

Galant Paul  
Form 4  
August 22, 2018

**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 \*  
Galant Paul

(Last) (First) (Middle)

C/O VERIFONE SYSTEMS, INC., 88 WEST PLUMERIA DRIVE

(Street)

SAN JOSE, CA 95134

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

VERIFONE SYSTEMS, INC. [PAY]

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

08/20/2018

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
CEO

6. Individual or Joint/Group Filing (Check Applicable Line)

Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**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 Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock, par value \$0.01 per share	08/20/2018		D	236,267	D 0.01	0	D

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

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SEC 1474 (9-02)

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**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 Security (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount of Underlying Security
Stock Option (right to buy)	\$ 23	08/20/2018		D	500,000	<u>(8)</u>	09/30/2020	Common Stock, par value \$0.01 per share	500,000
Restricted Stock Units <u>(4)</u>	\$ 0	08/20/2018		D	141,219	08/20/2018 <sup>(5)</sup>	<u>(5)</u>	Common Stock, par value \$0.01 per share	141,219
Restricted Stock Units <u>(4)</u>	\$ 0	08/20/2018		D	90,578	08/20/2018 <sup>(5)</sup>	<u>(5)</u>	Common Stock, par value \$0.01 per share	90,578
Restricted Stock Units <u>(4)</u>	\$ 0	08/20/2018		D	26,625	08/20/2018 <sup>(5)</sup>	<u>(5)</u>	Common Stock, par value \$0.01 per share	26,625
Restricted Stock Units <u>(4)</u>	\$ 0	08/20/2018		D	7,225	08/20/2018 <sup>(5)</sup>	<u>(5)</u>	Common Stock, par value \$0.01 per share	7,225
Restricted Stock Units <u>(6)</u>	\$ 0	08/20/2018		D	147,406	08/20/2018 <sup>(7)</sup>	<u>(7)</u>	Common Stock, par value \$0.01 per share	147,406
Restricted Stock Units <u>(6)</u>	\$ 0	08/20/2018		D	126,711	08/20/2018 <sup>(7)</sup>	<u>(7)</u>	Common Stock, par value \$0.01 per share	126,711

Restricted							Common
Stock	\$ 0	08/20/2018	D	108,187	08/20/2018 <sup>(7)</sup>	<u>(7)</u>	Stock, par
Units <sup>(6)</sup>							value 108
							\$0.01 per
							share

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Galant Paul C/O VERIFONE SYSTEMS, INC. 88 WEST PLUMERIA DRIVE SAN JOSE, CA 95134	X		CEO	

## Signatures

/s/ Paul Galant, by Vik Varma, his  
Attorney-in-Fact

08/21/2018

\_\_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) At the effective time of the merger contemplated by the Agreement and Plan of Merger, dated as of April 9, 2018, by and among VeriFone Systems, Inc. (the "Company"), Vertex Holdco LLC, and Vertex Merger Sub LLC (the "Effective Time"), each issued and outstanding share of common stock of the Company (each, a "Share") held by Mr. Galant was converted into the right to receive \$23.04 in cash, without interest.

(2) At the Effective Time, (a) each outstanding vested option (or vested portion thereof) to purchase Shares (each, a "Vested Company Option") was cancelled and converted into the right to receive (without interest), no later than three business days after the Effective Time, an amount in cash equal to the product obtained by multiplying (i) the total number of Shares subject to such Vested Company Option immediately prior to the Effective Time by (ii) the excess, if any, of \$23.04 over the exercise price per Share of such Vested Company Option, less withholding taxes; and (b) each outstanding unvested option (or unvested portion thereof) to purchase Shares (each, an "Unvested Company Option") was cancelled and converted into the right to receive an amount in cash, without interest,

(3) (Continued from footnote 2) equal to the product obtained by multiplying (i) the total number of Shares subject to such Unvested Company Option immediately prior to the Effective Time by (ii) the excess, if any, of (A) \$23.04 over (B) the exercise price per Share of such Unvested Company Option less withholding taxes, which remains subject to the same vesting schedule that applied to such Unvested Company Option immediately prior to the Effective Time.

(4) Represents restricted stock units subject only to service-based vesting conditions (a "Company RSU") under the Company's stock plans.

(5) At the Effective Time, each outstanding Company RSU under the Company's stock plans was converted into the right to receive an amount in cash (without interest) equal to the product obtained by multiplying (i) the total number of Shares subject to such Company RSU immediately prior to the Effective Time by (ii) \$23.04, less withholding taxes, and otherwise remains subject to the same vesting schedule that applied immediately prior to the Effective Time.

(6) Represents restricted stock units subject to performance-based vesting conditions (a "Company P-RSU") under the Company's stock plans.

(7) At the Effective Time, each outstanding Company P-RSU was converted into the right to receive an amount in cash (without interest) equal to the product obtained by multiplying (i) the total number of Shares subject to such Company P-RSU immediately prior to the Effective Time based on the actual performance through the Effective Time by (ii) \$23.04, less withholding taxes, and otherwise remains subject to the same vesting schedule that applied immediately prior to the Effective Time.

(8)

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25% of these Vested Company Options vested on the first anniversary of October 1, 2014. Thereafter, 6.25% of these Vested Company Options vested at the end of each subsequent three month period until these Vested Company Options had fully vested.

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