

Waller Elmore
Form 4
October 12, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Waller Elmore

2. Issuer Name and Ticker or Trading Symbol
VERIFONE SYSTEMS, INC. [PAY]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
C/O VERIFONE SYSTEMS, INC., 2099 GATEWAY PLACE, SUITE 600
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
10/11/2010

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP, Integrated Solutions

SAN JOSE, CA 95110

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock | 10/11/2010 | | S | 4,815 D \$ 28.0112 | 2,316 | D | |
| Common Stock, par value \$0.01 per share | 10/11/2010 | | M | 1,250 A \$ 1,250 | 3,566 | D | |
| Common Stock, par value \$0.01 per | 10/11/2010 | | S ⁽³⁾ | 1,250 D \$ 28.0112 | 2,316 | D | |

share

Common Stock, par value \$0.01 per share
 10/11/2010 M 10,000 A \$ 10 12,316 D

Common Stock, par value \$0.01 per share
 10/11/2010 S⁽³⁾ 10,000 D \$ 28.0112 2,316 D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| Employee Stock Option (right to buy) | \$ 3.05 | 10/11/2010 | | M | 1,250 | ⁽¹⁾ 12/09/2013 | Common Stock, par value \$0.01 per share 1,250 |
| Employee Stock Option (right to buy) | \$ 10 | 10/11/2010 | | M | 10,000 | ⁽²⁾ 01/07/2015 | Common Stock, par value \$0.01 per share 10,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--------------------------------|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |

Waller Elmore
C/O VERIFONE SYSTEMS, INC.
2099 GATEWAY PLACE, SUITE 600
SAN JOSE, CA 95110

EVP, Integrated Solutions

Signatures

Carolyn Belamide for Elmore
Waller 10/12/2010

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) 20% of these options became exercisable on 1/1/2005 and an additional 5% of these options became exercisable at the end of each subsequent three month period thereafter.
- (2) 20% of these options became exercisable on 2/1/2006 and an additional 5% of these options became exercisable at the end of each subsequent three month period thereafter.
- (3) The Sale was effected by Mr. Waller to a Rule 10b5-1 sales plan effective as of September 8, 2010.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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