

VERIFONE SYSTEMS, INC.

Form S-4

December 21, 2010

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As filed with the Securities and Exchange Commission on December 21, 2010

Registration No.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM S-4
REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

VeriFone Systems, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

3578
(Primary Standard Industrial
Classification Code Number)

04-3692546
(I.R.S. Employer
Identification Number)

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2099 Gateway Place, Suite 600

San Jose, California 95110

(408) 232-7800

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Albert Y. Liu

Senior Vice President and General Counsel

VeriFone Systems, Inc.

2099 Gateway Place, Suite 600

San Jose, California 95110

(408) 232-7800

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

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APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE OF THE SECURITIES TO THE PUBLIC: As soon as possible after this Registration Statement is declared effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

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If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
 Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company
 If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Per Share	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(2)
Common Stock, \$0.01 par value	16,593,522 shares	Not applicable	\$662,745,268.68	\$47,253.74

- (1) This Registration Statement relates to the maximum number of shares of common stock, par value \$0.01 per share (VeriFone Common Stock), of VeriFone Systems, Inc. (VeriFone) issuable to holders of common stock, par value \$0.001 per share (Hypercom Common Stock), of Hypercom Corporation (Hypercom) in the proposed merger of Honey Acquisition Co., a wholly owned subsidiary of VeriFone, with and into Hypercom. The amount of VeriFone Common Stock to be registered has been determined by multiplying the maximum number of shares of Hypercom Common Stock that may be outstanding immediately prior to the completion of the transaction by 0.23 (the number of shares of VeriFone Common Stock to be issued for each outstanding share of Hypercom Common Stock).
- (2) Estimated solely for purposes of calculating the registration fee required by the Securities Act of 1933, as amended, and computed pursuant to Rule 457(c) and Rule 457(f) based on (i) \$39.94, the average of the high and low per share prices of VeriFone Common Stock on the New York Stock Exchange on December 20, 2010 and (ii) the maximum number of shares of VeriFone Common Stock to be received by holders of Hypercom Common Stock.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this proxy statement/prospectus is not complete and may be changed. VeriFone may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This proxy statement/prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION. DATED DECEMBER 21, 2010

MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

Dear Stockholders:

We are writing to you today about the proposed merger of Hypercom Corporation (which we refer to as Hypercom) with a subsidiary of VeriFone Systems, Inc. (which we refer to as VeriFone).

If the merger is completed, Hypercom stockholders will receive 0.23 shares of VeriFone common stock for each share of Hypercom common stock they own.

VeriFone common stock is traded on the New York Stock Exchange under the trading symbol PAY. Based on the closing price of VeriFone common stock on _____, 2010 of \$ _____, the record date for holders of Hypercom common stock to vote at the special meeting, the value of the per share consideration to be received by Hypercom stockholders would be \$ _____ per share of Hypercom common stock. The implied value of the merger consideration will fluctuate as the market price of the VeriFone common stock fluctuates.

Hypercom is holding a special meeting of stockholders (which we refer to as the special meeting) in order to obtain the approval necessary to complete the merger as more fully described in this proxy statement/prospectus. The merger cannot be completed unless the holders of a majority of the outstanding shares of Hypercom common stock entitled to vote at the special meeting approve and adopt the merger agreement and approve the merger. At the special meeting, Hypercom stockholders will be asked to vote on the merger described in the attached proxy statement/prospectus. Under Delaware law, holders of Hypercom common stock are not entitled to statutory dissenters' rights.

Only holders of record of Hypercom common stock at the close of business on _____, 2010 are entitled to attend and vote at the special meeting or any adjournment thereof.

The Hypercom board of directors has (1) reviewed and considered the terms and conditions of the merger agreement, (2) unanimously determined that the merger is fair to, and in the best interests of, Hypercom and its stockholders, considering the fairness opinion of UBS Securities LLC and such other factors as the board of directors has deemed appropriate and (3) unanimously approved the merger agreement, the merger and all of the transactions contemplated by the merger agreement. **The Hypercom board of directors unanimously recommends that Hypercom stockholders vote FOR the proposal to approve and adopt the merger agreement and approve the merger.**

The merger will not be completed unless the stockholders of Hypercom approve the proposal related to the merger. **Your vote is very important, regardless of the number of shares you own. Whether or not you plan to attend the special meeting, please vote all proxy cards that you receive as soon as possible to ensure that your shares are represented at the special meeting.**

The attached proxy statement/prospectus provides you with detailed information about VeriFone, Hypercom, the merger agreement and the merger. We encourage you to read the entire proxy statement/prospectus carefully, including the Risk Factors section beginning on page 26.

Yours sincerely,

/s/ Norman Stout
Norman Stout

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Chairman of the Board
Hypercom Corporation

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if the accompanying proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated _____, 2010, and is first being mailed to Hypercom stockholders on or about _____, 2010.

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Sources of Additional Information

This proxy statement/prospectus incorporates important business and financial information about VeriFone and Hypercom from documents that are not included in or delivered with this proxy statement/prospectus. Documents relating to VeriFone incorporated by reference are available from VeriFone without charge, excluding all exhibits unless VeriFone has specifically incorporated by reference an exhibit in this proxy statement/prospectus. Documents relating to Hypercom incorporated by reference are available from Hypercom without charge, excluding all exhibits unless Hypercom has specifically incorporated by reference an exhibit in this proxy statement/prospectus. You may obtain documents incorporated by reference in this proxy statement/prospectus by requesting them in writing or by telephone or e-mail from the applicable company at the following addresses and telephone numbers:

VeriFone Systems, Inc.	Hypercom Corporation
Attention: Investor Relations	Attention: Investor Relations
2099 Gateway Place, Suite 600	8888 East Raintree Drive, Suite 300
San Jose, California 95110	Scottsdale, Arizona, 85260
ir@verifone.com	stsujita@hypercom.com
(408) 232-7979	(480) 642-5000

If you would like to request documents from VeriFone or Hypercom, please do so by , in order to ensure that you receive them before the special meeting.

If you have any questions about the special meeting, the merger or this proxy statement/prospectus or need additional copies of this proxy statement/prospectus or the documents incorporated by reference into this proxy statement/prospectus, please send your request in writing or by telephone to Innisfree M&A Incorporated, Hypercom's information agent and proxy solicitor, at the following address and telephone numbers:

Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, New York 10022
(888) 750-5834 (toll-free)
Banks & Brokers Call Collect:
(212) 750-5833

For a more detailed description of the information incorporated by reference into this proxy statement/prospectus and how you may obtain it, see **Where You Can Find More Information** on page 117.

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ABOUT THIS DOCUMENT

This document, which forms part of a registration statement on Form S-4 filed with the SEC by VeriFone (File No.), constitutes a prospectus of VeriFone under Section 5 of the Securities Act of 1933, as amended, which we refer to as the Securities Act, with respect to the VeriFone common stock to be issued to Hypercom stockholders as required by the merger agreement. This document also constitutes a proxy statement of Hypercom under Section 14(a) of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act. It also constitutes a notice of meeting with respect to the special meeting of Hypercom stockholders, at which Hypercom's stockholders will be asked to consider and vote upon a proposal to approve and adopt the merger agreement and approve the merger.

VeriFone has supplied all information contained or incorporated by reference in this proxy statement/prospectus relating to VeriFone and Hypercom has supplied all such information relating to Hypercom. VeriFone and Hypercom have not authorized anyone to provide you with information that is different from what is contained in this proxy statement/prospectus.

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HYPERCOM CORPORATION

8888 EAST RAINTREE DRIVE, SUITE 300

SCOTTSDALE, ARIZONA, 85260

(480) 642-5000

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON _____, 2011

To all Hypercom stockholders:

Notice is hereby given that a special meeting of stockholders of Hypercom Corporation, a Delaware corporation, will be held at the principal executive offices of Hypercom located at 8888 East Raintree Drive, Suite 300, Scottsdale, Arizona 85260 on _____, _____, 2011 at 9:00 a.m. Arizona time for the following purposes:

1. To approve and adopt the Agreement and Plan of Merger, dated as of November 17, 2010, by and among Hypercom, VeriFone Systems, Inc., a Delaware corporation, and Honey Acquisition Co., a Delaware corporation and a wholly owned subsidiary of VeriFone, and approve the merger contemplated by the merger agreement;
2. To approve the adjournment of the special meeting of stockholders of Hypercom, if necessary, for any purpose, including to solicit additional proxies if there are not sufficient votes to approve and adopt the merger agreement and approve the merger at the time of the special meeting of stockholders of Hypercom; and
3. To conduct any other business that properly comes before the special meeting of stockholders of Hypercom or any adjournment or postponement of such special meeting.

Only stockholders of record on the close of business on _____, 2010, the record date, are entitled to vote at the special meeting or any postponement or adjournment of the meeting. You are cordially invited to the meeting.

The presence of a majority of the shares entitled to vote, present in person or represented by proxy, will constitute a quorum at a meeting of stockholders.

By order of the Board of Directors of
Hypercom Corporation

/s/ Norman Stout

Norman Stout
Chairman of the Board

Scottsdale, Arizona

, 2010

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REGARDLESS OF THE NUMBER OF SHARES OF HYPERCOM COMMON STOCK YOU OWN OR WHETHER YOU PLAN TO ATTEND THE MEETING, IT IS IMPORTANT THAT YOUR SHARES BE REPRESENTED AND VOTED. THE MERGER CANNOT BE COMPLETED UNLESS THERE IS A QUORUM PRESENT OR REPRESENTED AT THE SPECIAL MEETING AND THE HOLDERS OF A MAJORITY OF THE OUTSTANDING SHARES OF HYPERCOM COMMON STOCK ENTITLED TO VOTE AT THE SPECIAL MEETING APPROVE AND ADOPT THE MERGER AGREEMENT AND APPROVE THE MERGER. THEREFORE, WE URGE YOU TO COMPLETE, SIGN, DATE AND RETURN THE ACCOMPANYING PROXY CARD IN THE ENCLOSED PRE-ADDRESSED, POSTAGE-PAID ENVELOPE. RETURNING THE PROXY CARD DOES NOT DEPRIVE YOU OF YOUR RIGHT TO ATTEND THE MEETING AND TO VOTE YOUR SHARES IN PERSON. YOUR VOTE IS VERY IMPORTANT.

YOUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR APPROVAL AND ADOPTION OF THE MERGER AGREEMENT AND APPROVAL OF THE MERGER.

PLEASE DO NOT RETURN YOUR HYPERCOM SHARE CERTIFICATES WITH YOUR ENCLOSED PROXY.

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Questions and Answers about the Merger

The following are some of the questions that you, as a stockholder of Hypercom, may have, and answers to those questions. These questions and answers, as well as the following summary, are not meant to be a substitute for the information contained in the remainder of this proxy statement/prospectus, and this information is qualified in its entirety by the more detailed descriptions and explanations contained elsewhere in this proxy statement/prospectus. We urge you to read this proxy statement/prospectus in its entirety prior to making any decision.

Q: Why am I receiving this proxy statement/prospectus?

A: VeriFone and Hypercom have entered into a merger agreement. Upon completion of the merger, Hypercom will become a wholly owned subsidiary of VeriFone. In order to complete the merger, Hypercom stockholders must approve the proposal relating to the merger at the special meeting. The Hypercom proposal to approve and adopt the merger agreement and approve the merger must be approved by holders of a majority of the outstanding shares of Hypercom common stock entitled to vote at the special meeting.

We have included in this proxy statement/prospectus important information about the merger, the merger agreement and the special meeting of Hypercom stockholders. You should read this information carefully and in its entirety. We have also attached a copy of the merger agreement as Annex A. The enclosed voting materials allow you to vote your shares without attending the applicable special meeting. **Your vote is very important and we encourage you to vote your proxy as soon as possible.**

Q: What do I need to do now?

A: Read and consider the information contained in this proxy statement/prospectus carefully, and then please vote your shares as soon as possible by returning your proxy so that your shares may be represented at the special meeting. Your proxy card or voting instruction card must be received, or you must vote using the telephone or Internet if available, no later than _____, Eastern time, on _____, 2011 in order for your shares to be voted at the special meeting, unless you attend and vote at the special meeting.

Q: What will Hypercom stockholders receive in the merger?

A: If the merger is completed, Hypercom stockholders will receive 0.23 shares of VeriFone common stock for each share of Hypercom common stock they own.

The exchange ratio will not change even if the market prices of Hypercom common stock or VeriFone common stock fluctuate. Therefore, the market value of the VeriFone common stock that Hypercom stockholders will receive if the merger is completed will fluctuate up or down with fluctuations in the market price of VeriFone common stock.

Q: What is the aggregate consideration to be paid by VeriFone for all of the outstanding shares of Hypercom common stock?

A: Based on the number of shares of Hypercom common stock outstanding as of the record date, VeriFone will issue in the aggregate an estimated _____ shares of VeriFone common stock. Assuming the exercise of all Hypercom options and warrants outstanding as of the record date, VeriFone would issue an additional _____ shares of VeriFone common stock in the merger.

Q: When do you expect the merger to be completed?

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- A: We are working towards completing the merger as quickly as reasonably possible. Several conditions must be satisfied or waived before the merger is completed. We hope to complete the merger promptly after obtaining certain regulatory approvals, and the satisfaction or waiver of the other conditions to the merger. We currently expect the merger to close in the second half of 2011. See the section of this proxy statement/prospectus titled "The Merger Agreement - Conditions to Completion of the Merger" for a summary description of these conditions.

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Q: What happens if the merger is not completed?

A: If the merger agreement is not adopted by Hypercom stockholders or if the merger is not completed for any other reason, you will not receive any payment for your shares of Hypercom common stock in connection with the merger. Instead, Hypercom will remain an independent public company and Hypercom common stock will continue to be listed and traded on the NYSE. If the merger agreement is terminated under specified circumstances, Hypercom may be required to pay VeriFone a termination fee of \$12.2 million, or VeriFone may be required to pay Hypercom a termination fee of \$28.4 million or \$30.4 million, as described under *The Merger Agreement Termination Fee Payable by Hypercom and Termination Fee Payable by VeriFone*.

Q: Are Hypercom stockholders entitled to dissenters or appraisal rights?

A: No. Under the Delaware General Corporation Law, holders of Hypercom common stock are not entitled to statutory dissenters or appraisal rights in connection with the merger.

Q: Will Hypercom stockholders be able to trade any VeriFone common stock that they receive in the merger?

A: Yes. The VeriFone common stock that Hypercom stockholders will receive will be freely tradable, unless held by an affiliate of VeriFone. VeriFone's common stock is listed on the New York Stock Exchange under the symbol *PAY*.

Q: What will happen to unexercised Hypercom stock options, restricted stock and Hypercom warrants?

A: Under the terms of the merger agreement, prior to the closing of the merger, Hypercom will take actions to fully vest all Hypercom stock options and restricted stock awards that were outstanding as of November 17, 2010. In addition, certain senior officers are entitled to vesting of any equity awards held upon termination of employment without cause or resignation for good cause occurring prior to the merger or within 12 months thereafter. See *Interests of Certain Persons in the Merger Change of Control Plan*. Following the merger, each outstanding stock option under Hypercom's stock option plans will be converted into an option to purchase a number of shares of VeriFone common stock equal to the product of (i) the number of shares of Hypercom common stock subject to such option immediately prior to the effective time of the merger and (ii) 0.23, subject to certain adjustments that may be required to comply with U.S. tax law. The exercise price of each option will equal the exercise price prior to the merger, divided by 0.23. Each option will otherwise continue to be governed by the same terms and conditions as applicable under Hypercom's stock option plan. Holders of restricted stock will receive the same merger consideration as other holders of Hypercom common stock: 0.23 shares of VeriFone common stock for each share of Hypercom common stock, with any unvested stock issued after November 17, 2010 and not subject to acceleration by the terms of the applicable award or under the Hypercom Change of Control Plan continuing to be subject to vesting restrictions.

At the effective time of the merger, each outstanding warrant to purchase shares of Hypercom common stock will be converted into a warrant to acquire a number of shares of VeriFone common stock equal to the number of shares of Hypercom common stock subject to such warrant multiplied by 0.23. The exercise price of each warrant will equal the exercise price prior to the merger, divided by 0.23. Following the effective time of the merger, each Hypercom warrant will continue to be governed by the same terms and conditions as were applicable under such warrant immediately prior to the effective time of the merger.

Q: Are there any risks related to the proposed transaction or any risks related to owning VeriFone common stock?

A: Yes. You should carefully review the section entitled *Risk Factors* beginning on page 26.

Q: Will the rights of Hypercom stockholders change as a result of the merger?

A: Yes. When the merger is complete, Hypercom stockholders will become VeriFone stockholders and their rights as stockholders will be governed by VeriFone's certificate of incorporation and bylaws. There are numerous differences between the rights and responsibilities of a stockholder of Hypercom and the rights and responsibilities of a stockholder of VeriFone. Please see *Comparison of Rights of VeriFone Stockholders and Hypercom Stockholders* beginning on page 110 for a discussion of the different rights associated with VeriFone common stock.

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Questions and Answers about the Special Meeting

Q: When and where will the special meeting be held?

A: The special meeting is scheduled to be held at 8888 East Raintree Drive, Suite 300, Scottsdale, Arizona 85260, at 9:00 a.m., Arizona time, on _____, 2011.

Q: Who is entitled to vote at the special meeting?

A: Hypercom has fixed _____, 2010 as the record date for the special meeting. If you are a Hypercom stockholder at the close of business on the record date, you are entitled to vote on matters that come before the special meeting. However, a Hypercom stockholder may only vote his or her shares if he or she is present in person or is represented by proxy at the special meeting.

Q: What are the recommendations of the Hypercom board of directors?

A: The Hypercom board of directors has approved the merger agreement, the merger and the related transactions contemplated by the merger agreement and determined that these transactions are fair to and in the best interests of its stockholders. The Hypercom board of directors recommends that Hypercom stockholders vote FOR the proposal to approve and adopt the merger agreement and approve the merger and FOR the adjournment of the special meeting, if necessary, for any purpose, including to solicit additional proxies in favor of the approval and adoption of the merger agreement and approval of the merger. See The Merger Hypercom s Reasons for the Merger; Recommendation of the Hypercom Board of Directors on page 70.

Q: How can I vote?

A: If you are entitled to vote at the special meeting, you can vote in person at the special meeting, or you can vote by proxy before the special meeting. Even if you plan to attend the special meeting, we encourage you to vote your shares by proxy as soon as possible. After carefully reading and considering the information contained in this proxy statement/prospectus, please submit your proxy in accordance with the instructions set forth on the enclosed proxy card. For detailed information, please see Information about the Special Meeting How to Vote beginning on page 55.

The vote required to approve and adopt the merger agreement and approve the merger at the special meeting is a majority of the outstanding shares of Hypercom common stock entitled to vote.

Q: What happens if a Hypercom stockholder does not indicate how to vote on the proxy card?

A: If Hypercom stockholders do not include instructions on how to vote their properly signed and dated proxy card, their shares will be voted FOR the approval and adoption of the merger agreement and approval of the merger. They would also be voted FOR the adjournment of the special meeting, if necessary, for any purpose, including to solicit additional proxies in favor of the approval and adoption of the merger agreement and approval of the merger and in the discretion of the proxy holders, on any other business that may properly come before the special meeting.

Q: *What happens if I do not vote?*

A: Approval of the proposal to be presented at the special meeting requires the affirmative vote of holders of a majority of the outstanding shares of Hypercom common stock entitled to vote at the special meeting. Stockholders who represent a majority of the shares of Hypercom entitled to vote must be present in person or represented by proxy in order to constitute a quorum to conduct business at a meeting of stockholders. Abstentions and broker non-votes count as present for establishing a quorum.

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If a quorum is present at the special meeting, your failure to return your proxy card or vote in person at the meeting or your abstention from voting will have the same effect as a vote AGAINST the approval and adoption of the merger agreement and approval of the merger.

Q: If my shares are held in street name by my broker, will my broker vote my shares for me?

A: If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial holder of the shares held for you in what is known as street name. If this is the case, this proxy statement/prospectus has been forwarded to you by your brokerage firm, bank or other nominee, or their agent. As the beneficial holder, you have the right to direct your broker, bank or other nominee as to how to vote your shares. If you do not provide your broker, bank or other nominee with instructions on how to vote your street name shares, your broker, bank or other nominee will not be permitted to vote them on the proposal to approve and adopt the merger agreement and approve the merger. You should therefore be sure to provide your broker, bank or other nominee with instructions on how to vote your shares.

Q: Have any Hypercom equityholders agreed to vote for the merger agreement and the merger?

A: In connection with the merger, VeriFone entered into a support agreement with FP Hypercom Holdco, LLC and Francisco Partners II, L.P., pursuant to which FP Hypercom Holdco, LLC and Francisco Partners II, L.P. agreed to vote any shares of Hypercom common stock held by them in favor of the merger. As of December 17, 2010, FP Hypercom Holdco, LLC holds a warrant to purchase 10,544,000 shares of Hypercom common stock but based on information received from Francisco Partners II, L.P. neither Francisco Partners II, L.P. nor FP Hypercom Holdco, LLC holds any shares of Hypercom common stock. Accordingly, assuming FP Hypercom Holdco, LLC does not exercise its warrant prior to the record date and neither Francisco Partners II, L.P. nor FP Hypercom Holdco, LLC acquires any shares of Hypercom common stock, FP Hypercom Holdco, LLC and Francisco Partners II, L.P. will not be entitled to vote at the special meeting. The support agreement is attached as Annex B to this proxy statement/prospectus.

Q: Can I change my vote after I have signed and returned my proxy card or voting instruction card?

A: Yes. You can change your vote at any time before your proxy is voted at the special meeting. You can do this in one of three ways:

you can send a written notice stating that you would like to revoke your proxy, provided that the notice is received at least 24 hours prior to the time set for the special meeting or is presented at the special meeting to the chairman of the meeting;

you can complete and submit a new proxy card dated later than the first proxy card, provided that the new proxy card is received at least 24 hours prior to the time set for the special meeting or is presented at the special meeting to the chairman of the meeting; or

you can attend the special meeting, and file a written or make an oral notice of revocation of your proxy with the chairman of the meeting and then vote in person.

Your attendance alone will not revoke your proxy. If you have instructed a broker to vote your shares, you must follow your broker's directions to change those instructions.

Q: If a stockholder purchased Hypercom common stock after the record date, may the stockholder vote these shares at the special meeting?

A: A stockholder is not entitled to vote shares of Hypercom common stock purchased after the record date.

Q: Should Hypercom stockholders send in their Hypercom share certificates now?

A: No, please do not send Hypercom share certificates together with the proxy card.

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Q: What should Hypercom stockholders do if they have questions?

A: If Hypercom stockholders have any questions about the special meeting, the merger or this proxy statement/prospectus, or if they need additional copies of this proxy statement/prospectus or the enclosed proxy card, they should contact Hypercom's information and proxy solicitation agent, Innisfree M&A Incorporated at:

Innisfree M&A Incorporated

501 Madison Avenue, 20th Floor

New York, New York 10022

(888) 750-5834 (toll-free)

Banks & Brokers Call Collect:

(212) 750-5833

In addition, if Hypercom stockholders have any questions about the merger or if they need additional copies of this proxy statement/prospectus, they may contact:

Hypercom Corporation

8888 East Raintree Drive, Suite 300

Attention: Investor Relations

Scottsdale, Arizona, 85260

stsujita@hypercom.com

Telephone: (480) 642-5000

If their broker holds their shares, they may also call their broker for additional information.

VeriFone will also provide you with copies of the information relating to VeriFone, without charge, upon written or oral request to:

VeriFone Systems, Inc.

Attention: Investor Relations

2099 Gateway Place, Suite 600

San Jose, California 95110

ir@verifone.com

(408) 232-7979

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Summary

*This summary highlights selected information from this proxy statement/prospectus and may not contain all of the information that is important to you. To understand the merger fully, you should read carefully this entire proxy statement/prospectus and the documents we refer to. See **Where You Can Find More Information** on page 117. The merger agreement is attached as Annex A to this proxy statement/prospectus and is incorporated herein by reference. We encourage you to read it, as it is the most important legal document that governs the merger. We have included page references in parentheses to direct you to a more complete description contained elsewhere in this proxy statement/prospectus of the topics presented in this summary. In this proxy statement/prospectus, unless stated to the contrary or the context requires otherwise, the terms *we*, *our*, *ours*, and *us* refer to VeriFone and Hypercom.*

The Companies

(Page 58)

VeriFone Systems, Inc.

2099 Gateway Place, Suite 600

San Jose, California 95110

(408) 232-7800

VeriFone Systems, Inc. is a global leader in secure electronic payment solutions. VeriFone provides expertise, solutions, and services that add value to the point of sale with merchant-operated, consumer-facing, and self-service payment systems for the financial, retail, hospitality, petroleum, transportation, government, and healthcare vertical markets. Since 1981, VeriFone has designed and marketed system solutions that facilitate the long-term shift toward electronic payment transactions and away from cash and checks. VeriFone's net revenues were \$1,001.5 million in the year ended October 31, 2010.

Hypercom Corporation

8888 East Raintree Drive, Suite 300

Scottsdale, Arizona 85260

(480) 642-5000

Hypercom Corporation is one of the largest global providers of complete electronic payment and transaction solutions and value-added services at the point of transaction. Hypercom's customers include domestic and international financial institutions, electronic payment processors, transaction network operators, retailers, system integrators, independent sales organizations and distributors. Hypercom also sells its products to companies in the hospitality, transportation, healthcare, prepaid card and restaurant industries. Hypercom products enable its customers to accept a wide range of payments and other transactions, including credit cards, signature and PIN (Personal Identification Number) based debit cards, contactless identification and near field communications, stored-value cards, and electronic benefits transfer. Hypercom delivers convenience and value to businesses that depend on reliable, secure, high-speed and high-volume electronic transactions.

Honey Acquisition Co.

2099 Gateway Place, Suite 600

San Jose, California 95110

(408) 232-7800

Honey Acquisition Co. is a newly-formed, wholly owned subsidiary of VeriFone. VeriFone formed this subsidiary as a Delaware corporation solely to effect the merger, and this subsidiary has not conducted and will not conduct any business during any period of its existence.

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Special Meeting

(Page 54)

The special meeting will be held on _____, 2011, at 8888 East Raintree Drive, Suite 300, Scottsdale, Arizona 85260, commencing at 9:00 a.m., Arizona time.

Stockholders Entitled to Vote at the Special Meeting; Required Vote

(Pages 54 and 55)

The close of business on _____, 2010 has been set as the record date for the special meeting. Only Hypercom stockholders on the record date are entitled to notice of and to vote at the special meeting. Each share of Hypercom common stock will be entitled to one vote on each matter to be acted upon at the special meeting.

The affirmative vote of holders of a majority of the outstanding shares of Hypercom common stock entitled to vote at the special meeting is required to approve and adopt the merger agreement and approve the merger.

The Merger

(Page 59)

In the merger, Honey Acquisition Co. will be merged with and into Hypercom. Hypercom will be the surviving corporation and will become a wholly owned subsidiary of VeriFone.

Consideration

(Page 59)

If the merger agreement is adopted and the merger is completed, each holder of shares of common stock of Hypercom will receive for each such share 0.23 shares of VeriFone common stock.

Fractional Shares

(Page 59)

Hypercom stockholders will not receive fractional shares of VeriFone common stock. Instead, they will receive the cash value, without interest, of any fractional share of VeriFone common stock that they might otherwise have been entitled to receive.

Treatment of Stock Options, Restricted Stock and Warrants

(Page 90)

Under the terms of the merger agreement, prior to the closing of the merger, Hypercom will take actions to fully vest all Hypercom stock options and restricted stock awards that were outstanding as of November 17, 2010. In addition, certain senior officers are entitled to vesting of any equity awards held upon termination of employment without cause or resignation for good cause occurring prior to the merger or within 12 months thereafter. See *Interests of Certain Persons in the Merger Change of Control Plan*. Following the merger, each outstanding stock option under Hypercom's stock option plans will be converted into an option to purchase a number of shares of VeriFone common stock equal to the product of (i) the number of shares of Hypercom common stock subject to such option immediately prior to the effective time of the merger and (ii) 0.23, subject to certain adjustments that may be required to comply with U.S. tax law. The exercise price of each option will equal the exercise price prior to the merger, divided by 0.23. Holders of restricted stock will receive the same merger consideration as other holders of Hypercom common stock: 0.23 shares of VeriFone common stock for each share of Hypercom common stock, with any unvested stock issued after November 17, 2010 and not subject to acceleration by the terms of the applicable award or under the Hypercom Change of Control Plan continuing to be subject to vesting restrictions.

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At the effective time of the merger, each outstanding warrant to purchase shares of Hypercom common stock will be converted into a warrant to acquire a number of shares of VeriFone common stock equal to the

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product of (i) the number of shares of Hypercom common stock subject to such warrant and (ii) 0.23. The exercise price of each warrant will equal the exercise price prior to the merger, divided by 0.23.

The Merger Agreement

(Page 83)

The merger agreement is attached as Annex A to this proxy statement/prospectus. You should read the merger agreement in its entirety. It is the most important legal document governing the merger.

Hypercom's Reasons for the Merger; Recommendation of the Hypercom Board of Directors

(Page 70)

After careful consideration, the Hypercom board of directors approved the merger agreement. The Hypercom board of directors recommends that Hypercom stockholders vote FOR the approval and adoption of the merger agreement and the approval of the merger.

In reaching its decision to approve the merger agreement and to recommend that Hypercom stockholders vote to approve and adopt the merger agreement and approve the merger, the Hypercom board of directors consulted with Hypercom's management and Hypercom's financial and legal advisors and considered a number of strategic, financial and other considerations referred to under "The Merger" Hypercom's Reasons for the Merger; Recommendation of the Hypercom Board of Directors" beginning on page 70.

Opinion of Hypercom's Financial Advisor

(Page 72)

UBS Securities LLC delivered its opinion to the Hypercom board of directors that, as of November 16, 2010 and based upon and subject to various assumptions made, matters considered and limitations described in its opinion, the exchange ratio provided for in the merger was fair, from a financial point of view, to the holders of Hypercom's common stock (other than FP Hypercom Holdco, LLC and its affiliates). UBS Securities LLC provided its opinion for the benefit of Hypercom's board of directors in connection with, and for the purpose of, its evaluation of the exchange ratio from a financial point of view and did not address any other aspect of the merger. The UBS Securities LLC opinion is not a recommendation as to how any holder of Hypercom common stock should vote or act with respect to the merger. FP Hypercom Holdco, LLC maintains two designees on the board of directors of Hypercom.

The full text of the written opinion of UBS Securities LLC, dated November 16, 2010, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken by UBS Securities LLC, is attached as Annex C and is incorporated into this proxy statement/prospectus by reference. UBS Securities LLC is entitled to receive a transaction fee from Hypercom payable upon completion of the merger. We encourage you to read the opinion of UBS Securities LLC in its entirety.

Interests of Certain Persons/Share Ownership by Directors and Executive Officers of Hypercom

(Page 80)

When considering the recommendation by Hypercom's board of directors to vote FOR the proposal to approve and adopt the merger agreement and approve the merger, you should be aware that some officers of Hypercom have interests in the merger that may be different from your interests. No executive officers of Hypercom have executed employment terms sheets or letters with VeriFone.

As of December 17, 2010, the directors and executive officers of Hypercom and their affiliates, as a group, held approximately 1.47% of the outstanding shares of Hypercom common stock, including restricted stock and

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excluding stock options. The vote of holders of a majority of the outstanding shares of Hypercom common stock entitled to vote at the special meeting is required to approve and adopt the merger agreement and approve the merger.

Ownership of VeriFone Following the Merger

Hypercom stockholders collectively will receive an estimated 12,878,363 shares of VeriFone common stock in the merger based on the number of shares of Hypercom common stock outstanding, excluding shares issuable upon exercise of options and warrants outstanding, on December 17, 2010.

Based on the number of shares of VeriFone and Hypercom common stock, including restricted stock, outstanding as of December 17, 2010 existing Hypercom stockholders will own 12.8% of the shares of VeriFone common stock outstanding immediately after the merger.

Stock Exchange Listings

(Page 79)

If the merger is completed, Hypercom stockholders will be able to trade the shares of VeriFone common stock they receive in the merger on the New York Stock Exchange.

Conditions to Completion of the Merger

(Page 91)

Mutual Conditions. The obligations of VeriFone and Hypercom to complete the merger are subject to the satisfaction or waiver, at or prior to the effective time of the merger, of each of the following conditions, among others:

the adoption of the merger agreement by Hypercom's stockholders;

unless VeriFone and Hypercom have agreed after consultation with their respective outside counsel that no filing under the HSR Act is required, the waiting period applicable to the completion of the merger under the Hart-Scott-Rodino Antitrust Improvement Act of 1976, or HSR Act, having expired or been terminated, and all governmental consents and any other notification, waiting period, or approval requirements under the comparable antitrust or competition laws of other applicable foreign jurisdictions in which either party has operations or from which either party derives revenues (which in either case are not de minimis) and which are legally required to be made or obtained at or prior to the effective time of the merger having been made or obtained without the imposition of any term, condition or consequence, subject to certain exceptions;

if one or more asset purchase agreements have been entered into for asset dispositions in connection with regulatory matters, then (i) all of the conditions to the closing under such asset purchase agreements having been satisfied or waived, and (ii) Hypercom and the applicable transferee having effectuated the applicable disposition;

the approval for listing on the NYSE of the VeriFone common stock to be issued pursuant to the merger;

the absence of any statute, law, ordinance, rule, regulation, judgment, decree, injunction or other order that restrains, enjoins or otherwise prohibits completion of the merger or the other transactions contemplated by the merger agreement;

the effectiveness of the registration statement of which this proxy statement/prospectus forms a part;

receipt by each of Hypercom and VeriFone of written opinions from their respective counsel to the effect that, for U.S. federal income tax purposes, the merger will constitute a reorganization within the meaning of Section 368 of the Internal Revenue Code;

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the accuracy of the representations and warranties made in the merger agreement by the other party, subject to certain materiality thresholds;

performance in all material respects by the other party of the obligations required to be performed by it at or prior to the completion of the merger; and

the absence of a material adverse effect (as defined in the merger agreement) with respect to the other party.

Additional VeriFone Conditions. VeriFone's obligation to complete the merger is also subject to the satisfaction or waiver by VeriFone at or prior to the effective time of the merger of the following condition, among others:

no court or governmental entity of competent jurisdiction having instituted any suit, action or proceeding seeking to (i) prohibit, limit, restrain or impair VeriFone's ability to own or operate or to retain or change all or a material portion of the assets, licenses, operations, rights, product lines, businesses or interest of Hypercom or of VeriFone, other than with respect to the disposition of businesses or assets that, in the aggregate, would not exceed the threshold of \$124 million of aggregate gross revenues during the 2009 fiscal year as set forth in the merger agreement, or (ii) prohibit or limit VeriFone's ability to vote, transfer, receive dividends or otherwise exercise full ownership rights with respect to Hypercom.

Regulatory Approvals and Reasonable Best Efforts

(Page 94)

VeriFone and Hypercom cannot complete the merger unless they receive certain regulatory approvals. Under the merger agreement and subject to the terms and conditions of the merger agreement, VeriFone and Hypercom have each agreed to cooperate with each other and use their respective reasonable best efforts to take or cause to be taken all actions, and do or cause to be done all things, reasonably necessary, proper or advisable on its part under the merger agreement and applicable laws to complete the merger.

VeriFone has agreed that reasonable best efforts includes a requirement by VeriFone to agree to sell or otherwise dispose of, and to sell or otherwise dispose of, businesses or assets that, subject to certain exceptions, in the aggregate, produced aggregate gross revenues in an amount not in excess of \$124 million for VeriFone or Hypercom during the 2009 fiscal year, if such action should be reasonably necessary for certain closing conditions in the merger agreement to be met.

Termination

(Page 96)

VeriFone and Hypercom can agree to terminate the merger agreement at any time prior to the effective time of the merger, whether before or after the adoption of the merger agreement by Hypercom's stockholders. In addition, either VeriFone or Hypercom can terminate the merger agreement, if any of the following occurs:

the merger is not completed by August 31, 2011 (subject to extension to November 30, 2011 by written notice of VeriFone if, as of that date, all conditions to the merger agreement have been satisfied or waived, other than certain conditions relating to regulatory consents or the absence of certain litigation proceedings);

Hypercom's stockholders do not approve and adopt the merger agreement and approve the merger at the special meeting or at any adjournment or postponement thereof at which a vote upon the merger agreement and merger was taken; or

any order permanently restraining, enjoining or otherwise prohibiting completion of the merger becomes final and non-appealable.

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In addition, Hypercom may terminate the merger agreement at any time prior to the effective time of the merger, whether before or after the adoption of the merger agreement by Hypercom stockholders, if

at any time prior to the time of the adoption of the merger agreement by Hypercom stockholders, (i) Hypercom's board of directors authorizes Hypercom, subject to complying with the terms of the merger agreement, to enter into an alternative acquisition agreement with respect to a superior proposal not obtained in violation of the merger agreement, and (ii) Hypercom prior to such termination pays to VeriFone the \$12.2 million termination fee; or

there has been a breach of any representation, warranty, covenant or agreement made by VeriFone in the merger agreement, or any such representation and warranty has become untrue after the date of the merger agreement, in each case such that certain conditions to Hypercom's obligation to complete the merger agreement would not be satisfied and such breach or failure to be true is not curable or, if curable, is not cured within 30 days after written notice thereof is given by Hypercom to VeriFone.

In addition, VeriFone may terminate the merger agreement at any time prior to the effective time of the merger, if:

Hypercom's board of directors has withheld, withdrawn or modified its recommendation to Hypercom's stockholders to approve and adopt the merger agreement or has, following a public announcement of opposition to the merger or the other transactions contemplated by the merger agreement made by a person holding more than five percent of the Hypercom common stock, failed to reconfirm its recommendation to Hypercom's stockholders to approve and adopt the merger agreement within the period of time beginning upon Hypercom's receipt of a written request by VeriFone to do so and ending on the date that is ten business days after Hypercom's receipt of such request (unless VeriFone has already made two such requests and Hypercom has complied with such requests);

either (i) Hypercom has failed to convene and hold the meeting of stockholders prior to the later of the date that is 45 days after the date as of which the Securities and Exchange Commission, or SEC, staff has confirmed that it has no additional comments on the proxy statement (subject to adjournment from time to time) or (ii) the minimum number of shares of Hypercom common stock necessary to constitute a quorum for the transaction of business has been represented in person or by proxy at the Hypercom stockholders meeting and Hypercom has failed to take a vote of stockholders on the merger and the merger agreement at such meeting;

a tender offer or exchange offer for outstanding shares of Hypercom common stock has been publicly disclosed (other than by VeriFone) and Hypercom's board of directors recommends that Hypercom's stockholders tender their shares in such tender or exchange offer or, within ten business days after the commencement of such tender or exchange offer, Hypercom's board of directors fails to recommend that Hypercom's stockholders not tender any shares into such tender or exchange offer;

Hypercom's board of directors has recommended to Hypercom's stockholders any alternative acquisition proposal;

Hypercom has entered into an acquisition agreement with respect to an alternative acquisition proposal; or

there has been a breach of any representation, warranty, covenant or agreement made by Hypercom in the merger agreement, or any representations and warranties become untrue after the date of the merger agreement, in each case such that certain conditions to closing of VeriFone would not be satisfied and such breach or condition is not curable or, if curable, is not cured within 30 days after written notice thereof is given by VeriFone to Hypercom.

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Termination Fee

(Page 97)

Hypercom Termination Fee. Hypercom has agreed to pay to VeriFone a termination fee equal to \$12.2 million if (i) prior to the Hypercom stockholder vote, the Hypercom board of directors approves a superior proposal and authorizes Hypercom to enter into an alternative acquisition agreement or (ii) VeriFone terminates the merger agreement after:

Hypercom's board of directors has withdrawn, adversely modified or failed to appropriately reconfirm its approval or recommendation of the merger agreement as described above;

Hypercom has failed to convene and hold the Hypercom stockholders meeting prior to the later of the date that is 45 days after the date as of which the SEC has confirmed that it has no additional comments on the proxy statement;

Hypercom has failed to take a vote of Hypercom stockholders on the merger agreement at a stockholders meeting where a quorum for the transaction of business was present;

Hypercom's board of directors has recommended that stockholders tender their shares into a tender or exchange offer of another person or failed to recommend that Hypercom stockholders not tender any shares into such a tender or exchange offer;

Hypercom's board of directors has recommended to its stockholders any alternative acquisition proposal; or

Hypercom has entered into an alternative acquisition agreement with respect to a superior proposal. In addition, if there has been a bona fide acquisition proposal publicly disclosed, announced, commenced, submitted or made by a third-party, and the merger agreement is then terminated by either VeriFone or Hypercom under the provision allowing for termination following August 31, 2011 or November 30, 2011, as applicable, if the transaction has not yet been consummated, or under the provision allowing for termination if Hypercom's stockholders fail to approve the merger agreement in a stockholder meeting at which a vote upon the merger agreement was taken, and within 12 months of such termination, Hypercom enters into a definitive agreement with respect to any other acquisition proposal that is ultimately consummated, then Hypercom must pay VeriFone the \$12.2 million termination fee.

VeriFone Termination Fee. So long as Hypercom has not breached in any material respect its covenants under the merger agreement (to the extent such covenants relate to antitrust or competition law matters), if the merger agreement is terminated:

based on the entry of any order relating to antitrust or competition law, or

based on the failure to consummate the merger by the termination date, and at the time of such termination all the conditions to the closing (other than the conditions relating to regulatory consents, the absence of any order restraining completion of the merger in connection with antitrust or competition law or certain related litigation proceedings, the accuracy of VeriFone's representations and warranties, and VeriFone's performance of its obligations under the merger agreement) have been satisfied or waived, then VeriFone must pay to Hypercom a fee equal to \$28.4 million. However, if VeriFone elects to extend the termination date and such termination occurs after August 31, 2011, then VeriFone must pay to Hypercom a termination fee equal to \$30.4 million. This termination fee will not be payable by VeriFone if (1) VeriFone has waived in writing any condition related to antitrust or competition matters and is prepared to consummate the merger notwithstanding the failure of such condition, and (2) the completion of the merger notwithstanding the failure of such condition would not reasonably be expected to subject any officer or director of Hypercom to personal liability.

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Additional Covenants

(Page 94)

VeriFone and Hypercom have agreed that through the earlier of the effective time of the merger (if the closing occurs) and the six-month period following termination of the merger agreement (if the closing does not occur), neither will solicit for hire certain specified officers or key employees of the other party, or, except where this restriction is prohibited by law, hire any such employee. However, nothing in the merger agreement prohibits solicitation and hiring by means of a general advertisement not directed at any particular individual or the employees of the other party generally, or responding to and hiring an employee of the other party who initiates contact with the applicable party provided that such contact is not solicited by the applicable party.

In addition, VeriFone and Hypercom have agreed that they will not seek to effect, announce or communicate, any potential reduction or elimination of the other party's products or services or change in the pricing thereof.

In the case of the first breach, if any, of either of the two covenants described above, the breaching party will have three days in which to cure the breach. If the initial breach is not cured within this three-day period, or if there is any subsequent breach, the breaching party must pay the other party, within three business days of notice of the breach, \$1 million. However, these amounts must only be paid in the event of a breach caused by or at the instructions of or with the consent of or prior knowledge of (if the senior officer does not use reasonable efforts to prevent such breach and does not direct or re-direct) the applicable person to refrain from such activity after obtaining such knowledge) one or more senior officers of the breaching party.

In addition, VeriFone has agreed with Hypercom that following the closing of the merger, it would fulfill any Hypercom customer agreements or purchase orders entered into in the ordinary course of business consistent with Hypercom's current business practices, unless the customer agrees otherwise, as well as provide certain hardware and software support for specified periods as described under "The Merger Agreement - Additional Covenants".

Litigation Related to the Merger

(Page 79)

In connection with the announced merger, several purported class action lawsuits have been filed in Arizona and Delaware state courts alleging variously, among other things, that the board of directors of Hypercom breached its fiduciary duties in not securing a higher price in the merger and that VeriFone, Hypercom, FP Hypercom Holdco, LLC and Francisco Partners II, L.P. aided and abetted that alleged breach. The actions seek injunctive relief and unspecified damages.

No Dissenters' or Appraisal Rights

(Page 79)

Under Delaware law, no dissenters' or appraisal rights are available to Hypercom stockholders.

Material U.S. Federal Income Tax Consequences

(Page 76)

The merger is intended to constitute a reorganization for United States federal income tax purposes. If so treated, the exchange of your shares of Hypercom common stock for shares of VeriFone common stock generally will not cause you to recognize gain or loss for U.S. federal income tax purposes. However, you will recognize income or gain with respect to cash received in lieu of any fractional shares of VeriFone common stock. It is a

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condition to the merger that VeriFone and Hypercom receive legal opinions as to the United States federal income tax treatment of the merger with respect to our companies and our stockholders. These opinions will not bind the Internal Revenue Service, which could take a different view.

The consequences of the merger to any particular stockholder will depend on that stockholder's particular facts and circumstances. Accordingly, you are urged to consult your own tax advisor to determine your own tax consequences from the merger. See the section of this proxy statement/prospectus titled "The Merger - Material U.S. Federal Income Tax Consequences" for a summary discussion of material U.S. federal income tax consequences of the merger to U.S. holders.

You should consult your tax advisor about the particular tax consequences of the merger to you.

Risk Factors and Cautionary Statement Concerning Forward-Looking Statements

(Pages 26 and 53)

Both companies have made forward-looking statements in this proxy statement/prospectus and have made forward-looking statements in the documents that are incorporated by reference. Forward-looking statements are subject to risks and uncertainties. Forward-looking statements include information concerning possible or assumed future results of operations of VeriFone, Hypercom or the combined company. When words such as "expects," "anticipates," "intends," "plans" and similar expressions are used, we are making forward-looking statements.

If you are a Hypercom stockholder, you should note that an investment in VeriFone common stock involves risks and uncertainties. You should consider these risk factors in evaluating how to vote your shares of Hypercom common stock at the special meeting.

Comparison of Rights of Hypercom Stockholders and VeriFone Stockholders

(Page 110)

Hypercom's charter and bylaws and Delaware corporate law govern the rights of Hypercom stockholders. VeriFone's charter and bylaws and Delaware corporate law will govern your rights as a stockholder of VeriFone following the merger. Your rights under VeriFone's charter and bylaws will differ in some respects from your rights under Hypercom's charter and bylaws.

Support Agreement

(Page 82)

In connection with the merger, VeriFone entered into a support agreement with FP Hypercom Holdco, LLC and Francisco Partners II, L.P., pursuant to which FP Hypercom Holdco, LLC and Francisco Partners II, L.P. agreed to vote any shares of Hypercom common stock held by them in favor of the merger. As of December 17, 2010, FP Hypercom Holdco, LLC holds a warrant to purchase 10,544,000 shares of Hypercom common stock but based on information received from Francisco Partners II, L.P. neither Francisco Partners II, L.P. nor FP Hypercom Holdco, LLC holds any shares of Hypercom common stock. Accordingly, assuming FP Hypercom Holdco, LLC does not exercise its warrant prior to the record date and neither Francisco Partners II, L.P. nor FP Hypercom Holdco, LLC acquires any shares of Hypercom common stock, FP Hypercom Holdco, LLC and Francisco Partners II, L.P. will not be entitled to vote at the special meeting. The support agreement is attached as Annex B to this proxy statement/prospectus.

Table of Contents**Summary of VeriFone Selected Financial Data**

The following selected financial information of VeriFone is provided to aid your analysis of the financial aspects of the merger. When you read this summary historical financial data, it is important that you also read VeriFone's historical consolidated financial statements and related notes incorporated by reference into this proxy statement/prospectus, as well as the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" in VeriFone's annual and quarterly reports incorporated by reference into this proxy statement/prospectus. See "Where You Can Find More Information" on page 117.

The consolidated statements of operations data set forth below for the years ended October 31, 2010, 2009 and 2008 and the consolidated balance sheet data as of October 31, 2010 and 2009 are derived from VeriFone's audited consolidated financial statements that are incorporated by reference in this proxy statement/prospectus. The consolidated statements of operations data for the years ended October 31, 2007 and 2006 and the consolidated balance sheet data as of October 31, 2008, 2007 and 2006 are derived from VeriFone's audited consolidated financial statements not incorporated by reference in this proxy statement/prospectus.

	2006	Fiscal Year Ended October 31,			2010(6)(7)
		2007(2)(3)	2008(2)(4)	2009(2)(5)	
		(in thousands, except per share data)			
Consolidated Statements of Operations Data:					
Net revenues	\$ 581,070	\$ 902,892	\$ 921,931	\$ 844,714	\$ 1,001,537
Cost of net revenues	319,525	603,660	628,900	562,585	631,225
Gross profit	261,545	299,232	293,031	282,129	370,312
Operating expenses:					
Research and development	47,353	65,430	75,622	65,148	74,227
Sales and marketing	58,607	96,295	91,457	73,544	94,666
General and administrative	42,573	80,704	126,625	76,468	84,371
Impairment of goodwill and intangible assets			289,119	175,512	
Amortization of purchased intangible assets	4,703	21,571	26,033	20,423	14,624
In-process research and development		6,752			
Total operating expenses	153,236	270,752	608,856	411,095	267,888
Operating income (loss)	108,309	28,480	(315,825)	(128,966)	102,424
Interest expense	(13,617)	(41,310)	(42,209)	(26,476)	(28,344)
Interest income	3,372	6,702	5,981	1,517	1,278
Other income (expense), net	(6,394)	(7,882)	(13,181)	5,716	2,887
Income (loss) before income taxes	91,670	(14,010)	(365,234)	(148,209)	78,245
Provision (benefit) for income taxes	32,159	22,915	45,838	9,246	(20,582)
Net income (loss)	\$ 59,511	\$ (36,925)	\$ (411,072)	\$ (157,455)	\$ 98,827
Net income (loss) per common share:					
Basic	\$ 0.90	\$ (0.45)	\$ (4.88)	\$ (1.86)	\$ 1.16
Diluted	\$ 0.86				