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E-Filed 11/12/09

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

VERIFONE HOLDINGS, INC. and PAUL
PERIOLAT,

Defendants.

CASE NO.: CV 09 4046 RS

**STIPULATION RE FINAL
JUDGMENT AGAINST
DEFENDANT PAUL PERIOLAT**

CASE No. CV 09 4046 RS

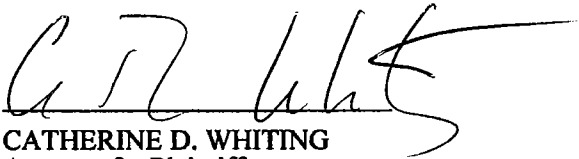
**STIPULATION RE FINAL JUDGMENT
AGAINST PAUL PERIOLAT**

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Plaintiff Securities and Exchange Commission ("Commission") and Defendant Paul Periolat ("Defendant") through their respective attorneys of record, hereby stipulate and ask that the Court enter as its order the [Proposed] Final Judgment against Defendant, a copy of which is attached as Exhibit 1 and may also be found as Docket No. 2 in this matter.

Dated: November 10, 2009

Respectfully submitted,


CATHERINE D. WHITING
Attorney for Plaintiff
SECURITIES AND EXCHANGE COMMISSION

Dated: November 10, 2009

Respectfully submitted,

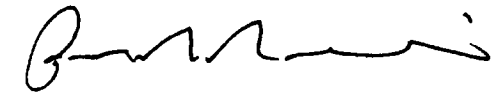

PATRICK ROBBINS
Attorney for Defendant
PAUL PERIOLAT

EXHIBIT 1

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11 UNITED STATES DISTRICT COURT
12 NORTHERN DISTRICT OF CALIFORNIA
13 SAN JOSE DIVISION

14
15 SECURITIES AND EXCHANGE) CASE NO.: CV 09 4046 RS
16 COMMISSION,)
17 Plaintiff,)
18 v.)
19 VERIFONE HOLDINGS, INC. and PAUL) ~~PROPOSED~~ FINAL JUDGMENT
PERIOLAT,) AGAINST DEFENDANT PAUL
20 Defendants.) PERIOLAT
21)

22 Plaintiff Securities and Exchange Commission ("Commission") has filed a Complaint for
23 Permanent Injunction and Other Relief ("Complaint") in this action and Defendant Paul Periolat
24 ("Defendant") has entered a general appearance and has submitted the Consent of Paul Periolat
25 to entry of Final Judgment of Permanent Injunction and Other Relief ("Consent"). In the
26 Consent, Defendant waived service of the Summons and the Complaint, admitted the jurisdiction
27 of this Court over him and over the subject matter of this action, admitted that he was fully
28 advised and informed of the right to a judicial determination of this matter, waived findings of

1 fact and conclusions of law as provided by Rule 52 of the Federal Rules of Civil Procedure,
2 consented to the entry of this Final Judgment, without admitting or denying any of the
3 allegations in the Complaint except as set forth in the Consent, and waived notice of hearing
4 upon the entry of this Final Judgment. The Court, being fully advised, orders as follows:

5 I.

6 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendant and his
7 agents, servants, employees and attorneys-in-fact, and all persons in active concert or
8 participation with any of them, who receive actual notice of this Final Judgment, by personal
9 service or otherwise, and each of them, are permanently enjoined and restrained from violating
10 Section 17(a)(2) and (3) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. §
11 77q(a)(2) and (3)] in the offer or sale of any security by the use of any means or instruments of
12 transportation or communication in interstate commerce or by use of the mails, directly or
13 indirectly, to engage in any transaction, practice or course of business which operates or would
14 operate as a fraud or deceit upon the purchaser.

15 II.

16 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant and his
17 agents, servants, employees and attorneys-in-fact, and all persons in active concert or
18 participation with any of them, who receive actual notice of this Final Judgment, by personal
19 service or otherwise, and each of them, are permanently enjoined and restrained from violating
20 Section 13(b)(5) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C.
21 § 78m(b)(5)] and Rule 13b2-1 thereunder [17 C.F.R. 240.13b2-1] by knowingly circumventing
22 or failing to implement a system of internal accounting controls of any issue which has a class of
23 securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or any
24 company which is required to file reports pursuant to Section 15(d) of the Exchange Act [15
25 U.S.C. § 78o] or by directly or indirectly falsifying or causing to be falsified any books and
26 records of such company.

1 III.

2 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant and his
3 agents, servants, employees and attorneys-in-fact, and all persons in active concert or
4 participation with any of them, who receive actual notice of this Final Judgment, by personal
5 service or otherwise, and each of them, are permanently enjoined restrained and enjoined from
6 aiding and abetting any violation of Section 13(a) of the Securities Exchange Act of 1934
7 (“Exchange Act”) [15 U.S.C. § 78m(a)] and Rules 12b-20, 13a-11 and 13a-13 promulgated
8 thereunder [17 C.F.R. §§ 240.12b-20, 240.13a-11 and 240.13a-13] by failing to file periodic
9 reports in conformity with the Commission’s integrated reporting and disclosure regulations,
10 Regulations S-K and S-X, or by failing to include such further material information, if any, as
11 may be necessary to make the required statements, in the light of the circumstances under which
12 they are made, not misleading.

13 IV.

14 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant and his
15 agents, servants, employees and attorneys-in-fact, and all persons in active concert or
16 participation with any of them, who receive actual notice of this Final Judgment, by personal
17 service or otherwise, and each of them, are permanently enjoined and restrained from aiding and
18 abetting violations of Section 13(b)(2)(A) of the Exchange Act [15 U.S.C. § 78m(b)(2)(A)] by
19 causing any issuer which has a class of securities registered pursuant to Section 12 of the
20 Exchange Act [15 U.S.C. § 78l] or Section 15(d) of the Exchange Act [15 U.S.C. § 78o] to fail to
21 make or keep books, records or accounts, which, in reasonable detail, accurately and fairly
22 reflect the transactions and dispositions of the assets of the issuer.

23 V.

24 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant and
25 Defendant’s agents, servants, employees, attorneys, and all persons in active concert or
26 participation with them who receive actual notice of this Final Judgment by personal service or
27 otherwise are permanently restrained and enjoined from aiding and abetting any violation of
28 Section 13(b)(2)(B) of the Exchange Act [15 U.S.C. § 78m(b)(2)(B)] by causing any issuer

1 which has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C.
2 § 78l] or Section 15(d) of the Exchange Act [15 U.S.C. § 78o] to fail to devise and maintain a
3 system of internal accounting controls sufficient to provide reasonable assurances that

4 A. transactions are executed in accordance with management's general or specific
5 authorization;

6 B. transactions are recorded as necessary (i) to permit preparation of financial
7 statements in conformity with generally accepted accounting principles or any other criteria
8 applicable to such statements, and (ii) to maintain accountability for assets;

9 C. access to assets is permitted only in accordance with management's general or
10 specific authorization; and

11 D. the recorded accountability for assets is compared with the existing assets at
12 reasonable intervals and appropriate action is taken with respect to any differences.

13 VI.

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay a
15 civil penalty in the amount of \$25,000 pursuant to Section 20(d) of the Securities Act [15 U.S.C.
16 § 77t(d)] and Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)]. Defendant shall make
17 this payment within ten (10) business days after entry of this Final Judgment by certified check,
18 bank cashier's check, or United States postal money order payable to the Securities and
19 Exchange Commission. The payment shall be delivered or mailed to the Office of Financial
20 Management, Securities and Exchange Commission, Operations Center, 6432 General Green
21 Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter
22 identifying Paul Periolat as a defendant in this action; setting forth the title and civil action
23 number of this action and the name of this Court; and specifying that payment is made pursuant
24 to this Final Judgment. Defendant shall pay post-judgment interest on any delinquent amounts
25 pursuant to 28 USC § 1961. The Commission shall remit the funds paid pursuant to this
26 paragraph to the United States Treasury.

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VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.

VIII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

IX.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

Dated November 12, 2009

~~UNITED STATES DISTRICT JUDGE~~