be deemed to have,
3 and by operation of the Judgment shall have, fully, finally, and forever settled and released any and
4 all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent,
5 whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of
6 law or equity now existing or coming into existence in the future, including, but not limited to,
7 conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule,
8 without regard to the subsequent discovery or existence of such different or additional facts. Lead
9 Plaintiff acknowledges, and the Class Members shall be deemed by operation of the Judgment to
10 have acknowledged, that the foregoing waiver was separately bargained for and a key element of the
11 settlement of which this release is a part.

12 4. I (We) hereby warrant and represent that I (we) have not assigned or transferred or
13 purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this
14 release or any other part or portion thereof.

15 5. I (We) hereby warrant and represent that I (we) have included information about all
16 of my (our) transactions in VeriFone Publicly Traded Securities which occurred during the Class
17 Period as well as the number of shares of VeriFone Publicly Traded Securities held by me (us) at the
18 close of trading on August 30, 2006 and April 1, 2008, as well as the number of shares of VeriFone
19 common stock held by me (us) on June 30, 2008.

21 I (We) declare under penalty of perjury under the laws of the United States of America that
22 all of the foregoing information supplied on this Proof of Claim by the undersigned is true and
23 correct.

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Executed this _____ day of _____
(Month/Year)

in _____
(City) (State/Country)

(Sign your name here)

(Type or print your name here)

(Capacity of person(s) signing,
e.g., Beneficial Purchaser,
Executor or Administrator)

**ACCURATE CLAIMS PROCESSING TAKES A
SIGNIFICANT AMOUNT OF TIME.
THANK YOU FOR YOUR PATIENCE.**

Reminder Checklist:

1. Please sign the above release and declaration.
2. Remember to attach supporting documentation, if available.
3. Do not send original stock certificates.
4. Keep a copy of your claim form and all supporting documentation for your records.
5. If you desire an acknowledgment of receipt of your claim form, please send it Certified Mail, Return Receipt Requested.
6. If you move, please send us your new address.

EXHIBIT A-3

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12 Lead Counsel for Plaintiffs

13 UNITED STATES DISTRICT COURT
14
15 NORTHERN DISTRICT OF CALIFORNIA

16 In re VERIFONE HOLDINGS, INC.) Master File No. 3:07-cv-06140-EMC
SECURITIES LITIGATION)
17 _____) CLASS ACTION
This Document Relates To:)
18) SUMMARY NOTICE
ALL ACTIONS.)
19) EXHIBIT A-3
_____)

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1 TO: ALL PERSONS WHO PURCHASED VERIFONE SYSTEMS, INC. (F/K/A VERIFONE
2 HOLDINGS, INC.) (“VERIFONE”) COMMON STOCK AND/OR VERIFONE PUT AND
CALL OPTIONS BETWEEN AUGUST 31, 2006 AND APRIL 1, 2008, INCLUSIVE

3 YOU ARE HEREBY NOTIFIED that pursuant to an Order of the United States District
4 Court for the Northern District of California, a hearing will be held on _____, 2013,
5 at __: __ .m., before the Honorable Edward M. Chen, United States District Judge, at the United
6 States District Court for the Northern District of California, 450 Golden Gate Avenue, Courtroom 5-
7 17th Floor, San Francisco, CA 94102, for the purpose of determining: (1) whether the proposed
8 settlement of the Litigation for the sum of \$95,000,000 in cash should be approved by the Court as
9 fair, reasonable, and adequate; (2) whether, thereafter, this Litigation should be dismissed with
10 prejudice against the Defendants as set forth in the Stipulation of Settlement dated as of August 8,
11 2013; (3) whether the Plan of Allocation of settlement proceeds is fair, reasonable, and adequate and
12 therefore should be approved; and (4) the reasonableness of the application of Lead Counsel for the
13 payment of attorneys’ fees and expenses incurred in connection with this Litigation, together with
14 interest thereon.

15 If you purchased VeriFone common stock or VeriFone put and call options between August
16 31, 2006 and April 1, 2008, inclusive, on any domestic or foreign exchange or otherwise, your rights
17 may be affected by this Litigation and the settlement thereof. If you have not received a detailed
18 Notice of Proposed Settlement of Class Action and a copy of the Proof of Claim and Release form,
19 you may obtain copies by writing to *VeriFone Securities Litigation*, Claims Administrator, c/o
20 Gilardi & Co. LLC, P.O. Box 8040, San Rafael, CA 94912-8040, or by downloading this
21 information at www.gilardi.com. If you are a Class Member, in order to share in the distribution of
22 the Net Settlement Fund, you must submit a Proof of Claim and Release form postmarked no later
23 than _____, 2013, establishing that you are entitled to a recovery. You will be bound by any
24 judgment rendered in the Litigation unless you request to be excluded, in writing, to the above
25 address, postmarked by _____, 2013.

26 Any objection to any aspect of the settlement must be filed with the Clerk of the Court no
27 later than _____, 2013, and **received** by the following no later than _____, 2013:

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ROBBINS GELLER RUDMAN
& DOWD LLP
JEFFREY D. LIGHT
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Lead Counsel for Plaintiffs

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Palo Alto, CA 94303

MORRISON & FOERSTER LLP
JORDAN ETH
425 Market Street
San Francisco, CA 94105

Counsel for Defendants

**PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE
REGARDING THIS NOTICE.**

DATED: _____, 2013

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

EXHIBIT B

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 6 cwood@rgrdlaw.com
 – and –

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 11 randib@rgrdlaw.com
 fdigiacco@rgrdlaw.com

12 Lead Counsel for Plaintiffs

13 UNITED STATES DISTRICT COURT

14 NORTHERN DISTRICT OF CALIFORNIA

15 In re VERIFONE HOLDINGS, INC.)
 16 SECURITIES LITIGATION)

Master File No. 3:07-cv-06140-EMC

) CLASS ACTION

17 _____)
 18 This Document Relates To:)

[PROPOSED] ORDER APPROVING THE
 SETTLEMENT AND ORDER OF
 DISMISSAL WITH PREJUDICE

19 ALL ACTIONS.)
 _____)

EXHIBIT B

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1 This matter came before the Court for hearing pursuant to the Order Preliminarily Approving
2 Settlement and Providing for Notice (“Order”) dated _____, 2013, on the application of the
3 parties for approval of the settlement set forth in the Stipulation of Settlement dated as of August 9,
4 2013 (the “Stipulation”). Due and adequate notice having been given to the Class as required in said
5 Order, and the Court having considered all papers filed and proceedings had herein and otherwise
6 being fully informed in the premises and good cause appearing therefore, IT IS HEREBY
7 ORDERED, ADJUDGED, AND DECREED that:

8 1. This Order Approving the Settlement and Order of Dismissal with Prejudice (“Final
9 Order”) incorporates by reference the definitions in the Stipulation, and all terms used herein shall
10 have the same meanings as set forth in the Stipulation, unless otherwise set forth herein.

11 2. This Court has jurisdiction over the subject matter of the Litigation and over all
12 parties to the Litigation, including all Members of the Class.

13 3. The Court hereby finally certifies a Class defined as: “all Persons who purchased
14 VeriFone Publicly Traded Securities between August 31, 2006 and April 1, 2008, on any domestic
15 or foreign exchange or otherwise, excluding all Defendants, VeriFone’s former and current officers
16 and directors and their families and affiliates. Also excluded from the Class are those Persons who
17 validly and timely request exclusion from the Class.”

18 4. With respect to the Class, this Court finds for purposes of effectuating this settlement
19 that (a) the Members of the Class are so numerous that joinder of all Class Members in the Litigation
20 is impracticable; (b) there are questions of law and fact common to the Class which predominate
21 over any individual questions; (c) the claims of the Lead Plaintiff are typical of the claims of the
22 Class; (d) Lead Plaintiff and Lead Counsel have fairly and adequately represented and protected the
23 interests of all of the Class Members; and (e) a class action is superior to other available methods for
24 the fair and efficient adjudication of the controversy, considering: (i) the interests of the Members of
25 the Class in individually controlling the prosecution of the separate actions; (ii) the extent and nature
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1 of any litigation concerning the controversy already commenced by Members of the Class; (iii) the
2 desirability or undesirability of continuing the litigation of these claims in this particular forum; and
3 (iv) the difficulties likely to be encountered in the management of the class action.

4 5. Pursuant to Federal Rule of Civil Procedure 23, the Court hereby approves the
5 settlement set forth in the Stipulation as fair, reasonable, and adequate.

6 6. Accordingly, the Court authorizes and directs implementation and performance of all
7 the terms and provisions of the Stipulation, as well as the terms and provisions hereof. The Court
8 hereby dismisses the Litigation and all Released Claims with prejudice and without costs as to any
9 party, except as and to the extent provided in the Stipulation and herein.

10 7. Upon the Effective Date hereof, the Lead Plaintiff, and each and every Class Member
11 shall be deemed to have, and by operation of this Final Order and accompanying Judgment shall
12 have, fully, finally, and forever waived, released, relinquished, discharged, and dismissed each and
13 every one of the Released Claims against each and every one of the Released Persons, whether or
14 not such Class Member executes and delivers the Proof of Claim and Release form, and whether or
15 not such Class Member shares in the Settlement Fund.

16 8. Upon the Effective Date, each and every Class Member and anyone claiming through
17 or on behalf of any of them, will be forever barred and enjoined from commencing, instituting,
18 prosecuting or continuing to prosecute any action or other proceeding in any court of law or equity,
19 arbitration tribunal, or administrative forum, asserting the Released Claims against any of the
20 Released Persons.

21 9. Upon the Effective Date, each of the Released Persons shall be deemed to have, and
22 by operation of this Final Order shall have, fully, finally, and forever released, relinquished, and
23 discharged Lead Plaintiff, each and all of the Class Members and Lead Plaintiff's counsel, from all
24 claims (including Unknown Claims), whether under U.S. or any foreign law, arising out of, relating
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1 to, or in connection with the institution, prosecution, assertion, settlement or resolution of the
2 Litigation or the Released Claims.

3 10. The Notice of Proposed Settlement of Class Action given to the Class was the best
4 notice practicable under the circumstances, including the individual notice to all Members of the
5 Class who could be identified through reasonable effort along with publication of the Summary
6 Notice. Said notice provided the best notice practicable under the circumstances of those
7 proceedings and of the matters set forth therein, including the proposed settlement set forth in the
8 Stipulation, to all Persons entitled to such notice, and said notice fully satisfied the requirements of
9 Federal Rule of Civil Procedure 23 and the requirements of due process.

11 11. Any Plan of Allocation submitted by Lead Counsel or any order entered regarding
12 any attorneys' fee and expense application shall in no way disturb or affect this Final Order and shall
13 be considered separate from this Final Order.

14 12. Neither the Stipulation nor the settlement contained therein, nor any act performed or
15 document executed pursuant to or in furtherance of the Stipulation or the settlement: (a) is or may be
16 deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claim,
17 or of any wrongdoing or liability of the Defendants or their respective Related Parties, or (b) is or
18 may be deemed to be or may be used as an admission of, or evidence of, any fault or omission of any
19 of the Defendants or their respective Related Parties in any civil, criminal, or administrative
20 proceeding in any court, administrative agency, or other tribunal. The Defendants and/or their
21 respective Related Parties may file the Stipulation and/or this Judgment from this action in any other
22 action that may be brought against them in order to support a defense or counterclaim based on
23 principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or
24 reduction, or any other theory of claim preclusion or issue preclusion or similar defense or
25 counterclaim.
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1 13. Without affecting the finality of this Judgment in any way, this Court hereby retains
2 continuing jurisdiction over: (a) implementation of this settlement and any award or distribution of
3 the Settlement Fund, including interest earned thereon; (b) disposition of the Settlement Fund;
4 (c) hearing and determining applications for attorneys' fees, interest, and expenses in the Litigation;
5 and (d) all parties hereto for the purpose of construing, enforcing, and administering the Stipulation.
6

7 14. The Court finds that during the course of the Litigation, the Settling Parties and their
8 respective counsel at all times complied with the requirements of Federal Rule of Civil Procedure
9 11.

10 15. In the event that the settlement does not become effective in accordance with the
11 terms of the Stipulation, or the Effective Date does not occur, or in the event that the Settlement
12 Fund, or any portion thereof, is returned to the Defendants or their insurers, then this Final Order
13 shall be rendered null and void to the extent provided by and in accordance with the Stipulation and
14 shall be vacated and, in such event, all orders entered and releases delivered in connection herewith
15 shall be null and void to the extent provided by and in accordance with the Stipulation.
16

17 16. Without further order of the Court, the Settling Parties may agree to reasonable
18 extensions of time to carry out any of the provisions of the Stipulation.

19 IT IS SO ORDERED.

20
21 DATED: _____
22 THE HONORABLE EDWARD M. CHEN
23 UNITED STATES DISTRICT JUDGE
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1 Submitted by:

2 ROBBINS GELLER RUDMAN
3 & DOWD LLP
4 CHRISTOPHER P. SEEFER
5 CHRISTOPHER M. WOOD

6

CHRISTOPHER P. SEEFER

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15 Lead Counsel for Plaintiffs

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EXHIBIT C

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12 Lead Counsel for Plaintiffs

13 UNITED STATES DISTRICT COURT
 14
 15 NORTHERN DISTRICT OF CALIFORNIA

| | | |
|----------------------------------|---|-----------------------------------|
| 16 In re VERIFONE HOLDINGS, INC. |) | Master File No. 3:07-cv-06140-EMC |
| SECURITIES LITIGATION |) | |
| <hr/> |) | <u>CLASS ACTION</u> |
| 17 This Document Relates To: |) | |
| 18 |) | [PROPOSED] JUDGMENT |
| 19 ALL ACTIONS. |) | EXHIBIT C |
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1 In accordance with the Court's _____ Order Approving the Settlement and Order of
2 Dismissal with Prejudice, judgment is hereby entered.

3 Dated: San Francisco, California

BY:

4 _____, 2013

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CLERK OF COURT

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CERTIFICATE OF SERVICE

I hereby certify that on August 9, 2013, I authorized the electronic filing of the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the e-mail addresses denoted on the attached Electronic Mail Notice List, and I hereby certify that I caused to be mailed the foregoing document or paper via the United States Postal Service to the non-CM/ECF participants indicated on the attached Manual Notice List.

I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on August 9, 2013.

s/ CHRISTOPHER P. SEEFER
CHRISTOPHER P. SEEFER

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Mailing Information for a Case 3:07-cv-06140-EMC

Electronic Mail Notice List

The following are those who are currently on the list to receive e-mail notices for this case.

- **Steve W. Berman**
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Manual Notice List

The following is the list of attorneys who are **not** on the list to receive e-mail notices for this case (who therefore require manual noticing). You may wish to use your mouse to select and copy this list into your word processing program in order to create notices or labels for these recipients.

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General Information

Court United States District Court for the Northern District of California

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