

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:
ALL ACTIONS.

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

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

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

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

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

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

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

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

Deadlines:

Submit Claim: January 29, 2014
Request Exclusion: December 30, 2013
File Objection: December 30, 2013

Court Hearing on Fairness of Settlement: February 6, 2014

More Information: www.verifonesettlement.com or

Claims Administrator:	Representative of Lead Plaintiff's counsel:
<i>VeriFone Securities Litigation</i>	Rick Nelson
Claims Administrator	Shareholder Relations
c/o Gilardi & Co. LLC	Robbins Geller Rudman & Dowd LLP
P.O. Box 8040	655 West Broadway, Suite 1900
San Rafael, CA 94912-8040	San Diego, CA 92101
1-888-283-8026	1-800-449-4900

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

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

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

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.
- 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.
- 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.
- 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.

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

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

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

2. What is this lawsuit about?

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

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

3. Why is this a class action?

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

4. Why is there a settlement?

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

WHO GETS MONEY FROM THE SETTLEMENT

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

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

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

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

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

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

If you still are not sure whether you are included, you can ask for free help. You can call 1-888-283-8026 or visit www.verifonesettlement.com for more information; or, you can call Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, at 1-800-449-4900 for more information; or, you can fill out and return the Proof of Claim described in Question 10 to see if you qualify.

THE SETTLEMENT BENEFITS – WHAT YOU GET

8. What does the settlement provide?

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

9. How much will my payment be?

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

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

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

A "claim" will be calculated as follows:

COMMON STOCK

1. For shares of VeriFone 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 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 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;
 - (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.

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

TABLE B

Average Closing Price from			Average Closing Price from		
Sales Date	Closing Price	April 2, 2008 through Sales Date	Sales Date	Closing 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			

CALL/PUT OPTIONS

Call Options

1. For call options on VeriFone common stock ***purchased from August 31, 2006 through March 1, 2007***, and
 - (i) held at the end of any of the following dates: December 2, 2007, December 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim per call option is 50% of the difference between the price paid for the call option less the proceeds received upon the settlement of the call option contract;
 - (ii) not held at the end of any of the following dates: December 2, 2007, December 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim per call option is \$0.
2. For call options on VeriFone common stock ***purchased from March 2, 2007 through December 2, 2007***, and
 - (i) held at the end of any of the following dates: December 2, 2007, December 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim per call option is the difference between the price paid for the call option less the proceeds received upon the settlement of the call option contract;
 - (ii) not held at the end of any of the following dates: December 2, 2007, December 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim per call option is \$0.
3. For call options on VeriFone common stock ***purchased from December 3, 2007 through April 1, 2008***, and
 - (i) held at the end of any of the following dates: December 2, 2007, December 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim per call option is 50% of the difference between the price paid for the call option less the proceeds received upon the settlement of the call option contract;
 - (ii) not held at the end of any of the following dates: December 2, 2007, 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 common stock ***written from August 31, 2006 through April 1, 2008***, the claim per call option is \$0.

Put Options

1. For put options on VeriFone common stock ***written from August 31, 2006 through March 1, 2007***, and
 - (i) held at the end of any of the following dates: December 2, 2007, December 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;
 - (ii) not held at the end of any of the following dates: December 2, 2007, December 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim per put option is \$0.
2. For put options on VeriFone common stock ***written from March 2, 2007 through December 2, 2007***, and
 - (i) held at the end of any of the following dates: December 2, 2007, December 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;
 - (ii) not held at the end of any of the following dates: December 2, 2007, December 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim per put option is \$0.
3. For put options on VeriFone common stock ***written from December 3, 2007 through April 1, 2008***, and
 - (i) held at the end of any of the following dates: December 2, 2007, December 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;
 - (ii) not held at the end of any of the following dates: December 2, 2007, December 3, 2007, January 1, 2008, March 5, 2008 and/or April 1, 2008, the claim per put option is \$0.
4. For put options on VeriFone common stock ***purchased from August 31, 2006 through April 1, 2008***, the claim per put option is \$0.

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

Note: The combined recovery for the put/call options shall not exceed 3% of the Net Settlement Fund.

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

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

If there is sufficient money left in the Net Settlement Fund after six months from the initial date of distribution of the Net Settlement Fund to Class Members to make a second distribution, a second distribution from the Net Settlement Fund will be made to Authorized Claimants who cashed their check in the initial distribution. The second distribution would be based on the percentage of the Net Settlement Fund that each such Authorized Claimant bears to the total of the claims of all Authorized Claimants who cashed their check in the initial distribution. Only Authorized Claimants who cashed their check in the initial distribution would receive a second distribution. A second distribution would not be made to an Authorized Claimant

based on his, her or its transactions in put and/or call options if in the initial distribution to all such Authorized Claimants who cashed their checks equaled 3% of the Net Settlement Fund.

A second distribution will not be made to an Authorized Claimant if the second distribution would be less than one dollar. Furthermore, a second distribution will not be made if the Net Settlement Fund after six months from the initial date of distribution is less than \$10,000, in which case the remaining funds would be distributed to Bay Area Legal Aid pursuant to ¶5.6 of the Stipulation.

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

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

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

10. How will I get a payment?

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

11. When would I get my payment?

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

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

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

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

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 Publicly Traded Securities you purchased and sold between August 31, 2006 and April 1, 2008, inclusive, the dates of such purchases and sales, and unless such information is not readily available, the prices of such purchases and sales. If you cannot find the price or exact dates of your purchases and sales, you can still submit an exclusion request for review. You must mail your exclusion request postmarked no later than December 30, 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 December 30, 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.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

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

17. How will the lawyers be paid?

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

OBJECTING TO THE SETTLEMENT

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

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

If you are a Class Member (and you have not excluded yourself), you can object to the settlement, the request for attorneys' fees and expenses, or the Plan of Allocation if you do not like any part of it. You can give reasons why you think the Court should not approve the settlement, the request for attorneys' fees and expenses, or the Plan of Allocation. The Court will consider your views. To object, you must send a signed letter saying that you object to the proposed settlement 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, the number of shares of VeriFone Publicly Traded Securities purchased between August 31, 2006 and April 1, 2008, inclusive, and the reasons you object to the settlement, the requested attorneys' fees and expenses, or the Plan of Allocation. Any such objection must be mailed or delivered such that it is received by the following no later than December 30, 2013:

Court:
Clerk of the Court
United States District Court
Northern District of California
450 Golden Gate Avenue
San Francisco, CA 94102

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.

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 1:30 p.m., on February 6, 2014, 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.

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

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

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.verifonesettlement.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 of the Litigation, you can call 1-888-283-8026 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.verifonesettlement.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:

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: October 16, 2013

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