

Everi Holdings Inc.
Form SC 13G
February 14, 2019

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934
(Amendment No.)*

Everi Holdings Inc.
(Name of Issuer)

Common Stock, par value \$0.001 per share
(Title of Class Securities)

30034T103
(CUSIP Number)

December 31, 2018
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)
Rule 13d-1(c)
Rule 13d-1(d)

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosure provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 30034T103 SCHEDULE 13G

NAME OF REPORTING
PERSONS.

1 Indaba Capital Management,
L.P.

Check the Appropriate Box if a
Member of a Group (See
Instructions)

2 (a) ☐
(b) ☒

SEC Use Only

3
Citizenship or Place of
Organization

4
Delaware

Sole Voting Power

⁵0

Shared Voting Power

⁶ 7,009,118

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

Sole Dispositive Power

⁷0

Shared Dispositive Power

⁸ 7,009,118

9 Aggregate Amount Beneficially
Owned by Each Reporting
Person

7,009,118

10 Check if the Aggregate Amount
in Row (9) Excludes Certain
Shares (See Instructions)

11 Percent of Class Represented by
Amount in Row (9)

9.9% (1)

12 Type of Reporting Person (See
Instructions)

IA, PN

Calculation of the foregoing percentage is based on 70,193,655 shares of common stock of Everi Holdings Inc.

(1) (the "Issuer") outstanding as of November 1, 2018, as disclosed in the Issuer's Form 10-Q filed with the Securities and Exchange Commission ("SEC") on November 6, 2018.

CUSIP No. 30034T103 SCHEDULE 13G

NAME OF REPORTING
PERSONS.

1 IC GP, LLC

Check the Appropriate Box if a
Member of a Group (See
Instructions)

2 (a) ☐
(b) ☒

SEC Use Only

3 Citizenship or Place of
Organization

4 Delaware

Sole Voting Power

5
0

Shared Voting Power

6
7,009,118

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH

7
0

REPORTING
PERSON WITH

Shared Dispositive Power
8
7,009,118

9 Aggregate Amount Beneficially
Owned by Each Reporting
Person

7,009,118

10 Check if the Aggregate Amount
in Row (9) Excludes Certain
Shares (See Instructions)

11 Percent of Class Represented by
Amount in Row (9)

9.9% (1)

12 Type of Reporting Person (See
Instructions)

OO, HC

(1) Calculation of the foregoing percentage is based on 70,193,655 shares of common stock of the Issuer outstanding as of November 1, 2018, as disclosed in the Issuer's Form 10-Q filed with the SEC on November 6, 2018.

CUSIP No. 30034T103 SCHEDULE 13G

NAME OF REPORTING
PERSONS.

1 Derek C. Schrier

Check the Appropriate Box if a
Member of a Group (See
Instructions)

2 (a) ☐
(b) ☒

SEC Use Only

3
Citizenship or Place of
Organization

4 United States

Sole Voting Power

⁵0

Shared Voting Power

⁶7,009,118

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

Sole Dispositive Power

⁷0

Shared Dispositive Power

⁸7,009,118

9 Aggregate Amount Beneficially
Owned by Each Reporting
Person

7,009,118

10

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Check if the Aggregate Amount
in Row (9) Excludes Certain
Shares (See Instructions)

11 Percent of Class Represented by
Amount in Row (9)

9.9% (1)

12 Type of Reporting Person (See
Instructions)

IN, HC

(1) Calculation of the foregoing percentage is based on 70,193,655 shares of common stock of the Issuer outstanding as of November 1, 2018, as disclosed in the Issuer's Form 10-Q filed with the SEC on November 6, 2018.

Schedule 13G

Item 1.

(a) Name of Issuer

Everi Holdings
Inc. (the "Issuer")

Address of Issuer's

(b) Principal Executive
Offices

7250 S. Tenaya Way,
Suite 100, Las Vegas,
Nevada 89113

Item 2.

(a) Name of Person
Filing

This Schedule 13G
is being filed jointly
on behalf of:

(i) Indaba Capital
Management, L.P.,
a Delaware limited
partnership (the
"Investment
Manager"),

(ii) IC GP, LLC, a
Delaware limited
liability company,
and the Investment
Manager's sole
general partner ("IC
GP"), and

(iii) Derek C.
Schrier, a United
States citizen and
the Managing
Member of IC GP
(the "Managing
Member" and,

collectively with the Investment Manager and IC GP, the “Reporting Persons”).

(b) Address of Principal Business office or, if None, Residence

The business address of each of the Reporting Persons is One Letterman Drive, Building D, Suite DM700, San Francisco, California 94129

(c) Citizenship:

The Investment Manager is a Delaware limited partnership, IC GP is a Delaware limited liability company and the Managing Member is a United States citizen.

(d) Title of Class Securities:

Common Stock, par value \$0.001 per share (“Common Stock”)

(e) CUSIP Number:

30034T103

Item 3. If this statement is filed pursuant to Rules 13d-1(b), or 13d-2(b) or (c), check whether the person filing is a:

(a) ☐ Broker or dealer registered under section 15 of the Act (15 U.S.C. 78c).

- (b) ☐ Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
- (c) ☐ Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c).
- (d) ☐ Investment company registered under section 8 of the Investment Company Act (15 U.S.C. 80a-8).
- (e) ☒ An investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E).
- (f) ☐ An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F).
- (g) ☒ A parent holding company or control person in accordance with Rule 13d-1(b)(1)(ii)(G).
- (h) ☐ A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813).
- (i) ☐ A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3).
- (j) ☐ A non-U.S. institution in accordance with Rule 13d-1(b)(1)(ii)(J).
- (k) ☐ Group, in accordance with Rule 13d-1(b)(1)(ii)(K).

Item 4. ^{Ownership}

(a) Amount beneficially owned:

As of December 31, 2018, the Reporting Persons beneficially owned the shares of Common Stock referenced in Item 9 of the cover page pertaining to each Reporting Person and such Item 9 disclosure is incorporated herein by reference.

The shares of Common Stock beneficially owned by the Reporting Persons are directly held by Indaba Capital Fund, L.P. (the "Fund"), a private investment fund for which the Investment Manager serves as investment manager. Pursuant to an Investment Management Agreement, the Fund and its general partner have delegated all voting and investment power over the shares of Common Stock directly held by the Fund to the Investment Manager.

(b) Percent of class:

Incorporated by reference to Item 11 of the cover page pertaining to each Reporting Person.

(c) Number of shares to which the person has:

(i) Sole power to vote or to direct the vote:

Incorporated by reference to Item 5 of the cover page pertaining to each Reporting Person.

(ii) Shared power to direct the vote:

Incorporated by reference to Item 6 of the cover page pertaining to each Reporting Person.

(iii) Sole power to dispose or to direct the disposition of:

Incorporated by reference to Item 7 of the cover page pertaining to each Reporting Person.

(iv) Shared power to dispose or to direct the disposition of:

Incorporated by reference to Item 8 of the cover page pertaining to each Reporting Person.

Item 5. Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class securities, check the following [☐].

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

The shares of Common Stock beneficially owned by the Reporting Persons are directly held by the Fund, for which the Investment Manager serves as investment manager.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company or Control Person.

Not applicable.

Item 8. Identification and Classification of Members of the Group.

Not applicable.

Item 9. Notice of Dissolution of Group.

Not applicable.

Item 10. Certification:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 14, 2019

INDABA CAPITAL
MANAGEMENT, L.P.

By: IC GP, LLC, its general partner

By: /s/ Derek C. Schrier
Name: Derek C. Schrier
Title: Managing Member

IC GP, LLC

By: /s/ Derek C. Schrier
Name: Derek C. Schrier
Title: Managing Member

/s/ Derek C. Schrier
DEREK C. SCHRIER

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>
99.1	Joint Filing Agreement by and among the Reporting Persons

Exhibit 99.1

JOINT FILING AGREEMENT

In accordance with Rule 13d-1(k)(1) under the Securities Exchange Act of 1934, as amended, the persons named below agree to the joint filing on behalf of each of them of this Schedule 13G (including additional amendments thereto) with respect to the shares of common stock, par value \$0.001 per share, of Everi Holdings Inc. This Joint Filing Agreement shall be filed as an Exhibit to such Statement. The undersigned acknowledge that each shall be responsible for the timely filing of any amendments to such joint filing and for the completeness and accuracy of the information concerning him or it contained herein and therein, but shall not be responsible for the completeness and accuracy of the information concerning the others.

Date: February 14, 2019

INDABA CAPITAL
MANAGEMENT, L.P.

By: IC GP, LLC, its general partner

By: /s/ Derek C. Schrier
Name: Derek C. Schrier
Title: Managing Member

IC GP, LLC

By: /s/ Derek C. Schrier
Name: Derek C. Schrier
Title: Managing Member

/s/ Derek C. Schrier
DEREK C. SCHRIER