

**AUDIT COMMITTEE**  
**CHARTER OF**  
**EVERI HOLDINGS INC.**  
(Last Updated July 29, 2020)

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**Purposes, Authority & Funding**

The audit committee (the “Committee”) of the Board of Directors (the “Board”) of Everi Holdings Inc., a Delaware corporation (the “Company”), is appointed by the Board for the purpose of (1) assisting Board oversight of (a) the integrity of the Company’s financial statements and financial reporting processes, (b) the Company’s compliance with legal and regulatory requirements, (c) the Company’s independent auditor’s qualifications and independence, and (d) the performance of the Company’s internal audit function and independent auditors; and (2) preparing an audit committee report as required by the U.S. Securities and Exchange Commission (the “SEC”) to be included in the Company’s proxy statement for its annual meeting of shareholders. In so doing, the Committee shall endeavor to maintain free and open communication between the Company’s directors, independent auditor and financial management.

The Committee shall have the authority to retain independent legal, accounting or other advisers as it determines necessary to carry out its duties and, if necessary, to institute special investigations. The Committee may request any officer or employee of the Company, or the Company’s outside counsel or independent auditor, to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. Further, the Committee may request any such officer, employee, outside counsel or independent auditor to provide any pertinent information to the Committee or to any other person or entity designated by the Committee.

The Company shall provide the Committee with appropriate funding, as determined by the Committee in its capacity as a committee of the Board, for the payments of: (1) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (2) compensation to any independent advisers retained by the Committee in carrying out its duties; and (3) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties under this Charter.

**Committee Membership**

The members of the Committee (the “Members”) shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee and shall serve until their successors are duly elected and qualified or until their earlier resignation, removal or death. The Committee shall consist of at least three Members, each of which shall be a member of the Board. Any Member of the Committee may be removed or replaced by the

Board on the recommendation of the Nominating and Corporate Governance Committee.

The following membership requirements shall also apply:

- (i) each Member must be “independent” as defined in Section 303A.02 of the rules of the New York Stock Exchange (the “NYSE”);
- (ii) each Member must meet the criteria for independence set forth in Rule 10A-3(b)(1) promulgated under the Securities and Exchange Act of 1934, as amended (the “Act”), subject to the exemptions provided in Rule 10A-3(c) under the Act;
- (iii) each Member must be financially literate, as such qualification is interpreted by the Board in its business judgment, or must become financially literate within a reasonable period of time after his or her appointment to the Committee; and
- (iv) at least one Member must have accounting or related financial management expertise, as defined by the NYSE and SEC pursuant to the Sarbanes-Oxley Act of 2002.

If a current Member of the Committee ceases to be independent under the requirements of subparagraphs (i) and (ii) above for reasons outside the Member’s reasonable control, the affected Member may remain on the Committee until the earlier of the Company’s next annual stockholders meeting or one year from the occurrence of the event that caused the failure to comply with those requirements; provided, however, that when relying on the exception set forth in this sentence the Committee shall cause the Company to provide notice to the NYSE immediately upon learning of the event or circumstance that caused the non-compliance.

### **Duties & Responsibilities**

In fulfilling its purposes as stated in this Charter, the Committee shall undertake the specific duties and responsibilities listed below and such other duties and responsibilities as the Board shall from time to time prescribe, and shall have all powers necessary and proper to fulfill all such duties and responsibilities. Subject to applicable Board and stockholder approvals, the Committee shall:

#### *Financial Statement & Disclosure Matters*

1. Review the policies and procedures adopted by the Company to fulfill its responsibilities regarding the fair and accurate presentation of financial statements in accordance with generally accepted accounting principles and applicable rules and regulations of the SEC and the NYSE;
2. Review any analyses prepared by management and/or the Company’s independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the Company’s financial statements, including

analyses of the effects of alternative generally accepted accounting principles (“GAAP”) methods on the financial statements;

3. Review major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company’s selection or application of accounting principles, and major issues as to the adequacy of the Company’s internal controls and any special audit steps adopted in light of material control deficiencies;
4. Discuss with the Company’s management policies regarding risk assessment and risk management, including information technology risks (inclusive of but not limited to data privacy and security issues), and discuss the Company’s major financial risk exposures and the steps management has taken to monitor and control such exposures;
5. Review with the Company’s independent auditor, management and internal auditors any information regarding “second” opinions sought by management from an independent auditor with respect to the accounting treatment of a particular event or transaction;
6. Review and discuss with management and the Company’s independent auditor the effect of regulatory and accounting initiatives, as well as off-balance sheet arrangements and aggregate contractual obligations, on the Company’s financial statements;
7. Review and discuss reports from the Company’s independent auditor regarding: (a) all critical accounting policies and practices to be used by the Company; (b) all alternative treatments of financial information within GAAP that have been discussed with management, including ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditor; and (c) other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences;
8. Review all certifications provided by the Company’s principal executive officer and principal financial officer pursuant to Sections 302 and 906 of the Sarbanes-Oxley Act;
9. Review and discuss with management and the independent auditor the audited financial statements proposed to be included in the Company’s Annual Report on Form 10-K, including the Company’s disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” (“MD&A”). The Committee shall also discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditors under applicable standards of the Public Company Accounting Oversight Board or applicable law or listing standards. Based on such review and discussion, the Committee shall determine whether to recommend to the Board that the audited financial statements be included in the Company's Form 10-K.

10. Review, in consultation with management and the independent auditor, the Company's interim financial statements (including disclosures under MD&A), prior to filing each of the Company's Quarterly Reports on Form 10-Q with the SEC;
11. Prepare and approve the report required by the rules of the SEC to be included in the Company's annual proxy statement in accordance with the requirements of Item 7(d)(3)(i) of Schedule 14A and Item 306 of Regulation S-K;
12. Meet separately, periodically, with management, with the Company's internal auditors (or other personnel responsible for the internal audit function) and with the Company's independent auditor;
13. Review and discuss with management press releases regarding the Company's financial results and any other information provided to securities analysts and rating agencies, including any "pro-forma," "non-GAAP" or adjusted financial information;

*Matters Regarding Oversight of the Company's Independent Auditor*

14. Be directly responsible, in its capacity as a committee of the Board, for the appointment, compensation, retention and oversight of the work of any registered public accounting firm engaged (including resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; provided also that each such registered public accounting firm shall report directly to the Committee;
15. Receive and review a formal written statement and letter from the Company's independent auditor delineating all relationships between the independent auditor and the Company, consistent with the Public Accounting Oversight Board Ethics and Independence Rule 3526, as may be modified or supplemented;
16. Actively engage in a dialogue with the Company's independent auditor with respect to any disclosed relationship or services that may impact the objectivity and independence of the independent auditor;
17. Establish clear policies regarding the hiring of employees and former employees of the Company's independent auditor;
18. Establish policies and procedures for review and pre-approval by the Committee of all audit services and permissible non-audit services (including the fees and terms thereof) to be performed by the Company's independent auditor, with exceptions provided for *de minimis* amounts under certain circumstances as permitted by law; provided, however, that: (a) the Committee may delegate to one or more Members the authority to grant such pre-approvals if the pre-approval decisions of any such delegate Member(s) are presented to the Committee at its next scheduled meeting; and (b) all

approvals of non-audit services to be performed by the independent auditor must be disclosed in the Company's applicable periodic reports;

19. Obtain and review, at least annually, a report by the Company's independent auditor describing: (a) the independent auditor's internal quality-control procedures; (b) any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more audits carried out by the independent auditor, and any steps taken to deal with any such issues; and (c) all relationships between the independent auditor and the Company (to assess the auditor's independence);
20. Meet with the Company's independent auditor prior to its audit to review the planning and staffing of the audit;
21. Discuss with the Company's independent auditor the matters required to be discussed by Statement on Auditing Standards No. 114, as may be modified or supplemented, relating to the conduct of the audit;
22. Review with the Company's independent auditor any audit problems, difficulties or disagreements with management that the independent auditor may have encountered, as well as any management letter provided by the independent auditor and the Company's response to that letter, including a review of: (a) any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information; (b) any changes required in the planned scope of the internal audit; and (c) the Company's internal audit department's responsibilities, budget and staffing;
23. Review and evaluate the qualifications, performance and independence of the Company's independent auditor, including a review of whether the independent auditor's quality-control procedures are adequate and a review and evaluation of its lead partner, taking into account the opinions of management and the Company's internal auditors, and present the Committee's conclusions to the Board, together with any recommendations for additional action;
24. Oversee the rotation of the lead (or coordinating) audit partner of the Company's independent auditor having primary responsibility for the audit and the audit partner responsible for reviewing the audit at least every five years;
25. Engage in communication with the independent auditor as described in Auditing Standard No. 16 regarding significant changes in audit strategy and or issues related to the financial review quarterly and at year end;

*Matters Regarding Oversight of the Company's Internal Audit Function*

26. Review the annual plan and scope of work and coverage of the internal audit department, including the risk-based approach to development of the plan, and receive updates on significant changes in scope of the plan and coverage during the year, as appropriate. Review the responsibilities, resources and staffing of the internal audit, including any outsourcing or co-sourcing services. Review the results of internal and external quality assurance reviews of the internal audit department. Review and approve the internal audit department charter annually.
27. Review the Company's annual audited financial statements with management, including a review of major issues regarding accounting and auditing principles and practices, and evaluate the adequacy and effectiveness of internal controls (including controls with respect to information security) that could significantly affect the Company's financial statements, as well as the adequacy and effectiveness of the Company's disclosure controls and procedures and management's reports thereon;
28. Review major changes to the Company's auditing and accounting principles and practices as suggested by the Company's independent auditor, internal auditors or management;
29. Approve the appointment of, and any replacement of, the Company's senior internal auditing executive;
30. Review the significant reports to management prepared by the Company's internal auditing department and management's responses;

*Matters Regarding Oversight of Compliance Responsibilities*

31. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations;
32. Obtain reports from the Company's management, senior internal auditing executive and independent auditor that the Company's subsidiaries and foreign affiliated entities are in compliance with applicable legal requirements, including the Foreign Corrupt Practices Act;
33. Establish procedures for: (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
34. Review and address any concerns regarding potentially illegal actions raised by the Company's independent auditor pursuant to Section 10A(b) of the Act, and cause the Company to inform the SEC of any report issued by the Company's independent auditor to the Board regarding such conduct pursuant to Rule 10A-1 under the Act;

35. Obtain from the Company's independent auditor assurance that it has complied with Section 10A of the Act;

*Additional Duties & Responsibilities*

36. Review the adequacy and effectiveness of the Company's information security policies and the internal controls related to information security and cybersecurity;
37. Review and approve any transactions between the Company and any related parties;
38. Review and reassess the adequacy of this Charter annually;
39. Review and assess the performance and effectiveness of the Committee at least annually;
40. Report regularly to the Board, and review with the Board any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal, ethical, or regulatory requirements, the performance and independence of the Company's independent auditor, or the performance of the Company's internal audit function, and any other such matters as reviewed at the Audit Committee meeting;
41. Review with the Company's outside legal counsel and internal legal counsel any legal matters that may have a material impact on the financial statements, the Company's compliance policies and any material reports or inquiries received from regulators or governmental agencies;
42. Provide oversight and review of the Company's asset management policies, including an annual review of the Company's investment policies and performance for cash and short-term investments; and
43. Take any other actions that the Committee deems necessary or proper to fulfill the purposes and intent of this Charter.

While the Committee has the responsibilities, duties and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. Rather, those duties are the responsibility of management and the independent auditor.

Nothing contained in this Charter is intended to alter or impair the operation of the "business judgment rule" as interpreted by the courts under the Delaware General Corporation Law. Further, nothing contained in this Charter is intended to alter or impair the right of the Members to rely, in discharging their duties and responsibilities, on the records of the Company and on other information presented to the Committee, Board or Company by its officers or employees or by outside experts and advisers such as the Company's independent auditor.

## **Structure & Meetings**

The Committee shall conduct its business and meetings in accordance with this Charter, the Company's Amended and Restated Bylaws and any direction set forth by the Board. Unless the chairperson of the Committee is elected by the full Board, the Committee Members may designate a chairperson by a majority vote of the full Committee. The designated chairperson shall preside at each meeting of the Committee and, in consultation with the other Members, shall set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. In the absence of the designated chairperson at any meeting of the Committee, the Members present at such meeting shall designate a chairperson *pro tem* to serve in that capacity for the purposes of such meeting (not to include any adjournment thereof) by majority vote. The chairperson (other than a chairperson *pro tem*) shall ensure that the agenda for each meeting is distributed to each Member in advance of the applicable meeting.

The Committee shall meet as often as it determines to be necessary and appropriate, but not less than quarterly each year. The Committee may establish its own schedule, provided that it shall provide such schedule to the Board in advance. The chairperson of the Committee or a majority of the Members may call special meetings of the Committee upon notice as is required for special meetings of the Board in accordance with the Company's Amended and Restated Bylaws. Formal action taken by the Committee shall be by the affirmative vote of at least a majority of the members present (in person or by telephone conference call) at a meeting at which a quorum is present or by unanimous written consent. A majority of the appointed Members, but not less than two Members, shall constitute a quorum for the transaction of business. Members may participate in a meeting through use of conference telephone or similar communication equipment, so long as all Members participating in such meeting can hear one another, and such participation shall constitute presence in person at such meeting. Further, unless the Committee determines otherwise, the Committee shall hold an executive session at each regularly scheduled meeting.

The Committee may meet with any person or entity, including the Company's independent auditors, management and those responsible for the internal audit function, in executive session as desired by the Committee. The Committee shall meet with the Company's independent auditors, at such times as the Committee deems appropriate, to review the independent auditor's examination and management report.

The Committee may form and delegate authority to subcommittees when appropriate.

## **Minutes**

The Committee shall maintain written minutes of its meetings, which minutes shall be filed with the minutes of the meetings of the Board.