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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

IN RE VERIFONE HOLDINGS, INC.
SECURITIES LITIGATION.

Master File No. C-07-6140 EMC

**AMENDED ORDER PRELIMINARILY
APPROVING SETTLEMENT AND
PROVIDING FOR NOTICE**

(Docket No. 307)

CHANGES IN GREEN HIGHLIGHT

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

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

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

NOW, THEREFORE, IT IS HEREBY ORDERED:

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

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

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

18 4. A hearing (the “Settlement Hearing”) shall be held before this Court on **February 6,**
19 **2014, at 1:30 p.m., at the United States District Court for the Northern District of California,**
20 **450 Golden Gate Avenue, San Francisco, CA 94102,** to determine whether the proposed
21 settlement of the Litigation on the terms and conditions provided for in the Stipulation is fair,
22 reasonable, and adequate to the Class and should be approved by the Court; whether the Final Order
23 and Judgment as provided in ¶¶ 1.10 and 1.12 of the Stipulation should be entered; whether the
24 proposed Plan of Allocation should be approved; and to determine the amount of fees and expenses
25 that should be awarded to Lead Counsel. The Court may adjourn the Settlement Hearing without
26 further notice to the Members of the Class.

27 5. The Settling Parties also presented the Court for review a plan to notify members of
28 the proposed class, which sets out the terms of the settlement, including, *inter alia*, their options to

1 (1) remain in the proposed class and submit a claim; (2) opt out or exclude themselves from the
2 proposed class; (3) object to the proposed settlement and/or attend the Settlement Hearing; or (4) do
3 nothing, and the consequences thereof. The Court approves, as to form and content, the Notice of
4 Proposed Settlement of Class Action (the “Notice”), the Proof of Claim and Release form (the
5 “Proof of Claim”), and Summary Notice annexed as Exhibits A-1, A-2, and A-3 hereto and finds
6 that the mailing and distribution of the Notice and publishing of the Summary Notice substantially in
7 the manner and form set forth in ¶¶ 5-6 of this Order meet the requirements of Federal Rule of Civil
8 Procedure 23 and due process, and is the best notice practicable under the circumstances and shall
9 constitute due and sufficient notice to all Persons entitled thereto.

10 6. The firm of Gilardi & Co. LLC (“Claims Administrator”) is hereby appointed to
11 supervise and administer the notice procedure as well as the processing of claims as more fully set
12 forth below:

13 (a) The Claims Administrator shall make reasonable efforts, as explained in the
14 Declaration of Peter L. Crudo, to identify all Persons who are Members of the Class and not later
15 than **October 30, 2013** (the “Notice Date”), the Claims Administrator shall cause a copy of the
16 Notice and the Proof of Claim, substantially in the forms annexed as Exhibits A-1 and A-2 hereto, to
17 be mailed by First-Class Mail to all Class Members who can be identified with reasonable effort;

18 (b) Not later than **November 9, 2013**, the Claims Administrator shall cause the
19 Summary Notice to be published once in *Investor’s Business Daily*, once in *Globes*, and once over
20 the *Business Wire*;

21 (c) Not later than **October 30, 2013**, the Claims Administrator shall include on
22 its website a calculator that will permit class members to input their transactions in VeriFone
23 securities and then obtain an estimate of their possible distribution, and provide a dedicated link to
24 the website in the Notice (www.VeriFoneSettlement.com);

25 (d) Not later than **December 20, 2013**, the Claims Administrator shall mail a
26 reminder Notice to class members for whom the Claims Administrator has addresses that have not
27 responded;

28

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

4 (f) Not later than **December 16, 2013**, the Claims Administrator shall post on its
5 website the Stipulation and Exhibits, and the Motion for Final Approval of the Settlement, Plan of
6 Allocation and Request for Attorney's Fees.

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

18 8. All Members of the Class shall be bound by all determinations and judgments in the
19 Litigation concerning the settlement, whether favorable or unfavorable to the Class.

20 9. Class Members who wish to participate in the settlement shall complete and submit
21 Proofs of Claim in accordance with the instructions contained therein. Unless the Court orders
22 otherwise, all Proofs of Claim must be postmarked no later than ninety (90) days from the Notice
23 Date. Any Class Member who does not timely submit a Proof of Claim within the time provided
24 for, shall be barred from sharing in the distribution of the proceeds of the Settlement Fund, unless
25 otherwise ordered by the Court. Notwithstanding the foregoing, Lead Counsel may, in their
26 discretion, accept late-submitted claims for processing by the Claims Administrator so long as
27 distribution of the Net Settlement Fund is not materially delayed thereby. If there are sufficient
28 funds left in the Net Settlement Fund after six months from the initial date of distribution, the Claims

1 Administrator shall make a second distribution in an equitable and economic fashion. As set forth in
2 the Notice, the second distribution would be based on the percentage of the Net Settlement Fund that
3 each such Authorized Claimant bears to the total of the claims of all Authorized Claimants who
4 cashed their check in the initial distribution. Additionally, only Authorized Claims who cashed their
5 check in the initial distribution would receive a second distribution.

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

9 11. Any Person falling within the definition of the Class may, upon request, be excluded
10 from the Class. Any such Person must submit to the Claims Administrator a request for exclusion
11 (“Request for Exclusion”), postmarked no later than **December 30, 2013**. A Request for Exclusion
12 must state: (a) the name, address, and telephone number of the Person requesting exclusion; (b) each
13 of the Person’s purchases and sales of VeriFone Publicly Traded Securities made during the Class
14 Period, including the dates of purchase or sale (unless such information is not readily available), the
15 number of shares of common stock and/or put and call options purchased and sold, and the price
16 paid or received for each such purchase or sale (unless such information is not readily available);
17 and (c) that the Person wishes to be excluded from the Class. Any Person may submit a Request for
18 Exclusion for review if the person cannot find the prices or exact dates of the Person’s purchases and
19 sales of VeriFone Publicly Traded Securities made during the Class Period. All Persons who submit
20 valid and timely Requests for Exclusion in the manner set forth in this paragraph shall have no rights
21 under the Stipulation, shall not share in the distribution of the Net Settlement Fund, and shall not be
22 bound by the Stipulation or the Final Order or Judgment entered in the Litigation.

23 12. Any Member of the Class may appear and show cause, if he, she or it has any, why
24 the proposed settlement of the Litigation should or should not be approved as fair, reasonable, and
25 adequate, why a judgment should or should not be entered thereon, why the Plan of Allocation
26 should or should not be approved, why attorneys’ fees and expenses should or should not be
27 awarded to counsel for the Lead Plaintiff; provided, however, that no Class Member or any other
28 Person shall be heard or entitled to contest such matters, unless that Person has filed said objections,

1 papers, and briefs with the Clerk of the United States District Court for the Northern District of
2 California, on or before **December 30, 2013**. Any Member of the Class who does not make his, her
3 or its objection in the manner provided shall be deemed to have waived such objection and shall
4 forever be foreclosed from making any objection to the fairness or adequacy of the proposed
5 settlement as set forth in the Stipulation, to the Plan of Allocation, or to the award of attorneys' fees
6 and expenses to counsel for Lead Plaintiff, unless otherwise ordered by the Court.

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

10 14. All opening briefs and supporting documents in support of the settlement, the Plan of
11 Allocation, and any application by Lead Counsel for attorneys' fees and expenses shall be filed and
12 served by **December 16, 2013**, fourteen (14) calendar days prior to the deadline for objections in

13 ¶11. Replies to any objections shall be filed and served by **January 16, 2014**, ~~seven (7) calendar~~
14 ~~days prior to the Settlement Hearing~~.

15 15. Neither the Defendants and their Related Parties nor the Defendants' counsel shall
16 have any responsibility for the Plan of Allocation or any application for attorneys' fees or expenses
17 submitted by Lead Counsel, and such matters will be considered separately from the fairness,
18 reasonableness, and adequacy of the settlement.

19 16. At or after the Settlement Hearing, the Court shall determine whether the Plan of
20 Allocation proposed by Lead Counsel and any application for attorneys' fees or payment of
21 expenses shall be approved.

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

27 18. Neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations
28 or proceedings connected with it, shall be construed as an admission or concession by the


1 Defendants of the truth of any of the allegations in the Litigation, or of any liability, fault, or
2 wrongdoing of any kind.

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

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

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12 IT IS SO ORDERED.

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14 Dated: October 16, 2013

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16 EDWARD M. CHEN
17 United States District Judge
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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**
14 **shares eligible for distribution under the Plan of Allocation (described below), the estimated**
15 **average distribution per share of common stock will be approximately \$0.71 before deduction**
16 **of Court-approved fees and expenses, including the cost of notifying Members of the Class and**
17 **settlement administration and any attorneys’ fees and expenses awarded by the Court to**
18 **counsel for the Lead Plaintiff.** Historically, actual claims rates are less than 100%, which result in
19 higher distributions per share. A Class Member’s actual recovery will be a proportion of the Net
20 Settlement Fund determined by that claimant’s recognized claim as compared to the total recognized
21 claims of all 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.

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Claims Administrator:

VeriFone Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040
1-800-447-7657

Representative of Lead Plaintiff’s counsel:

Rick Nelson
Shareholder Relations
Robbins Geller Rudman & Dowd LLP
655 West Broadway, Suite 1900
San Diego, CA 92101
1-800-449-4900

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

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

SUBMIT A CLAIM FORM

If you are a Class Member and do not exclude yourself from the Class, the only way to get a payment is to submit a claim form. You may submit a claim form and still object to any aspect of the settlement, the request for an award of attorneys’ fees and expenses and/or the Plan of Allocation. If you submit a claim form, you give up your right to participate in another lawsuit against the Defendants for the legal claims in this case. See Answer to Question 12 for a more detailed description of what you are giving up if you submit a claim form.

EXCLUDE YOURSELF

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.

OBJECT

If you are a Class Member and do not exclude yourself from the Class, 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. If you submit an objection to the settlement, Plan of Allocation or the request for an award of attorneys’ fees and expenses and do not submit a claim form seeking payment from the settlement proceeds, your objection may be rejected because you would not have an interest in the settlement.

1 **GO TO A HEARING**

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.

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4 **DO NOTHING**

If you do nothing, you will not receive any payment, will not be allowed to object to the settlement and will give up your right to participate in another lawsuit against the Defendants for the legal claims in this case. See Answer to Question 12 for a more detailed description of what you are giving up if you do nothing.

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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.

16 **BASIC INFORMATION**

17 **1. Why did I get this notice package?**

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

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

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

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

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

6 This Litigation alleges that VeriFone and certain of its executives violated the federal
7 securities laws by falsely representing throughout the Class Period that: (1) the Company's April
8 2006 acquisition of Lipman Electronic Engineering Ltd. ("Lipman") would – and did – increase
9 gross margins and earnings in 2007; (2) VeriFone's 1Q07, 2Q07 and 3Q07 financial results were
10 fairly presented in all material respects; (3) they had evaluated the Company's disclosure controls
11 and procedures and concluded they were effective; and (4) the reported increases in 1Q07, 2Q07 and
12 3Q07 gross margins and earnings were the result of higher-margin wireless revenue, better supply
13 chain efficiencies and better sourcing of strategic components, procurement synergies and other
14 factors. Lead Plaintiff alleges that when Defendants disclosed the truth about the Company's
15 financial results, Class Members suffered damages as a result of the decline in the price of VeriFone
16 Publicly Traded Securities.

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

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

20 In a class action, one or more people called class representatives (in this case, the Court-
21 appointed the National Elevator Industry Pension Fund as Lead Plaintiff), sue on behalf of people
22 who have similar claims. All of these people and/or entities are called a class or class members.
23 One judge – in this case, United States District Court Judge Edward M. Chen – resolves the issues
24 for all Class Members, except for those who exclude themselves from the Class.

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

26 The Court did not decide in favor of the Lead Plaintiff or Defendants. Instead, the lawyers
27 for both sides of the lawsuit have negotiated a settlement, with the assistance of the Honorable Layn
28 Phillips (Ret.), a former United States District Court Judge, that they believe is in the best interests

1 of their respective clients. The settlement allows both sides to avoid the risks and cost of lengthy
2 and uncertain litigation and the uncertainty of a trial and appeals, and permits Class Members to be
3 compensated without further delay. The Lead Plaintiff and its attorneys think the settlement is best
4 for all Class Members.

5 **WHO GETS MONEY FROM THE SETTLEMENT**

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

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

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

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

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

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

17 If you still are not sure whether you are included, you can ask for free help. You can call 1-
18 800-447-7657 or visit www.gilardi.com for more information; or, you can call Rick Nelson,
19 Shareholder Relations, Robbins Geller Rudman & Dowd LLP, at 1-800-449-4900 for more
20 information; or, you can fill out and return the Proof of Claim described in Question 10 to see if you
21 qualify.

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

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

24 VeriFone has agreed to pay or cause to be paid \$95,000,000 in cash (the "Settlement Fund").
25 The Settlement Fund, plus interest earned from the date it is established, less costs, fees, and
26 expenses (the "Net Settlement Fund"), will be divided among all eligible Class Members who send
27 in valid Proofs of Claim ("Authorized Claimants"). Costs, fees, and expenses include Court-
28 approved attorneys' fees and expenses, the costs of notifying Class Members, including the costs of

1 printing and mailing this Notice and the cost of publishing newspaper notice, the costs of claims
2 administration, and taxes on the Settlement Fund.

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

4 Your share of the Net Settlement Fund will depend on the number of valid Proofs of Claim
5 that Class Members send in and how many VeriFone Publicly Traded Securities you purchased
6 during the relevant period and when you bought and sold them. You can estimate the payment you
7 might receive if all class members submit claims by inputting your transactions in VeriFone Publicly
8 Traded Securities in a calculator at www.VeriFoneSettlement.com.

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

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

21 A "Claim" will be calculated as follows:

22 **COMMON STOCK**

- 23 1. For shares of VeriFone Systems, Inc. common stock ***purchased on or between August 31,***
24 ***2006 through March 1, 2007***, the claim per share shall be 50% of the following:
- 25 (a) if sold on or between August 31, 2006 through April 1, 2008, the claim per share
26 shall be the lesser of: (i) the inflation in Table A at the time of purchase less the
27 inflation in Table A at the time of sale; or (ii) the difference between the purchase
28 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

1 difference between the purchase price and the sales price; or (iii) the difference
 2 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;

3 (c) if retained at the close of trading on June 30, 2008, or sold thereafter, the claim per
 4 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.

5 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:

6 (a) if sold on or between March 2, 2007 through April 1, 2008, the claim per share shall
 7 be the lesser of: (i) the inflation in Table A at the time of purchase less the inflation
 8 in Table A at the time of sale; or (ii) the difference between the purchase price and
 the sales price;

9 (b) if retained at the end of April 1, 2008 and sold before July 1, 2008, the claim per
 10 share shall be the lesser of (i) the inflation in Table A at the time of purchase; (ii) the
 11 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;

12 (c) if retained at the close of trading on June 30, 2008, or sold thereafter, the claim per
 13 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.

14 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:

15 (a) if sold on or between December 3, 2007 through April 1, 2008, the claim per
 16 share shall be the lesser of: (i) the inflation in Table A at the time of purchase less
 17 the inflation in Table A at the time of sale; or (ii) the difference between the
 purchase price and the sales price;

18 (b) if retained at the end of April 1, 2008 and sold before July 1, 2008, the claim per
 19 share shall be the lesser of (i) the inflation in Table A at the time of purchase; (ii)
 20 the difference between the purchase price and the sales price; or (iii) the
 21 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;

22 (c) if retained at the close of trading on June 30, 2008, or sold thereafter, the claim
 23 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.

24 **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

1	March 2, 2007 - September 6, 2007	\$30.88
2	September 7, 2007 - December 2, 2007	\$33.62
	December 3, 2007	\$11.84
3	December 4, 2007 - January 1, 2008	\$10.25
4	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	
Date	Price	Sales Date		Date	Price	
					April 2, 2008 through	
					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
7 contract less the initial proceeds received upon the sale of the put option
8 contract;
- 9 (ii) not held at the end of any 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 put option is \$0.
- 12 3. For put options on VeriFone Systems, Inc. common stock *written from December 3,*
13 *2007 through April 1, 2008*, 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 put
16 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
17 contract;
- 18 (ii) not held at the end of any 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 put option is \$0.
- 21 4. For put options on VeriFone Systems, Inc. common stock *purchased from August*
22 *31, 2006 through April 1, 2008*, the claim per put option is \$0.

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

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

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

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 If there is sufficient money left in the Net Settlement Fund after six months from the initial
10 date of distribution of the Net Settlement Fund to Class members to make a second distribution, a
11 second distribution from the Net Settlement Fund will be made to Authorized Claimants who cashed
12 their check in the initial distribution. The second distribution would be based on the percentage of
13 the Net Settlement Fund that each such Authorized Claimant bears to the total of the claims of all
14 Authorized Claimants who cashed their check in the initial distribution. Only Authorized Claims
15 who cashed their check in the initial distribution would receive a second distribution. A second
16 distribution would not be made to an Authorized Claimant based on his, her or its transactions in Put
17 and/or Call options if in the initial distribution to all such Authorized Claimants who cashed their
18 checks equaled 3% of the Net Settlement Fund.

19 A second distribution will not be made to an Authorized Claimant if the second distribution
20 would be less than one dollar. Furthermore, a second distribution will not be made if the Net
21 Settlement Fund after six months from the initial date of distribution is less than \$10,000, in which
22 case the remaining funds would be distributed to a nonprofit approved by the Court.

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

25 Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all
26 Authorized Claimants. No Person shall have any claim against Lead Plaintiff, any Plaintiffs'
27 counsel, any claims administrator or other Person designated by Lead Plaintiff's counsel or
28 Defendants and/or the Related Parties and/or the Released Persons and/or their counsel based on

1 distributions made pursuant to the Stipulation and the settlement contained therein, the Plan of
2 Allocation, or further orders of the Court. All Class Members who fail to complete and file a valid
3 and timely Proof of Claim shall be barred from participating in distributions from the Net Settlement
4 Fund (unless otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the
5 Stipulation, including the terms of any order and/or judgment entered and the releases given.

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

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

8 To qualify for a payment, you must send in a Proof of Claim. A Proof of Claim is enclosed
9 with this Notice. Read the instructions carefully, fill out the form, include all the documents the
10 form asks for, sign it, and mail it in the enclosed envelope postmarked no later than January 29,
11 2014.

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

13 The Court will hold a hearing on February 6, 2014, at 1:30 p.m., to decide whether to
14 approve the settlement. If Judge Chen approves the settlement, there may be appeals. It is always
15 uncertain whether these appeals can be resolved favorably, and resolving them can take time,
16 perhaps more than a year. It also takes time for all the claim forms to be processed. If there are no
17 appeals and depending on the number of claims submitted, the Claims Administrator could distribute
18 the Net Settlement Fund as early as nine months after the fairness hearing. Please be patient.

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

20 Unless you exclude yourself, you are staying in the Class, and that means that you cannot
21 sue, continue to sue, or be part of any other lawsuit against the Defendants about the same issues in
22 this case or about issues that could have been asserted in this case. It also means that all of the
23 Court's orders will apply to you and legally bind you and you will release your Released Claims in
24 this case against Defendants and their Related Parties. "Released Claims" means any and all claims,
25 debts, demands, disputes, rights, causes of action, suits, matters, damages, or liabilities of any kind,
26 nature, and character whatsoever (including, but not limited to, any claims for damages, interest,
27 attorneys' fees, expert or consulting fees, and any and all other costs, expenses or liabilities
28 whatsoever), whether under federal, state, local, statutory, common law, foreign law, or any other

1 law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or
2 unliquidated, at law or in equity, matured or unmatured, including Unknown Claims (collectively,
3 “Claims”), that both (1) concern, arise out of, relate to, or are based upon the purchase of VeriFone
4 Publicly Traded Securities during the Class Period and (2) were asserted or could have been asserted
5 by Lead Plaintiff or any Class Member against any of the Released Persons in this Litigation.
6 Released Claims do not include any derivative claims.

7 “Related Parties” means each of a Defendant’s past or present directors, officers, employees,
8 partners, insurers, co-insurers, reinsurers, controlling shareholders, attorneys, accountants or
9 auditors, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions,
10 joint ventures, agents, assigns, spouses, heirs, executors, estates, administrators, related or affiliated
11 entities, any entity in which a Defendant has a controlling interest, any members of any Individual
12 Defendant’s immediate family, or any trust of which any Individual Defendant is the settlor or which
13 is for the benefit of any Individual Defendant’s family.

14 **EXCLUDING YOURSELF FROM THE SETTLEMENT**

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

19 **13. How do I get out of the Class?**

20 To exclude yourself from the Class, you must send a letter by mail stating that you want to be
21 excluded from *In re VeriFone Holdings, Inc. Securities Litigation*, Master File No. 3:07-cv-06140-
22 EMC. You must include your name, address, telephone number, your signature, the number of
23 shares of VeriFone common stock and/or other VeriFone Publicly Traded Securities you purchased
24 and sold between August 31, 2006 and April 1, 2008, inclusive, the dates of such purchases and
25 sales, and unless such information is not readily available, the prices of such purchases and sales. If
26 you cannot find the price or exact dates of your purchases and sales, you can still submit an
27 exclusion request for review. You must mail your exclusion request postmarked no later than
28 December 30, 2013 to:

1 *VeriFone Securities Litigation*
2 Claims Administrator
3 c/o Gilardi & Co. LLC
4 P.O. Box 8040
5 San Rafael, CA 94912-8040

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

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

10 No. Unless you exclude yourself, you give up any right to sue Defendants and their Related
11 Parties for the claims that this settlement resolves. Remember, the exclusion deadline is December
12 30, 2013.

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

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

16 **THE LAWYERS REPRESENTING YOU**

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

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

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

24 At the fairness hearing, Lead Plaintiff's counsel will request the Court to award attorneys'
25 fees of 20% of the Settlement Fund and for expenses up to \$360,000, which were incurred in
26 connection with the Litigation.³ If awarded, the cost would be approximately \$0.14 per share. This
27 compensation will be paid from the Settlement Fund. Class Members are not personally liable for

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

1 any such fees or expenses. To date, Lead Plaintiff's counsel have not received any payment for their
2 services in conducting this Litigation over the past six years on behalf of the Lead Plaintiff and the
3 Class, nor have counsel been paid for their expenses. The fee requested will compensate Lead
4 Plaintiff's counsel for their work in achieving the Settlement Fund and is within the range of fees
5 awarded to class counsel under similar circumstances in other cases of this type. The Court may
6 award less than this amount.

7 **OBJECTING TO THE SETTLEMENT**

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

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

11 If you are a Class Member (and you have not excluded yourself), you can object to the
12 settlement, the request for attorneys' fees and expenses, or the Plan of Allocation if you do not like
13 any part of it. You can give reasons why you think the Court should not approve the settlement, the
14 request for attorneys' fees and expenses, or the Plan of Allocation. The Court will consider your
15 views. To object, you must send a signed letter saying that you object to the proposed settlement in
16 *In re VeriFone Holdings, Inc. Securities Litigation*, Master File No. 3:07-cv-06140-EMC. Be sure
17 to include your name, address, telephone number, your signature, the number of shares of VeriFone
18 Publicly Traded Securities purchased between August 31, 2006 and April 1, 2008, inclusive, and the
19 reasons you object to the settlement, the requested attorneys' fees and expenses, or the Plan of
20 Allocation. Any such objection must be mailed or delivered such that it is received by the following
21 no later than December 30, 2013:

22 *Court:*

23 Clerk of the Court
24 United States District Court
25 Northern District of California
26 450 Golden Gate Avenue
27 San Francisco, CA 94102
28

1 than December 30, 2013 by the Clerk of the Court at the address listed in Question 18. You cannot
2 speak at the hearing if you exclude yourself from the Class.

3
4 **IF YOU DO NOTHING**

5 **23. What happens if I do nothing at all?**

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

9 **GETTING MORE INFORMATION**

10 **24. Are there more details about the settlement?**

11 This Notice summarizes the proposed settlement. More details are in the Stipulation dated
12 August 9, 2013, which has been filed with the Court. You can get a copy of the Stipulation from the
13 Clerk's office at the United States District Court, Northern District of California, 450 Golden Gate
14 Avenue, San Francisco, CA 94102, during regular business hours, or at www.gilardi.com, or you can
15 contact a representative of Lead Counsel at the number and address below in the answer to Question
16 25.

17 **25. How do I get more information?**

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

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

24 If you hold any VeriFone common stock or put and call options purchased between August
25 31, 2006 and April 1, 2008, inclusive, as a nominee for a beneficial owner, then, within ten (10) days
26 after you receive this Notice, you must either: (1) send a copy of this Notice by First-Class Mail to
27 all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims
28 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

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
 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:)	PROOF OF CLAIM AND RELEASE
19	ALL ACTIONS.)	EXHIBIT A-2
20	_____)	

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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 10 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 JANUARY 29, 2014, 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 1-888-283-8026 to obtain the required file layout. No electronic files will
19 be considered to have been properly submitted unless the Claims Administrator issues to the
20 claimant a 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:

January 29, 2014

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						
<input type="radio"/> Put						
<input type="radio"/> Call						
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<input type="radio"/> Put						
<input type="radio"/> Call						
<input type="radio"/> Put						
<input type="radio"/> Call						
<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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<input type="radio"/> Call						

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 10. 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
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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.

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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 February 6, 2014, at 1:30
5 p.m., before the Honorable Edward M. Chen, United States District Judge, at the United States
6 District Court for the Northern District of California, 450 Golden Gate Avenue, Courtroom 5-17th
7 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 January 29, 2014, 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 December 30, 2013.

26 Any objection to any aspect of the settlement must be filed with the Clerk of the Court no
27 later than December 30, 2013.

28

1 **PLEASE DO NOT CONTACT THE COURT OR THE CLERK’S OFFICE**
2 **REGARDING THIS NOTICE.**

3 DATED: _____, 2013

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

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General Information

Court United States District Court for the Northern District of California

Date Filed 2007-12-04 00:00:00