

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.
 16 SECURITIES LITIGATION

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

) CLASS ACTION

17 This Document Relates To:

) DECLARATION OF LAYN R. PHILLIPS IN
 18 SUPPORT OF LEAD PLAINTIFF'S
 19 ALL ACTIONS.) MOTION FOR FINAL APPROVAL OF
 SETTLEMENT

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1 I, LAYN R. PHILLIPS, declare:

2 1. I am a partner in the Newport Beach, California office of Irell & Manella LLP, where
3 I specialize in complex civil litigation, internal investigations and alternative dispute resolution. The
4 vast majority of my time is devoted to alternative dispute resolution.

5 2. Before joining Irell & Manella LLP, I served as a United States District Judge in the
6 Western District of Oklahoma from 1987 to 1991. During my years on the bench, I presided over
7 more than 140 trials in Oklahoma, New Mexico and Texas. I have also sat, by designation, on the
8 United States Court of Appeals for the Tenth Circuit in Denver, Colorado on several occasions. I am
9 a Fellow in the American College of Trial Lawyers. I also serve on the National Panel of the
10 International Institute of Conflict Prevention Resolution.

11 3. Because of my experience, I am often asked by litigants and their attorneys in
12 complex civil cases to serve as a mediator, particularly in complex shareholder and securities
13 litigation. In recent years, I have successfully mediated dozens of securities fraud and shareholder
14 derivative cases pending in various courts across the United States, including cases pending in the
15 Northern District of California.

16 4. I served as the mediator for the settlement negotiations involving *In re VeriFone*
17 *Holdings, Inc. Securities Litigation*, No. C-07-6140-EMC (the "Action"), the securities fraud class
18 action litigation pending before the United States District Court for the Northern District of
19 California. At my request, and as is typical in mediations, the parties' negotiations were conducted
20 in confidence and under my supervision. The parties have requested that I provide this declaration to
21 describe my participation in the mediation process, the nature of the parties' discussions and my
22 opinion of the settlement reached. My statements and those of the parties during the mediation are
23 subject to a confidentiality agreement, and I am not authorized to waive and do not intend to waive
24 that agreement.

25 5. As the mediator, I closely observed the progress of the Action while presiding over
26 the settlement negotiations between the parties. The negotiations that led to the settlement currently
27 being considered by the Court for approval were difficult and extremely hard fought on all sides.
28 The settlement negotiations included one full-day in-person mediation session on March 26, 2013, in

1 Newport Beach, California. Thereafter, extensive discussions continued telephonically, including
2 direct discussions between myself and plaintiffs, defendants and VeriFone's insurance carriers until
3 terms were agreed upon in June 2013. These negotiations were conducted at arm's length, carefully,
4 and in good faith by all parties. The mediation process involved extensive analysis of the parties'
5 positions, including the merits of plaintiffs' securities fraud claims, orders of this Court and the
6 United States Court of Appeals for the Ninth Circuit on VeriFone's motions to dismiss, defendants'
7 potential defenses, the amount of available directors' and officers' liability insurance and
8 defendants' financial condition.

9 6. I have reviewed the final terms of the Stipulation of Settlement, dated August 9, 2013,
10 and I firmly believe that the settlement is fair, reasonable and adequate and should be approved by
11 this Court. There is no question in my mind that the settlement reached represents a considered
12 judgment by plaintiffs' counsel, Robbins Geller Rudman & Dowd LLP, who are among the most
13 capable and experienced lawyers in the country and who took on a risky and complicated case,
14 including a successful appeal to the Ninth Circuit, and that the proposed settlement is fair and
15 reasonable.

16 I declare under penalty of perjury under the laws of the United States of America that the
17 foregoing is true and correct. I executed this Declaration at Newport Beach, California on
18 November 30, 2013.



LAYN R. PHILLIPS
Former U.S. District Court Judge

CERTIFICATE OF SERVICE

I hereby certify that on December 16, 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 December 16, 2013.

s/ CHRISTOPHER P. SEEFER

CHRISTOPHER P. SEEFER

ROBBINS GELLER RUDMAN
& DOWD LLP
Post Montgomery Center
One Montgomery Street, Suite 1800
San Francisco, CA 94104
Telephone: 415/288-4545
415/288-4534 (fax)
E-mail: ChrisS@rgrdlaw.com

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**
steve@hbsslw.com,robert@hbsslw.com,heatherw@hbsslw.com
- **Francis A. Bottini, Jr**
fbottini@bottinilaw.com,sammirati@bottinilaw.com
- **Jiyoun Chung**
jiyoun.chung@shearman.com
- **Brendan P. Cullen**
cullenb@sullcrom.com,carrjo@sullcrom.com,s&cmanagingclerk@sullcrom.com,greenn@sullcrom.com,carrejoa@sullcrom.com,McCauleyr@sullcrom.com
- **Timothy Alan DeLange**
kelly.mcdaniel@blglaw.com,timothyd@blglaw.com
- **Francis Anthony DiGiaccio**
fdigiaccio@rgrdlaw.com
- **Jordan Eth**
jeth@mofocom,jarahman@mofocom
- **Linda M. Fong**
lfong@kaplanfox.com
- **Daniel C. Girard**
dcg@girardgibbs.com,mce@girardgibbs.com
- **Nathaniel Lyon Green**
greenn@sullcrom.com
- **Eli Greenstein**
egreenstein@ktmc.com
- **Stanley M. Grossman**
singrossman@pomlaw.com
- **Sverker Kristoffer Hogberg**
carjo@sullcrom.com,hogbergs@sullcrom.com
- **Lewis S. Kahn**
lewis.kahn@kgsounsel.com
- **Reed R. Kathrein**
reed@hbsslw.com,peterb@hbsslw.com,pashad@hbsslw.com,sf_filings@hbsslw.com
- **Nicole Catherine Lavallee**
nvallee@bermandevalerio.com,ysoboleva@bermandevalerio.com
- **Jonathan Krasne Levine**
jkl@girardgibbs.com,amv@girardgibbs.com
- **Jeremy A Lieberman**
jalieberman@pomlaw.com
- **Mark Cotton Molumphy**
mmolumphy@cpmlegal.com,rbarghi@cpmlegal.com,obacigahupi@cpmlegal.com,jacosta@cpmlegal.com
- **Alan Roth Plutzik**
aplutzik@bramsonplutzik.com
- **Juden Justice Reed**
plee@schubert-reed.com,akeng@schubert-reed.com,rschubert@schubert-reed.com
- **Karen Hanson Riebel**
khribel@locklaw.com,brgilles@locklaw.com
- **Darren Jay Robbins**
e_file_sd@rgrdlaw.com
- **Patrick David Robbins**
probbins@shearman.com,rcheatham@shearman.com
- **Dana Anthony Rodriguez**
drodriguez@mofocom,lyan@mofocom
- **Eran Rubinstein**
erubinstein@chitwoodlaw.com

- **Robert Andrew Sacks**
sacksr@sullcrom.com,s&cmanagingclerk@sullcrom.com
- **Robert C. Schubert**
rschubert@schubertlawfirm.com
- **Christopher Paul Seefer**
chriss@rgrdlaw.com,khuang@rgrdlaw.com,ptiffith@rgrdlaw.com,e_file_sd@rgrdlaw.com,e_file_sf@rgrdlaw.com
- **Aaron M. Sheanin**
asheanin@pswlaw.com,yberry@pswlaw.com
- **Arthur L. Shingler , III**
ashingler@scott-scott.com,efile@scott-scott.com
- **Michael Howard Steinberg**
steinbergm@sullcrom.com,elsono@sullcrom.com,s&cmanagingclerk@sullcrom.com
- **Joel B. Strauss**
jstrauss@kaplanfox.com
- **Sean Travis Strauss**
sstrauss@truckerhuss.com,mbresso@truckerhuss.com,cdyke@truckerhuss.com,ssimon@truckerhuss.com
- **Sanford Svetcov**
sandys@rgrdlaw.com,e_file_sd@rgrdlaw.com,e_file_sf@rgrdlaw.com
- **Joseph J. Tabacco , Jr**
jtabacco@bermandevalerio.com,ysoboleva@bermandevalerio.com
- **David Conrad Walton**
davew@rgrdlaw.com
- **Shawn A. Williams**
shawnw@rgrdlaw.com,khuang@rgrdlaw.com,e_file_sd@rgrdlaw.com,e_file_sf@rgrdlaw.com
- **Steven Noel Williams**
swilliams@cpmlegal.com,jverducci@cpmlegal.com,jlein@cpmlegal.com,azapala@cpmlegal.com,pmenzel@cpmlegal.com,gkim@cpmlegal.com,bdoe@cpmlegal.com
- **Christopher Martin Wood**
cwood@rgrdlaw.com

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.

Jeffrey P. Campisi
Kaplan, Fox & Kilsheimer LLP
805 Third Avenue, 14th Floor
New York, NY 10022