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

FORM 10-Q

(Mark one)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2013

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM TO

Commission file no 001 — 32622

GLOBAL CASH ACCESS HOLDINGS, INC.

(Exact name of Registrant as specified in its charter)

DELAWARE

(State or Other Jurisdiction of
Incorporation or Organization)

20-0723270

(I.R.S. Employer I.D. No.)

7250 S. TENAYA WAY, SUITE 100

LAS VEGAS, NEVADA

(Address of Principal Executive Offices)

89113

(Zip Code)

Registrant's telephone number, including area code:

(800) 833-7110

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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 definition 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

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of April 26, 2013 there were 66,217,515 shares of the Registrant's \$0.001 par value per share common stock outstanding.

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PART I: FINANCIAL INFORMATION

ITEM 1. UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

GLOBAL CASH ACCESS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(Amounts in thousands, except per share)
(Unaudited)

	Three Months Ended March 31,	
	2013	2012
Revenues	\$ 146,822	\$ 151,065
Costs and expenses		
Cost of revenues (exclusive of depreciation and amortization)	111,099	113,815
Operating expenses	18,984	17,488
Depreciation	1,568	1,745
Amortization	2,270	2,321
Total costs and expenses	<u>133,921</u>	<u>135,369</u>
Operating income	12,901	15,696
Other expenses		
Interest expense, net of interest income	3,163	4,483
Total other expenses	<u>3,163</u>	<u>4,483</u>
Income from operations before tax	9,738	11,213
Income tax provision	3,602	4,085
Net income	<u>6,136</u>	<u>7,128</u>
Foreign currency translation	(415)	145
Comprehensive income	<u>\$ 5,721</u>	<u>\$ 7,273</u>
Earnings per share		
Basic	<u>\$ 0.09</u>	<u>\$ 0.11</u>
Diluted	<u>\$ 0.09</u>	<u>\$ 0.11</u>
Weighted average common shares outstanding		
Basic	<u>66,697</u>	<u>65,134</u>
Diluted	<u>67,882</u>	<u>66,190</u>

See notes to unaudited condensed consolidated financial statements.

GLOBAL CASH ACCESS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except par value)
(Unaudited)

	At March 31, 2013	At December 31, 2012
ASSETS		
Cash and cash equivalents	\$ 70,702	\$ 153,020
Restricted cash and cash equivalents	200	200
Settlement receivables	118,886	29,484
Other receivables, net of allowances for doubtful accounts of \$6.2 million and \$6.9 million, respectively	11,123	11,571
Inventory	7,029	7,126
Prepaid expenses and other assets	18,143	18,254
Property, equipment and leasehold improvements, net	15,459	15,441
Goodwill	180,124	180,141
Other intangible assets, net	33,022	33,994
Deferred income taxes, net	101,265	104,664
Total assets	\$ 555,953	\$ 553,895
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Settlement liabilities	\$ 180,903	\$ 182,446
Accounts payable and accrued expenses	55,697	51,190
Borrowings	117,500	121,500
Total liabilities	354,100	355,136
Commitments and Contingencies (Note 5)		
Stockholders' Equity		
Common stock, \$0.001 par value, 500,000 shares authorized and 87,786 and 87,545 shares issued at March 31, 2013 and December 31, 2012, respectively	88	87
Convertible preferred stock, \$0.001 par value, 50,000 shares authorized and 0 shares outstanding at March 31, 2013 and December 31, 2012, respectively	-	-
Additional paid-in capital	220,090	217,990
Retained earnings	129,750	123,614
Accumulated other comprehensive income	2,143	2,558
Treasury stock, at cost, 21,380 and 20,724 shares at March 31, 2013 and December 31, 2012, respectively	(150,218)	(145,490)
Total stockholders' equity	201,853	198,759
Total liabilities and stockholders' equity	\$ 555,953	\$ 553,895

See notes to unaudited condensed consolidated financial statements.

GLOBAL CASH ACCESS HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
(Amounts in thousands)
(Unaudited)

	Three Months Ended March 31,	
	2013	2012
Cash flows from operating activities		
Net income	\$ 6,136	\$ 7,128
Adjustments to reconcile net income to cash (used in)/ provided by operating activities:		
Depreciation	1,568	1,745
Amortization of intangibles	2,270	2,321
Amortization of financing costs	403	355
Gain on sale or disposal of assets	(9)	(57)
Provision for bad debts	2,110	1,190
Stock-based compensation	1,171	843
Changes in operating assets and liabilities:		
Settlement receivables	(89,490)	7,115
Other receivables, net	(1,694)	5,246
Inventory	97	(843)
Prepaid and other assets	(542)	687
Deferred income taxes	3,399	3,935
Settlement liabilities	(1,373)	(17,241)
Accounts payable and accrued expenses	4,390	5,857
Net cash (used in)/provided by operating activities	(71,564)	18,281
Cash flows from investing activities		
Capital expenditures	(2,934)	(1,800)
Proceeds from sale of fixed assets	31	-
Changes in restricted cash and cash equivalents	-	255
Net cash used in investing activities	(2,903)	(1,545)
Cash flows from financing activities		
Repayments against credit facility	(4,000)	(32,000)
Proceeds from exercise of stock options	962	1,005
Purchase of treasury stock	(4,587)	(55)
Net cash used in financing activities	(7,625)	(31,050)
Effect of exchange rates on cash	(226)	(655)
Cash and cash equivalents		
Net decrease for the period	(82,318)	(14,969)
Balance, beginning of the period	153,020	55,535
Balance, end of the period	\$ 70,702	\$ 40,566
Supplemental cash flow disclosures		
Cash paid for interest	\$ 2,777	\$ 3,955
Cash paid for income tax, net of refunds	\$ 85	\$ 191

See notes to unaudited condensed consolidated financial statements.

GLOBAL CASH ACCESS HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. BUSINESS

Overview

Global Cash Access Holdings, Inc. (“Holdings”) is a holding company, the principal asset of which is the capital stock of Global Cash Access, Inc. (“GCA”). Unless otherwise indicated, the terms “the Company,” “Holdings,” “we,” “us” and “our” refer to Holdings together with its consolidated subsidiaries.

We are a global provider of cash access and related equipment services and solutions to the gaming industry. Our services, equipment and solutions provide gaming establishment patrons access to cash through a variety of methods, including automated teller machine (“ATM”) cash withdrawals, credit card cash access transactions, point-of-sale (“POS”) debit card transactions, check verification and warranty services and money transfers. In addition, we provide products and services that improve credit decision making, automate cashier operations and enhance patron marketing activities for gaming establishments. We also sell and service cash access devices such as slot machine ticket redemption and jackpot kiosks to the gaming industry.

2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The unaudited condensed consolidated financial statements included herein have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). Some of the information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles in the United States have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading. In the opinion of management, all adjustments (which include normal recurring adjustments) necessary for a fair presentation of results for the interim periods have been made. The results for the three months ended March 31, 2013 are not necessarily indicative of results to be expected for the full fiscal year.

These unaudited condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements and notes thereto included within the Company’s Annual Report on Form 10-K for the year ended December 31, 2012 (the “2012 10-K”).

Use of Estimates

The Company has made estimates and judgments affecting the amounts reported in these financial statements and the accompanying notes. The actual results may differ from these estimates. These accounting estimates incorporated into the Company’s consolidated financial statements include, but are not limited to:

- the estimated reserve for warranty expense associated with our check warranty receivables;
- the valuation and recognition of share-based compensation;
- the valuation allowance on our deferred income tax assets; and
- the estimated cash flows in assessing the recoverability of long-lived assets.

Principles of Consolidation

All intercompany transactions and balances have been eliminated in consolidation.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all balances on deposit in banks and financial institutions. The Company considers all highly liquid investments with maturities of three months or less at the time of purchase to be cash and cash equivalents. Such balances may at times exceed the federal insurance limits. However, the Company periodically evaluates the creditworthiness of these institutions to minimize risk.

ATM Funding Agreements

The Company obtains all of the cash required to operate its ATMs through various ATM Funding Agreements. Some gaming establishments provide the cash utilized within the ATM (“Site-Funded”). The Site-Funded receivables generated for the amount of cash dispensed from transactions performed at our ATMs are owned by GCA and GCA is liable to the gaming establishment for the face amount of the cash dispensed. In the consolidated balance sheets, the amount of the receivable for transactions processed on these ATM transactions is included within settlement receivables and the amount due to the gaming establishment for the face amount of dispensing transactions is included within settlement liabilities.

For our non-Site-Funded locations, the Company’s Contract Cash Solutions Agreement with Wells Fargo allows for the Company to utilize funds owned by Wells Fargo to provide the currency needed for normal operating requirements for the Company’s ATMs. For the use of these funds, the Company pays Wells Fargo a cash usage fee on the average daily balance of funds utilized multiplied by a contractually defined cash usage rate. Under this agreement, all currency supplied by Wells Fargo remains the sole property of Wells Fargo at all times until it is dispensed, at which time Wells Fargo obtains an interest in the corresponding settlement receivable. As the cash is never an asset of ours, supplied cash is not reflected on our balance sheet. We are charged a cash usage fee for the cash used in these ATMs, which is included as interest expense in the consolidated statements of income. The Company recognizes the fees as interest expense due to the similar operational characteristics to a revolving line of credit, the fact that the fees are calculated on a financial index and the fees are paid for access to a capital resource.

Settlement Receivables and Settlement Liabilities

In the credit card cash access and POS debit card cash access transactions provided by GCA, the gaming establishment is reimbursed for the cash disbursed to gaming patrons, in most instances, through the issuance of a negotiable instrument, and, in some instances, through electronic settlement. GCA receives reimbursement from the patron’s credit or debit card issuer for the transaction in an amount equal to the amount owing to the gaming establishment plus the fee charged to the patron. This reimbursement is included within the settlement receivables on the consolidated balance sheets. The unpaid negotiable instrument amounts and electronic settlement amounts owing to gaming establishments are included within settlement liabilities on the consolidated balance sheets.

Warranty Receivables

If a gaming establishment chooses to have a check warranted, it sends a request to a check warranty service provider, asking whether it would be willing to accept the risk of cashing the check. If the check warranty provider accepts the risk and warrants the check, the gaming establishment negotiates the patron’s check by providing cash for the face amount of the check. If the check is dishonored by the patron’s bank upon presentment, the gaming establishment invokes the warranty, and the check warranty service provider purchases the check from the gaming establishment for the full check amount and then pursues collection activities on its own. In our Central Credit Check Warranty product and under our agreement with TeleCheck, we receive all of the check warranty revenue. We are exposed to risk for the losses associated with any warranted items that we cannot collect from patrons issuing the items. Warranty receivables are defined as any amounts paid by TeleCheck or Central Credit to gaming establishments to purchase dishonored checks. Additionally, we pay a portion of TeleCheck’s operating expenses and certain operating expenses associated with our third party partners related to the provision of these services.

The warranty receivables amount is recorded in other receivables, net on the consolidated balance sheets. On a monthly basis, the Company evaluates the collectability of the outstanding balances and establishes a reserve for the face amount of the expected losses on these receivables. The warranty expense associated with this reserve is included within cost of revenues (exclusive of depreciation and amortization) in the consolidated statements of income and comprehensive income.

Fair Values of Financial Instruments

The fair value of a financial instrument represents the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value estimates are made at a specific point in time, based upon relevant market information about the financial instrument.

The carrying amount of cash and cash equivalents, restricted cash and cash equivalents, other receivables, net, settlement receivables, settlement liabilities, accounts payable and accrued expenses approximates fair value due to the short-term maturities of these instruments. The fair value of our borrowings are estimated based on various inputs to determine a market price, such as: market demand and supply, size of tranche, maturity and similar instruments trading in more active markets.

The fair values of all other financial instruments, including amounts outstanding under the ATM funding agreements approximate their book values as the instruments are short-term in nature or contain market rates of interest.

The following table presents the fair value and carrying value of GCA's borrowings (amounts in thousands):

	<u>Level of Hierarchy^(*)</u>	<u>Fair Value</u>	<u>Carrying Value</u>
March 31, 2013			
Senior credit facility	2	\$ 118,969	\$ 117,500
December 31, 2012			
Senior credit facility	2	\$ 122,715	\$ 121,500

(*) Level 1 indicates that the fair value is determined by using quoted prices in active markets for identical investments. Level 2 indicates that the fair value is determined using pricing inputs other than quoted prices in active markets such as models or other valuation methodologies. Level 3 indicates that the fair value is determined using pricing inputs that are unobservable for the investment and include situations where there is little, if any, market activity for the investment. Significant management estimates and judgment are used in the determination of the fair value of Level 3 pricing inputs.

Interest Rate Cap

In conjunction with the terms and conditions of the Senior Credit Facility, as described in Note 4, GCA purchased a \$150.0 million notional amount interest rate cap with an effective date of January 5, 2012 and a term of three years. GCA purchased this interest rate cap to partially reduce the Company's exposure to increases in the London Interbank Offer Rate ("LIBOR") above 1.5% during the term of the interest rate cap with respect to its variable rate debt obligations under the Senior Credit Facility and its obligations under the Contract Cash Solutions Agreement with Wells Fargo. This interest rate cap is recorded in prepaid expenses and other assets in the balance sheet, and is marked-to-market based on a quoted market price with the effects offset in the income statement. The interest rate cap carrying value and fair value approximate each other and these values are insignificant as of March 31, 2013 and December 31, 2012.

Inventory

Inventory primarily consists of parts as well as finished goods and work-in-progress. Inventory is stated at lower of cost or market accounted for using the average cost method. The cost of inventory includes cost of materials, labor, overhead and freight.

Goodwill and Other Intangible Assets

In accordance with ASC 350, we test goodwill at the reporting unit level for impairment on an annual basis and between annual tests if events and circumstances indicate it is more likely than not that the fair value of a reporting unit is less than its carrying amount. The Company does not believe that any of its goodwill was impaired as of March 31, 2013.

Other intangible assets consist primarily of customer contracts (rights to provide cash access services to gaming establishment customers) acquired through business combinations and acquisitions, capitalized software development costs and the acquisition cost of our patent related to the "3-in-1 rollover" technology acquired in 2005. Customer contracts require the Company to make renewal assumptions, which impact the estimated useful lives of such assets. The acquisition cost of the 3-in-1 rollover patent is being amortized over the term of the patent, which expires in 2018.

Revenue Recognition

The Company recognizes revenue when evidence of an arrangement exists, services have been rendered, the price is fixed or determinable and collectability is reasonably assured. The Company evaluates its revenue streams for proper timing of revenue recognition. Revenue is recognized as products are delivered and or services are performed.

Cost of Revenues (exclusive of depreciation and amortization)

The cost of revenues (exclusive of depreciation and amortization) represent the direct costs required to perform revenue generating transactions. The principal costs included within cost of revenues (exclusive of depreciation and amortization) are commissions paid to gaming establishments, interchange fees paid to credit and debit card networks, transaction processing fees to our transaction processor and check cashing warranties.

Income Taxes

Income tax expense includes U.S. and international income taxes, plus the provision for U.S. taxes on undistributed earnings of international subsidiaries not deemed to be permanently invested. Since it is management's practice and intent to reinvest the earnings in the international operations of our foreign subsidiaries, U.S. federal income taxes have not been provided on the undistributed earnings of any foreign subsidiaries except for GCA Macau. Some items of income and expense are not reported in tax returns and financial statements in the same year. The tax effect of such temporary differences is reported as deferred income taxes.

Foreign Currency Translation

Foreign currency denominated assets and liabilities for those foreign entities for which the local currency is the functional currency are translated into U.S. dollars based on exchange rates prevailing at the end of each year. Revenues and expenses are translated at average exchange rates during the year. The effects of foreign exchange gains and losses arising from these translations are included as a component of other comprehensive income on the consolidated statements of income and comprehensive income. Translation adjustments on intercompany balances of a long-term investment nature are recorded as a component of accumulated other comprehensive income on the Company's consolidated balance sheets.

Earnings Applicable to Common Stock

Basic earnings per share are calculated by dividing net income by the weighted-average number of common shares outstanding for the period. Diluted earnings per share reflect the effect of potential common stock resulting from equity grants.

Share Based Compensation

Share based payment awards result in a cost that is measured at fair value on the award's grant date. Stock options expected to be exercised currently and in future periods are measured at fair value using the Black Scholes model with the expense associated with these awards being recognized on the straight-line basis over the awards' vesting period. Forfeitures are estimated at the time of grant, with such estimate updated periodically and with actual forfeitures recognized currently to the extent they differ from the estimates.

3. ATM FUNDING AGREEMENTS

Wells Fargo Contract Cash Solutions Agreement

Our Contract Cash Solutions Agreement with Wells Fargo allows for the Company to utilize funds owned by Wells Fargo to provide the currency needed for normal operating requirements for the Company's ATMs. For the use of these funds, we pay Wells Fargo a cash usage fee on the average daily balance of funds utilized multiplied by a contractually defined cash usage rate. Under this agreement, all currency supplied by Wells Fargo remains the sole property of Wells Fargo at all times until it is dispensed, at which time Wells Fargo obtains an interest in the corresponding settlement receivable. As the cash is never an asset of ours, supplied cash is not reflected on our balance sheet.

The Contract Cash Solutions Agreement allows for a maximum amount of cash to be provided to GCA of \$500.0 million, and the agreement terminates on November 30, 2014, unless otherwise amended or extended.

As of March 31, 2013 and December 31, 2012, the outstanding balances of ATM cash utilized by GCA from Wells Fargo were \$314.5 million and \$360.4 million, respectively.

Under the terms of the Contract Cash Solutions Agreement, we pay a monthly cash usage fee based upon the product of the average daily dollars outstanding in all ATMs multiplied by a contractually defined cash usage rate. This cash usage rate is determined by an applicable LIBOR plus a mutually agreed upon margin. We are exposed to interest rate risk to the extent that the applicable LIBOR increases, subject to the interest rate cap. For the three months ended March 31, 2013 and 2012, the cash

usage fees incurred by the Company were \$0.6 million and \$0.9 million, respectively, and are reflected as interest expense within the condensed consolidated statements of income.

We are responsible for any losses of cash in the ATMs under our agreement with Wells Fargo and we are self-insured for this risk. For the three months ended March 31, 2013 and 2012, we incurred no material losses related to this self-insurance.

Site Funded ATMs

We operate ATMs at certain customer gaming establishments where the gaming establishment provides the cash required for the ATM operational needs. We are required to reimburse the customer for the amount of cash dispensed from these Site-Funded ATMs. The Site-Funded ATM liability is included within settlement liabilities in the accompanying condensed consolidated balance sheets and was \$109.2 million and \$107.5 million as of March 31, 2013 and December 31, 2012, respectively.

4. BORROWINGS

Senior Credit Facility

We have a Credit Agreement (“the Credit Agreement”) with certain lenders, Deutsche Bank Trust Company Americas, as Administrative Agent and Wells Fargo Securities, LLC, as Syndication Agent. The Credit Agreement provides for a \$210.0 million term loan facility and a \$35.0 million revolving credit facility (the “Senior Credit Facility”). The revolving credit facility includes provisions for the issuance of up to \$10.0 million of letters of credit and up to \$5.0 million in swing-line loans.

The term loan requires principal repayments of one quarter of 1% of the aggregate initial principal amount of term loans, adjusted for any non-mandatory prepayments per quarter, as well as annual mandatory prepayment provisions based on an excess cash flow sweep equal to a fixed percentage of excess cash flow (as defined in the Credit Agreement). The remaining principal is due on the maturity date, March 1, 2016. We may prepay the loans and terminate the commitments at any time after the first year, without premium or penalty, subject to certain qualifications set forth in the Credit Agreement. Furthermore, the Credit Agreement contains mandatory prepayment provisions which, under certain circumstances, such as asset or equity sales, obligate us to apply defined portions of its cash flow to prepayment of the Senior Credit Facility.

Borrowings under the Senior Credit Facility bear interest at either (i) a specified base rate plus a 4.50% margin, or (ii) LIBOR plus a 5.50% margin. The base rate minimum is 2.50% and the LIBOR minimum is 1.50%. Interest in respect of base rate loans is payable quarterly in arrears and interest in respect of LIBOR loans is payable in arrears at the end of the applicable interest period and every three months in the case of interest periods in excess of three months. Interest is also payable at the time of repayment of any loans and at maturity. As of March 31, 2013, we had \$117.5 million of outstanding indebtedness under the Senior Credit Facility, all of which was outstanding under the term loan facility.

The weighted average interest rate, inclusive of the applicable margin of 550 basis points, was 7.0% during the quarter ended March 31, 2013. We also had no amounts outstanding under our letter of credit sub facility that is part of our revolving credit facility as of March 31, 2013. The Senior Credit Facility is unconditionally guaranteed by Holdings and each direct and indirect domestic subsidiary of GCA. All amounts owing under the Senior Credit Facility are secured by a first priority perfected security interest in all stock (but only 65% of the stock of foreign subsidiaries), other equity interests and promissory notes owned by us and a first priority perfected security interest in all other tangible and intangible assets owned by GCA and the guarantors.

In September 2012, we entered into an amendment to our Credit Agreement. The amendment modifies certain financial covenants contained in the Credit Agreement with respect to our ability to make capital expenditures, dividends and stock repurchases. Specifically, the Company, together with its subsidiaries, may make an additional \$15.0 million of capital expenditures, as such term is defined in the Credit Agreement, during the remainder of the term of the Credit Agreement, which amount is in addition to any other permitted capital expenditures under the Credit Agreement. In addition, the Credit Agreement provided that we could make certain dividends or stock repurchases if, among other things, our total leverage ratio (as calculated under the Credit Agreement) was less than 2.0 to 1. The amendment provides that we may now make certain dividends and stock repurchases if, among other things, our total leverage ratio is less than 2.5 to 1.

The Credit Agreement contains customary affirmative and negative covenants, financial covenants, representations and warranties and events of defaults. As of March 31, 2013, we were in compliance with the required covenants.

5. COMMITMENTS AND CONTINGENCIES

Litigation Claims and Assessments

Automated Systems America, Inc.

On July 7, 2010, an action was commenced by Automated Systems America, Inc. in the United States District Court, Central District of California, against Holdings, GCA and certain current employees of GCA. The complaint seeks a declaratory judgment of invalidity, unenforceability and non-infringement of certain patents owned by the Company and alleges antitrust violations of Section 2 of the Sherman Act, unfair competition violations under the Lanham Act and tortious interference and defamation per se. The plaintiff seeks damages in excess of \$2.0 million, punitive damages, and a trebling of damages associated with the allegations under Section 2 of the Sherman Act. On March 3, 2011, the Company filed a motion to dismiss this action. In February 2012, the District Court entered an order granting the Company's motion to dismiss this action without prejudice, allowing the plaintiff to file a new complaint if it elected to do so. The plaintiff subsequently filed an amended complaint alleging substantially similar claims to those contained in the original complaint, and the Company has filed a motion to dismiss the amended complaint. In March 2013, the plaintiff and the Company filed a joint stipulation to dismiss the plaintiff's complaint against the Company and the other defendants in this matter with prejudice, and in April 2013, the court issued an order dismissing the complaint with prejudice. The dismissal order does not bar plaintiff from asserting any claim that the Company's patents-at-issue are invalid, unenforceable or not being violated.

We are also subject to a variety of other claims and suits that arise from time to time in the ordinary course of its business. We do not believe the liabilities, if any, which may ultimately result from the outcome of such matters, individually or in the aggregate, will have a material adverse impact on our financial position, liquidity or results of operations.

6. SHAREHOLDERS' EQUITY

Common Stock Repurchase Program

In October 2012, our Board of Directors authorized a new two year Common Stock Repurchase Program that supersedes all outstanding share repurchase authorizations. This new share repurchase program grants us the authority to repurchase up to \$40.0 million of outstanding Company common stock over a two year period, which commenced in the first quarter of 2013. We completed the share repurchases with cash on hand and we intend to continue to use cash on hand for these share repurchases. The repurchase program authorizes us to buy our common stock from time to time through open market, privately negotiated or other transactions, including pursuant to trading plans established in accordance with Rules 10b5-1 and 10b-18 of the Securities Exchange Act of 1934, as amended, or by a combination of such methods. The share repurchase program is subject to prevailing market conditions and other considerations and may be suspended or discontinued at any time, and supersedes all other outstanding share repurchase programs of the Company.

We have repurchased approximately 0.6 million shares of common stock for cash of \$4.7 million under the share repurchase program during the three months ended March 31, 2013.

Treasury Stock

In addition to open market purchases of common stock authorized under the Common Stock Repurchase Program, employees may direct us to withhold vested shares of restricted stock to satisfy the minimum statutory withholding requirements applicable to their restricted stock vesting. For the three months ended March 31, 2013, we repurchased or withheld from restricted stock awards approximately 6,000 shares of common stock at an aggregate purchase price of \$0.1 million to satisfy the minimum applicable tax withholding obligations incident to the vesting of such restricted stock awards.

7. WEIGHTED AVERAGE COMMON SHARES

The weighted average number of common shares outstanding used in the computation of basic and diluted earnings per share is as follows (in thousands):

	Three Months Ended March 31,	
	2013	2012
Weighted average number of common shares outstanding - basic	66,697	65,134
Potential dilution from equity grants ⁽¹⁾	1,185	1,056
Weighted average number of common shares outstanding - diluted	67,882	66,190

- (1) The potential dilution excludes the weighted average effect of stock options to acquire 5.6 million and 6.3 million of common stock of Holdings for the three months ended March 31, 2013 and 2012, respectively, because the application of the treasury stock method, as required, makes them anti-dilutive.

8. SHARE-BASED COMPENSATION

Equity Incentive Awards

In January 2005, we adopted the 2005 Stock Incentive Plan (the "2005 Plan") to attract and retain the best available personnel, to provide additional incentives to employees, directors and consultants and thus to promote the success of our business. The 2005 Plan is administered by the Board of Directors but may be administered by our Compensation Committee. The administrator of the 2005 Plan has the authority to select individuals who are to receive options or other equity incentive awards under the 2005 Plan and to specify the terms and conditions of grants of options or other equity incentive awards, the vesting provisions, the term and the exercise price.

Generally, stock options and restricted stock granted under the 2005 Plan (other than those granted to non-employee directors) will vest at a rate of 25% of the shares underlying the option after one year and the remaining shares vest in equal portions over the following 36 months, such that all shares are vested after four years. Unless otherwise provided by the administrator, an option granted under the 2005 Plan generally expires ten years from the date of grant. Stock options are issued at the closing market price on the date of grant.

The vesting provisions of restricted stock are similar to those applicable to stock options. Because these restricted shares are issued primarily to employees of the Company, many of the shares issued will be withheld by the Company to satisfy the statutory withholding requirements applicable to the restricted stock grants. Therefore, as these awards vest the actual number of shares outstanding as a result of the restricted stock awards is reduced. These shares will vest over a period of four years.

A summary of award activity under the 2005 Plan is as follows (in thousands):

	Stock Options Granted	Restricted Stock Granted	Equity Awards Available for Grant
Outstanding, December 31, 2012	9,449	111	2,629
Additional authorized shares	N/A	N/A	3,174
Granted	1,205	370	(1,575)
Exercised options or vested shares	(216)	(26)	-
Canceled or forfeited	(61)	-	61
Outstanding, March 31, 2013	10,377	455	4,289

Stock Options

The fair value of options was determined as of the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions:

	Three Months Ended March 31,	
	2013	2012
Risk-free interest rate	1%	1%
Expected life of options (in years)	4	6
Expected volatility	61%	62%
Expected dividend yield	0%	0%

The following table presents the options activity under the 2005 Plan:

	Number of Common Shares (in thousands)	Weighted Average Exercise Price (per share)	Weighted Average Life Remaining (years)	Aggregate Intrinsic Value (in thousands)
Outstanding, December 31, 2012	9,449	\$ 7.19	6.4	\$ 16,626
Granted	1,205	7.09		
Exercised	(216)	5.07		
Canceled or forfeited	(61)	6.78		
Outstanding, March 31, 2013	10,377	\$ 7.24	6.6	\$ 11,113
Vested and expected to vest, March 31, 2013	9,781	\$ 7.33	6.5	\$ 10,287
Exercisable, March 31, 2013	6,650	\$ 8.02	5.3	\$ 6,394

The weighted average grant date fair value per share of the options granted was \$3.32 and \$2.71 for the three months ended March 31, 2013 and 2012, respectively. The total intrinsic value of options exercised was \$0.7 million and \$1.3 million for the three months ended March 31, 2013 and 2012, respectively.

As of March 31, 2013, there was \$10.5 million in unrecognized compensation expense related to options expected to vest. This cost is expected to be recognized on a straight-line basis over a weighted average period of 2.9 years. During the three months ended March 31, 2013, the Company granted options to acquire approximately 1.2 million shares of common stock, received \$1.0 million in proceeds from the exercise of options and recorded \$1.1 million in non-cash compensation expense related to options granted that are expected to vest.

As of March 31, 2012, there was \$11.1 million in unrecognized compensation expense related to options expected to vest. This cost was expected to be recognized on a straight-line basis over a weighted average period of 2.3 years. During the three months ended March 31, 2012, the Company granted options to acquire approximately 2.0 million shares of common stock, received \$1.0 million in proceeds from the exercise of options and recorded \$0.7 million in non-cash compensation expense related to options granted that are expected to vest.

Restricted Stock

The following table presents a summary of non-vested share awards for the Company's time-based restricted shares:

	Shares Outstanding (in thousands)	Weighted Average Grant Date Fair Value (per share)
Outstanding, December 31, 2012	111	\$ 5.72
Granted	370	7.09
Vested	(26)	2.20
Outstanding, March 31, 2013	455	\$ 7.04

The weighted average grant date fair value per share of restricted stock granted was \$7.09 for the three months ended March 31, 2013. There were no restricted shares granted for the three months ended March 31, 2012. The total fair value of shares vested were \$0.2 million and \$0.3 million for the three months ended March 31, 2013 and 2012, respectively.

As of March 31, 2013, there was \$2.6 million in unrecognized compensation expense related to shares of time-based restricted shares expected to vest. This cost is expected to be recognized on a straight-line basis over a weighted average period of 3.8 years. During the three months ended March 31, 2013, there were approximately 26,000 shares of time-based restricted shares vested, and we recorded \$0.1 million in non-cash compensation expense related to the restricted stock granted that is expected to vest.

As of March 31, 2012, there was \$0.4 million in unrecognized compensation expense related to shares of time-based restricted shares expected to vest. This cost was expected to be recognized on a straight-line basis over a weighted average period of 0.9 years. During the three months ended March 31, 2012, there were 42,226 shares of time-based restricted shares vested, and we recorded \$0.1 million in non-cash compensation expense related to the restricted stock granted that is expected to vest.

9. INCOME TAXES

The Company's effective income tax rate for the three months ended March 31, 2013 and 2012 was 37.0% and 36.4%, respectively, both of which were greater than the statutory federal rate of 35.0% due in part to state taxes and the non-deductible, non-cash compensation expenses related to incentive stock options.

The Company accounts for uncertain tax positions in accordance with the applicable accounting guidance. As of March 31, 2013, there has been no material change to the balance of unrecognized tax benefits from December 31, 2012.

10. SEGMENT INFORMATION

Operating segments are components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company's chief operating decision-making group consists of the Chief Executive Officer and Chief Financial Officer. The operating segments are reviewed separately because each represents products or services that can be, and often are, marketed and sold separately to our customers.

We operate in three distinct business segments: (1) cash advance, (2) ATM and (3) check services. These segments are monitored separately by management for performance against its internal forecast and are consistent with our internal management reporting. Other lines of business, none of which exceed the established materiality for segment reporting, include kiosk sales and services and credit reporting services, among others.

We do not allocate depreciation and amortization expenses to the business segments. Certain corporate overhead expenses have been allocated to the segments for identifiable items related to such segments or based on a reasonable methodology.

Our business is predominantly domestic, with no specific regional concentrations and no significant assets in foreign locations.

Major Customers

For the three months ended March 31, 2013 and 2012, none of our customers had combined revenues from all segments equal to or exceeding 10%. For the three months ended March 31, 2013 and 2012, our five largest customers accounted for approximately 37% and 31%, respectively, of our total revenues.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies.

The following tables present the Company's segment information (in thousands):

	For the Three Months Ended March 31,	
	2013	2012
Revenues		
Cash advance	\$ 58,695	\$ 58,361
ATM	75,276	80,347
Check services	5,871	6,516
Other	6,980	5,841
Corporate	-	-
Total revenues	\$ 146,822	\$ 151,065
Operating income		
Cash advance	\$ 15,745	\$ 15,847
ATM	6,979	8,956
Check services	3,396	3,413
Other	3,444	3,111
Corporate	(16,663)	(15,631)
Total operating income	\$ 12,901	\$ 15,696
At		
	March 31, 2013	December 31, 2012
Total assets		
Cash advance	\$ 180,663	\$ 149,113
ATM	113,974	59,781
Check services	36,440	35,216
Other	41,544	39,838
Corporate	183,332	269,947
Total assets	\$ 555,953	\$ 553,895

11. SUBSEQUENT EVENTS

None.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our Management's Discussion and Analysis of our Financial Condition and Results of Operations ("MD&A") begins with an overview of our business and certain trends, risks and challenges. We then discuss our results of operations for the three months ended March 31, 2013 as compared to the same period for 2012, respectively. This is followed by a description of our liquidity and capital resources, including discussions about sources and uses of cash, our borrowings, deferred tax asset, other liquidity needs and off-balance sheet arrangements. We conclude with a discussion of critical accounting policies and their impact on our unaudited condensed consolidated financial statements.

You should read the following discussion together with our condensed consolidated financial statements and the notes to those financial statements included in this Quarterly Report on Form 10-Q and our 2012 Annual Report on Form 10-K (our "2012 10-K"). When reviewing our MD&A, you should also refer to the description of our Critical Accounting Policies and Estimates in our 2012 10-K because understanding these policies and estimates is important in order to fully understand our reported financial results and our business outlook for future periods. In addition to historical information, this discussion contains "forward-looking statements" as defined in the U.S. Private Securities Litigation Reform Act of 1995. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," or "will." These forward-looking statements are subject to risks and

uncertainties that could cause actual results to differ materially from those projected or assumed, including, but not limited to, the following: the timing and the extent of a recovery in the gaming industry, if any; gaming establishment and patron preferences; national and international economic conditions; changes in gaming regulatory, card association and statutory requirements; regulatory and licensing difficulties; competitive pressures; operational limitations; gaming market contraction; changes to tax laws; uncertainty of litigation outcomes; interest rate fluctuations; inaccuracies in underlying operating assumptions; unanticipated expenses or capital needs; technological obsolescence; and employee turnover. Additional factors that could cause actual results to differ materially are included under the heading "Risk Factors." These factors include, but are not limited to, those set forth in our press releases, reports and other filings made with the SEC. These cautionary statements qualify all of our forward-looking statements, and you are cautioned not to place undue reliance on these forward-looking statements. All forward-looking statements are subject to various risks and uncertainties that could cause our actual future results to differ materially from those presently anticipated due to a variety of factors, including those discussed in Item 1A of our 2012 10-K.

Overview

We are a global provider of cash access services and related equipment and services to the gaming industry. Our services and solutions provide gaming establishment patrons access to cash through a variety of methods, including ATM cash withdrawals, credit card cash access transactions, POS debit card transactions, check verification and warranty services and money transfers. In addition, we also provide products and services that improve credit decision-making, automate cashier operations and enhance patron marketing activities for gaming establishments. We also sell and service cash access devices such as redemption and jackpot kiosks to the gaming industry.

Trends

Our strategic planning and forecasting processes include the consideration of economic and industry-wide trends that may impact our business. We have identified the more material positive and negative trends affecting our business as the following:

- Although the gaming sector in the United States has experienced revenue declines over the last several years, in 2012, it has stabilized, and modestly improved, and this modest improvement is expected to continue for 2013.
- Gaming activity continues to expand into more domestic and international markets.
- There continues to be a migration from the use of traditional paper checks and cash to electronic payments.
- The credit markets in the U.S. and around the world have been volatile and unpredictable.
- The Company is facing increased competition from smaller competitors in the gaming cash access market and faces additional competition from gaming equipment manufacturers and systems providers. This increased competition has resulted in pricing pressure and margin erosion with respect to our core cash access products and services.
- The cash access industry in the gaming sector has become increasingly competitive and is having an adverse effect on the Company's operating margins with respect to new customers and existing customers that have renewed their cash access agreements with the Company.
- There is increasing governmental oversight related to the cost of transaction processing and related fees to the consumer. We expect the financial services and payments industry to respond to these legislative acts by changing other fees and costs, which may negatively impact our business in the future.

Results of Operations

Three months ended March 31, 2013 compared to three months ended March 31, 2012

The following table presents our unaudited condensed consolidated results of operations (amounts in thousands):

	March 31, 2013		March 31, 2012		Mar-13 vs. Mar-12	
	\$	%	\$	%	\$ Var	% Var
Revenues						
Cash advance	\$ 58,695	40%	\$ 58,361	39%	\$ 334	1%
ATM	75,276	51%	80,347	53%	(5,071)	(6)%
Check services	5,871	4%	6,516	4%	(645)	(10)%
Other revenues	6,980	5%	5,841	4%	1,139	20%
Total revenues	146,822	100%	151,065	100%	(4,243)	(3)%
Costs and expenses						
Cost of revenues (exclusive of depreciation and amortization)	111,099	75%	113,815	75%	(2,716)	(2)%
Operating expenses	18,984	13%	17,488	12%	1,496	9%
Depreciation	1,568	1%	1,745	1%	(177)	(10)%
Amortization	2,270	2%	2,321	2%	(51)	(2)%
Total costs and expenses	133,921	91%	135,369	90%	(1,448)	(1)%
Operating income	12,901	9%	15,696	10%	(2,795)	(18)%
Other expenses						
Interest expense, net of interest income	3,163	2%	4,483	3%	(1,320)	(29)%
Total other expenses	3,163	2%	4,483	3%	(1,320)	(29)%
Income from operations before tax	9,738	7%	11,213	7%	(1,475)	(13)%
Income tax provision	3,602	3%	4,085	3%	(483)	(12)%
Net income	\$ 6,136	4%	\$ 7,128	5%	\$ (992)	(14)%

Total Revenues

Total revenues decreased by \$4.2 million, or 3%, to \$146.8 million for the three months ended March 31, 2013 as compared to the same period in the prior year. This was primarily due to lower ATM revenues, partially offset by higher kiosk sales during the three months ended March 31, 2013 as compared to the same period in the prior year.

Cash advance revenues increased by \$0.3 million, or 1%, to \$58.7 million for the three months ended March 31, 2013 as compared to the same period in the prior year.

ATM revenues decreased by \$5.1 million, or 6%, to \$75.3 million for the three months ended March 31, 2013 as compared to the same period in the prior year. This was primarily due to a \$2.8 million decrease in revenue attributable to the reduction in interchange reimbursement rates that were implemented by various card associations in the second quarter 2012 and lower transaction volume.

Check services revenues decreased by \$0.6 million, or 10%, to \$5.9 million for the three months ended March 31, 2013 as compared to the same period in the prior year. This was due to a decrease in the number of check services transactions processed.

Other revenues increased by \$1.1 million, or 20%, to \$7.0 million for the three months ended March 31, 2013 as compared to the same period in the prior year. This was primarily due to increased kiosk sales during the three months ended March 31, 2013 as compared to the same period in the prior year.

Costs and Expenses

Cost of revenues (exclusive of depreciation and amortization) decreased by \$2.7 million, or 2%, to \$111.1 million for the three months ended March 31, 2013 as compared to the same period in the prior year. This was primarily due to lower ATM variable costs associated with the lower ATM revenues discussed previously.

Operating expenses increased by \$1.5 million, or 9%, to \$19.0 million for the three months ended March 31, 2013 as compared to the same period in the prior year. This was primarily due to higher payroll and related expenses and non-cash stock compensation expense.

Primarily as a result of the factors described above, operating income decreased by \$2.8 million, or 18%, to \$12.9 million for the three months ended March 31, 2013 as compared to the same period in the prior year. The operating margin for the Company decreased to 9% for the three months ended March 31, 2013 from 10% for the same period in the prior year.

Interest expense, net, decreased by \$1.3 million, or 29%, to \$3.2 million for the three months ended March 31, 2013 as compared to the same period in the prior year. This was primarily due to a \$0.7 million reduction in interest charges due to the lower outstanding debt balance; a \$0.3 million reduction in interest charges related to a lower average outstanding balance on the vault cash supplied by Wells Fargo and a slightly lower average cash usage rate; and a decrease in the interest charge associated with the change in fair value of the interest rate cap of approximately \$0.3 million.

Income tax expense decreased by \$0.5 million, or 12%, to \$3.6 million for the three months ended March 31, 2013 as compared to the same period in the prior year. This was primarily due to the decrease in income from operations before income tax expense of \$1.5 million. The provision for income tax reflected an effective income tax rate of 37.0% for the three months ended March 31, 2013, which was greater than the statutory federal rate of 35.0% primarily due to state taxes and the non-deductible, non-cash compensation expenses related to incentive stock options. The provision for income tax reflected an effective income tax rate of 36.4% for the same period in the prior year, which was greater than the statutory federal rate of 35.0% primarily due to state taxes and the non-deductible, non-cash compensation expenses related to incentive stock options.

Primarily as a result of the foregoing, net income decreased by \$1.0 million, or 14%, to \$6.1 million for the three months ended March 31, 2013 as compared to the same period in the prior year.

LIQUIDITY AND CAPITAL RESOURCES

Overview

The following table presents selected information about our financial position (in thousands):

	<u>At March 31,</u> <u>2013</u>	<u>At December 31,</u> <u>2012</u>
Balance sheet data		
Cash and cash equivalents	\$ 70,702	\$ 153,020
Total assets	555,953	553,895
Total borrowings	117,500	121,500
Stockholders' equity	201,853	198,759

Cash Resources

Our cash balance, cash flows and credit facilities are expected to be sufficient to meet our recurring operating commitments and to fund our planned capital expenditures for the foreseeable future. Cash and cash equivalents at March 31, 2013 included cash in non-U.S. jurisdictions of approximately \$6.4 million. Generally, these funds are available for operating and investment purposes within the jurisdiction in which they reside but are subject to taxation in the U.S. upon repatriation.

We provide cash settlement services to our customers. These services involve the movement of funds between the various parties associated with cash access transactions. This activity results in a balance due to us at the end of each business day that we recoup over the next few business days and classify as settlement receivables. This activity also results in a balance due to our customers at the end of each business day that we remit over the next few business days and classify as settlement liabilities. As of March 31, 2013, we had \$118.9 million in settlement receivables for which we received these funds in April 2013. As of March 31, 2012, we had \$180.9 million in settlement liabilities due to our customers for these settlement services that were paid in April 2013.

Sources and Uses of Cash

The following table presents a summary of our cash flow activity (in thousands):

	<u>Three Months Ended March 31,</u>		<u>Incr./(Decr.)</u>
	<u>2013</u>	<u>2012</u>	<u>Mar-13 vs. Mar-12</u>
Cash flow activities			
Net cash (used in)/provided by operating activities	\$ (71,564)	\$ 18,281	\$ (89,845)
Net cash used in investing activities	(2,903)	(1,545)	(1,358)
Net cash used in financing activities	(7,625)	(31,050)	23,425
Effect of exchange rates on cash	(226)	(655)	429
Cash and cash equivalents			
Net decrease for the period	(82,318)	(14,969)	(67,349)
Balance, beginning of the period	153,020	55,535	97,485
Balance, end of the period	\$ 70,702	\$ 40,566	\$ 30,136

Cash flows used in operating activities were \$71.6 million for the three months ended March 31, 2013 as compared to cash flows provided by operating activities of \$18.3 million for the same period in the prior year. This was primarily due to a decrease in working capital of \$90.0 million mostly associated with the timing of our settlement receivables and settlement liabilities based on the number of business days outstanding prior to the settlement of our cash access transactions at the end of each period and a decrease in net income of \$1.0 million; partially offset by an increase in non-cash expenses of \$1.1 million for the three months ended March 31, 2013 as compared to the same period in the prior year.

Cash flows used in investing activities increased by \$1.4 million, or 88%, to \$2.9 million for the three months ended March 31, 2013 as compared to the same period in the prior year. This was primarily due to increased capital expenditures of \$1.1 million and a

reduction in restricted cash and cash equivalents of \$0.3 million for the three months ended March 31, 2013 as compared to the same period in the prior year.

Cash flows used in financing activities decreased by \$23.4 million, or 75%, to \$7.6 million for the three months ended March 31, 2013 as compared to the same period in the prior year. This was primarily due to lower principal payments on our existing credit facility for the three months ended March 31, 2013 as compared to the same period last year; partially offset by an increase in the purchase of treasury stock associated with our stock repurchase program.

Deferred Tax Asset

At March 31, 2013, we had a net deferred income tax asset of \$101.3 million. We recognized a deferred tax asset upon our conversion from a limited liability company to a corporation on May 14, 2004. Prior to that time, all tax attributes flowed through to the members of the limited liability company. The principal component of the deferred tax asset is a difference between our assets for financial accounting and tax purposes. This difference results from a significant balance of acquired goodwill of approximately \$687.4 million that was generated as part of the conversion to a corporation plus approximately \$97.6 million in pre-existing goodwill carried over from periods prior to the conversion. Both of these assets are recorded for tax purposes but not for accounting purposes. This asset is amortized over 15 years for tax purposes, resulting in annual pretax income being \$52.3 million lower for tax purposes than for financial accounting purposes. At an estimated blended domestic effective tax rate of 36.4%, this results in tax payments being approximately \$19.1 million less than the annual provision for income taxes shown on the income statement for financial accounting purposes, or the amount of the annual provision, if less. There is an expected aggregate of \$116.0 million in cash savings over the remaining life of the portion of our deferred tax asset related to the conversion. This deferred tax asset may be subject to certain limitations. We believe that it is more likely than not that we will be able to utilize our deferred tax asset. However, the utilization of this tax asset is subject to many factors beyond our control including our earnings, a change of control of the Company and future estimations of earnings.

Other Liquidity Needs and Resources

The Company's Contract Cash Solutions Agreement with Wells Fargo allows for the Company to utilize funds owned by Wells Fargo to provide the currency needed for normal operating requirements for the Company's ATMs. For the use of these funds, the Company pays Wells Fargo a cash usage fee on the average daily balance of funds utilized multiplied by a contractually defined cash usage rate. Under this agreement, all currency supplied by Wells Fargo remains the sole property of Wells Fargo at all times until it is dispensed, at which time Wells Fargo obtains an interest in the corresponding settlement receivable. As the cash is never an asset of ours, supplied cash is not reflected on our balance sheet.

The Contract Cash Solutions Agreement allows for a maximum amount of cash to be provided to GCA of \$500.0 million, and the agreement terminates on November 30, 2014, unless otherwise amended or extended.

As of March 31, 2013 and 2012, the outstanding balances of ATM cash utilized by GCA from Wells Fargo were \$314.5 million and \$412.2 million, respectively.

Under the terms of the Contract Cash Solutions Agreement, we pay a monthly cash usage fee based upon the product of the average daily dollars outstanding in all ATMs multiplied by a contractually defined cash usage rate. This cash usage rate is determined by an applicable LIBOR plus a mutually agreed upon margin.

We are exposed to interest rate risk to the extent that the applicable LIBOR increases, subject to the interest rate cap purchased in January 2012.

For the three months ended March 31, 2013 and 2012, the cash usage fees incurred by us were \$0.6 million and \$0.9 million, respectively, and are reflected as interest expense within the consolidated statements of income and comprehensive income.

We are responsible for any losses of cash in the ATMs under our agreement with Wells Fargo and we self-insure for this risk. For the three months ended March 31, 2013 and 2012, we incurred no material losses related to this self-insurance.

We also need supplies of cash to support our foreign operations. For some foreign jurisdictions, such as the United Kingdom, applicable law and cross-border treaties allow us to transfer funds between our domestic and foreign operations efficiently. For other foreign jurisdictions, we must rely on the supply of cash generated by our operations in those foreign jurisdictions, and the cost of repatriation is prohibitive. For example, Global Cash Access (Canada), Inc. ("GCA Canada"), the subsidiary through which we operate in Canada, generates a supply of cash that is sufficient to support its operations, and all cash generated through such operations is expected to be retained by GCA Canada. As we expand our operations into new foreign jurisdictions, we must

rely on treaty-favored cross-border transfers of funds, the supply of cash generated by our operations in those foreign jurisdictions or alternate sources of working capital.

In September 2012, the Company entered into an amendment to its Credit Agreement. The amendment modifies certain financial covenants contained in the Credit Agreement with respect to the Company's ability to make capital expenditures, dividends and stock repurchases. Specifically, the Company, together with its subsidiaries, may make an additional \$15.0 million of capital expenditures, as such term is defined in the Credit Agreement, during the remainder of the term of the Credit Agreement, which amount is in addition to any other permitted capital expenditures under the Credit Agreement. In addition, the Credit Agreement provided that the Company could make certain dividends or stock repurchases if, among other things, the Company's total leverage ratio (as calculated under the Credit Agreement) was less than 2.0 to 1. The amendment provides that the Company may now make certain dividends and stock repurchases if, among other things, its total leverage ratio is less than 2.5 to 1.

We believe that borrowings available under the Senior Credit Facility, together with our anticipated operating cash flows, will be adequate to meet our anticipated future requirements for working capital, capital expenditures and scheduled interest payments. Although no additional financing is currently contemplated, we may seek, if necessary or otherwise advisable and to the extent permitted under the terms of the Senior Credit Facility, additional financing through bank borrowings or public or private debt or equity financings. We cannot ensure that additional financing, if needed, will be available to us, or that, if available, the financing will be on terms favorable to us. The terms of any additional debt or equity financing that we may obtain in the future could impose additional limitations on our operations and/or management structure. We also cannot ensure that the estimates of our liquidity needs are accurate or that new business developments or other unforeseen events will not occur, resulting in the need to raise additional funds.

Off-Balance Sheet Arrangements

Wells Fargo Contract Cash Solutions Agreement

We obtain currency to meet the normal operating requirements of our domestic ATMs pursuant to the Contract Cash Solutions Agreement with Wells Fargo. Under this agreement, all currency supplied by Wells Fargo remains the sole property of Wells Fargo at all times until it is dispensed, at which time Wells Fargo obtains an interest in the corresponding settlement receivable. Because it is never an asset of ours, supplied cash is not reflected on our balance sheet. At March 31, 2013, the total currency obtained from Wells Fargo pursuant to this agreement was \$314.5 million. Since Wells Fargo obtains an interest in our settlement receivables, there is no liability corresponding to the supplied cash reflected on our balance sheet. The fees that we pay to Wells Fargo for cash usage pursuant to this agreement are reflected as interest expense in our financial statements. Foreign gaming establishments supply the currency needs for the ATMs located on their premises.

Effects of Inflation

Our monetary assets, consisting primarily of cash and receivables, are not significantly affected by inflation. Our non-monetary assets, consisting primarily of our deferred tax asset, goodwill and other intangible assets, are not affected by inflation. We believe that replacement costs of equipment, furniture and leasehold improvements will not materially affect our operations. However, the rate of inflation affects our operating expenses, such as those for salaries and benefits, armored carrier expenses, telecommunications expenses and equipment repair and maintenance services, which may not be readily recoverable in the financial terms under which we provide our cash access products and services to gaming establishments and their patrons.

Critical Accounting Policies

The preparation of our financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make estimates and assumptions that affect our reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities in our consolidated financial statements. The SEC has defined a company's critical accounting policies as the ones that are most important to the portrayal of the financial condition and results of operations, and which require management to make its most difficult and subjective judgments, often as a result of the need to make estimates about matters that are inherently uncertain.

For the three months ended March 31, 2013, there were no material changes to the critical accounting policies and estimates discussed in the Company's audited consolidated financial statements for the year ended December 31, 2012, included in the Company's Annual Report on Form 10-K filed on March 12, 2013.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In the normal course of business, we are exposed to foreign currency exchange risk. We operate and conduct business in foreign countries and, as a result, are exposed to movements in foreign currency exchange rates. Our exposure to foreign currency exchange risk related to our foreign operations is not material to our results of operations, cash flows or financial position. At present, we do not hedge this risk, but continue to evaluate such foreign currency translation risk exposure.

Wells Fargo supplies us with currency needed for normal operating requirements of our domestic ATMs pursuant to the Contract Cash Solutions Agreement. Under the terms of this agreement, we pay a monthly cash usage fee based upon the product of the average daily dollars outstanding in all such ATMs multiplied by a margin that is tied to LIBOR. We are, therefore, exposed to interest rate risk to the extent that the applicable LIBOR increases. As of March 31, 2013, the currency supplied by Wells Fargo pursuant to this agreement was \$314.5 million.

Based upon the outstanding amount of currency supplied by Wells Fargo pursuant to this agreement as of March 31, 2013, which was \$314.5 million, each 1% increase in the applicable LIBOR would have a \$3.1 million impact on income before taxes over a 12-month period. Foreign gaming establishments' supply the currency needs for the ATMs located on their premises.

Our Credit Facility bears interest at rates that can vary over time. We have the option of having interest on the outstanding amounts under these credit facilities paid based on a base rate or based on LIBOR. We have historically elected to pay interest based on LIBOR, and we expect to continue to pay interest based on LIBOR of various maturities. As of March 31, 2013, the weighted average interest rate, inclusive of the applicable margin of 550 basis points, was 7.0%. Based upon the outstanding balance on the Credit Facility of \$117.5 million on March 31, 2013, each 1% increase in the applicable LIBOR would have a \$1.2 million impact on interest expense over a 12-month period.

In January 2012, we entered into a three year \$150.0 million interest rate cap agreement pursuant to the terms and conditions of the Credit Facility, which partially mitigates our exposure to any increases to LIBOR to the extent LIBOR rises above 1.5% during the term of the interest rate cap agreement.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) promulgated under the Exchange Act, our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the design and operating effectiveness as of March 31, 2013 of our disclosure controls and procedures, as defined in Rule 13a-15(e) promulgated under the Exchange Act. Based on this evaluation our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2013.

We maintain disclosure controls and procedures that are designed to provide reasonable assurance that information required to be disclosed in our reports under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time period specified in the Securities and Exchange Commission's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the first quarter ended March 31, 2013 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Automated Systems America, Inc.

On July 7, 2010, an action was commenced by Automated Systems America, Inc. in the United States District Court, Central District of California, against Holdings, GCA and certain current employees of GCA. The complaint seeks a declaratory

judgment of invalidity, unenforceability and non-infringement of certain patents owned by the Company and alleges antitrust violations of Section 2 of the Sherman Act, unfair competition violations under the Lanham Act and tortious interference and defamation per se. The plaintiff seeks damages in excess of \$2.0 million, punitive damages, and a trebling of damages associated with the allegations under Section 2 of the Sherman Act. On March 3, 2011, the Company filed a motion to dismiss this action. In February 2012, the District Court entered an order granting the Company's motion to dismiss this action without prejudice, allowing the plaintiff to file a new complaint if it elected to do so. The plaintiff subsequently filed an amended complaint alleging substantially similar claims to those contained in the original complaint, and the Company has filed a motion to dismiss the amended complaint. In March 2013, the plaintiff and the Company filed a joint stipulation to dismiss the plaintiff's complaint against the Company and the other defendants in this matter with prejudice, and in April 2013, the court issued an order dismissing the complaint with prejudice. The dismissal order does not bar plaintiff from asserting any claim that the Company's patents-at-issue are invalid, unenforceable or not being violated.

We are also subject to a variety of other claims and suits that arise from time to time in the ordinary course of its business. We do not believe the liabilities, if any, which may ultimately result from the outcome of such matters, individually or in the aggregate, will have a material adverse impact on our financial position, liquidity or results of operations.

ITEM 1A. RISK FACTORS

There are a number of factors that may affect the Company's business and financial results or stock price. A complete description of these factors is set forth in our Annual Report on Form 10-K for the year ended December 31, 2012. There have been no material changes to those factors in the three months ended March 31, 2013.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

ISSUER PURCHASES AND WITHHOLDING OF EQUITY SECURITIES

	Total Number of Shares Purchased or Withheld		Average Price per Share Purchased or Withheld		Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs		Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs		
	(000's)				(000's)		(\$000's)		
Rule 10b-18 Repurchases									
1/1/13 – 1/31/13	140	(1)	\$	7.89	(2)	140	(1)	\$ 38,893	(3)
2/1/13 – 2/28/13	339	(1)	\$	7.00	(2)	339	(1)	\$ 36,523	(3)
3/1/13 – 3/31/13	171	(1)	\$	7.03	(2)	171	(1)	\$ 35,322	(3)
Sub-Total	650	(1)	\$	7.20	(2)	650	(1)		
Tax Withholdings									
1/1/13 – 1/31/13	3	(4)	\$	8.17	(5)	-		\$ -	
2/1/13 – 2/28/13	3	(4)	\$	6.72	(5)	-		\$ -	
3/1/13 – 3/31/13	-	(4)	\$	-	(5)	-		\$ -	
Sub-Total	6	(4)	\$	7.47	(5)	-			
Total	656		\$	7.20		650			

- (1) Represents the number of shares repurchased during the three months ended March 31, 2013 pursuant to the share repurchase program that our Board of Directors has authorized and approved giving us the authority to repurchase up to \$40.0 million of outstanding Company common stock over a two year period, which commenced in this first quarter of 2013. This share repurchase program supersedes all prior share repurchase programs.
- (2) Represents the weighted average price per share of common stock repurchased pursuant to the Rule 10b-18 share buyback program.
- (3) Represents the maximum approximate dollar value of shares of common stock available for repurchase pursuant to the Rule 10b-18 share repurchase authorization at the end of the stated period.
- (4) Represents the shares of common stock that were withheld from restricted stock awards to satisfy the minimum applicable tax withholding obligations incident to the vesting of such restricted stock awards. There are no limitations on the number of shares of common stock that may be withheld from restricted stock awards to satisfy the minimum tax withholding obligations incident to the vesting of restricted stock awards.
- (5) Represents the average price per share of shares of common stock withheld from restricted stock awards on the date of withholding.

ITEM 6. EXHIBITS

Exhibit Number	Description
10.1*	Amended and Restated Employment Agreement with David Lopez, effective March 29, 2013.
10.2*	Amendment to Employment Agreement with Mary E. Higgins, effective March 29, 2013.
31.1*	Certification of David Lopez, Chief Executive Officer of Global Cash Access Holdings, Inc. dated May 7, 2013 in accordance with Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Mary E. Higgins, Chief Financial Officer of Global Cash Access Holdings, Inc. dated May 7, 2013 in accordance with Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of David Lopez, Chief Executive Officer of Global Cash Access Holdings, Inc. dated May 7, 2013 in accordance with 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Mary E. Higgins, Chief Financial Officer of Global Cash Access Holdings, Inc. dated May 7, 2013 in accordance with 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS**	XBRL Instance Document.
101.SCH**	XBRL Taxonomy Extension Schema Document.
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF**	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB**	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase Document.

* Filed herewith.

** Pursuant to applicable securities laws and regulations, the Company is deemed to have complied with the reporting obligation relating to the submission of interactive data files in such exhibits and is not subject to liability under any anti-fraud provisions of the federal securities laws as long as the Company has made a good faith attempt to comply with the submission requirements and promptly amends the interactive data files after becoming aware that the interactive data files fails to comply with the submission requirements. Users of this data are advised that, pursuant to Rule 406T, these interactive data files are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, or Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise are not subject to liability under these sections.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

May 7, 2013
(Date)

GLOBAL CASH ACCESS HOLDINGS, INC.
(Registrant)

By: /s/ Mary E. Higgins
Mary E. Higgins
Chief Financial Officer
(For the Registrant and as
Principal Financial Officer)

EXHIBIT INDEX

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**AMENDED AND RESTATED
EMPLOYMENT AGREEMENT**

This Amended and Restated Employment Agreement (this “Agreement”), by and between Global Cash Access, Inc., a Delaware corporation (the “Company”) and a wholly-owned subsidiary of Global Cash Access Holdings, Inc., a Delaware corporation (“GCA Holdings”), and David B. Lopez (“Executive”), is made as of March 29, 2013 (the “Effective Date”).

RECITALS

A. The Company and Executive entered into an employment agreement dated June 11, 2012 (the “Original Agreement”), and Executive has been employed with the Company since that time.

B. Subsequent to the execution of the Original Agreement, Executive was promoted to the position of Chief Executive Officer.

C. The Company and Executive desire to amend and restate the Original Agreement to reflect such change in job title and other related changes through the execution and delivery of this Agreement.

AGREEMENT

NOW, THEREFORE, based on the foregoing recitals and in consideration of the commitments set forth below, Executive and the Company agree as follows:

1. Position, Duties, Responsibilities

1.1. Position. The Company desires to continue to employ Executive, and Executive desires to continue such employment, upon the terms and conditions set forth herein. Executive is employed to render services to the Company in the position of Chief Executive Officer and shall report to the Company’s Board of Directors (the “Board of Directors”). The duties of this position shall include such duties and responsibilities as are reasonably assigned to Executive from time to time by the Board of Directors, including but not limited to those customarily performed by the Chief Executive Officer of similarly situated corporations. Executive agrees to serve in a similar capacity for the benefit of GCA Holdings and any of the Company’s direct or indirect, wholly-owned or partially-owned subsidiaries or GCA Holdings’ affiliates. Additionally, Executive shall serve in such other capacity or capacities as the Board of Directors may from time to time reasonably and lawfully prescribe. During his employment by the Company, Executive shall, subject to Section 1.2, devote his full energies, interest, abilities and productive time to the proper and efficient performance of his duties under this Agreement.

1.2. Other Activities. Except upon the prior written consent of the Board of Directors, Executive will not (i) accept any other full- or part-time employment, or (ii) engage, directly or indirectly, in any other business activity (whether or not pursued for pecuniary advantage) that is or may be in conflict with, or that might place Executive in a conflicting

position to that of, the Company. Notwithstanding the foregoing, Executive shall be permitted to engage in occasional charitable activities outside the scope of his employment with the Company so long as such activities (A) do not conflict with the actual or proposed business of the Company or any of its subsidiaries or affiliates, and (B) do not affect the performance of his duties hereunder. In addition, subject to the prior written consent of the Board of Directors of the Company and subject to Executive's fiduciary duties to the Company, Executive shall be permitted to serve as a director of other corporations provided that their businesses are not competitive with the actual or proposed business of the Company or any of its subsidiaries or affiliates and provided further that Executive's service as a director of such other corporations does not interfere with his performance of his duties hereunder. Any such prior written consent may be subsequently revoked in the event that the Board of Directors determines, in good faith, that Executive's position as a director of any such other corporation has developed into a conflict of interest.

1.3. Location. Executive's principal place of employment shall be at the Company's corporate headquarters which, on the date of this Agreement, are located in Las Vegas, Nevada.

1.4. Proprietary Information. Executive recognizes that his employment with the Company will involve contact with information of substantial value to the Company, which is not generally known in the trade, and which gives the Company an advantage over its competitors who do not know or use it. As a condition precedent to Executive's employment by the Company pursuant to the Original Agreement, Executive executed and delivered to the Company, concurrent with his execution and delivery of the Original Agreement, an "Employee Proprietary Information and Inventions Agreement," an executed copy of which is attached hereto as Exhibit A (the "Employee Proprietary Information and Inventions Agreement"). Executive agrees to continue to abide by the Employee Proprietary Information and Inventions Agreement, which is incorporated herein by reference.

1.5. Regulatory Approval. Due to the nature of the Company's business and Executive's position with the Company, Executive may be required from time to time to complete applications required by various gaming regulatory, tribal, state or other international governments in whose jurisdiction the Company and its affiliates conduct business, as well as other applications that may be required by such regulatory authorities with jurisdiction over the Company and its affiliates. Such applications are generally in addition to normal credit, reference and background investigation for employment. Such applications may require complete disclosure of personal and financial information, criminal convictions or arrests (expunged or not) and business associations. As an ongoing condition of Executive's employment, Executive must be able to satisfy the licensing process and obtain appropriate gaming and other regulatory licenses.

2. Compensation of Executive

2.1. Base Salary. In consideration of the services to be rendered under this Agreement, while employed by the Company, Company shall pay Executive an initial base annual salary of Five Hundred Thousand Dollars (\$500,000), less standard deductions and withholdings, payable in regular periodic payments in accordance with Company payroll policy.

Such salary shall be prorated for any partial month of employment on the basis of a 30-day fiscal month. Such base salary shall be subject to annual review by the Board of Directors commencing on January 1, 2014.

2.2. Bonus. For each full fiscal year of Executive's employment with the Company, Executive shall be eligible for a discretionary bonus, with a target amount equal to seventy-five percent (75%) of his then current base salary, the exact amount of such bonus to be determined by the Board of Directors based on the measurement of certain performance criteria or goals as established from time to time by the Board of Directors for bonus awards to senior executives of the Company.

2.3. Equity Awards. Executive will be eligible to receive stock, option or other equity awards (each, an "Equity Award") under the Company's applicable equity incentive plan as then in effect (the "Plan"), as determined by the Board of Directors and/or the Compensation Committee thereof. Any such Equity Award will be subject to the terms and conditions of the Plan and an applicable form of agreement for such Equity Award specified by the Board of Directors and/or the Compensation Committee, which Executive will be required to sign as a condition of retaining the Equity Award.

2.4. Benefits. Executive shall be entitled to participate in the Company's group medical, dental, life insurance, 401(k), deferred compensation or other benefit plans and programs on the same terms and conditions as other members of the Company's senior executive management, based upon the eligibility dates described in the benefit plan documents. Executive shall be provided such perquisites of employment, including paid time off as are provided to all other members of the Company's senior executive management. Executive shall be entitled to reimbursement of all reasonable expenses incurred by Executive in the performance of his duties hereunder, in accordance with the policies and procedures established by the Company from time to time, as the same may be amended from time to time. In addition, Executive shall be entitled to reimbursement of certain medical expenses under the Company's Exec-u-care coverage on the same terms as other members of the Company's senior executive management.

3. Employment At Will

Company or Executive may terminate Executive's employment with Company at any time for any reason, including no reason at all, notwithstanding anything to the contrary contained in or arising from any statements, policies, or practices of Company relating to the employment, discipline, or termination of its employees. This at-will employment relationship cannot be changed except in a writing executed on behalf of the Board of Directors and Executive. This Section 3 shall survive any termination or expiration of this Agreement.

4. Termination of Employment

4.1. Termination by Executive. Executive may terminate his employment upon notice to the Company. In the event that Executive elects to terminate his employment other than for Good Reason (as defined below), the Company shall pay Executive all base salary due and owing and all other accrued but unpaid benefits (e.g., accrued vacation)

through the last day actually worked and thereafter the Company's obligations under this Agreement shall terminate, subject to Section 5.4.

4.2. Termination by the Company for Cause. In the event that the Company terminates Executive's employment for Cause, the Company shall pay Executive all base salary due and owing and all other accrued but unpaid benefits (e.g., accrued vacation) through the last day actually worked and thereafter the Company's obligations under this Agreement shall terminate, subject to Section 5.4. For the purposes of this Agreement, termination shall be for "Cause" if (i) Executive refuses or fails to act in accordance with any lawful order or instruction of the Board of Directors that is consistent with Executive's obligations and responsibilities under this Agreement, and such refusal or failure to act has not been cured within five (5) days of written notice from the Board of Directors of such disobedience, (ii) Executive fails to devote reasonable attention and time during normal business hours to the business affairs of the Company or Executive is determined by the Board of Directors to have been unfit (e.g., denied any license, permit or qualification required by any gaming regulator or found unsuitable by any gaming regulator) (other than as a result of an Incapacity), unavailable for service (other than as a result of an Incapacity) or grossly negligent in connection with the performance of his duties on behalf of the Company, which unfitness, unavailability or gross negligence has not been cured within five (5) days of written notice from the Board of Directors of the same; (iii) Executive is determined by the Board of Directors to have committed a material act of dishonesty or willful misconduct or to have acted in bad faith to the material detriment of the Company in connection with the performance of his duties on behalf of the Company; (iv) Executive is convicted of a felony or other crime involving dishonesty, breach of trust, moral turpitude or physical harm to any person, or (v) Executive materially breaches any agreement with the Company which material breach has not been cured within ten (10) days written notice from the Board of Directors of the same. For purposes of this Agreement, the term "without Cause" shall mean termination of Executive's employment for reasons other than for "Cause."

4.3. Termination by the Company without Cause or Termination by Executive for Good Reason. In the event that the Company terminates Executive's employment without Cause or Executive terminates his employment for Good Reason, the Company shall pay Executive all base salary due and owing and all other accrued but unpaid benefits (e.g., accrued vacation) through the last day actually worked, and Executive shall be entitled to receive the severance payments and benefits set forth below in this Section 4.3; provided, however, that such severance and benefits are conditioned on Executive's execution, on or before the 60th day following the date of termination, and non-revocation of a release agreement, the form of which is attached hereto as Exhibit B, and thereafter the Company's obligations under this Agreement shall terminate, subject to Section 5.4. For the purposes of this Agreement, termination shall be for "Good Reason" if (i) there is a material diminution of Executive's responsibilities with the Company, or a material change in the Executive's reporting responsibilities or title, in each case without Executive's consent; (ii) there is a reduction by the Company in the Executive's annual base salary then in effect without Executive's consent; or (iii) Executive's principal work location is relocated outside of the Las Vegas, Nevada metropolitan area without Executive's consent. Executive agrees that he may be required to travel from time to time as required by the Company's business and that such travel shall not constitute grounds for Executive to terminate his employment for Good Reason.

4.3.1. Base Salary Continuation. The Company shall continue to pay to Executive his then-current base annual salary for a period of twelve (12) months (the “Salary Continuation Period”). Such salary continuation shall be subject to standard deductions and withholdings and shall be payable in regular periodic payments in accordance with Company payroll policy commencing with the first payroll date occurring on or after the 60th day following the date of termination. The Company may discontinue such salary continuation in the event that Executive breaches any of the provisions of Sections 6 or 7.

4.3.2. Target Bonus. The Company shall also pay to Executive, subject to standard deductions and withholdings, a bonus in the amount of seventy-five percent (75%) of his then-current base salary, payable in equal installments concurrent with the salary continuation payments pursuant to Section 4.3.1.

4.3.3. Vesting of Restricted Stock Award. In connection with the execution of the Original Agreement, the Board of Directors of GCA Holdings approved the grant to Executive of sixty-five thousand (65,000) shares of restricted stock (the “Shares”) of GCA Holdings’ pursuant to the Plan and a Notice of Restricted Stock Award and Executive and GCA Holdings entered into a related Restricted Stock Award Agreement (the “Restricted Stock Award Agreement”). Any Shares subject to such Restricted Stock Award Agreement that are held by Executive and that remain unvested shall immediately become fully vested. To the extent any purported conflict between the terms of the Restricted Stock Award Agreement and this Agreement may appear, the terms of this Agreement shall supercede and control the terms of the parties understanding.

4.3.4. Group Medical Coverage. The Company shall, following the Executive’s timely election, provide the Executive (and Executive’s spouse or dependents) with continued coverage for the Salary Continuation Period under the Company’s group health insurance plans (including, without limitation, any dental and vision insurance plans) in effect upon termination of Executive’s employment without Cause or for Good Reason in accordance with the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”), at no cost to Executive.

4.4. Termination for Incapacity. In the event that Executive suffers an Incapacity during the term of his employment hereunder, the Company may elect to terminate Executive’s employment pursuant to this Section 4.4. In such event, the Company shall pay Executive all base salary due and owing and all other accrued but unpaid benefits (e.g., accrued vacation) through the date on which an Incapacity is determined to exist (the “Determination Date”). Thereafter the Company’s obligations under this Agreement shall terminate, subject to Section 5.4; provided, however, that nothing contained in this Agreement shall limit Executive’s rights to payments or other benefits under any long-term disability plans of the Company in which Executive participates, if any. For the purposes of this Agreement, Executive shall be deemed to have suffered an “Incapacity” if Executive shall, due to illness or mental or physical incapacity, be unable to perform the duties and responsibilities required to be performed by him on behalf of the Company for a period of at least 180 days.

4.5. Termination upon Death. In the event that Executive dies during the term of his employment hereunder, Executive’s employment shall be deemed to have terminated

upon the date of death. In such event, the Company shall pay Executive's estate all base salary due and owing and all other accrued but unpaid benefits (e.g., accrued vacation) through the date of death. Thereafter the Company's obligations under this Agreement shall terminate, subject to Section 5.4; provided, however, that nothing contained in this Agreement shall limit Executive's estate's or beneficiaries' rights to payments or other benefits under any life insurance plan or policy in which Executive participates or with respect to which Executive has designated a beneficiary, if any.

4.6. Compliance with Section 409A of the Code. This Agreement is intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") (or any regulations or rulings thereunder), and shall be construed and interpreted in accordance with such intent. Notwithstanding anything to the contrary in this Agreement, the Company, in the exercise of its sole discretion and without the consent of Executive, shall have the authority to delay the payment of any amounts or the provision of any benefits under this Agreement to the extent it deems necessary or appropriate to comply with Section 409A(a)(2)(B)(i) of the Code (relating to payments made to certain "key employees" of certain publicly-traded companies) as amplified by any Internal Revenue Service or U.S. Treasury Department guidance as the Company deems appropriate or advisable. In such event, any amounts or benefits under this Agreement to which Executive would otherwise be entitled during the six (6) month period following Executive's termination of employment will be paid on the first business day following the expiration of such six (6) month period. Any provision of this Agreement that would cause the payment of any benefit to fail to satisfy Section 409A of the Code shall have no force and effect until amended to comply with Code Section 409A (which amendment may be retroactive to the extent permitted by the Code or any regulations or rulings thereunder).

4.7. No Other Compensation or Benefits. Executive acknowledges that except as expressly provided in this Agreement, he will not be entitled to any additional compensation, severance payments acceleration of equity grants or benefits after the termination of his employment.

5. Termination Obligations

5.1. Return of Company's Property. Without in any way limiting Executive's obligations and the Company's rights under the Employee Proprietary Information and Inventions Agreement described in Section 1.4, Executive hereby acknowledges and agrees that all books, manuals, records, reports, notes, contracts, lists, spreadsheets and other documents or materials, or copies thereof, and equipment furnished to or prepared by Executive in the course of or incident to Executive's employment, belong to Company and shall be promptly returned to Company upon termination of Executive's employment.

5.2. Cooperation in Pending Work. Following any termination of Executive's employment, Executive shall, at the Company's request, reasonably cooperate with the Company in all matters relating to the winding up of pending work on behalf of the Company and the orderly transfer of work to other employees of the Company. Executive shall also cooperate, at the Company's request, in the defense of any action brought by any third party against the Company that relates in any way to Executive's acts or omissions while employed by

the Company. In consideration of Executive's cooperation under this Section 5.2, the Company shall reimburse Executive for his reasonable out-of-pocket costs incurred to cooperate and the Company shall pay Executive an hourly consulting fee equal to the hourly rate that results from dividing his then-current base annual salary by 2,080.

5.3. Resignation. Upon the termination of Executive's employment for any reason, Executive shall be deemed to have resigned from all positions as an employee, officer, director or manager then held with the Company, GCA Holdings or any of their respective subsidiaries or affiliates. Executive agrees to execute and deliver such documents or instruments as are reasonably requested by the Company, GCA Holdings or any such subsidiary or affiliate to evidence such resignations.

5.4. Survival. The representations and warranties contained herein and Executive's and the Company's obligations under Sections 3, 4, 5, 6, 7 and 8 and under the Employee Proprietary Information and Inventions Agreement shall survive termination of Executive's employment and the expiration of this Agreement.

6. Restrictions on Competition after Termination.

6.1. Reasons for Restrictions. Executive acknowledges that the nature of the Company's business is such that it would be extremely difficult for Executive to honor and comply with Executive's obligation under the Employee Proprietary and Inventions Agreement described in Section 1.4 to keep secret and confidential the Company's trade secrets if Executive were to become employed by or substantially interested in the business of a competitor of the Company soon following the termination of Executive's employment with the Company, and it would also be extremely difficult to determine in any reasonably available forum the extent to which Executive was or was not complying with Executive's obligations under such circumstances.

6.2. Duration of Restriction. In consideration for the Company's undertakings and obligations under this Agreement, Executive agrees that during the Noncompete Term, Executive will not directly or indirectly engage in (whether as an employee, consultant, proprietor, partner, director or otherwise), or have any ownership interest in, or participate in the financing, operation, management or control of, any person, firm, corporation or business that engages in any line of business in which the Company engages at the time of such termination, in the United States, Canada, the United Kingdom or such other countries in which the Company conducts business at the time of such termination ("Restricted Territory"). For the avoidance of doubt, the foregoing shall not prohibit Executive from engaging in, owning an interest in, or participating in any business that processes credit card, debit card or automated teller machine transactions originated from outside of gaming establishments. For purposes of this Agreement, the "Noncompete Term" shall be the period of two (2) years after the termination of Executive's employment hereunder. The parties agree that ownership of no more than 1% of the outstanding voting stock of a publicly-traded corporation or other entity shall not constitute a violation of this provision. The parties intend that the covenants contained in this section shall be construed as a series of separate covenants, one for each county, city, state and other political subdivision of the Restricted Territory. Except for geographic coverage, each such separate covenant shall be deemed identical in terms to the covenant contained in this

section. If, in any judicial proceeding, a court shall refuse to enforce any of the separate covenants (or any part thereof) deemed included in this section, then such unenforceable covenant (or such part) shall be deemed eliminated from this Agreement for the purpose of those proceedings to the extent necessary to permit the remaining separate covenants (or portions thereof) to be enforced by such court. It is the intent of the parties that the covenants set forth herein be enforced to the maximum degree permitted by applicable law.

7. Restrictions on Solicitation after Termination.

For a period of two (2) years following the termination of Executive's employment hereunder for any reason, Executive shall not, without the prior written consent of the Company, directly or indirectly, as a sole proprietor, member of a partnership, stockholder or investor, officer or director of a corporation, or as an executive, associate, consultant, independent contractor or agent of any person, partnership, corporation or other business organization or entity other than the Company solicit or endeavor to entice away from the Company any person or entity who is, or, during the then most recent three-month period, was, employed by, or had served as an agent or key consultant of the Company, provided, however, that Executive shall not be prohibited from receiving and responding to unsolicited requests for employment or career advice from Company's employees, agents and consultants.

8. Arbitration.

8.1. Agreement to Arbitrate Claims. The Company and Executive hereby agree that, to the fullest extent permitted by law, any and all claims or controversies between them (or between Executive and any present or former officer, director, agent, or employee of the Company or any parent, subsidiary, or other entity affiliated with the Company) relating in any manner to the employment or the termination of employment of Executive shall be resolved by final and binding arbitration. Except as specifically provided herein, any arbitration proceeding shall be conducted in accordance with the National Rules for the Resolution of Employment Disputes of the American Arbitration Association ("the AAA Rules"). Claims subject to arbitration shall include contract claims, tort claims, claims relating to compensation and stock options, as well as claims based on any federal, state, or local law, statute, or regulation, including but not limited to any claims arising under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, and the California Fair Employment and Housing Act. However, claims for unemployment compensation, workers' compensation, and claims under the National Labor Relations Act shall not be subject to arbitration.

8.2. Arbitrator. A neutral and impartial arbitrator shall be chosen by mutual agreement of Executive and the Company; however, if Executive and the Company are unable to agree upon an arbitrator within a reasonable period of time, then a neutral and impartial arbitrator shall be appointed in accordance with the arbitrator nomination and selection procedure set forth in the AAA Rules. The arbitrator shall prepare a written decision containing the essential findings and conclusions on which the award is based so as to ensure meaningful judicial review of the decision. The arbitrator shall apply the same substantive law, with the same statutes of limitations and same remedies, that would apply if the claims were brought in a

court of law. The arbitrator shall have the authority to consider and decide pre-hearing motions, including dispositive motions.

8.3. Enforcement Actions. Either the Company or Executive may bring an action in court to compel arbitration under this Agreement and to enforce an arbitration award. Except as otherwise provided in this Agreement, neither party shall initiate or prosecute any lawsuit in any way related to any arbitrable claim, including without limitation any claim as to the making, existence, validity, or enforceability of the agreement to arbitrate. All arbitration hearings under this Agreement shall be conducted in Las Vegas, Nevada.

8.4. Exceptions. Nothing in this Agreement precludes a party from filing an administrative charge before an agency that has jurisdiction over an arbitrable claim. In addition, either party may, at its option, seek injunctive relief in a court of competent jurisdiction for any claim or controversy arising out of or related to the unauthorized use, disclosure, or misappropriation of the confidential and/or proprietary information of either party. By way of example, the Company may choose to use the court system to seek injunctive relief to prevent disclosure of its proprietary information or trade secrets; similarly, Executive may elect to use the court system to seek injunctive relief to protect Executive's own inventions or trade secrets.

8.5. Governing Law. The agreement to arbitrate under this Section 8 shall be governed by the Uniform Arbitration Act of 2000 (Nevada Revised Statutes 38.206 et seq). In ruling on procedural and substantive issues raised in the arbitration itself, the Arbitrator shall in all cases apply the substantive law of the State of Nevada.

8.6. Attorneys' Fees. The Arbitrator shall have the discretion to award the costs of arbitration, the arbitrator's fees and the respective attorney's fees of each party between the parties as the arbitrator sees fit.

8.7. Survival. The parties' obligations under this Section 8 shall survive the termination of Executive's employment with the Company and the expiration of this Agreement.

8.8. Acknowledgements. THE PARTIES UNDERSTAND AND AGREE THAT THIS SECTION 8 CONSTITUTES A WAIVER OF THEIR RIGHT TO A TRIAL BY JURY OF ANY CLAIMS OR CONTROVERSIES COVERED BY THIS SECTION 8. THE PARTIES AGREE THAT NONE OF THOSE CLAIMS OR CONTROVERSIES SHALL BE RESOLVED BY A JURY TRIAL. THE PARTIES FURTHER ACKNOWLEDGE THAT THEY HAVE BEEN GIVEN THE OPPORTUNITY TO DISCUSS THIS SECTION 8 WITH THEIR LEGAL COUNSEL AND HAVE AVAILED THEMSELVES OF THAT OPPORTUNITY TO THE EXTENT THEY WISH TO DO SO.

9. Expiration

The terms of this Agreement are intended by the parties to govern Executive's employment with the Company during the term of such employment. Upon the termination of Executive's employment with the Company, this Agreement shall expire and be of no further force or effect, except to the extent of provisions hereof which expressly survive the expiration or termination of this Agreement.

10. Entire Agreement

The terms of this Agreement are intended by the parties to be the final and exclusive expression of their agreement with respect to the employment of Executive by Company and may not be contradicted by evidence of any prior or contemporaneous statements or agreements. The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding involving this Agreement. To the extent any provisions in this Agreement are inconsistent with any provisions of the Exhibits, the provisions of the Exhibits shall supersede and be controlling.

11. Amendments, Waivers

This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by Executive and by a duly authorized representative of the Company other than Executive. No failure to exercise and no delay in exercising any right, remedy, or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power under this Agreement preclude any other or further exercise thereof, or the exercise of any other right, remedy, or power provided herein or by law or in equity.

12. Assignment; Successors and Assigns

Executive agrees that Executive may not assign, sell, transfer, delegate or otherwise dispose of, whether voluntarily or involuntarily, or by operation of law, any rights or obligations under this Agreement, nor shall Executive's rights be subject to encumbrance or the claims of creditors. Any purported assignment, transfer, or delegation shall be null and void. Nothing in this Agreement shall prevent the consolidation of the Company with, or its merger into, any other corporation, or the sale by the Company of all or substantially all of its properties or assets, or the assignment by the Company of this Agreement and the performance of its obligations hereunder to any successor in interest.

13. Entire Agreement; Severability; Enforcement

This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes in its entirety all prior undertakings and agreements of the Company and Executive with respect to the subject matter hereof. If any provision of this Agreement, or the application thereof to any person, place, or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable, or void, the remainder of this Agreement and such provisions as applied to other persons, places, and circumstances shall remain in full force and effect. Such court shall have the authority to modify or replace the invalid or unenforceable term or provision with one which most accurately represents the parties' intention with respect to the invalid or unenforceable term or provision.

14. Governing Law

The validity, interpretation, enforceability, and performance of this Agreement shall be governed by and construed in accordance with the law of the State of Nevada.

15. Acknowledgment

The parties acknowledge (a) that they have consulted with or have had the opportunity to consult with independent counsel of their own choice concerning this Agreement, and (b) that they have read and understand the Agreement, are fully aware of its legal effect, and have entered into it freely based on their own judgment and not on any representations or promises other than those contained in this Agreement.

16. Notices

All notices or demands of any kind required or permitted to be given by the Company or Executive under this Agreement shall be given in writing and shall be personally delivered (and received for) or mailed by certified mail, return receipt requested, postage prepaid, addressed as follows:

If to Company:	<u>Prior to April 15, 2013</u> Global Cash Access, Inc. Attn: General Counsel 3525 East Post Road, Suite 120 Las Vegas, NV 89120
	<u>After April 15, 2013</u> Global Cash Access, Inc. Attn: General Counsel 7250 South Tenaya Way, Suite 100 Las Vegas, Nevada 89113
If to Executive:	David B. Lopez 11286 La Madre Ridge Las Vegas, NV 89135

Any such written notice shall be deemed received on the first business day delivery is attempted or upon receipt, whichever is sooner. Either party may change its address for notices by giving notice to the other party in the name specified in this section.

17. Representations and Warranties.

Executive represents and warrants that he is not restricted or prohibited, contractually or otherwise, from entering into and performing each of the terms and covenants contained in this Agreement, and that his execution and performance of this Agreement will not violate or breach any other agreements between Executive and any other person or entity.

18. Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, all of which together shall contribute one and the same instrument.

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement as of the date first set forth above.

GLOBAL CASH ACCESS, INC.

EXECUTIVE

By: /s/ E. Miles Kilburn
Name: E. Miles Kilburn
Title: Chairman

/s/ David Lopez
Name: David Lopez

EXHIBIT A
EMPLOYEE PROPRIETARY INFORMATION AND INVENTIONS AGREEMENT

EXHIBIT B
RELEASE AND WAIVER OF CLAIMS

In exchange for the severance payments and other benefits to which I would not otherwise be entitled, I hereby furnish Global Cash Access Holdings, Inc., Global Cash Access, Inc. and each of their respective subsidiaries and affiliates (collectively, the "Company") with the following release and waiver.

I hereby release, and forever discharge the Company, its officers, directors, agents, employees, stockholders, attorneys, successors, assigns and affiliates, of and from any and all claims, liabilities, demands, causes of action, costs, expenses, attorneys fees, damages, indemnities and obligations of every kind and nature, in law, equity, or otherwise, known and unknown, suspected and unsuspected, disclosed and undisclosed, arising at any time prior to and including the date I sign this Release with respect to any claims relating to my employment and the termination of my employment, including but not limited to: any and all such claims and demands directly or indirectly arising out of or in any way connected with my employment with the Company or the termination of that employment; claims or demands related to salary, bonuses, commissions, stock, stock options, or any other ownership interests in the Company, vacation pay, fringe benefits, expense reimbursements, sabbatical benefits, severance benefits, or any other form of compensation; claims pursuant to any federal, state or local law or cause of action including, but not limited to, the federal Civil Rights Act of 1964, as amended; the federal Age Discrimination Act of 1990; the Delaware Fair Employment Practices Act, as amended; tort law; contract law; wrongful discharge; discrimination; harassment; fraud; emotional distress; and breach of the implied covenant of good faith and fair dealing, provided, however, that this Release shall not apply to claims or causes of action for defamation, libel, or invasion of privacy.

In granting the releases herein, I acknowledge that I understand that I am waiving any and all rights and benefits conferred by the provisions of Section 1542 of the Civil Code of the State of California and any similar provision of law of any other state or territory of the United States or other jurisdiction to the following effect: "**A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.**" I hereby expressly waive and relinquish all rights and benefits under that section and any law or legal principle of similar effect in any jurisdiction with respect to the release of unknown and unsuspected claims granted in this Release.

I acknowledge that, among other rights, I am waiving and releasing any rights I may have under ADEA, that this waiver and release is knowing and voluntary, and that the consideration given for this waiver and release is in addition to anything of value to which I was already entitled. I further acknowledge that I have been advised, as required by the Older Workers Benefit Protection Act, that: (a) the waiver and release granted herein does not relate to claims which may arise after this Release is executed; (b) I have the right to consult with an attorney prior to executing this Release (although I may choose voluntarily not to do so); (c) I have twenty-one (21) days from the date I receive this Release, in which to consider this Release (although I may choose voluntarily to execute this Release earlier); (d) I have seven (7) days following the execution of this Release to revoke my consent to the Release; and (e) this Release shall not be effective until the seven (7) day revocation period has expired.

Date: _____

March 28, 2013

Mary Elizabeth Higgins
3211 Ashby Avenue
Las Vegas, Nevada 89102

Re: Amendment to Employment Agreement

Dear Mary Beth,

Reference is made to that certain employment agreement between Global Cash Access, Inc. (the "Company") and you, dated August 26, 2010 (the "Original Agreement").

This letter confirms that the section of the Original Agreement entitled "Bonus" be, and hereby is, amended in its entirety as follows:

"Bonus: In addition to your annual base salary, you will be eligible for a discretionary annual bonus with a target of 60% of your base salary. The bonus plan is based half on your organization's performance, measured against goals you agree upon with the Chief Executive Officer and half based upon the earnings per share for the Company, which will be established in the first quarter of each fiscal year. Each of the components could result in a bonus of 150% of the target (90% of salary), depending upon performance. If threshold targets are not met the bonus level could be zero."

Except as provided above, the terms of the Original Agreement remain in full force and effect.

Please indicate your agreement to the foregoing by signing and dating this letter and returning it to me. If you have any questions or concerns, please let me know.

Sincerely,

By: /s/ David Lopez
Name: David Lopez
Title: President and
Chief Executive Officer

Date: March 29, 2013

I, Mary Elizabeth Higgins, have read this letter, understand its terms, and have accepted it as of the date written below:

By: /s/ Mary E. Higgins
Name: Mary E. Higgins

Date: March 29, 2013

GLOBAL CASH ACCESS HOLDINGS, INC.
CERTIFICATION

I, David Lopez, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Global Cash Access Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 7, 2013

By: /s/ David Lopez
David Lopez
Chief Executive Officer

GLOBAL CASH ACCESS HOLDINGS, INC.
CERTIFICATION

I, Mary E. Higgins, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Global Cash Access Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 7, 2013

By: /s/ Mary E. Higgins
Mary E. Higgins
Chief Financial Officer

**GLOBAL CASH ACCESS HOLDINGS, INC.
CERTIFICATION**

In connection with the periodic report of Global Cash Access Holdings, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2013 as filed with the Securities and Exchange Commission (the "Report"), I, David Lopez, Chief Executive Officer of the Company, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to the best of my knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

This Certification has not been, and shall not be deemed, "filed" with the Securities and Exchange Commission.

Dated: May 7, 2013

By: /s/ David Lopez
David Lopez
Chief Executive Officer

**GLOBAL CASH ACCESS HOLDINGS, INC.
CERTIFICATION**

In connection with the periodic report of Global Cash Access Holdings, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2013 as filed with the Securities and Exchange Commission (the "Report"), I, Mary E. Higgins, Chief Financial Officer of the Company, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to the best of my knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

This Certification has not been, and shall not be deemed, "filed" with the Securities and Exchange Commission.

Dated: May 7, 2013

By: /s/ Mary E. Higgins
Mary E. Higgins
Chief Financial Officer
