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

FORM 10-K

(Mark One)

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2017

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 number: 001-37820

Cardtronics plc

(Exact name of registrant as specified in its charter)

England and Wales (State or other jurisdiction of incorporation or organization)	**98-1304627** (I.R.S. Employer Identification No.)
3250 Briarpark Drive, Suite 400 **Houston, Texas** (Address of principal executive offices)	**77042** (Zip Code)

Registrant's telephone number, including area code: **(832) 308-4000**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Ordinary Shares, nominal value $0.01 per share	The NASDAQ Stock Market LLC

Securities registered pursuant to section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 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 during the preceding twelve months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

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

Large accelerated filer ☑	Accelerated filer ☐	Non-accelerated filer ☐ (Do not check if a smaller reporting company)
Smaller reporting company ☐		Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

Aggregate market value of common shares held by non-affiliates as June 30, 2017, the last business day of the registrant's most recently completed second fiscal quarter, based on the reported last sale price of common shares on that date: $1,516,381,416.

Number of shares outstanding as of February 26, 2018: 45,897,125 Ordinary Shares, nominal value $0.01 per share.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of our definitive proxy statement for the 2018 Annual Meeting of Shareholders, which will be filed with the Securities and Exchange Commission within 120 days of December 31, 2017, are incorporated by reference into Part III of this Annual Report on Form 10-K.

CARDTRONICS PLC

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When we refer to "us," "we," "our," "ours," "the Company," or "Cardtronics," we are describing Cardtronics plc and/or our subsidiaries, unless the context indicates otherwise.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K (this "2017 Form 10-K") contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, and are intended to be covered by the safe harbor provisions thereof. Forward-looking statements can be identified by words such as "project," "believe," "estimate," "expect," "future," "anticipate," "intend," "contemplate," "foresee," "would," "could," "plan," and similar expressions that are intended to identify forward-looking statements, which are generally not historical in nature. These forward-looking statements are based on management's current expectations and beliefs concerning future developments and their potential effect on the Company. While management believes that these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting the Company will be those that are anticipated. All comments concerning the Company's expectations for future revenues and operating results are based on its estimates for its existing operations and do not include the potential impact of any future acquisitions. The Company's forward-looking statements involve significant risks and uncertainties (some of which are beyond its control) and assumptions that could cause actual results to differ materially from its historical experience and present expectations or projections. Known material factors that could cause actual results to differ materially from those in the forward-looking statements include:

- the Company's financial outlook and the financial outlook of the automated teller machines and multi-function financial services kiosks (collectively, "ATMs") industry and the continued usage of cash by consumers at rates near historical patterns;
- the Company's ability to respond to recent and future network and regulatory changes;
- the Company's ability to renew its existing merchant relationships on comparable economic terms and add new merchants;
- the Company's ability to pursue, complete, and successfully integrate acquisitions;
- changes in interest rates and foreign currency rates;
- the Company's ability to successfully manage its existing international operations and to continue to expand internationally;
- the Company's ability to manage concentration risks with key customers, merchants, vendors, and service providers;
- the Company's ability to prevent thefts of cash and maintain adequate insurance;
- the Company's ability to manage cybersecurity risks and protect against cyber-attacks and manage and prevent data breaches;
- the Company's ability to respond to potential reductions in the amount of net interchange fees that it receives from global and regional debit networks for transactions conducted on its ATMs due to pricing changes implemented by those networks as well as changes in how issuers route their ATM transactions over those networks, including recently proposed changes to the LINK interchange rate in the U.K.;
- the Company's ability to provide new ATM solutions to retailers and financial institutions including placing additional banks' brands on ATMs currently deployed;
- the Company's ATM vault cash rental needs, including potential liquidity issues with its vault cash providers and its ability to continue to secure vault cash rental agreements in the future on reasonable economic terms;
- the Company's ability to manage the risks associated with its third-party service providers failing to perform their contractual obligations;
- the Company's ability to renew its existing third party service provider relationships on comparable economic terms;
- the Company's ability to successfully implement and evolve its corporate strategy;
- the Company's ability to compete successfully with new and existing competitors;
- the Company's ability to meet the service levels required by its service level agreements with its customers;
- the additional risks the Company is exposed to in its United Kingdom ("U.K.") armored transport business;
- the impact of changes in laws, including tax laws, that could adversely affect the Company's business and profitability;
- the impact of, or uncertainty related to, the U.K.'s planned exit from the European Union, including any material adverse effect on the tax, tax treaty, currency, operational, legal, and regulatory regime and macro-economic environment to which it will be subject to as a U.K. company;

- the Company's ability to react to recent market changes in Australia as a result of recent actions by major banks that may result in lower transaction volumes at the Company's ATMs; and
- the Company's ability to retain its key employees and maintain good relations with its employees.

For additional information regarding known material factors that could cause the Company's actual results to differ from its projected results, see *Part I. Item 1A. Risk Factors* in this 2017 Form 10-K. Readers are cautioned not to place undue reliance on forward-looking statements contained in this document, which speak only as of the date of this 2017 Form 10-K. Except as required by applicable law, the Company undertakes no obligation to publicly update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events, or otherwise.

PART I

ITEM 1. BUSINESS

Overview

Cardtronics plc provides convenient automated consumer financial services through its network of automated teller machines and multi-function financial services kiosks (collectively referred to as “ATMs”). As of December 31, 2017, we were the world’s largest ATM owner/operator, providing services to over 230,000 ATMs.

During 2017, 64.4% of our revenues were derived from our operations in North America (including our ATM operations in the U.S., Canada, and Mexico), 26.8% of our revenues were derived from our operations in Europe and Africa (including our ATM operations in the U.K., Ireland, Germany, Spain, South Africa and the recently exited operations in Poland which accounted for less than 1% of total revenues), and 8.8% of our revenues were derived from our operations in Australia and New Zealand. Included in our network as of December 31, 2017, were approximately 134,000 ATMs to which we provided processing only services or various forms of managed services solutions. Under a managed services arrangement, retailers, financial institutions, and ATM distributors rely on us to handle some or all of the operational aspects associated with operating and maintaining ATMs, typically in exchange for a monthly service fee, fee per transaction, or fee per service provided.

Through our network, we deliver financial related services to cardholders and provide ATM management and ATM equipment-related services (typically under multi-year contracts) to large retail merchants, smaller retailers, and operators of facilities such as shopping malls, airports, and train stations. In doing so, we provide our retail partners with a compelling automated financial services solution that helps attract and retain customers, and in turn, increases the likelihood that our ATMs will be utilized. We also own and operate electronic funds transfer (“EFT”) transaction processing platforms that provide transaction processing services to our network of ATMs, as well as to other ATMs under managed services arrangements. Additionally, in Canada, through our acquisition of DirectCash Payments Inc. (“DCPayments”), we also provide processing services for issuers of debit cards.

We generally operate ATMs under three arrangement types with our retail partners: Company-owned ATM placements, merchant-owned ATM placements, and managed services (which includes transaction processing services). Under Company-owned arrangements, we provide the physical ATM and are typically responsible for all aspects of the ATM’s operations, including transaction processing, managing cash and cash delivery, supplies, and telecommunications, as well as routine and technical maintenance. Under merchant-owned arrangements, the retail merchant or an independent distributor owns the ATM and is usually responsible for providing cash and performing simple maintenance tasks, while we provide more complex maintenance services, transaction processing, and connection to the EFT networks. We also offer various forms of managed services, depending on the needs of our customers. Each managed service arrangement is a customized ATM management solution that can include any combination of the following services: monitoring, maintenance, cash management, cash delivery, customer service, transaction processing, and other services. As of December 31, 2017, 35.3% of our ATMs operated were Company-owned and 64.7% of our ATMs were merchant-owned or operated under a managed services solution. Each of the arrangement types described above are attractive to us, and we plan to continue growing our revenues under each arrangement type.

In addition to our retail merchant relationships, we also partner with leading financial institutions to brand selected ATMs within our network, including BBVA Compass Bancshares, Inc. (“BBVA”), Citibank, N.A. (“Citibank”), Citizens Financial Group, Inc. (“Citizens”), Cullen/Frost Bankers, Inc. (“Cullen/Frost”), Discover Bank (“Discover”), PNC Bank, N.A. (“PNC Bank”), Santander Bank, N.A. (“Santander”), and TD Bank, N.A. (“TD Bank”) in the U.S.; the Bank of Nova Scotia (“Scotiabank”), TD Bank, Canadian Imperial Bank Commerce (“CIBC”), and DirectCash Bank in Canada; and Bank of Queensland Limited (“BOQ”) and HSBC Holdings plc (“HSBC”) in Australia. In Mexico, we partner with Scotiabank to place their brands on our ATMs in exchange for certain services provided by them. As of December 31, 2017, approximately 20,000 of our ATMs were under contract with approximately 500 financial institutions to place their logos on the ATMs, and to provide convenient surcharge-free access for their banking customers.

We also own and operate the Allpoint network ("Allpoint"), the largest surcharge-free ATM network (based on the number of participating ATMs). Allpoint, with approximately 55,000 participating ATMs, provides surcharge-free ATM access to over 1,000 participating banks, credit unions, and stored-value debit card issuers. For participants, Allpoint provides scale, density, and convenience of surcharge-free ATMs that surpasses the largest banks in the U.S. In exchange, Allpoint earns either a fixed monthly fee per cardholder or a fixed fee per transaction that is paid by participants. The Allpoint network includes a majority of our Company-owned ATMs in the U.S., a portion of our Company-owned ATMs in the U.K., Canada, Puerto Rico, and Mexico as well as certain ATMs in Australia. Allpoint also works with financial institutions that manage stored-value debit card programs on behalf of corporate entities and governmental agencies, including general purpose, payroll, and electronic benefits transfer ("EBT") cards. Under these programs, the issuing financial institutions pay Allpoint a fee per issued stored-value debit card or per transaction in return for allowing the users of those cards surcharge-free access to Allpoint's participating ATM network.

Our revenues are generally recurring in nature, and historically have been derived largely from convenience transaction fees, which are paid by cardholders, as well as other transaction-based fees, including interchange fees, which are paid by the cardholder's financial institution for the use of the ATMs serving their customers and connectivity to the applicable EFT network that transmits data between the ATM and the cardholder's financial institution. Other revenue sources include: (i) fees for branding our ATMs with the logos of financial institutions and providing financial institution cardholders with surcharge free access, (ii) revenues earned by providing managed services (including transaction processing services) solutions to retailers and financial institutions, (iii) fees from financial institutions that participate in our Allpoint surcharge-free network, (iv) fees earned from foreign currency exchange transactions at the ATM, known as dynamic currency conversion, and (v) revenues from the sale of ATMs and ATM-related equipment and other ancillary services.

Organizational and Operational History

We were formed as a Texas corporation in 1993 and originally operated under the name of Cardpro, Inc. In June 2001, Cardtronics Group, Inc. was incorporated under the laws of the state of Delaware and became the parent company for the existing business. In January 2004, Cardtronics Group, Inc. changed its name to Cardtronics, Inc. ("Cardtronics Delaware"). In December 2007, we completed an initial public offering of 12,000,000 common shares.

In July 2016, the location of incorporation of the parent company of the Cardtronics group of companies was changed from Delaware to the U.K., whereby Cardtronics plc, a public limited company organized under English law ("Cardtronics plc"), became the new publicly traded corporate parent of the Cardtronics group of companies following the completion of the merger between Cardtronics Delaware and one of its subsidiaries (the "Merger"). The Merger was completed pursuant to the Agreement and Plan of Merger, dated April 27, 2016, the adoption of which was approved by Cardtronics Delaware's shareholders on June 28, 2016 (collectively, the "Redomicile Transaction"). Pursuant to the Redomicile Transaction, each issued and outstanding common share of Cardtronics Delaware held immediately prior to the Merger was effectively converted into one Class A Ordinary Share, nominal value $0.01 per share, of Cardtronics plc (collectively, "common shares"). Upon completion, the common shares were listed and began trading on The NASDAQ Stock Market LLC under the symbol "CATM," the same symbol under which common shares of Cardtronics Delaware were formerly listed and traded. The Redomicile Transaction was accounted for as an internal reorganization of entities under common control, and therefore, Cardtronics Delaware's assets and liabilities have been accounted for at their historical cost basis and not revalued in the transaction.

A large portion of our growth throughout our operating history has been driven by acquisitions as we have expanded our operations in the U.S. and into several other new geographic markets in North America and Europe. Our largest markets are currently the U.S. and the U.K. On January 6, 2017, we completed the acquisition of DirectCash Payments Inc. ("DCPayments"), a publicly listed (Toronto Stock Exchange), leading operator of approximately 25,000 ATMs with primary operations in Canada, Australia, New Zealand, the U.K., and Mexico. On January 31, 2017, we completed the acquisition of Spark ATM Systems ("Spark"), an independent ATM deployer in South Africa, with a growing network of approximately 2,300 ATMs as of the date of acquisition.

From 2001 to 2017, the total number of annual transactions processed within our network of ATMs increased from approximately 19.9 million to approximately 2.6 billion.

Additional Company Information

General information about us can be found on our website at *http://www.cardtronics.com.* We file annual, quarterly, and current reports as well as other information electronically with the Securities Exchange Commission ("SEC") under the Exchange Act. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and any amendments to those reports are available free of charge on our website as soon as reasonably practicable after the reports are filed or furnished electronically with the SEC. You may read and copy any materials that we file with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at *http://www.sec.gov*. You may also request an electronic or paper copy of our SEC filings at no cost by writing or telephoning us at the following: Cardtronics plc, Attention: Chief Financial Officer, 3250 Briarpark Drive, Suite 400, Houston, Texas 77042; (832) 308-4000. Information on our website is not incorporated into this 2017 Form 10-K or our other securities filings.

Our Strategy

Our strategy is to leverage the expertise and scale we have built in our largest markets and to continue to expand in those markets. Additionally, we seek to grow in our other markets and expand into new international markets over time in order to enhance our position as a leading global provider of automated consumer financial services. We plan to drive additional transactions at our existing ATMs by making them increasingly attractive to banks and their customers to use. We also plan to continue partnering with leading financial institutions and retailers to expand our network of conveniently located ATMs. We also intend to expand our capabilities and service offerings to financial institutions, particularly in the U.S., the U.K., Canada, and Australia where we have established businesses and where we are seeing increasing demand from financial institutions for outsourcing of ATM-related services, including, in some cases, management of in-branch ATMs. Additional demand for our products and services in these markets is being driven by banks reducing the number of physical branches they operate and bank initiatives to lower their operating and capital costs. Additionally, we seek to deploy additional products and services that will further incentivize consumers to utilize our network of ATMs. In the future, we may seek to diversify our revenues beyond services provided by our ATMs. In order to execute our strategy, we endeavor to:

Increase our number of deployed ATMs with existing and new merchant relationships. Certain of our retail customers continue to expand the number of active store locations they operate, either through acquisitions or through new store openings, thus providing us with additional ATM deployment opportunities. Additionally, we seek opportunities to deploy ATMs with new retailers, including retailers that currently do not have ATMs, as well as those that have existing ATM programs, but that are looking for a new ATM provider. We believe our expertise, broad geographic footprint, strong record of customer service, and significant scale positions us to successfully market to and enter into long-term contracts with additional leading merchants.

Expand our relationships with leading financial institutions. Through our merchant relationships as well as our diverse product and service offerings, we believe we can provide our existing financial institution customers with convenient solutions to fulfill their growing ATM and automated consumer financial services requirements. Further, we believe we can leverage our product offerings to attract additional financial institutions as customers. Services currently offered to financial institutions include branding our ATMs with their logos, on-screen advertising and content management, providing image remote deposit capture, providing surcharge-free access to their cardholders, and providing managed services for their ATM portfolios. Our EFT transaction processing platforms enable us to provide customized control over the content of the information appearing on the screens of our ATMs and ATMs we process for financial institutions, which increases the types of products and services we are able to offer to financial institutions. We also plan to continue growing the number of ATMs and financial institutions participating in our Allpoint network, which drives higher transaction counts and profitability on our existing ATMs and increases our value to the retailers where our ATMs are located through increased foot traffic at their stores. As discussed above, we are seeing increasing demand from financial institutions for outsourcing of ATM-related services, as recent industry trends have caused banks to want to reduce their physical footprints and transform their existing branches to focus less on human tellers and increasingly utilize automation, through ATMs and other digital channels, for serving their customers. While outsourcing of ATM-related services for financial institutions is not a significant driver of our revenues today, we believe we currently possess the capabilities to deliver value to financial institutions and plan to dedicate additional resources to drive growth in this area.

Work with non-traditional financial institutions and card issuers to further leverage our extensive ATM network. We believe there are opportunities to develop or expand relationships with non-traditional financial institutions and card issuers, such as reloadable stored-value debit card issuers and alternative payment networks, which are seeking an extensive and convenient ATM network to complement their card offerings and electronic-based accounts. Additionally, we believe that many of the stored-value debit card issuers in the U.S. can benefit by providing their cardholders with access to our ATM network on a discounted or fee-free basis. For example, through our Allpoint network, we have sold access to our ATM network to issuers of stored-value debit cards to provide their cardholders with convenient, surcharge-free access to cash.

Increase transaction levels at our existing locations. We believe there are opportunities to increase the number of transactions that are occurring today at our existing ATM locations. On average, only a small fraction of the individuals that enter our retail customers' locations utilize our ATMs. In addition to our existing initiatives that tend to drive additional transaction volumes to our ATMs, such as bank-branding and network-branding, we have developed and are continuing to develop new initiatives to drive incremental transactions to our existing ATM locations. We also operate and continue to develop programs to steer cardholders of our existing financial institution partners and members of our Allpoint network to visit our ATMs in convenient retail locations. These programs may include incentives to cardholders such as coupons and rewards that influence customers to visit our ATMs within our existing retail footprint. While we are in various stages of developing and implementing many of these programs, we believe that these programs, when properly structured, can benefit multiple constituents (i.e., retailers, financial institutions, and cardholders) in addition to driving increased transaction volumes to our ATMs.

Develop and provide additional services at our existing ATMs. The majority of our ATMs in service currently offer only cash dispensing and other simple transactions such as balance inquiries. We believe that there are opportunities to offer additional automated consumer financial services at our ATMs, such as cash and check deposit, and other products which could provide a compelling and cost-effective solution for financial institutions and stored-value debit card issuers looking to provide convenient and broader financial services to their customers at well-known retail locations. We also allow advertisers to place their messages on our ATMs equipped with on-screen advertising software in the U.S., Canada, and the U.K. Offering additional services at our ATMs, such as advertising, allows us to create new revenue streams from assets that have already been deployed, in addition to providing value to our customers through beneficial offers and convenient services. We plan to develop additional products and services that can be delivered through our existing ATM network.

Pursue additional managed services opportunities. Over the last several years, we expanded the number of ATMs that are operated under managed services arrangements. Under these arrangements, retailers and financial institutions generally pay us a fixed management fee per ATM and/or a fixed fee per transaction in exchange for handling some or all of the operational aspects associated with operating and maintaining their own ATMs. Surcharge and interchange fees under these arrangements are generally earned by the retailer or the financial institution rather than by us. As a result, in this arrangement type, our revenues are partially protected from fluctuations in transaction levels of these ATMs and changes in network interchange rates. We plan to continue pursuing additional managed services opportunities with leading merchants and financial institutions in the markets in which we operate.

For additional information related to items that may impact our strategy, see *Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Developing Trends and Recent Events*.

Our Products and Services

Under our Company-owned arrangement type, we typically provide all of the services required to operate ATMs, which include monitoring, maintenance, cash management, customer service, and transaction processing. We believe our merchant and financial institution customers value our high level of service, industry expertise, and established operating history. In connection with the operation of our ATMs under our traditional ATM services model, we earn revenue on a per transaction basis from the surcharge fees charged to cardholders for the convenience of using our ATMs and from interchange fees charged to cardholders' financial institutions for processing the transactions conducted on our ATMs. As further described below, we also earn revenues on these ATMs based on our relationships with certain financial institutions and from our Allpoint network.

Under our merchant-owned arrangement type, we typically provide transaction processing services, certain customer support functions, and settlement services. We generally earn interchange revenue on a per transaction basis in this arrangement. In some cases, the surcharge is earned completely by the merchant, in which case our revenues are derived solely from interchange revenues. In other arrangements, we also share a portion of the surcharge revenues.

For ATMs under managed services arrangements (including transaction processing arrangements), we typically receive a fixed monthly management fee and/or fixed fee per transaction in return for providing the agreed-upon service or suite of services. We do not generally receive surcharge and interchange fees in these arrangements, but rather those amounts are earned by our customer.

We also earn revenues from other services at our ATMs, such as dynamic currency conversion fees, on-screen advertising, and other transaction-based fees, across our various arrangement types.

The following table summarizes the number of ATMs under our various arrangement types as of December 31, 2017:

	ATM Operations				
	Company - Owned	**Merchant - Owned**	**Subtotal**	**Managed Services and Processing**	**Total**
Number of ATMs at period end	81,542	14,997	96,539	134,156	230,695
Percentage	35.3 %	6.5 %	41.8 %	58.2 %	100.0 %

We have found that the primary factor affecting transaction volumes at a given ATM is its location. Therefore, our strategy in deploying ATMs, particularly those placed under Company-owned arrangements, is to identify and deploy ATMs at locations that provide high visibility and high retail transaction volume. Our experience has demonstrated that the following locations often meet these criteria: convenience stores, gas stations, grocery stores, drug stores, transportation hubs (e.g., airports and train stations), and other major regional and national retail outlets. We have entered into multi-year agreements with many well-known merchants, including Bi-Lo Holdings, LLC, Coles Supermarket Australia Pty Ltd., CST Brands a division of Alimentation Couche-Tard ("Corner Store"), Cumberland Farms, Inc., CVS Caremark Corporation ("CVS"), HEB Grocery Company, L.P., The Kroger Co., The Pantry, Inc. ("Pantry"), Rite Aid Corporation, Safeway, Inc., Speedway LLC ("Speedway"), Sunoco, Inc., Target Corporation, and Walgreens Boots Alliance, Inc. ("Walgreens") in the U.S.; Bank of Ireland Group, BP p.l.c., BT Group plc, Co-operative Food ("Co-op Food"), Martin McColl Ltd., Network Rail Infrastructure Limited, Royal Dutch Shell plc, Southern Railway Ltd., Tates Ltd., Waitrose Ltd., and Welcome Break Holdings Ltd. in the U.K.; Cadena Comercial OXXO S.A. de C.V. in Mexico; and 7-Eleven, Inc. ("7-Eleven") in Canada and Australia.

We generally operate our ATMs under multi-year contracts that provide a recurring and stable source of revenue and typically have an initial term of five to seven years. For the year ended December 31, 2017, our contracts with our top five merchant customers (7-Eleven, Walgreens, CVS, Co-op Food (in the U.K.), and Speedway) accounted for approximately 30.9% of our total revenues, inclusive of our 7-Eleven relationship in the U.S. which accounted for 12.5% of our total revenues. Excluding 7-Eleven in the U.S., which we expect to account for less than 1% of our total revenues in 2018, the next top four contracts accounted for approximately 18.4% of our total revenues during the year ended December 31, 2017, and had a weighted average remaining life of approximately 3.8 years. As further discussed in *Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Developing Trends and Recent Events*, we began to remove our ATMs from 7-Eleven U.S. locations during 2017, and all of our ATMs at 7-Eleven U.S. locations are expected to be removed during the first few months of 2018. As a result, our revenues are expected to decline in 2018 from what we reported in 2017. For additional information related to the risks associated with our customer mix, see *Item 1A. Risk Factors - We derive a substantial portion of our revenue from ATMs placed with a small number of merchants. The expiration, termination or renegotiation of any of these contracts with our top merchants, or if one or more of our top* *merchants were to cease doing business with us, or substantially reduce its dealings with us, could cause our revenues to decline significantly and our business, financial condition and results of operations could be adversely impacted.*

Additionally, we enter into arrangements with financial institutions to brand selected Company-owned ATMs with their logos. These bank-branding arrangements allow a financial institution to expand its geographic presence for less than the cost of building a branch location or placing one of its own ATMs at that location and rapidly increase its number of bank-branded ATM sites and improve its competitive position. Under these arrangements, the financial institution's customers have access to use the bank-branded ATMs without paying a surcharge fee to us. In return, we receive a fixed management fee per ATM from the financial institution, while retaining our standard fee schedule for other cardholders using the bank-branded ATMs. In addition, our bank-branded ATMs typically earn higher interchange revenue as a result of the increased usage of our ATMs by the branding financial institution's customers and others who prefer to use a bank-branded ATM. In some instances, we have branded an ATM with more than one financial institution. We intend to continue pursuing additional bank-branding arrangements as part of our growth strategy.

In addition to our bank-branding arrangements, we offer financial institutions another type of surcharge-free solution to their cardholders through our Allpoint surcharge-free ATM network. Under the Allpoint network, participating financial institutions pay us either a fixed monthly fee per cardholder or a fixed fee per transaction in exchange for us providing their cardholders with surcharge-free ATM access to approximately 55,000 participating ATMs in our Allpoint network, which includes ATMs throughout the U.S., the U.K., Canada, Australia, Puerto Rico, and Mexico. We believe our Allpoint network offers an attractive alternative for financial institutions that lack their own extensive and convenient ATM network, including the issuers of stored-value debit cards.

For additional information related to the amount of revenue contributed by our various service offerings, see *Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Components of Revenues, Costs of Revenues, and Expenses - Revenues*.

Segment and Geographic Information

As of December 31, 2017, we operate in three segments: North America, Europe & Africa, and Australia & New Zealand. Our North America segment includes ATM operations in all 50 states in the U.S., Puerto Rico, Canada, and Mexico, and accounted for 64.4% of our total revenues for the year ended December 31, 2017. Our Europe & Africa segment includes our ATM operations in the U.K., Ireland, Germany, Poland, Spain, and South Africa, and accounted for 26.8% of our total revenues for the year ended December 31, 2017. Our Australia & New Zealand segment includes Australia and New Zealand and accounted for 8.8% of our total revenues for the year ended December 31, 2017. While each of the reporting segments provides similar kiosk-based and/or ATM-related services, each segment is managed separately and requires different marketing and business strategies.

As the integration of DCPayments (acquired in January 2017) progressed throughout the second quarter of 2017, the Company separated the DCPayments operations into their respective geographical components, including them within the Company's geographical segments and reorganized its segments into North America, Europe & Africa, and Australia & New Zealand. The North America segment includes the Company's transaction processing operations, which service its internal ATM operations, along with external customers. The transaction processing operations were previously reported in the Company's Corporate & Other segment. Segment information presented for prior periods has been revised to reflect the changes in the Company's segments.

For financial information including revenues, earnings, and total assets of our reporting segments, see *Part II. Item 8. Financial Statements and Supplementary Data, Note 20. Segment Information.* For additional information related to the risks associated with our international operations, see *Item 1A. Risk Factors - We operate in many sovereign jurisdictions across the globe and expect to continue to grow our business in new regions. Operating in different countries involves special risks and our geographic expansion may not be successful, which would result in a reduction of our gross and net profits.*

Sales and Marketing

In the U.S., our sales and marketing teams are organized by customer type across retail and financial industries. We have teams focused on developing new relationships with national, regional, and local merchants as well as building and maintaining relationships with our existing merchants and ATM distributors. In addition, we have sales and marketing teams focused on developing and managing our bank-branding and Allpoint relationships with financial institutions and stored-value debit card issuers, as we look to expand the types of services that we offer to such institutions. Our sales and marketing teams also focus on identifying potential managed services opportunities with financial institutions and retailers alike. Additionally, we maintain sales teams in each of the other geographic markets in which we currently operate.

In addition to targeting new business opportunities, our sales and marketing teams support our customer retention and growth initiatives by building and maintaining relationships with our established and recently-acquired merchants. We seek to identify growth opportunities within merchant accounts by analyzing ATM cardholder patterns. We also analyze foot traffic and various demographic data to determine the best opportunities for new ATM placements, as well as the potential drivers for increasing same-store ATM transactions that will positively impact merchant store sales. Employees who focus on sales are typically compensated with a combination of incentive-based compensation and base salary.

Technology and Operations

Our technology and operations platforms consist of ATMs, central transaction processing systems, network infrastructure components (including hardware, software, and telecommunication circuits used to provide real-time ATM monitoring, software distribution, and transaction processing services), cash management and forecasting software tools, customer service, and ATM management infrastructure.

Equipment. We purchase our ATMs from global manufacturers, including, but not limited to, NCR Corporation (“NCR”), Nautilus Hyosung, Inc. (“Hyosung”), Diebold Incorporated (“Diebold”), Triton Systems (“Triton”), and Chungho ComNet (“Chungho”) and place them in our customers’ locations. The wide range of advanced technology available from these ATM manufacturers provides our customers with advanced features and reliability through sophisticated diagnostics and self-testing routines.

Transaction processing. We place significant emphasis on providing quality service with a high level of security and minimal interruption. We have carefully selected support vendors and systems, as well as developed internal professional staff to optimize the performance of our network. Since 2006, we have operated our own EFT transaction processing platforms, which were further expanded with our acquisition of Columbus Data Services, L.L.C. (“CDS”) in 2015. EFT transaction processing enables us to process and monitor transactions on our ATMs and to control the flow and content of information appearing on the screens of such ATMs. We have also implemented new products and services such as foreign currency exchange services, such as dynamic currency conversion, and have introduced targeted marketing campaigns through on-screen advertising.

Internal systems. Our internal systems, including our EFT transaction processing platforms, include multiple layers of security to help protect the systems from unauthorized access. We use hardware- and software- based security features to prevent and report unauthorized access attempts to our systems. We employ user authentication and security measures at multiple levels. These systems are protected by detailed security rules to only allow appropriate access to information based on the employee’s job responsibilities. Changes to systems are controlled by policies and procedures, with automatic prevention and reporting controls that are placed within our processes. Our real-time connections to the various financial institutions’ authorization systems that allow withdrawals, balance inquiries, transfers, and advanced functionality transactions are accomplished through gateway relationships or direct connections. We use commercially-available and proprietary software that monitors the performance of the ATMs in our network, including details of transactions at each ATM and expenses relating to the ATMs, further allowing us to monitor our on-line availability and financial profitability at each location. We analyze transaction volume and profitability data to determine whether to continue operating at a given site, to determine how to price various operating arrangements with merchants and bank-branding partners, and to create a profile of successful locations to assist us in deciding the best locations for additional deployments.

Product development. In recent years we have made investments to develop new technology which we anticipate will drive transaction volume at our ATMs. In March 2013, we acquired i-design, a Scotland-based company providing technology and marketing services for ATM operators to enable custom screens, graphical receipt content, and advertising and marketing data capture on the ATM. We expect to continue to grow and leverage the products and services of this business within our own network of ATMs and with select external parties. Additionally, we have a product development team focused on improving existing products and services as well as delivering new capabilities that generally leverage our existing platform. Internal product development is an increasing focus for the company, and we expect over time, our product development will drive revenue growth. Examples of recent and continued product development include dynamic currency conversion at the ATM, promotional consumer offers, and the ability to convert stored value digital currency into cash at the ATM. A number of products are currently in various stages of development, pilot, and rollout.

ATM cash management. Our ATM cash management function uses commercially-available software and proprietary analytical models to determine the necessary fill frequency and cash load amount for each ATM. We project vault cash requirements for our Company-owned and cash-serviced ATMs, taking into consideration its location, the day of the week, the timing of holidays, and other factors such as specific events occurring in the vicinity of the ATM. After receiving a cash order from us, the vault cash provider forwards the request to its vault location nearest to the applicable ATM. Personnel at the vault location then arrange for the requested amount of cash to be set aside and made available for the designated armored courier to access and subsequently transport to the ATM. Our ATM cash management department utilizes data from the vault cash providers, internally-produced data, and a proprietary methodology to confirm daily orders, audit delivery of cash to armored couriers and ATMs, monitor cash balances for cash shortages, coordinate and manage emergency cash orders, and audit costs from both armored couriers and vault cash providers.

In the U.K., we operate our own armored courier operation which we significantly expanded through the acquisition of Sunwin Services Group ("Sunwin") in November 2014. As of December 31, 2017, this operation was servicing approximately 14,900 of our ATMs in the U.K.

Customer service. We believe one of the factors that differentiates us from our competitors is our customer service responsiveness and proactive approach to managing any downtime experienced by our ATMs. We use an advanced software and skilled technicians that monitor our ATMs 24 hours a day for service interruptions and notify our maintenance engineers and vendors for prompt dispatch of necessary service calls.

Finally, we use proprietary software systems to maintain a database of transactions and performance metrics for our ATMs. This data is aggregated into individual merchant and financial institution customer profiles that are accessible by our customer service representatives and managers. We believe our proprietary databases enable us to provide superior quality and reliable customer support, together with information on trends that is valuable to our retail and financial institution partners.

Primary Vendor Relationships

To maintain an efficient and flexible operating structure, we outsource certain aspects of our operations, including cash supply and cash delivery, maintenance, and certain transaction processing services. Due to the large number of ATMs we operate, we believe we have obtained favorable pricing terms from most of our major vendors. We contract for the provision of the services described below in connection with our operations.

Transaction processing. We own and operate EFT transaction processing platforms that utilize proprietary as well as commercially-available software. Historically, our processing efforts have been primarily focused on controlling the flow and content of information on the ATM screen, and we have largely relied on third-party service providers to handle our connections to the EFT networks and to perform certain funds settlement and reconciliation procedures on our behalf. The third-party transaction processors communicate with the cardholder's financial institution through various EFT networks in order to obtain transaction authorizations and to provide us with the information we need to ensure that the related funds are properly settled. In addition, we have developed a capability to connect to major financial institutions and certain networks on a direct or virtually-direct basis, and we expanded this direct model with our CDS acquisition in 2015. As a result of our past acquisitions, a portion of our withdrawal transactions are currently processed through other third-party processors, with whom the acquired businesses had existing contractual relationships. We plan to convert transaction processing services to our internal EFT transaction processing platforms when economically advantageous to us or as these contracts expire or are terminated.

EFT network services. Our transactions are routed over various EFT networks to obtain authorization for cash disbursements and to provide account balances. EFT networks set the interchange fees that they charge to the financial institutions, as well as the amount paid to us. We attempt to maximize the utility of our ATMs to cardholders by participating in as many EFT networks as practical. Additionally, we own and operate the Allpoint network, the largest surcharge-free network in the U.S. Having this network further enhances our ATM utility by providing certain cardholders surcharge-free access to our ATMs, as well as allowing us to receive network-related economic benefits such as receiving additional transaction-based revenue and setting interchange rates on transactions over this network.

Equipment. We purchase substantially all of our ATMs from a number of global ATM manufacturers, including, but not limited to, NCR, Hyosung, Triton, Diebold, and Chungho. The large quantity of ATMs that we purchase from these manufacturers enables us to receive favorable pricing and terms. In addition, we maintain close working relationships with these manufacturers in the course of our business, allowing us to stay informed about product updates and to receive prompt attention for any technical problems with purchased ATM equipment. The favorable pricing we receive from these manufacturers also allows us to offer certain of our customers an affordable solution to replace their ATMs to be compliant with new regulatory requirements as they arise.

Maintenance. In the U.S., we generally contract with third-party service providers for on-site maintenance services in most of our markets. In the U.K., maintenance services are mostly performed by our in-house technicians.

ATM cash management. We obtain cash to fill our Company-owned ATMs, and in some cases merchant-owned and managed services ATMs, under arrangements with various vault cash providers. We pay a monthly fee based on the average outstanding vault cash balances to our primary vault cash providers under a floating rate formula, which is generally based on various benchmark interest rates such as London Interbank Offered Rates (“LIBOR”). In virtually all cases, beneficial ownership of the cash is retained by the vault cash providers, and we have no right to the cash and no access except for the ATMs that are serviced by our wholly-owned armored courier operations in the U.K. While our U.K. armored courier operations have physical access to the cash loaded in the ATMs, beneficial ownership of that cash remains with the vault cash provider at all times. We also contract with third-parties to provide us with certain cash management services, which varies by geography, which may include reporting, armored courier coordination, cash ordering, cash insurance, reconciliation of ATM cash balances, and claims processing with armored couriers, financial institutions, and processors.

For the quarter ended December 31, 2017, we had an average outstanding vault cash balance of approximately $2.3 billion in cash in our North America ATMs under arrangements with Bank of America, N.A. (“Bank of America”), Wells Fargo, N.A. (“Wells Fargo”), Elan Financial Services (“Elan”) (a division of U.S. Bancorp), and Capital One Financial Corp. (“Capital One”). In Europe & Africa, the average outstanding vault cash balance was approximately $1.4 billion for the quarter ended December 31, 2017, which was primarily supplied by Santander, Royal Bank of Scotland (“RBS”), HSBC Holdings plc (“HSBC”), and Barclays PLC (“Barclays”). In Australia & New Zealand, the average outstanding vault cash balance for the quarter ended December 31, 2017, was approximately $250 million, which was primarily supplied by National Australia Bank Limited (“NAB”) and Australia and New Zealand Banking Group Limited (“ANZ”). For additional information related to our vault cash agreements and the related risks, see *Item 1A. Risk Factors - We rely on third-parties to provide us with the cash we require to operate many of our ATMs. If these third-parties were unable or unwilling to provide us with the necessary cash to operate our ATMs, we would need to locate alternative sources of cash to operate our ATMs or we would not be able to operate our business.*

The vault cash that we are contractually responsible for in all of the jurisdictions in which we operate is insured up to certain per location loss limits and subject to per incident and annual aggregate deductibles through a syndicate of multiple underwriters.

Cash replenishment. We contract with armored courier services to transport and transfer most of the cash to our ATMs. We use leading third-party armored couriers in all of our jurisdictions except for in the U.K., where we primarily utilize our own armored courier operations. Under these arrangements, the armored couriers pick up the cash in bulk, and using instructions received from us and our vault cash providers, prepare the cash for delivery to each ATM on the designated fill day. Following a predetermined schedule, the armored couriers visit each location on the designated fill day, load cash into each ATM, and then balance each machine and provide cash reporting to the applicable vault cash provider.

Merchant Customers

In each of our markets, we typically deploy our Company-owned ATMs under long-term contracts with major national and regional merchants, including convenience stores, gas stations, grocery stores, drug stores, and other high-traffic locations. Our merchant-owned ATMs are typically deployed under arrangements with smaller independent merchants.

The terms of our merchant contracts vary as a result of negotiations at the time of execution. In the case of Company-owned ATMs, the contract terms vary, but typically include the following:

- a multi-year term, typically five to seven years;
- exclusive deployment of ATMs at locations where we install an ATM;
- the right to increase surcharge fees, with merchant consent required in some cases;
- in the U.S., our right to terminate or remove ATMs or renegotiate the fees payable to the merchant if surcharge fees or interchange fees are reduced or eliminated as a result of regulatory action; and
- provisions that make the merchant's fee dependent on the number of ATM transactions.

During the year ended December 31, 2017, we derived approximately 30.9% of our total revenues from ATMs placed at the locations of our top five merchant customers. 7-Eleven in the U.S. is currently the largest merchant customer in our portfolio, representing approximately 12.5% of our total revenues for the year. The next four largest merchant customers together comprised approximately 18.4% of our total revenues for the year. The 7-Eleven ATM placement agreement in the U.S. expired in July 2017, and most of the ATM operations have been transitioned to the new service provider as of December 31, 2017. After 7-Eleven, our next four largest merchant customers were Co-op Food (in the U.K.), Walgreens, CVS, and Speedway, none of which individually contributed more than 6% of our total revenues for the year. The weighted average remaining life of the four largest merchant customers (excluding 7-Eleven in the U.S.) is approximately 3.8 years. For additional information related to the risks associated with our customer mix, see *Item 1A. Risk Factors - We derive a substantial portion of our revenue from ATMs placed with a small number of merchants. The expiration, termination or renegotiation of any of these contracts with our top merchants, or if one or more of our top merchants were to cease doing business with us, or substantially reduce its dealings with us, could cause our revenues to decline significantly and our business, financial condition and results of operations could be adversely impacted.*

Seasonality

Our overall business is somewhat seasonal in nature, with generally fewer transactions occurring in the first quarter of the year. Transaction volumes at our ATMs located in regions affected by strong winter weather patterns typically experience declines in volume during winter months as a result of decreases in the amount of consumer traffic through such locations. We usually see an increase in transactions in the warmer summer months, which are also aided by increased vacation and holiday travel. We expect these fluctuations in transaction volumes to continue in the future.

Competition

Historically, we have competed with financial institutions and other independent ATM deployers (commonly referred to as "IADs") for ATM placements, new merchant accounts, bank-branding, and acquisitions. IADs compete with us for placement rights at merchant locations. Our ATMs compete with the ATMs owned and operated by financial institutions and other IADs for underlying consumer transactions. In certain locations with very high foot traffic, such as airports or major train stations, large arenas or stadiums, we often see competition from large financial institutions as they may utilize such locations for marketing and advertising purposes, and in some cases are willing to subsidize the operations of the ATM. Recently, we have seen somewhat less competition from financial institutions seeking to place ATMs directly at merchant locations.

We have established relationships with leading national and regional financial institutions through our bank-branding program and our Allpoint network. Both of these programs can be cost-efficient alternatives to financial institutions in lieu of operating branches and owning and operating extensive ATM networks. We believe the scale of our extensive network, our EFT transaction processing services, and our focus on customer service provide us with competitive advantages for providing services to leading financial institutions.

Through our Allpoint surcharge-free network, we have significantly expanded our relationships with local, regional, and national financial institutions as well as large issuers of stored-value debit card programs. With regard to our Allpoint network, we encounter competition from other organizations' surcharge-free networks that are seeking to sell their network to retail locations and offer surcharge-free ATM access to issuers of stored-value debit cards, as well as financial institutions that lack large ATM footprints.

We work to continually develop the types of services we provide to financial institutions and merchants, including management of their ATMs. With respect to our managed services offering, we believe we are well-positioned to offer a comprehensive ATM outsourcing solution with our breadth of services, in-house expertise, and network of existing locations that can leverage the economies of scale required to operate an ATM portfolio. There are several large financial services companies, ATM equipment manufacturers, and service providers that currently offer some of the services we provide, with whom we expect to compete directly in this area. In spite of this, we believe that we have unique advantages that will allow us to offer a compelling solution to financial institutions and retailers alike.

We have also historically competed for acquisition opportunities in each of the markets in which we operate. Acquisitions have been a consistent part of our strategy and may form part of our strategy in the future. Typically, competition for acquisitions is from other IADs, financial service or payments businesses, and/or private equity sponsors of ATM portfolios.

Finally, we face indirect competition from alternative payment mechanisms, such as card-based payments or other electronic forms of payment, including payment applications on mobile phones. While it has been difficult to specifically quantify the direct effects from alternative payment sources on our transaction volumes, cash-based payments have declined as a percentage of total payments in our primary geographic markets in recent years. Further expansion in electronic payment forms and the entry of new and less traditional competitors could reduce demand for cash at merchant locations. We expect to continue to face competition from emerging payments technology in the future. See *Item 1A. Risk Factors - The proliferation of payment options other than cash, including credit cards, debit cards, stored-value debit cards, and mobile payments options could result in a reduced need for cash in the marketplace and a resulting decline in the usage of our ATMs.*

Government and Industry Regulation

Our principal business, ATM network ownership and operation, is subject to government (federal, state, or local) and industry regulations. Our failure to comply with applicable laws and regulations could result in restrictions on our ability to provide our products and services in such jurisdictions, as well as the imposition of civil fines. For additional information related to recent regulatory matters that have impacted our operations or are expected to impact us in the future, see *Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Developing Trends and Recent Events*.

Risk Management

We have adopted a formalized Enterprise Risk Management program that seeks to identify and manage the major risks we face. The major risks are prioritized and assigned to a member of the management team who develops mitigation plans, monitors the risk activity, and is responsible for implementation of the mitigation plan, if necessary. The risks, plans, and activities are monitored by our management team and Board of Directors on a regular basis.

Employees

As of December 31, 2017, we had 2,271 employees, 130 of which were represented by a union or covered by a collective bargaining agreement. We currently believe our relationships with employees represented by unions are good, and we have not experienced any work stoppages.

ITEM 1A. RISK FACTORS

Risks associated with our industry

The proliferation of payment options other than cash, including credit cards, debit cards, stored-value debit cards, and mobile payments options could result in a reduced need for cash in the marketplace and a resulting decline in the usage of our ATMs.

The U.S., the U.K., and other developed markets have seen a shift in consumer payment trends since the late 1990's, with more customers now opting for electronic forms of payment (e.g., credit cards and debit cards) for their in-store purchases over traditional paper-based forms of payment (e.g., cash and checks). Additionally, some merchants offer free cash back at the point-of-sale ("POS") for customers that utilize debit cards for their purchases, thus providing an additional incentive for consumers to use these cards. According to the Nilson Report issued in December 2017, the percentage of cash transaction counts in the U.S. declined from approximately 32.9% of all payment transactions in 2011 to approximately 26.2% in 2016, with declines also seen in check usage as credit, debit, and stored-value debit card transactions increased. However, in terms of absolute dollar value, the volume of cash used in payment transactions remained relatively flat at $1.6 trillion from 2011 to 2016. On a same-store basis, we have generally seen a single-digit percentage rate of decline in the number of cash withdrawal transactions conducted on our U.S.-based and U.K.-based ATMs during the last 12-24 months. Additionally, with the January 6, 2017 completion of the acquisition of DCPayments, we now have substantial business operations in Canada and Australia. Our operations in both of these markets have experienced declining ATM transactions on a same-store basis over the last twelve months, with Australia experiencing a higher rate of transaction decline. The continued growth in electronic payment methods, such as mobile phone payments or contactless payments, could result in a reduced need for cash in the marketplace and ultimately, a decline in the usage of ATMs. New payment technology, such as Venmo, Zelle, and virtual currencies such as Bitcoin, or other new payment method preferences by consumers could reduce the general population's need or demand for cash and negatively impact our transaction volumes in the future. The proliferation of payment options and changes in consumer preferences and usage behavior could reduce the need for cash and have a material adverse impact on our operations and cash flows.

Interchange fees, which comprise a substantial portion of our transaction revenues, may be lowered in some cases at the discretion of the various EFT networks through which our transactions are routed, or through potential regulatory changes, thus reducing our future revenues and operating profits.

Interchange fees, which represented 33% of our total ATM operating revenues for the year ended December 31, 2017, are set by the various EFT networks and major interbank networks through which the transactions conducted on our ATMs are routed. These fees vary from one network to the next. As of December 31, 2017, approximately 4% of our total ATM operating revenues were subject to pricing changes by U.S. networks over which we currently have limited influence or where we have no ability to offset pricing changes through lower payments to merchants. During the year ended December 31, 2017, 19% of our consolidated ATM operating revenues were derived from interchange revenues in the U.K. In the U.K., the significant majority of the interchange revenues we earn are based on rates set by LINK, the major interbank network in that market. The remainder of reported interchange revenue reflects transaction-based revenues where we have contractually agreed to the rate with the associated network or financial institution. Accordingly, if some of the networks through which our ATM transactions are routed were to reduce the interchange rates paid to us or increase their transaction fees charged to us for routing transactions across their network, our future transaction revenues could decline.

In past years, certain networks have reduced the net interchange rates paid to ATM deployers for ATM transactions in the U.S. routed across their debit networks through a combination of reducing the transaction rates charged to financial institutions and higher per transaction fees charged by the networks to ATM operators. In addition to the impact of the net interchange rate decrease, we saw certain financial institutions migrate their volume away from some networks to take advantage of the lower pricing offered by other networks, resulting in lower net interchange rates per transaction to us.

Additionally, some consumer groups in the U.S. have expressed concern that consumers using an ATM may not be aware that, in addition to paying the surcharge fee that is disclosed to them at the ATM, their financial institution may also assess an additional fee with regard to that consumer's transaction. These fees are sometimes referred to as "foreign bank fees" or "out of network fees." While there are currently no pending legislative actions calling for limits on the amount of interchange fees that can be charged by the EFT networks to financial institutions for ATM transactions or the amount of fees that financial institutions can charge to their customers to offset their interchange expense, there can be no assurance that such legislative actions will not occur in the future. Any potential future network or legislative actions that affect the amount of interchange fees that can be assessed on a transaction may adversely affect our revenues.

Our U.K.-based revenues are significantly impacted by interchange rates, with the majority of our interchange revenues in that market being earned through the LINK network. In previous years, LINK has set interchange rates for its participants using a cost-based methodology that incorporates ATM service costs, generally from two years back (i.e., operating costs from 2015 were considered for determining the 2017 interchange rate) and, as a result, the interchange rate can vary year-to-year based on the output of the cost-based study. We have seen the LINK interchange rate move both up and down based on the results of the cost study. In addition to LINK transactions, certain card issuers in the U.K. have issued cards that are not affiliated with the LINK network, and instead carry the Visa or MasterCard network brands. Transactions conducted on our ATMs from these cards, which currently represent approximately 2% of our annual withdrawal transactions in the U.K., receive interchange fees that are set by Visa or MasterCard, respectively. The interchange rates set by Visa and MasterCard have historically been less than the rates that have been established by LINK. Accordingly, if any major financial institution in the U.K. decided to leave the LINK network in favor of Visa, MasterCard, or another network, and we elected to continue to accept the transactions of their cardholders, such a move could reduce the interchange revenues that we currently receive from the related withdrawal transactions conducted on our ATMs in that market. Recently, some of the major financial institutions that participate in LINK expressed concern about the LINK interchange rate and commenced efforts to significantly lower the interchange rate. During 2017, a group of members of LINK (the "Working Group") worked to develop a new interchange rate setting mechanism. After several months of analysis and discussion, the Working Group was unable to reach a recommended amended approach that was satisfactory to its participants, and as a result of this outcome, along with governance recommendations by the Bank of England, in October 2017, it was decided that an independent board of LINK ("LINK Board") would recommend interchange rates going forward. On November 1, 2017, the LINK Board announced that it had reached some tentative recommendations, subject to further comment by the LINK members. On January 31, 2018 the LINK Board issued an update and determined that interchange rates would decrease by 5% from 2017 levels, effective July 1, 2018. From January 1, 2018 through June 30, 2018, the interchange rates will be slightly reduced as a result of adjustments made to the interchange rates based on the former cost-based methodology. Additionally, the LINK Board announced the intention to further reduce the interchange rate by three further annual 5% reductions, subject to further considerations including impact to consumers and operating costs, such as interest and regulatory compliance. There are certain carve-out provisions which allow for higher interchange rates, in special circumstances, which are intended to support the continued existence of free-to-use ATMs. Relative to 2017, we expect that this change in approach will adversely impact our operating income by approximately $7 million to $8 million in 2018 and likely a greater amount in future years.

Based on the updated interchange rates being implemented by the LINK Board, including the stated intent to further reduce the interchange rate, we expect further reductions in our profits in this market beyond 2018. Additionally, should there be a significant change in the LINK scheme or its membership, our U.K. interchange revenues and profits could be adversely impacted.

Future changes in interchange rates, some of which we have minimal or no control over, could have a material adverse impact on our operations and cash flows.

We operate in a changing and unpredictable regulatory environment, which may harm our business. If we are subject to new regulations or legislation regarding the operation of our ATMs, we could be required to make substantial expenditures to comply with that regulation or legislation, which may reduce our net income and our profit margins.

With its initial roots in the banking industry, the U.S. ATM industry is regulated by the rules and regulations of the federal Electronic Funds Transfer Act, which establishes the rights, liabilities, and responsibilities of participants in EFT systems. The vast majority of states have few, if any, licensing requirements. However, legislation related to the U.S. ATM industry is periodically proposed at the state and local level. In past years, certain members of the U.S. Congress called for a re-examination of fees that are charged for an ATM transaction, although no legislation was passed relative to these matters. As a part of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"), the Consumer

Financial Protection Bureau was created, and it is possible that this governmental agency could enact new or modify existing regulations that could have a direct or indirect impact on our business. For additional information related to this topic, see the risk factor entitled *The passage of legislation banning or limiting the fees we receive for transactions conducted on our ATMs would severely impact our revenues and our operations* below.

The Americans with Disabilities Act ("ADA") requires that ATMs be accessible to and independently usable by individuals with disabilities, such as visually-impaired or wheel-chair bound persons. The U.S. Department of Justice issued accessibility regulations under the ADA that became effective in March 2012. While we maintain a compliance effort to ensure our ATMs meet these requirements, it is possible that in the future similar regulations may require us to make substantial expenditures and we may be forced to replace and or stop operating such ATMs until such time as compliance has been achieved.

Additionally, we have been subject to litigation in the past claiming discrimination against certain groups. For example, the National Federation of the Blind (the "NFB") sought to require us to ensure that all of our ATMs are voice-guided. Effective May 2015, we entered into an amended and restated settlement agreement (the "New Agreement") with the NFB and the Commonwealth of Massachusetts to resolve outstanding issues arising out of an earlier settlement agreement that pre-dated the issuance of the 2012 ADA accessibility regulations. This New Agreement provides for a process utilizing a court-appointed special master to certify compliance with accessibility features, such as voice guidance and braille stickers, as set forth in either the 2012 ADA regulations or the New Agreement. The New Agreement also calls for monitoring our compliance in the deployment and maintenance of such features on our ATMs and imposes prescribed liquidated damages if we fail to meet any specific requirement. Should we fail to meet the terms of the New Agreement, we could incur significant liquidated damages.

In the U.K., the ATM industry has historically been largely self-regulating. Most ATMs in the U.K. are part of the LINK network and must operate under the network rules set forth by LINK, which operates under the oversight of the Bank of England and its regulatory capacity. In March 2013, the U.K. Treasury department issued a formal recommendation to further regulate the U.K. payments industry, including LINK, the nation's primary ATM scheme. In October 2013, the U.K. government responded by establishing the new Payment Systems Regulator ("PSR") to oversee any payment system operating in the U.K. and its participants. The new PSR became active in 2015. The PSR commissioned a review of LINK, which has resulted in several outcomes, including a separation of the processing component of LINK which required us to separately enter into new agreements for certain operational services. See the risk factor entitled *Interchange fees, which comprise a substantial portion of our transaction revenues, may be lowered in some cases at the discretion of the various EFT networks through which our transactions are routed, or through potential regulatory changes, thus reducing our future revenues* above.

We are also subject to various regulations in other jurisdictions that we operate in, including Germany, Poland, Spain, Ireland, Mexico, and Canada, and more recently, with the completion of the acquisitions in January 2017, Australia, New Zealand, and South Africa. Due to the numerous regulations in the jurisdictions in which we operate, there is substantial risk to ensuring consistent compliance with the existing regulatory requirements in those jurisdictions. To the extent we are not successful in complying with the new or existing regulations, non-compliance may have an impact on our ability to continue operating in such jurisdictions or adversely impact our profits. In addition, new legislation proposed in any of the jurisdictions in which we operate, or adverse changes in the laws that we are subject to, may materially affect our business through the requirement of additional expenditures to comply with that legislation or other direct or indirect impacts on our business. If regulatory legislation is passed in any of the jurisdictions in which we operate, we could be required to incur substantial expenditures or suffer adverse changes in our business which would reduce our net income.

The broad introduction of free-to-use ATMs in Australia may adversely impact our revenues and profits.

In September 2017, Australia's four largest banks, the Commonwealth Bank of Australia ("CBA"), Australia and New Zealand Banking Group Limited ("ANZ"), Westpac Banking Corporation ("Westpac"), and National Australia Bank Limited ("NAB"), each independently announced decisions to remove all direct charges applied to domestic transactions completed at their respective ATM networks effectively creating a free-to-use network of ATM terminals that did not exist previously. This unexpected market shift appears to have been instigated by a decision and announcement by CBA to remove direct charges to all users of its ATMs, regardless of whether or not the users are customers of the bank. Shortly thereafter, ANZ, Westpac, and NAB followed with announcements and actions removing direct charges on their ATM networks for all users of their ATMs.

Australia has historically been a direct charge market where cardholders pay a fee (the "direct charge") to ATM operators for each transaction, unless the ATM where the transaction is completed is part of the cardholder's issuing bank ATM network. There is currently no broad interchange arrangement in Australia between card issuers and ATM operators to compensate ATM operators for the cost of providing a service to cardholders in the absence of a direct charge levied on the cardholder directly. In 2017, 81.4% of our revenues in Australia were sourced from direct charge fees paid by cardholders. As a result, this introduction of free-to-use ATMs in Australia may adversely impact our revenues and profits.

We are continuing to evaluate the impact that this unexpected market shift will have on our Australian ATM transaction volumes and associated revenues in the near-term, as well as potential strategic implications for a broader market adoption of free-to-use ATMs in Australia similar to those in other markets in which we operate. In September 2017, we determined that these developments were to be an indicator of impairment of our Australia & New Zealand reporting unit and related long-lived assets. As further discussed in *Part I. Financial Information, Item I. Financial Statements, Note 1. Basis of Presentation and Summary of Significant Accounting – (l) Intangibles Other and Goodwill, and (m) Goodwill*, we recorded an impairment of certain assets in our Australia & New Zealand reporting unit as of September 30, 2017.

Security breaches, including the occurrence of a cyber-incident or a deficiency in our cybersecurity, could harm our business by compromising merchant and cardholder information and disrupting our transaction processing services, thus damaging our relationships with our merchant customers, business partners, and generally exposing us to liability.

As part of our transaction processing services, we electronically process and transmit cardholder information. We and our vendors are subjected to cyber-attacks, including accidental or intentional computer or network issues (such as unauthorized parties gaining access to our information technology systems, phishing attacks, viruses, malware installation, server malfunction, software or hardware failures, impairment of data integrity, loss of data or other computer assets, adware, or other similar issues), none of which to date have resulted in any material disruption, interruption, or loss. Our vulnerability to attack and our vendors vulnerability to attack exists in relation to known threats, against which we work to implement and maintain what we consider to be adequate security controls, as well as threats which we can't protect against as they are unknown. As a consequence, the security measures we deploy are not perfect or impenetrable, despite our investment in and maintenance of security controls, we may be unable to anticipate or prevent all unauthorized access attempts made on our systems.

A vulnerability in the cybersecurity of our systems or one or more of our vendors systems (which include among other things cloud based networks and services outside of the control of the Company) could impair or shut down one or more of our computing systems, transaction processing systems or our IT network and infrastructure, we may suffer harm from our customers, our business partners, the press, and the public at large. Furthermore, companies that process and transmit cardholder information have been specifically and increasingly targeted in recent years by sophisticated and persistent actors including hacktivists, organized criminal groups, and nation states in an effort to obtain information and utilize it for fraudulent transactions or other purposes. It is also possible that a cyber-attack or information security breach could occur and persist for an extended period of time without detection. We expect that any investigation of a cyber-attack would be inherently unpredictable and that it would take time before the completion of any investigation and before there is availability of full and reliable information. During such time we may not necessarily know the extent of the harm or how best to remediate it, and certain errors or actions could be repeated or compounded before they are discovered and remediated, all or any of which would further increase the costs and consequences of a cyber-attack.

The technical and procedural controls we and our partners use to provide security for storage, processing and transmission of confidential customer and other information may not be effective to protect against data security breaches or other cyber incidents. The risk of unauthorized circumvention of our security measures has been heightened by advances in computer capabilities and the increasing sophistication of hackers. Unauthorized access to our computer systems, or those of our third-party service providers, could result in the theft or publication of the information or the deletion or modification of sensitive records, and could cause interruptions in our operations. Any inability to prevent security breaches could damage our relationships with our merchant and financial institution customers, cause a decrease in transactions by individual cardholders, expose us to liability including claims from merchants, financial institutions, and cardholders, and subject us to network fines.

Further, we could be forced to expend significant resources in response to a security breach, including repairing system damage and increasing cybersecurity protection costs by deploying additional personnel, each of which could divert the attention of our management and key personnel away from our business operations. These claims also could result in protracted and costly litigation. If unsuccessful in defending that litigation, we might be forced to pay damages and/or change our business practices.

While many of our agreements with partners and third party vendors contain indemnification provisions and we maintain insurance intended to cover some of these risks, such measures may not be sufficient to cover all of our losses from any future breaches of our systems.

We have a history of making acquisitions and investments which expose us to additional risk associated with the integration of the information systems. We may not adequately identify weaknesses in an acquired entity's information systems either before or after an acquisition, which could affect the value we are able to derive from the acquisition, expose us to unexpected liabilities or make our own systems more vulnerable to a cyber-attack. We may also not be able to integrate the systems of the businesses we acquire in a timely manner which could further increase these risks until such integration takes place.

As a global company, the cross border movement of data increases our exposure to cybersecurity threats. This cross border data movement must be managed in accordance with an ever changing compliance landscape and the development of cybersecurity guidance and best practice and while we have and will continue to invest in the protection of our systems and the maintenance of what we believe to be adequate security controls over individually identifiable customer, employee and vendor data provided to us, there can be no assurance that we will not suffer material losses relating to cyber-attacks or other security breaches involving our information systems in the future. In addition, we could be impacted by existing and proposed laws and regulations, as well as government policies and practices related to cybersecurity, privacy, and data protection across the various jurisdictions in which we operate. An actual security breach or cyber-incident could have a material adverse impact on our operations and cash flows and costs to remediate any damages to our information technology systems suffered as a result of a cyber-attack could be significantly over and above any obligations arising from any penalties imposed by any regulatory or supervisory authority including in connection with General Data Protection Regulations ("GDPR").

Computer viruses or unauthorized software (malware) could harm our business by disrupting or disabling our transaction processing services, causing noncompliance with network rules, damaging our relationships with our merchant and financial institution customers, and damaging our reputation causing a decrease in transactions by individual cardholders.

We routinely face cyber and data security threats through computer viruses, malware, attachments to emails, persons inside our organization or persons with access to systems inside our organization and other significant disruptions of our IT networks and related systems ("System Threats"). One of these System Threats could infiltrate our systems and disrupt our delivery of services, cause delays or loss of data or public releases of confidential data or make our applications unavailable, all of which could have a material adverse effect on our revenues and our operations and cash flows. Although we utilize several preventative and detective security controls in our network, we have from time to time experienced System Threats to our data and systems, including but not limited to computer viruses, unauthorized parties gaining access to our information technology systems and similar incidents, none of which to date have resulted in any material disruption, interruption or loss. The preventative and detective security controls have been and may in the future be ineffective in preventing System Threats and material consequences arising from any such event occurring could damage our relationships with our merchant and financial institution customers, cause a decrease in transactions by individual cardholders, cause our reputation to be damaged, require us to make significant expenditures to repair or replace equipment, or cause us to be in non-compliance with applicable network rules and regulations.

Regulatory, legislative or self-regulatory/standard developments regarding privacy and data security matters could adversely affect our ability to conduct our business.

We, along with our partners and customers in the financial services area, are subject to a number of laws and regulations. These laws, rules and regulations address a range of issues including data privacy and cyber security, and restrictions or technological requirements regarding the collection, use, storage, protection, retention or transfer of data.

In the U.S., the rules and regulations to which we (directly or contractually through our banking partners or our marketers) may be subject include those promulgated under the authority of the Federal Trade Commission, the Electronic Communications Privacy Act, Computer Fraud and Abuse Act, the Gramm Leach Bliley Act and state cybersecurity and breach notification laws, as well as regulator enforcement positions and expectations.

The European Union ("E.U.") courts determined in late 2015 that the Safe Harbor mechanism which facilitated data sharing between the E.U. and the U.S. was not in fact compliant with the E.U. data protection regulations, requiring a new robust mechanism, the Privacy Shield. The E.U. authorities agreed to new General Data Protection Regulations ("GDPR") in 2016. The GDPR provides heightened rights for individuals and increased sanctions for non-compliance with regulations. GDPR provides the supervisory authority with the power to impose administrative fines of the greater of (a) €10 million or 2% of global annual revenue from the prior year if it is determined that non-compliance was related to technical measures such as impact assessments, breach notifications and certifications; or (b) €20 million or 4% of global annual turnover in the case of non-compliance with key provisions of the GDPR including non-adherence to the core principles of processing personal data, infringement of the rights of data subjects and the transfer of personal data to third countries or international organizations that do not ensure an adequate level of data protection.

Additionally, the GDPR further introduces measures that will make data processing and sharing between our European-based businesses and our other businesses more difficult. As required by the GDPR, we have appointed a Data Protection Officer to oversee and supervise our compliance with European data protection regulations.

Such government regulation (together with applicable industry standards) may increase the costs of doing business. Federal, state, municipal and foreign governments and agencies have adopted and could in the future adopt, modify, apply or enforce laws, policies, regulations, and standards covering user privacy, data security, technologies such as cookies that are used to collect, store and/or process data, marketing online, the use of data to inform marketing, the taxation of products and services, unfair and deceptive practices, and the collection (including the collection of information), use, processing, transfer, storage and/or disclosure of data associated with unique individual internet users. New regulation or legislative actions regarding data privacy and security could have a material adverse impact on our operations and cash flows.

The ATM industry is highly competitive and such competition may increase, which may adversely affect our profit margins.

The ATM business is and can be expected to remain highly competitive. Our principal direct competition comes from independent ATM companies and financial institutions in all of the countries in which we operate. Our competitors could prevent us from obtaining or maintaining desirable locations for our ATMs, cause us to reduce the revenue generated by transactions at our ATMs, or cause us to pay higher merchant fees, thereby reducing our profits. In addition to our current competitors, new and less traditional competitors may enter the market or we may face additional competition associated with alternative payment mechanisms and emerging payment technologies. Increased competition could result in transaction fee reductions, reduced gross margins, and loss of market share. As a result, the failure to effectively adapt our organization, products, and services to the market could significantly reduce our offerings to gain market acceptance, could significantly reduce our revenue, increase our operating costs, or otherwise adversely impact our operations and cash flows.

The passage of legislation banning or limiting the fees we receive for transactions conducted on our ATMs would severely impact our revenues and our operations.

Despite the nationwide acceptance of surcharge fees at ATMs in the U.S. since their introduction in 1996, consumer activists have from time to time attempted to impose local bans or limits on surcharge fees. Even in the few instances where these efforts have passed the local governing body (such as with an ordinance adopted by the city of Santa Monica, California), U.S. federal courts have overturned these local laws on federal preemption grounds. Although Section 1044 of the Dodd-Frank Act contains a provision that will limit the application of federal preemption with respect to state laws that do not discriminate against national banks, federal preemption will not be affected by local municipal laws, where such proposed bans or limits often arise. Additionally, some U.S. federal officials have expressed concern in previous years that surcharge fees charged by banks and non-bank ATM operators are unfair to consumers. We rely on transaction-based revenues in each of our markets and any regulatory fee limits that could be imposed on our transactions may have an adverse impact on our revenues and profits. If legislation were to be enacted in the future in any of our markets, and the amount we were able to charge consumers to use our ATMs was reduced, our revenues and related profitability would be negatively impacted. Furthermore, if such limits were set at levels that are below our current or future costs to operate our ATMs, it would have a material adverse impact on our ability to continue to operate under our current business model and adversely impact our revenues and cash flows.

Potential new currency designs may require modifications to our ATMs that could impact our cash flows.

In the action styled: *American Council of the Blind, et. al., v. Timothy F. Geithner, Secretary of the Treasury* (Case #1:02-cv-00864) in the U.S. District Court for the District of Columbia (the "Court") an order was entered that found that U.S. currencies (as currently designed) violated the Rehabilitation Act, a law that prohibits discrimination in government programs on the basis of disability, as the paper currencies issued by the U.S. are identical in size and color, regardless of denomination. As a consequence of this ruling, the U.S. Treasury stated in its semi-annual status report filed with the Court in September 2012, that the Bureau of Engraving and Printing ("BEP") was making progress towards implementing the Secretary's decision to provide meaningful access to paper currency by: "(i) adding a raised tactile feature to each Federal Reserve note that the BEP may lawfully redesign, (ii) continuing the BEP's program of adding large high-contrast numerals and different colors to each denomination that it may lawfully redesign, and (iii) implementing a supplemental currency reader distribution program for blind and other visually impaired U.S. citizens and legal residents." Of these three steps only the first materially affects the ATM industry. The BEP continues to research the raised tactile feature and is engaged in testing samples in conjunction with the Banknote Equipment Manufactures program; however, previous comments from the U.S. Treasury suggest that raised tactile features on currency are not expected to be in circulation prior to 2020. Until a selection is made and disclosed by the BEP, the impact, if any, a raised tactile feature will have on the ATM industry, remains unknown. It is possible that such a change could require us to incur additional costs, which could be substantial, to modify our ATMs in order to store and dispense notes with raised or other tactile features.

Additionally, polymer notes were introduced by the Bank of England in 2016 and will be further circulated through 2020. The introduction of these new currency designs has required upgrades to software and physical ATM components on our ATMs in the U.K. Upgrades may result in incremental downtime and incremental capital investments for the affected ATMs. To date, we have not experienced any material adverse financial or operational impact as a result of the new requirements to handle these new notes but we have not yet completed the upgrade of our ATMs. The Reserve Bank of Australia (or "RBA") has also begun issuing redesigned banknotes beginning with the $5 and $10 Australian dollar banknotes in September 2016 and 2017. The new $50 Australian dollar banknote is expected to enter circulation in October 2018. We expect that the RBA will continue issuing redesigned banknotes in additional denominations in subsequent years. The redesigned banknotes include a raised tactile feature to help the blind and visually impaired community distinguish between different denominations of banknotes and a top-to-bottom clear window in which the banknote is transparent. The new banknotes will require upgrades to the software and physical ATM components on our ATMs in Australia, and until all denominations of the banknotes have been released and are available for testing, we may not be able to determine the full upgrade requirements and related costs. Any required upgrades to our ATM machines could require us to incur additional cost, which could be substantial and have a material adverse impact on our operations and cash flows.

Risks associated with our business

We depend on ATM and financial services transaction fees for substantially all of our revenues, and our revenues and profits would be reduced by a decline in the usage of our ATMs or a decline in the number of ATMs that we operate, whether as a result of global economic conditions or otherwise.

Transaction fees charged to cardholders and their financial institutions for transactions processed on our ATMs and multi-function financial services kiosks, including surcharge and interchange transaction fees, have historically accounted for most of our revenues. We expect that transaction fees, including fees we receive through our bank-branding and surcharge-free network offerings, will continue to account for the substantial majority of our revenues for the foreseeable future. Consequently, our future operating results will depend on many factors, including: (i) the market acceptance of our services in our target markets, (ii) the level of transaction fees we receive, (iii) our ability to install, acquire, operate, and retain ATMs, (iv) usage of our ATMs by cardholders, and (v) our ability to continue to expand our surcharge-free and other automated consumer financial services offerings. If alternative technologies to our services are successfully developed and implemented, we may experience a decline in the usage of our ATMs. Surcharge rates, which are largely market-driven and are negotiated between us and our merchant partners, could be reduced over time. Further, growth in surcharge-free ATM networks and widespread consumer bias toward these networks could adversely affect our revenues, even though we maintain our own surcharge-free offerings. Many of our ATMs are utilized by consumers that frequent the retail establishments in which our ATMs are located, including convenience stores, gas stations, malls, grocery stores, drug stores, airports, train stations, and other large retailers. If there is a significant slowdown in consumer spending, and the number of consumers that frequent the retail establishments in which we operate our ATMs declines significantly, the number of transactions conducted on those ATMs, and the corresponding transaction fees we earn, may also decline. Additionally, should banks increase the fees they charge to their customers when using an ATM outside of their network (i.e. out of network or foreign bank fees), this would effectively make transactions at our ATM more expensive to consumers and could adversely impact our transaction volumes and revenues. Alternatively, should banks or other ATM operators decrease or eliminate the fees they charge to users of their ATMs in any of our markets, such action would make transactions at our ATM comparatively more expensive to consumers and could adversely impact our transaction volumes and revenues. A decline in usage of our ATMs by cardholders, in the levels of fees received by us in connection with this usage, or in the number of ATMs that we operate, would have a negative impact on our revenues and cash flows and would limit our future growth potential.

We derive a substantial portion of our revenue from ATMs placed with a small number of merchants. The expiration, termination or renegotiation of any of these contracts with our top merchants, or if one or more of our top merchants were to cease doing business with us, or substantially reduce its dealings with us, could cause our revenues to decline significantly and our business, financial condition and results of operations could be adversely impacted.

For the year ended December 31, 2017, our contracts with our top five merchant customers (7-Eleven, Walgreens, CVS, Co-op Food (in the U.K.), and Speedway) accounted for approximately 30.9% of our total revenues inclusive of our 7-Eleven relationship in the U.S. which accounted for 12.5% of our total revenues. Excluding 7-Eleven, which we expect to account for less than 1% of our total revenues in 2018, the next top four customers together comprised approximately 18.4% of our total revenues in 2017. The 7-Eleven ATM placement agreement in the U.S. expired in July 2017, and, as of December 31, 2017, most of the associated ATM operations had been transitioned to the new service provider. We expect the transition to be complete during the first quarter of 2018. As a result, the termination of the 7-Eleven relationship in the U.S, has had and will continue to have, a significant negative impact on our income from operations and cash flows compared to previously reported periods.

Because a significant percentage of our future revenues and operating income depends upon the successful continuation of our relationship with our top merchant customers, the loss of any of our largest merchants, a decision by any one of them to reduce the number of our ATMs placed in their locations, or a decision to sell or close their locations could result in a decline in our revenues or otherwise adversely impact our business operations. To the extent there is consolidation or contraction within our primary retailer partners, and as a part of that consolidation or contraction, the retailers decide to reduce their store footprint, such an event could materially impact our revenues and profits. Furthermore, if their financial conditions were to deteriorate in the future, and as a result, one or more of these merchants was required to close a significant number of their store locations, our revenues would be significantly impacted. Additionally, these merchants may elect not to renew their contracts when they expire. As of December 31, 2017, the contracts we have with our four largest merchant customers, excluding 7-Eleven in the U.S., had a weighted average remaining life of approximately 3.8 years.

Even if our major contracts are extended or renewed, the renewal terms may be less favorable to us than the current contracts. If any of our largest merchants enters bankruptcy proceedings and rejects its contract with us, fails to renew its contract upon expiration, or if the renewal terms with any of them are less favorable to us than under our current contracts, it could result in a decline in our revenues and profits and have a material adverse impact on our operations and cash flows.

Deterioration in global credit markets, as well as changes in legislative and regulatory requirements, could have a negative impact on financial institutions that we conduct business with.

We have a significant number of customer and vendor relationships with financial institutions in all of our key markets, including relationships in which those financial institutions pay us for the right to place their brands on our ATMs. Additionally, we rely on a small number of financial institution partners to provide us with the cash that we maintain in our Company-owned ATMs and some of our merchant-owned ATMs. Volatility in the global credit markets, such as that experienced in 2008 to 2009, may have a negative impact on those financial institutions and our relationships with them. In particular, if the liquidity positions of the financial institutions with which we conduct business deteriorate significantly, these institutions may be unable to perform under their existing agreements with us. If these defaults were to occur, we may not be successful in our efforts to identify new bank-branding partners and vault cash providers, and the underlying economics of any new arrangements may not be consistent with our current arrangements. Furthermore, if our existing bank-branding partners or vault cash providers are acquired by other institutions with assistance from the Federal Deposit Insurance Corporation (“FDIC”), or placed into receivership by the FDIC, it is possible that our agreements may be rejected in part or in their entirety.

We rely on third-parties to provide us with the cash we require to operate many of our ATMs. If these third-parties were unable or unwilling to provide us with the necessary cash to operate our ATMs, we would need to locate alternative sources of cash to operate our ATMs or we would not be able to operate our business.

In North America, we rely primarily on Bank of America, Wells Fargo, Elan (a division of U.S. Bancorp), and Capital One to provide us with the vault cash that we use in approximately 44,000 of our ATMs where cash is not provided by the merchant. In Europe & Africa, we rely primarily on RBS, HSBC, Barclays, Absa Bank, and Capitec Bank to provide us with the vault cash that we use in approximately 21,000 of our ATMs. In Australia and New Zealand, we rely primarily on ANZ and NAB to provide us with the vault cash that we use in approximately 4,000 of our ATMs. For the quarter ended December 31, 2017, we had an average outstanding vault cash balance of approximately $2.3 billion held in our North America ATMs, approximately $1.4 billion in our ATMs in Europe and Africa and approximately $250 million in our ATMs in Australia and New Zealand.

Our existing vault cash rental agreements expire at various times through March 2021. However, each provider has the right to demand the return of all or any portion of its cash at any time upon the occurrence of certain events, including certain bankruptcy events of us or our subsidiaries, or a breach of the terms of our vault cash provider agreements. Other key terms of our agreements include the requirement that the vault cash providers provide written notice of their intent not to renew. Such notice provisions typically require a minimum of 180 to 360 days’ notice prior to the actual termination date. If such notice is not received, then the contracts will typically automatically renew for an additional one-year period.

If our vault cash providers were to demand return of their cash or terminate their arrangements with us and remove their cash from our ATMs, or if they fail to provide us with cash as and when we need it for our operations, our ability to operate our ATMs would be jeopardized, and we would need to locate alternative sources of vault cash or potentially suffer significant downtime of our ATMs. In the event this was to happen, the terms and conditions of the new or renewed agreements could potentially be less favorable to us, which would negatively impact our results of operations. Furthermore, restrictions on access to cash to fill our ATMs could severely restrict our ability to keep our ATMs operating, and could subject us to performance penalties under our contracts with our customers. A significant reduction in access to the necessary cash to operate our ATMs could have a material adverse impact on our operations and cash flows.

We rely on EFT network providers, transaction processors, bank sponsors, armored courier providers, and maintenance providers to provide services to our ATMs. If some of these providers that service a significant number of our ATMs fail or otherwise cease, consolidate, or no longer agree to provide their services, we could suffer a temporary loss of transaction revenues, incur significant costs or suffer the permanent loss of any contract with a merchant or financial institution affected by such disruption in service.

We rely on EFT network providers and have agreements with various transaction processors, armored courier providers, and maintenance providers. These service providers enable us to provide card authorization, data capture, settlement, cash management and delivery, and maintenance services to our ATMs. Typically, these agreements are for periods of two or three years each. If we are unable to secure the renewal or replacement of any expiring vendor contracts, or a key vendor fails or otherwise ceases to provide the services for which we have contracted and disruption of service to our ATMs occurs, our relationship with those merchants and financial institutions affected by the disrupted ATM service could suffer.

While we have more than one provider for each of the critical services that we rely on third-parties to perform, certain of these providers currently provide services to or for a significant number of our ATMs. Although we believe we would be able to transition these services to alternative service providers, this could be a time-consuming and costly process. In the event one or more of such service providers was unable to deliver services to us, we could suffer a significant disruption in our business, which could result in a material adverse impact to our financial results. Furthermore, any disruptions in service in any of our markets, whether caused by us or by third-party providers, may result in a loss of revenues under certain of our contractual arrangements that contain minimum service-level requirements and could result in a material adverse impact on our operations and cash flows.

If we, our transaction processors, our EFT networks or other service providers experience system failures, the products and services we provide could be delayed or interrupted, which would harm our business.

Our ability to provide reliable service largely depends on the efficient and uninterrupted operations of our EFT transaction processing platforms, third-party transaction processors, telecommunications network systems, and other service providers. Accordingly, any significant interruptions could severely harm our business and reputation and result in a loss of revenues and profits. Additionally, if any interruption is caused by us, especially in those situations in which we serve as the primary transaction processor, such interruption could result in the loss of the affected merchants and financial institutions, or damage our relationships with them. Our systems and operations and those of our transaction processors and our EFT network and other service providers could be exposed to damage or interruption from fire, natural disaster, unlawful acts, terrorist attacks, power loss, telecommunications failure, unauthorized entry, and computer viruses, among other things. We cannot be certain that any measures we and our service providers have taken to prevent system failures will be successful or that we will not experience service interruptions. Should a significant system failure occur, it could have a material adverse impact on our operations and cash flows.

Our armored transport business exposes us to additional risks beyond those currently experienced by us in the ownership and operation of ATMs.

Our armored courier operation in the U.K. delivers cash to and collects residual cash from our ATMs in that market. As of December 31, 2017, we were providing armored courier services to approximately 14,900 of our ATMs in that market and we currently intend to further expand that operation to service additional ATMs. The armored transport business exposes us to significant risks, including the potential for cash-in-transit losses, employee theft, as well as claims for personal injury, wrongful death, worker's compensation, punitive damages, and general liability. While we seek to prevent the occurrence of these risks and we maintain appropriate levels of insurance to adequately protect us from these risks, there can be no assurance that we will avoid significant future claims or adverse publicity related thereto. Furthermore, there can be no assurance that our insurance coverage will be adequate to cover potential liabilities or that insurance coverage will remain available at costs that are acceptable to us. The availability of quality and reliable insurance coverage is an important factor in our ability to successfully operate this aspect of our operations. A loss claim for which insurance coverage is denied or that is in excess of our insurance coverage could have a material adverse effect on our business, financial condition and results of operations and cash flows.

Operational failures in our EFT transaction processing facilities could harm our business and our relationships with our merchant and financial institution customers.

An operational failure in our EFT transaction processing facilities could harm our business and damage our relationships with our merchant and financial institution customers. Damage, destruction, or third-party actions that interrupt our transaction processing services could also cause us to incur substantial additional expense to repair or replace damaged equipment and could damage our relationship with our customers. We have installed back-up systems and procedures to prevent or react to such disruptions. However, a prolonged interruption of our services or network that extends for more than several hours (i.e., where our backup systems are not able to recover) could result in data loss or a reduction in revenues as our ATMs would be unable to process transactions. In addition, a significant interruption of service could have a negative impact on our reputation and could cause our present and potential merchant and financial institution customers to choose alternative service providers, as well as subject us to fines or penalties related to contractual service agreements and ultimately cause a material adverse impact on our operations and cash flows.

If we fail to adapt our products and services to changes in technology or in the marketplace, or if our ongoing efforts to upgrade our technology are not successful, we could lose customers or have difficulty attracting new customers, which would adversely impact our revenues and our operations.

The markets for our products and services are characterized by constant technological changes, frequent introductions of new products and services and evolving industry standards. Due to a variety of factors, including but not limited to security features, compatibility between systems and software and hardware components, consumer preferences, industry standards, and other factors, we regularly update the technology components, including software, on our ATMs. These technology upgrade efforts, in some cases, may result in downtime to our ATMs, and as a result, loss of transactions and revenues. Additionally, our ability to enhance our current products and services and to develop and introduce innovative products and services that address the increasingly sophisticated needs of our customers will significantly affect our future success. Our ability to take advantage of opportunities in the market may require us to invest considerable resources adapting our organization and capabilities to support development of products and systems that can support new services or be integrated with new technologies and incur other expenses in advance of our ability to generate revenue from these products and services. These developmental efforts may divert resources from other potential investments in our businesses, management time and attention from other matters, and these efforts may not lead to the development of new products or services on a timely basis. We may not be successful in developing, marketing or selling new products and services that meet these changing demands. In addition, we may experience difficulties that could delay or prevent the successful development, introduction or marketing of these products and services, or our new products and services and enhancements may not adequately meet the demands of the marketplace or achieve market acceptance.

Recently, Microsoft announced a plan to end technology support and patches for a series of Windows-based operating systems, including Windows 7, which is currently in use on a large number of our ATMs. Microsoft has stated that it will end support for Windows 7, starting in January 2020. As a large number of our ATMs currently operate on Windows 7, we expect to upgrade our fleet, starting primarily in 2019. While we are currently in the process of evaluating the cost to upgrade the ATMs that could be impacted, we expect that this cost could be significant to us and may elevate our capital expenditures, in particular during 2019. Additionally, we could experience downtime at some of our ATMs as we perform upgrades, which could adversely impact revenues and profits.

If we are unsuccessful in offering products or services that gain market acceptance, it could have an adverse impact on our ability to retain existing customers or attract new ones, which could have a material adverse effect on our revenues and our operations.

Errors or omissions in the settlement of merchant funds could damage our relationships with our merchant customers and expose us to liability.

We are responsible for maintaining accurate bank account information for certain of our merchant customers and accurate settlements of funds into these accounts based on the underlying transaction activity. This process relies on precise and authorized maintenance of electronic records. Although we have controls in place to help ensure the safety and accuracy of our records, errors or unauthorized changes to these records could result in the erroneous or fraudulent movement of funds, thus damaging our relationships with our merchant customers and exposing us to liability and potentially resulting in a material adverse impact on our operations and cash flows.

Changes in interest rates could increase our operating costs by increasing interest expense under our credit facilities and our vault cash rental costs.

Interest on amounts borrowed under our revolving credit facility is based on a floating interest rate, and our vault cash rental expense is based primarily on floating interest rates. As a result, our interest expense and cash management costs are sensitive to changes in interest rates. We pay a monthly fee on the average outstanding vault cash balances in our ATMs under floating rate formulas based on a spread above various LIBOR in the U.S., and the U.K. In Germany and Spain, the rate is based on the Euro Interbank Offered Rate (commonly referred to as "Euribor"). In Mexico, the rate is based on the Interbank Equilibrium Interest Rate (commonly referred to as the "TIIE"), in Canada, the rate is based on the Bank of Canada's Bankers Acceptance Rate and the Canadian prime rate, and in Australia, the formula is based on the Bank Bill Swap Rates ("BBSY"). Although we currently hedge a portion of our vault cash interest rate risk related to our operations in the U.S. through December 31, 2022 by using interest rate swap contracts, we may not be able to enter into similar arrangements for similar amounts in the future. We have also entered into interest rate swap contracts in the U.K. through December 31, 2022 and in Australia through February 2019 to hedge a portion of our vault cash interest rate risk in those markets. Any significant future increases in interest rates could have a negative impact on our earnings and cash flow by increasing our operating costs and expenses. For additional information, see *Part II. Item 7A. Quantitative and Qualitative Disclosures About Market Risk - Interest Rate Risk.*

We maintain a significant amount of vault cash within our Company-owned ATMs, which is subject to potential loss due to theft or other events, including natural disasters.

For the quarter ended December 31, 2017, our average outstanding vault cash balance was approximately $3.9 billion in our ATMs. Any loss of vault cash from our ATMs is generally our responsibility. We typically require that our service providers, who either transport the vault cash or otherwise have access to the ATM safe, maintain adequate insurance coverage in the event cash losses occur as a result of theft, misconduct, or negligence on the part of such providers. Cash losses at the ATM occur in a variety of ways, such as natural disaster (hurricanes, flooding, tornadoes, etc.), fires, vandalism, and physical removal of the entire ATM, defeating the interior safe or by compromising the ATM's technology components. Because our ATMs are often installed at retail sites, they face exposure to attempts of theft and vandalism. Thefts of vault cash may be the result of an individual acting alone or as a part of a crime group. We have experienced theft of vault cash from our ATMs across the geographic regions in which we operate and have at times removed ATMs from service to enhance security features. While we maintain insurance policies to cover a significant portion of any losses that may occur that are not covered by the insurance policies maintained by our service providers, such insurance coverage is subject to deductibles, exclusions, and limitations that may leave us bearing some or all of those losses. Significant vault cash losses could result in a material adverse impact on our operations and cash flows.

Any increase in the frequency and/or amounts of theft and other losses could negatively impact our operating results by causing higher deductible payments and increased insurance premiums. Certain ATM types have recently been susceptible to coordinated ATM attacks, known as 'jackpotting', which generally involves a physical compromise of the ATM which causes the ATM to dispense cash without proper authorization and can be controlled remotely in certain types of these attacks. While we maintain a controls program across many fronts to prevent and quickly detect unauthorized ATM access and theft attempts, there can be no assurance that a significant jackpotting attack attempt could occur on our portfolio. Additionally, we have seen an increase in attacks and vault cash losses in our U.K. business, in particular. Should these losses continue at an elevated or increasing rate, it could adversely impact our results and impact our ability to obtain insurance for the vault cash used on our ATMs. Also, damage sustained to our merchant customers' store locations in connection with any ATM-related thefts, if extensive and frequent enough in nature, could negatively impact our relationships with those merchants and impair our ability to deploy additional ATMs in those existing or new locations of those merchants. Certain merchants have requested, and could request in the future, that we remove ATMs from store locations that have suffered damage as a result of ATM-related thefts, thus negatively impacting our financial results. Finally, we have in the past, and may in the future, voluntarily remove vault cash from certain ATMs on a temporary or permanent basis to mitigate further losses arising from theft or vandalism. Depending on the magnitude and duration of any cash removal, our revenues and profits could be materially and adversely affected.

The election of our merchant customers to not participate in our surcharge-free network offerings could impact the effectiveness of our offerings, which would negatively impact our financial results.

Financial institutions that are members of the Allpoint network pay a fee in exchange for allowing their cardholders to use selected Company-owned and/or managed ATMs on a surcharge-free basis. The success of the Allpoint network is dependent upon the participation by our merchant customers in that network. In the event a significant number of our merchants elect not to participate in that network, the benefits and effectiveness of the network would be diminished, thus potentially causing some of the participating financial institutions to not renew their agreements with us, and thereby negatively impacting our financial results.

We may be unable to effectively integrate our future acquisitions, which could increase our cost of operations, reduce our profitability, or reduce our shareholder value.

We have been an active business acquirer and expect to continue to be active in the future. The acquisition and integration of businesses involves a number of risks. The core risks are in the areas of valuation (negotiating a fair price for the business based on inherently limited due diligence) and integration (managing the complex process of integrating the acquired company's personnel, products, processes, technology, and other assets so as to realize the projected value of the acquired company and the synergies projected to be realized in connection with the acquisition).

The process of integrating operations is time consuming and could cause an interruption of, or loss of momentum in, the activities of one or more of our combined businesses and the possible loss of key personnel. The diversion of management's attention from day-to-day operations, any delays or difficulties encountered in connection with acquisitions, and the integration of the companies' operations could have an adverse effect on our business, results of operations, financial condition or prospects. The difficulties of integration may be increased by the necessity of coordinating geographically dispersed organizations, integrating personnel with disparate business backgrounds, and combining different corporate cultures. Further, if we cannot successfully integrate an acquired company's internal control over financial reporting, the reliability of our consolidated financial statements may be impaired and we may not be able to meet our reporting obligations under applicable law. Any such impairment or failure could cause investor confidence and, in turn, the market price of our common shares, to be materially adversely affected.

In addition, even if we are able to integrate acquired businesses successfully, we may not realize the full benefits of the cost efficiency or synergies, or other benefits that we anticipated when selecting our acquisition candidates or that these benefits will be achieved within a reasonable period of time. We may be required to invest significant capital and resources after an acquisition to maintain or grow the business that we acquire. Further, acquired businesses may not achieve anticipated revenues, earnings, or cash flows. Any shortfall in anticipated revenues, earnings, or cash flows could require us to write down the carrying value of the intangible assets associated with any acquired company, which would adversely affect our reported earnings.

Since we were incorporated as Cardtronics Group, Inc. in 2001, we have acquired numerous ATM businesses, a surcharge-free ATM network, a technology product offering that complements our surcharge-free offering, an ATM installation company in the U.K., a Scotland-based provider and developer of marketing and advertising software and services for ATM owners, a U.K.-based provider of secure cash logistics and ATM maintenance, and a transaction processor in the U.S. We have made acquisitions to obtain the assets of deployed ATM networks and the related businesses and their infrastructure, as well as for strategic reasons to enhance the capability of our ATMs and expand our service offerings. We currently anticipate that our future acquisitions, if any, will likely reflect a mix of asset acquisitions and acquisitions of businesses, with each acquisition having its own set of unique characteristics. In the future, we may acquire businesses outside of our traditional areas, which could introduce new risks and uncertainties. To the extent that we elect to acquire an existing company or the operations, technology, and the personnel of the company, we may assume some or all of the liabilities associated with the acquired company and face new and added challenges integrating such acquisition into our operations.

On January 6, 2017, we completed the acquisition of DCPayments with significant operations in Canada, Australia, New Zealand, and the U.K. As further discussed in *Part I. Financial Information, Item I. Financial Statements, Note 1. Basis of Presentation and Summary of Significant Accounting – (l) Intangibles Other and Goodwill, and (m) Goodwill*, we recorded a material impairment related to the Australia operation as a result of an unexpected change in the market.

The failure to successfully implement enterprise resource planning ("ERP") and other associated information systems changes could adversely impact our business and results of operations.

The Company is in the process of implementing new enterprise resource planning and related information systems in order to better manage its business. This implementation requires the commitment of significant personnel and financial resources, and entails risks to business operations. If we do not successfully implement our new ERP and related information systems changes, or if there are delays or difficulties in implementing these systems, we may not realize anticipated productivity improvements or cost efficiencies, and may experience interruptions in service and other operational difficulties that hinder our ability to effectively manage our business. If we do not complete the implementation of the ERP timely and successfully, we may incur additional costs associated with completing this project, delaying its benefits and adversely impacting our financial condition and results of operations.

We operate in many sovereign jurisdictions across the globe and expect to continue to grow our business in new regions. Operating in different countries involves special risks and our geographic expansion may not be successful, which would result in a reduction of our gross and net profits.

Upon completion of the DCPayments acquisition on January 6, 2017 and the Spark acquisition on January 31, 2017, we have operations in the U.S., the U.K., Germany, Spain, Ireland, Mexico, Canada, Australia, New Zealand, and South Africa. We expect to continue to expand in the countries in which we currently operate, and potentially into other countries as opportunities arise. We currently report our consolidated results in U.S. dollars and under generally accepted accounting principles in the U.S. ("U.S. GAAP" or "GAAP") and expect to do so for the foreseeable future. Operating in various distinct jurisdictions presents a number of risks, including:

- exposure to currency fluctuations, including the risk that our future reported operating results could be negatively impacted by unfavorable movements in the functional currencies of our international operations relative to the U.S. dollar, which represents our consolidated reporting currency;
- the imposition of exchange controls, which could impair our ability to freely move cash;
- difficulties in complying with the different laws and regulations in each country and jurisdiction in which we operate, including unique labor and reporting laws and restrictions on the collection, management, aggregation, and use of information;
- unexpected changes in laws, regulations, and policies of governments or other regulatory bodies, including changes that could potentially disallow surcharging or that could result in a reduction in the amount of interchange or other transaction-based fees that we receive;
- unanticipated political and social instability that may be experienced;
- rising crime rates in certain of the areas we operate in, including increased incidents of crimes on our ATMs and against store personnel where our ATMs are located;
- difficulties in staffing and managing foreign operations, including hiring and retaining skilled workers in those countries in which we operate;
- decreased ATM usage related to decreased travel and tourism in the markets that we operate in;
- exposure to corruption in jurisdictions where we operate; and
- potential adverse tax consequences, including restrictions on the repatriation of foreign earnings.

Any of these factors could have a material adverse impact on us and reduce the revenues and profitability derived from our international operations and thereby adversely impact our consolidated operations and cash flows.

The exit of the U.K. from the European Union could adversely affect us and our shareholders.

On March 29, 2017, the U.K. government officially triggered Article 50 of the Treaty on the European Union, which commenced the process for the U.K. to exit the European Union. As a significant portion of our operations are located in the U.K. and our parent company is incorporated in the U.K., we face potential risks associated with the exit process and effects and uncertainties around its implementation. The exit process is to be completed over a two-year time period during which the U.K. and the remaining E.U. member states will negotiate a withdrawal agreement. As it relates to our redomicile into the U.K., the exit process from the E.U. and implementation of the resulting changes could materially and adversely affect the tax, tax treaty, currency, operational, legal, and regulatory regime as well as the macro-economic environment in which we operate. In relation to our other European operations and businesses, we face similar risks. The effect of any of these risks, were they to materialize, is difficult to quantify, but could materially increase our operating and compliance costs and materially affect our tax position or business, results of operations, and financial position. Further, uncertainty around the form and timing of any withdrawal agreement could lead to adverse effects on the economy of the U.K., other parts of Europe, and the rest of the world, which could have an adverse economic impact on our operations.

We derive a significant portion of our revenues and profits from bank-branding relationships with financial institutions. A decline in these revenues as a result of changes in financial institution demand for this service may have a significant negative impact to our results.

Bank-branding drives a significant portion of our revenues, and if this product offering were to become less attractive to financial institutions whereby we lost a significant amount of existing contracts, it could have a material impact on our revenues and profits. In addition, consolidations within the banking industry may impact our bank-branding relationships as existing bank-branding customers are acquired by other financial institutions, some of which may not be existing bank-branding customers. Our bank-branding contracts could be adversely affected by such consolidations.

If we experience additional impairments of our goodwill or other intangible assets, we will be required to record a charge to earnings, which may be significant.

We have a large amount of goodwill and other intangible assets and are required to perform periodic assessments for any possible impairment for accounting purposes. We periodically evaluate the recoverability and the amortization period of our intangible assets under U.S. GAAP. Some of the factors that we consider to be important in assessing whether or not impairment exists include the performance of the related assets relative to the expected historical or projected future operating results, significant changes in the manner of our use of the assets or the strategy for our overall business, and significant negative industry or economic trends. These factors and assumptions, and any changes in them, could result in an impairment of our goodwill and other intangible assets.

During September 2017, we recognized impairments of our goodwill, other intangible assets and other long-lived assets of $140.0 million, $54.5 million, and $19.0 million, respectively, in our Australia & New Zealand reporting unit. We also recognized charges of $2.5 million related to inventory in our Australia and New Zealand reporting unit. See the risk factor entitled *The introduction of free-to-use ATMs in Australia may adversely impact our revenues and profits* above for additional information regarding the market changes that resulted in this impairment. As of December 31, 2017 we had goodwill and other intangible assets of $774.9 million and $209.9 million, respectively, of which $12.7 million of goodwill and $29.5 million of other intangible assets, respectively, were held by our Australia & New Zealand reporting unit.

In the event we determine our goodwill or amortizable intangible assets are further impaired in the future, we may be required to record a significant charge to earnings in our consolidated financial statements, which would negatively impact our results of operations and that impact could be material.

We may accumulate excess or obsolete inventory or assets that cannot be used or re-deployed, which could result in unanticipated write-downs and adversely affect our financial results.

As a result of the 2017 EMV upgrade and the loss of our largest customer 7-Eleven, which occurred mostly during the last five months of 2017, we now have a substantial number of ATMs, approximately 5,000, as of December 31, 2017, that are not currently in service, yet have remaining net carrying value. To the extent we are not able to re-deploy the assets, we may in future periods incur write-downs of these and other assets which could materially, adversely affect our business, results of operations, and stockholders' equity.

We have a significant amount of indebtedness, which may adversely affect our cash flow and our ability to operate our business, remain in compliance with debt covenants, and make payments on our indebtedness.

As of December 31, 2017, our outstanding indebtedness was $917.7 million, which represents 70.2% of our total book capitalization of $1.3 billion. Our indebtedness could have important consequences. For example, it could:

- make it difficult for us to satisfy our obligations with respect to our indebtedness, and any failure to comply with the obligations of any of our debt instruments, including financial and other restrictive covenants, could result in an event of default under the indentures governing our senior subordinated notes and the agreements governing our other indebtedness;
- require us to dedicate a substantial portion of our cash flow in the future to pay principal and interest on our debt, which will reduce the funds available for working capital, capital expenditures, acquisitions, and other general corporate purposes;
- limit our flexibility in planning for and reacting to changes in our business and in the industry in which we operate;
- make us more vulnerable to adverse changes in general economic, industry and competitive conditions, and adverse changes in government regulation; and
- limit our ability to borrow additional amounts for working capital, capital expenditures, acquisitions, debt service requirements, execution of our growth strategy, research and development costs, or other purposes.

Any of these factors could materially and adversely affect our business, results of operations, and cash flows. We cannot assure shareholders that our business will generate sufficient cash flow from operations or that future borrowings, including those under our credit facilities, will be available in an amount sufficient to pay our indebtedness. If we do not have sufficient earnings or capital resources to service our debt, we may be required to refinance all or part of our existing debt, sell assets, borrow more money, delay investment and capital expenditures, or sell equity or debt securities, none of which we can guarantee we will be able to do on commercially reasonable terms or at all.

The terms of our credit agreement and the indentures governing our senior notes may restrict our current and future operations, particularly our ability to respond to changes in our business or to take certain actions.

Our credit agreement and the indentures governing our senior notes include a number of covenants that, among other items, restrict or limit our ability to:

- sell or transfer property or assets;
- pay dividends on or redeem or repurchase shares;
- merge into or consolidate with any third-party;
- create, incur, assume, or guarantee additional indebtedness;
- create certain liens;
- make investments;
- engage in transactions with affiliates;
- issue or sell preferred shares of restricted subsidiaries; and
- enter into sale and leaseback transactions.

In addition, we are required by our credit agreement to adhere to certain covenants and maintain specified financial ratios. While we currently have the ability to borrow the full amount available under our credit agreement, as a result of these ratios, we may be limited in the manner in which we conduct our business in the future and may be unable to engage in favorable business activities or finance our future operations or capital needs. Accordingly, these restrictions may limit our ability to successfully operate our business and prevent us from fulfilling our debt obligations. A failure to comply with the covenants or financial ratios could result in an event of default. In the event of a default under our credit agreement, the lenders could exercise a number of remedies, some of which could result in an event of default under the indentures governing the senior notes. An acceleration of indebtedness under our credit agreement would also likely result in an event of default under the terms of any other financing arrangement we have outstanding at the time. If any or all of our debt were to be accelerated, we cannot assure shareholders that our assets would be sufficient to repay our indebtedness in full. If we are unable to repay any amounts outstanding under our bank credit facility when due, the lenders will have the right to proceed against the collateral securing our indebtedness. Such actions could have a material adverse impact on our operations and cash flows. For additional information related to our credit agreement and indentures, see *Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources - Financing Facilities.*

The fundamental change and make-whole fundamental change provisions associated with our $250.0 million of 1.00% Convertible Senior Notes due December 2020 ("Convertible Notes") may delay or prevent an otherwise beneficial takeover attempt of us.

The fundamental change purchase rights, which will allow holders of our Convertible Notes to require us to purchase all or a portion of their notes upon the occurrence of a fundamental change, and the provisions requiring an increase to the conversion rate for conversions in connection with certain other circumstances may delay or prevent a takeover of us or the removal of current management that might otherwise be beneficial to investors.

We may not have the ability to raise the funds necessary to pay the amount of cash due upon conversion of the Convertible Notes, if relevant, or upon the occurrence of a fundamental change as described in our convertible indentures, and our debt may contain limitations on our ability to pay cash upon conversion or required purchase of the Convertible Notes.

Upon the occurrence of a fundamental change, holders of our Convertible Notes may require us to purchase, for cash, all or a portion of their Convertible Notes at a fundamental change purchase consideration specified within the convertible note indentures. There can be no assurance that we will have sufficient financial resources, or will be able to arrange financing, to pay the fundamental change purchase consideration if holders submit their Convertible Notes for purchase by us upon the occurrence of a fundamental change or to pay the amount of cash (if any) due if holders surrender their Convertible Notes for conversion. In addition, the occurrence of a fundamental change may cause an event of default under agreements governing us or our subsidiaries' indebtedness. Agreements governing any future debt may also restrict our ability to make any of the required cash payments even if we have sufficient funds to make them. Furthermore, our ability to purchase the Convertible Notes or to pay cash (if any) due upon the conversion of the Convertible Notes may be limited by law or regulatory authority. In addition, if we fail to purchase the Convertible Notes or to pay the amount of cash (if any) due upon conversion of the Convertible Notes, we will be in default under the indenture. A default under the indenture or the fundamental change itself could also lead to a default under agreements governing our other indebtedness, which in turn may result in the acceleration of other indebtedness we may then have. If the repayment of the other indebtedness were to be accelerated, we may not have sufficient funds to repay that indebtedness and to purchase the Convertible Notes or to pay the amount of cash (if any) due upon conversion.

Noncompliance with established EFT network rules and regulations could expose us to fines and penalties and could negatively impact our results of operations. Additionally, new EFT network rules and regulations could require us to expend significant amounts of capital to remain in compliance with such rules and regulations.

Our transactions are routed over various EFT networks to obtain authorization for cash disbursements and to provide account balances. These networks include Star, Pulse, NYCE, Cirrus (MasterCard), and Plus (Visa) in the U.S., and LINK in the U.K., among other networks. We utilize various other EFT networks in our other geographic locations. EFT networks set the interchange fees that they charge to the financial institutions, as well as the amounts paid to us. Additionally, EFT networks, including MasterCard and Visa, establish rules and regulations that ATM providers, including ourselves, must comply with in order for member cardholders to use those ATMs. Failure to comply with such rules and regulations could expose us to penalties and/or fines, which could negatively impact our financial results. Furthermore, compliance may in certain instances require capital expenditure. The payment networks rules and regulations are generally subject to change and they may modify their rules and regulations from time to time. Our inability to react to changes in the rules and regulations or the interruption or application thereof, may result in the substantial disruption of our business.

In October 2016, MasterCard commenced a liability shift for U.S. ATM transactions on EMV-issued cards used at non-EMV compliant ATMs in the U.S. Visa commenced a liability shift starting in October 2017 for all transaction types on all EMV-issued cards in the U.S. We have upgraded nearly all of our U.S. Company-owned ATMs to deploy additional software to enable additional functionality, enhance security features, and enable the EMV security standard. Due to the significant operational challenges of enabling EMV and other hardware and software enhancements across the majority of our U.S. ATMs, which comprises many types and models of ATMs, together with potential compatibility issues with various processing platforms, we experienced increased downtime at our U.S. ATMs during the first part of 2017. As a result of this downtime, we suffered lost revenues and incurred penalties with certain of our contracts during the first part of 2017. We have also incurred increased charges from networks associated with actual or potentially fraudulent transactions, as we were liable for fraudulent transactions on the MasterCard and Visa networks and other networks that have adopted the EMV security standard if our ATM was not EMV compliant at the time of the transaction, and any fraudulent transactions were processed. As of the date of this filing, all of our ATMs that we intend to upgrade and continue to operate were EMV compliant. Noncompliance with the EMV standard or other network rules could have a material adverse impact on our operations and cash flows.

The majority of the electronic debit networks over which our transactions are conducted require sponsorship by a bank, and the loss of any of our sponsors and our inability to find a replacement may cause disruptions to our operations.

In each of the geographic segments in which we operate, bank sponsorship is required in order to process transactions over certain networks. In all of our markets, our ATMs are connected to financial transaction switching networks operated by organizations such as Visa and MasterCard. The rules governing these switching networks require any company sending transactions through these switches to be a bank or a technical service processor that is approved and monitored by a bank. As a result, the operation of our ATM network in all of our markets depends on our ability to secure these “sponsor” arrangements with financial institutions. In the U.S., our largest geographic segment by revenues, bank sponsorship is required on the significant majority of our transactions and we rely on our sponsor banks for access to the applicable networks. In the U.K., only international transactions require bank sponsorship. In Mexico, all ATM transactions require bank sponsorship, which is currently provided by our banking partners in the country. In Canada, Germany, and Spain, bank sponsorships are also required and are obtained through our relationships with third-party processors. If our current sponsor banks decide to no longer provide this service, or are no longer financially capable of providing this service as may be determined by certain networks, it may be difficult to find an adequate replacement at a cost similar to what we incur today, or potentially, we could incur a temporary service disruption for certain transactions in the event we lose or do not retain bank sponsorship, which may negatively impact our profitability and may prevent us from doing business in that market.

If we lose key personnel or are unable to attract additional qualified personnel as we grow, our business could be adversely affected.

We are dependent upon the ability and experience of a number of key personnel who have substantial experience with our operations, the rapidly changing automated consumer financial services industry, and the geographical segments in which we operate. It is possible that the loss of the services of one or a combination of several of our senior executives would have an adverse effect on our operations, if we are not able to find suitable replacements for such persons in a timely manner. Unexpected turnover in key leadership positions within the Company may adversely impact our ability to manage the Company efficiently and effectively, could be disruptive and distracting to management and may lead to additional departures of existing personnel, any of which could adversely impact our business. Any adverse change in our reputation, whether as a result of decreases in revenue or a decline in the market price of our common shares, could affect our ability to motivate and retain our existing employees and recruit new employees. Our success also depends on our ability to continue to attract, manage, motivate and retain other qualified management, as well as technical and operational personnel as we grow. We may not be able to continue to attract and retain such personnel in the future, which could adversely impact our business.

We are subject to laws and regulations across many jurisdictions, changes to which could increase our costs and individually or in the aggregate adversely affect our business.

We conduct business in many countries. As a result, we are subject to laws and regulations which affect our operations in a number of areas. Laws and regulations affect our business in many ways including, but not limited to, areas of labor, advertising, consumer protection, real estate, billing, e-commerce, promotions, quality of services, intellectual property ownership and infringement, tax, import and export requirements, anti-corruption, foreign exchange controls and cash repatriation restrictions, data privacy requirements, anti-competition, small-business protection, environmental, health, and safety.

Compliance with these laws, regulations and similar requirements may be onerous and expensive, and they may be inconsistent from jurisdiction to jurisdiction, further increasing the cost of compliance and doing business. Any such costs, which may rise in the future as a result of changes in these laws and regulations or in their interpretation could have a material adverse effect on our business, financial condition and results of operations. We have implemented policies and procedures designed to ensure compliance with applicable laws and regulations, but there can be no assurance that our employees, contractors, or agents will not violate such laws and regulations or our policies and procedures.

Changes in tax laws, regulations and interpretations or challenges to our tax positions could adversely effect our business.

We are a large corporation with operations in the U.K., U.S. and numerous other jurisdictions around the world. As such, we are subject to tax laws and regulations of the U.S. federal, state and local governments as well as various other jurisdictions. We compute our income tax provision based on enacted tax rates in the jurisdictions in which we operate. As the tax rates vary among jurisdictions, a change in earnings attributable to the various jurisdictions in which we operate could result in an unfavorable change in our overall tax provision.

From time to time, changes in tax laws or regulations may be proposed or enacted that could adversely affect our overall tax liability. For example, the recent U.S. tax legislation enacted on December 22, 2017 represents a significant overhaul of the U.S. federal tax code. This tax legislation significantly reduced the U.S. statutory corporate tax rate and made other changes that could have a favorable impact on our overall U.S. federal tax liability in a given period. However, the tax legislation also included a number of provisions, including, but not limited to, the limitation or elimination of various deductions or credits (including for interest expense and for performance-based compensation under Section 162(m)), the imposition of taxes on certain cross-border payments or transfers, the changing of the timing of the recognition of certain income and deductions or their character, and the limitation of asset basis under certain circumstances, that could significant and adversely affect our U.S. federal income tax position. The legislation also made significant changes to the tax rules applicable to insurance companies and other entities with which we do business. We are continuing to evaluate the overall impact of this tax legislation on our operations and U.S. federal income tax position. There can be no assurance that changes in tax laws or regulations, both within the U.S. and the other jurisdictions in which we operate, will not materially and adversely affect our effective tax rate, tax payments, financial condition and results of operations. Similarly, changes in tax laws and regulations that impact our customers and counterparties or the economy generally may also impact our financial condition and results of operations.

In addition, tax laws and regulations are complex and subject to varying interpretations, and any significant failure to comply with applicable tax laws and regulations in all relevant jurisdictions could give rise to substantial penalties and liabilities. Any changes in enacted tax laws (such as the recent U.S. tax legislation), rules or regulatory or judicial interpretations; any adverse outcome in connection with tax audits in any jurisdiction; or any change in the pronouncements relating to accounting for income taxes could materially and adversely impact our effective tax rate, tax payments, financial condition and results of operations.

We operate in several jurisdictions and we could be adversely affected by violations of the U.S. Foreign Corrupt Practices Act and other similar anti-corruption laws.

Our business operations in countries outside the U.S. are subject to anti-corruption laws and regulations, including restrictions imposed by the U.S. Foreign Corrupt Practices Act ("FCPA"). The FCPA and similar anti-corruption laws in other jurisdictions, such as the U.K. Bribery Act, generally prohibit companies and their intermediaries from paying or promising to pay government officials, political parties, or political party officials for the purpose of obtaining, retaining, influencing, or directing business. We operate in parts of the world that have experienced governmental corruption to some degree and, in certain circumstances, compliance with anti-corruption laws may conflict with local customs and practices.

Our employees and agents may interact with government officials on our behalf, including interactions necessary to obtain licenses and other regulatory approvals necessary to operate our business, import or export equipment and resolve tax disputes. These interactions create a risk that actions may occur that could violate the FCPA or other similar laws.

Although we have implemented policies and procedures designed to ensure compliance with local laws and regulations as well as U.S. laws and regulations, including the FCPA, there can be no assurance that all of our employees, consultants, contractors and agents will abide by our policies. If we are found to be liable for violations of the FCPA or similar anti-corruption laws in international jurisdictions, either due to our own acts or out of inadvertence, or due to the acts or inadvertence of others, we could suffer from criminal or civil penalties which could have a material and adverse effect on our business, results of operations, financial condition, and cash flows.

If we are unable to adequately protect our intellectual property, we may lose a valuable competitive advantage or be forced to incur costly litigation to protect our rights. Additionally, if we face claims of infringement we may be forced to incur costly litigation.

Our success depends, in part, on developing and protecting our intellectual property. We rely on copyright, patent, trademark and trade secret laws to protect our intellectual property. We also rely on other confidentiality and contractual agreements and arrangements with our employees, affiliates, business partners and customers to establish and protect our intellectual property and similar proprietary rights. While we expect these agreements and arrangements to be honored, we cannot assure shareholders that they will be and, despite our efforts, our trade secrets and proprietary know-how could become known to, or independently developed by, competitors. Agreements entered into for that purpose may not be enforceable or provide us with an adequate remedy. Effective patent, trademark, service mark, copyright and trade secret protection may not be available in every country in which our applications and services are made available. Any litigation relating to the defense of our intellectual property, whether successful or unsuccessful, could result in substantial costs to us and potentially cause a diversion of our resources.

In addition, we may face claims of infringement that could interfere with our ability to use technology or other intellectual property rights that are material to our business operations. We may expose ourselves to additional liability if we agree to indemnify our customers against third party infringement claims. If the owner of intellectual property establishes that we are, or a customer which we are obligated to indemnify is, infringing its intellectual property rights, we may be forced to change our products or services, and such changes may be expensive or impractical, or we may need to seek royalty or license agreements from the owner of such rights. In the event a claim of infringement against us is successful, we may be required to pay royalties to use technology or other intellectual property rights that we had been using, or we may be required to enter into a license agreement and pay license fees, or we may be required to stop using the technology or other intellectual property rights that we had been using. We may be unable to obtain necessary licenses from third parties at a reasonable cost or within a reasonable amount of time. Any litigation of this type, whether successful or unsuccessful, could result in substantial costs to us and potentially cause a diversion of our resources.

We are subject to business cycles, seasonality, and other outside factors that may negatively affect our business.

Our overall business is subject to seasonal variations. Transaction volumes at our ATMs located in regions affected by strong winter weather patterns typically experience declines in volume during those months as a result of decreases in the amount of consumer traffic through such locations. With the majority of our ATMs located in the northern hemisphere, we expect to see slightly higher transactions in the warmer summer months from May through August, which are also aided by increased vacation and holiday travel. As a result of these seasonal variations, our quarterly operating results may fluctuate and could lead to volatility in the price of our shares. In addition, a recessionary economic environment could reduce the level of transactions taking place on our networks, which could have a material adverse impact on our operations and cash flows.

Cardtronics plc may be treated as a U.S. corporation for U.S. federal income tax purposes and could be liable for substantial additional U.S. federal income taxes in the event our redomicile to the U.K. is successfully challenged by the U.S. Internal Revenue Service ("IRS").

For U.S. federal income tax purposes, a corporation is generally considered a tax resident in the jurisdiction of its incorporation or organization. Because Cardtronics plc is incorporated under English law, it should be considered a U.K., and not a U.S., tax resident under these general rules. However, Section 7874 of the Code provides that a corporation organized outside the U.S. that acquires substantially all of the assets of a corporation organized in the U.S. (including through a merger) will be treated as a U.S. corporation (and, therefore, a U.S. tax resident) for U.S. federal income tax purposes if (i) the shareholders of the acquired U.S. corporation own at least 80% (of either the voting power or value) of the share of the acquiring foreign corporation after the acquisition and (ii) the acquiring foreign corporation's "expanded affiliated group" does not have substantial business activities in the country in which the acquiring foreign corporation is organized relative to the expanded affiliated group's worldwide activities ("substantial business activities" or the "SBA Test"). Pursuant to the Redomicile Transaction, Cardtronics plc indirectly acquired all of Cardtronics Delaware's assets, and Cardtronics Delaware shareholders held 100% of the value of Cardtronics plc by virtue of their prior share ownership of Cardtronics Delaware immediately after the Redomicile Transaction. As a result, the Cardtronics plc expanded affiliated group (which includes Cardtronics Delaware and its subsidiaries) must have had substantial business activities in the U.K. for Cardtronics plc to avoid being treated as a U.S. corporation for U.S. federal income tax purposes under Section 7874 of the Code. In order for the Cardtronics plc expanded affiliated group to have satisfied the SBA Test, at least 25% of the employees (by headcount and compensation), assets, and gross income of such group must have been based, located, and derived, respectively, in the U.K. as of the dates and for relevant periods under the Code sections.

Cardtronics plc believes it fully satisfied the SBA Test and performed rigorous analysis to support this conclusion. However, the application of Section 7874 of the Code is not entirely clear in all situations, and while we believe the SBA Test was fully satisfied, there is no assurance that the IRS or a court will agree. Furthermore, there have been legislative proposals to expand the scope of U.S. corporate tax residence and there could be changes to the Code (including Section 7874 of the Code) or the U.S. Treasury Regulations that could result in Cardtronics plc being treated as a U.S. corporation or otherwise have adverse consequences. Such statutory or regulatory provisions could have retroactive application.

If it were determined that Cardtronics plc should be taxed as a U.S. corporation for U.S. federal income tax purposes, Cardtronics plc could be liable for substantial additional U.S. federal income taxes. Additionally, the U.K. could continue to tax Cardtronics plc as a U.K. tax resident for U.K. tax purposes, and thus Cardtronics plc and its shareholders could be subject to taxation in both the U.S. and the U.K.

Our operating results have fluctuated historically and could continue to fluctuate in the future, which could affect our ability to maintain our current market position or expand.

Our operating results have fluctuated in the past and may continue to fluctuate in the future as a result of a variety of factors, many of which are beyond our control, including the following:

- changes in general economic conditions and specific market conditions in the ATM and financial services industries;
- changes in payment trends and offerings in the markets in which we operate;
- changes in consumers' preferences for cash as a payment vehicle;
- competition from other companies providing the same or similar services that we offer;
- changes in the mix of our retail partners;
- the timing and magnitude of operating expenses, capital expenditures, and expenses related to the expansion of sales, marketing, and operations, including as a result of acquisitions, if any;

- changes implemented by networks and how they determine interchange rates;
- the timing and magnitude of any impairment charges that may materialize over time relating to our goodwill, intangible assets, or long-lived assets;
- changes in the general level of interest rates in the markets in which we operate;
- changes in inflation or how key vendors and suppliers price their services to us;
- changes in regulatory requirements associated with the ATM and financial services industries;
- changes in the mix of our current services;
- changes in the financial condition and credit risk of our customers;
- any adverse results in litigation by us or by others against us;
- our inability to make payments on our outstanding indebtedness as they become due;
- our failure to successfully enter new markets or the failure of new markets to develop in the time and manner we anticipate;
- acquisitions, strategic alliances, or joint ventures involving us, our customers, vendors, or our competitors;
- terrorist acts, theft, vandalism, fires, floods, or other natural disasters;
- additions or departures of key personnel;
- changes in the financial condition and operational execution of our key vendors and service providers;
- changes in tax rates or tax policies in the jurisdictions in which we operate; and
- exposure to currency fluctuations, including the risk that our future reported operating results could be negatively impacted by unfavorable movements in the functional currencies of our international operations relative to the U.S. dollar, which represents our consolidated reporting currency.

Any of the foregoing factors could have a material adverse effect on our business, results of operations, and financial condition. Although we have experienced revenue growth in recent years, this growth rate is not necessarily indicative of future operating results. A relatively large portion of our expenses are fixed in the short-term, particularly with respect to personnel expenses, depreciation and amortization expenses, and interest expense. Therefore, our results of operations are particularly sensitive to fluctuations in revenues. Additionally, beginning in July 2017, the loss of our largest customer, 7-Eleven in the U.S., has had and will most likely continue to have, a significant negative impact on our income from operations and cash flows. As such, comparisons to prior periods should not be relied upon as indications of our future performance.

Risks associated with our common shares

We may issue additional common shares or instruments convertible into common shares, which may materially and adversely affect the market price of our common shares and the trading price of our Convertible Notes.

We may conduct future offerings of our common shares or other securities convertible into our common shares to fund acquisitions, finance operations or for general corporate purposes. In addition, we may elect to settle the conversion of our outstanding Convertible Notes in common shares, and we may also issue common shares under our equity awards programs. The market price of our common shares or the trading price of the Convertible Notes could decrease significantly if we conduct such future offerings, if any of our existing shareholders sells a substantial amount of our common shares or if the market perceives that such offerings or sales may occur. Moreover, any issuance of additional common shares will dilute the ownership interest of our existing common shareholders, and may adversely affect the ability of holders of our Convertible Notes to participate in any appreciation of our common shares.

The accounting method for convertible debt securities that may be settled in cash could have a material effect on our reported financial results.

Under U.S. GAAP, an entity must separately account for the debt component and the embedded conversion option of convertible debt instruments that may be settled entirely or partially in cash upon conversion, such as our Convertible Notes, in a manner that reflects the issuer's economic interest cost. The effect of the accounting treatment for such instruments is that the value of such embedded conversion option is treated as an original issue discount for purposes of accounting for the debt component of the Convertible Notes, and that original issue discount is amortized into interest expense over the term of the Convertible Notes using an effective yield method. As a result, we are required to record non-cash interest expense as a result of the amortization of the effective original issue discount to the Convertible Notes' face amount over the term of the notes. Accordingly, we report lower net income in our financial results because of the recognition of both the current period's amortization of the debt discount and the Convertible Notes' coupon interest.

Under certain circumstances, convertible debt instruments that may be settled entirely or partially in cash are evaluated for their impact on earnings per share utilizing the treasury stock method, the effect of which is that the shares issuable upon conversion of the notes are not included in the calculation of diluted earnings per share except to the extent that the conversion value of the notes exceeds their principal amount. Under the treasury stock method, for diluted earnings per share purposes, the notes are accounted for as if the number of common shares that would be necessary to settle such excess, if we elected to settle such excess in shares, are issued. We cannot be certain that the accounting standards in the future will continue to permit the use of the treasury stock method. If we are unable to use the treasury stock method in accounting for the shares issuable upon conversion of the notes, then our diluted earnings per share could be adversely affected.

In addition, if the conditional conversion feature of the notes is triggered, even if holders do not elect to convert their notes, we could be required under applicable accounting rules to reclassify all or a portion of the outstanding principal of the notes as a current rather than long-term liability, which would result in a material reduction of our net working capital.

Our articles of association include mandatory offer provisions that may be viewed as less favorable to shareholders, including with respect to takeover matters.

Although we are not currently subject to the U.K. Takeover Code, certain provisions similar to the mandatory offer provisions and certain other aspects of the U.K. Takeover Code were specifically approved and included in our articles of association that were adopted at the special meeting of shareholders of Cardtronics Delaware held in June 2016 in connection with the Redomicile Transaction. As a result, except as permitted by our articles of association, (including acquisitions with the consent of our Board of Directors or with prior approval by the independent shareholders at a general meeting) a shareholder, together with persons acting in concert, would be at risk of certain Board of Directors sanctions if they acquired 30% or more of our issued shares without making a voluntary offer for all of the issued and outstanding shares (not already held by the acquirer) that is in cash (or accompanied by a full cash alternative) and otherwise in accordance with the provisions of the U.K. Takeover Code (as if the U.K. Takeover Code applied to us). The ability of shareholders to retain their shares upon completion of an offer for our entire issued share capital may depend on whether the Board of Directors subsequently agrees to propose a court-approved scheme of arrangement that would, if approved by our shareholders, compel minority shareholders to transfer or surrender their shares in favor of the offeror or, if the offeror acquires at least 90% of the shares. In that case, the offeror can require minority shareholders to accept the offer under the 'squeeze-out' provisions in our articles of association. The mandatory offer provisions in our articles of association could have the effect of discouraging the acquisition and holding of interests of 30% or more of our issued shares and encouraging those shareholders who may be acting in concert with respect to the acquisition of shares to seek to obtain the recommendation of our Board of Directors before effecting any additional purchases. In addition, these provisions may adversely affect the market price of our shares or inhibit fluctuations in the market price of our shares that could otherwise result from actual or rumored takeover attempts.

English law generally provides for increased shareholder approval requirements with respect to certain aspects of capital management.

English law provides that a board of directors may generally only allot shares with the prior authorization of shareholders and such authorization must specify the maximum nominal value of the shares that can be allotted and can be granted for a maximum period of five years, each as specified in the articles of association or the relevant shareholder resolution. English law also generally provides shareholders with preemptive rights when new shares are issued for cash. It is possible, however, for the articles of association, or shareholders in a general meeting, to exclude preemptive rights, if coupled with a general authorization to allot shares. Such an exclusion of preemptive rights may be for a maximum period of up to five years from the date of adoption of the articles of association, or from the date of the shareholder resolution, as applicable.

English law also generally prohibits a company from repurchasing its own shares by way of “off market purchases” without the prior approval of shareholders by ordinary resolution (i.e., majority of votes cast). Such authority can be granted for a maximum period of up to five years. English law prohibits us from conducting “on market purchases” as our shares will not be traded on a recognized investment exchange in the U.K.

Prior to the Redomicile Transaction, resolutions were adopted to authorize the allotment of a certain amount of shares, exclude certain preemptive rights and permit off market purchases of up to 15% of our shares in issue immediately after the effective time of the Redomicile Transaction, but these authorizations will expire in 2021 unless renewed by our shareholders prior to the expiration date.

We cannot assure shareholders that situations will not arise where such shareholder approval requirements for any of these actions would deprive our shareholders of substantial capital management benefits.

English law requires that we meet certain additional financial requirements before we declare dividends and repurchase shares.

We do not currently have the ability to declare dividends in any material amount. Under English law, with limited exceptions, we will only be able to declare dividends or repurchase shares out of “distributable reserves” on Cardtronics plc’s stand-alone balance sheet, without regard to its consolidated financial statements. While we have no current plans for future dividend payments or share repurchases, in order to create distributable reserves we may at a future annual meeting of shareholders offer a resolution to approve a proposed reduction of capital and, upon approval, undertake a customary court-approved capital reduction procedure in the U.K. that would enable the payment of dividends or share repurchases if and when determined by our Board of Directors.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our North America segment includes offices throughout the U.S., Mexico, and Canada. The principal executive offices are located at 3250 Briarpark Drive, Suite 400, Houston, Texas 77042. We lease 62,249 square feet of office space for our principal executive offices.

Specifically related to our North America segment, we lease 44,258 square feet of office and warehouse space in north Houston and other office space in Bethesda, Maryland; Minnetonka, Minnesota; Chandler, Arizona; Peoria, Illinois; and Bloomington, Illinois for other regional offices. Our North America segment also leases office space in Mexico City, Mexico, Mississauga, Ontario, Ottawa, Ontario, Calgary, Alberta, Montreal, Quebec, Winnipeg, Manitoba, and Vancouver, British Columbia. We also lease 44,067 square feet in the Dallas, Texas area, where we manage our EFT transaction processing platforms.

In Europe, we lease office spaces in and near London, U.K. for our ATM operations and various other locations throughout the U.K. to support our cash-in-transit operations and other business activities. We also have European offices in Trier, Germany, and Barcelona, Spain. For our i-design ATM advertising operations, we lease office space in Dundee, Scotland.

In Australia we have office and warehouse space in Melbourne, Perth, Sydney, and Brisbane. In New Zealand, we lease an office in Auckland. We also lease an office in Cape Town, South Africa.

Our facilities are leased pursuant to operating leases for various terms and we believe they are adequate for our current use. We believe that our leases are at competitive or market rates and do not anticipate any difficulty in leasing suitable additional space upon expiration of our current lease terms. The lease of our primary corporate headquarters location in

Houston expires at the end of 2018. We are in the process of evaluating several potential locations for our corporate offices in the Houston area and do not anticipate difficulty in finding suitable space at a cost that is comparable to our current rate.

ITEM 3. LEGAL PROCEEDINGS

The Company is subject to various legal proceedings and claims arising in the ordinary course of its business. The Company has provided reserves where necessary for all claims and the Company's management does not expect the outcome in any legal proceedings, individually or collectively, to have a material adverse financial or operational impact on the Company. Additionally, the Company currently expenses all legal costs as they are incurred.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common shares trade on The NASDAQ Global Select Market under the symbol "CATM." As of February 15, 2018, the majority of our shareholders held their shares in "street name" by a nominee of the Depository Trust Company.

Quarterly share prices. The following table reflects the quarterly high and low sales prices of our common shares as reported on The NASDAQ Stock Market LLC:

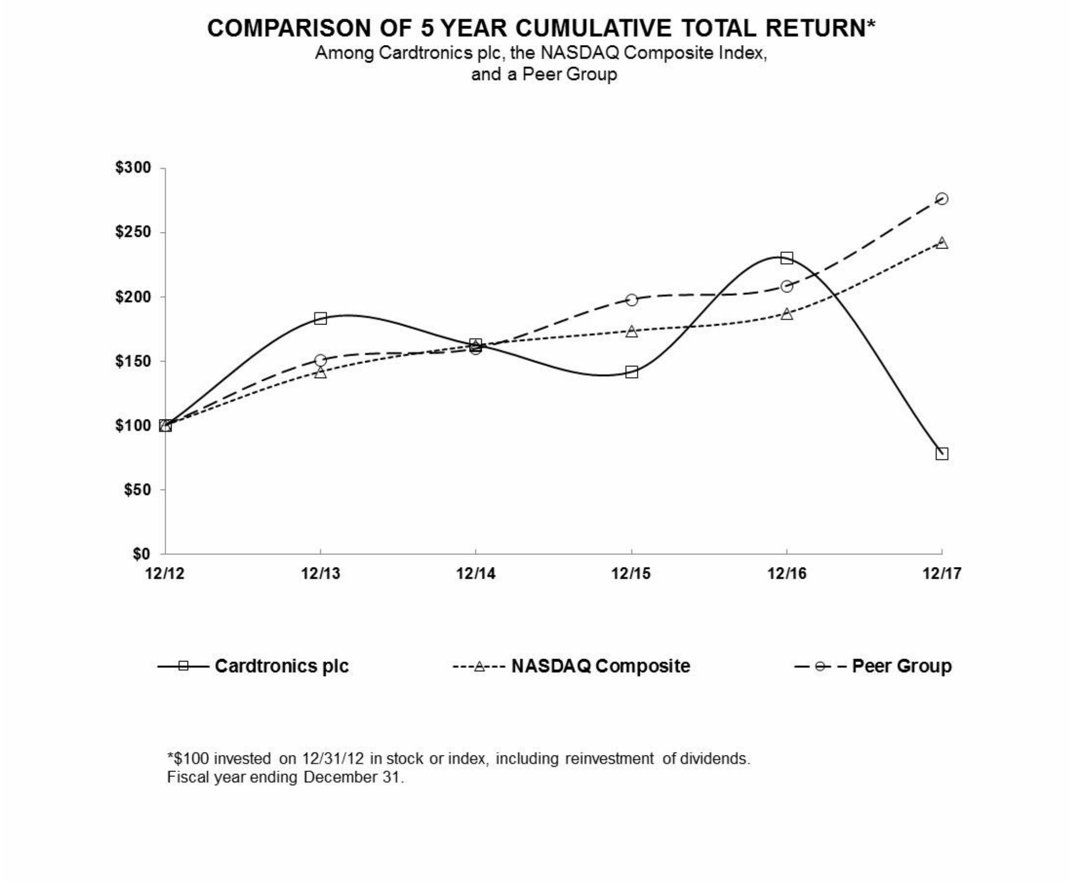
	High	Low
2017		
Fourth Quarter	$ 25.45	$ 16.26
Third Quarter	33.07	23.01
Second Quarter	45.62	32.24
First Quarter	55.89	44.08
2016		
Fourth Quarter	$ 55.67	$ 47.35
Third Quarter	47.48	40.01
Second Quarter	41.12	35.09
First Quarter	36.19	28.52

Dividend information. We have historically not paid, nor do we anticipate paying, dividends with respect to our common shares and are limited in doing so under English law. For additional information related to our restrictions on our ability to pay dividends, see *Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources - Financing Facilities, Item 8. Financial Statements and Supplementary Data, Note 10. Long-Term Debt.*

Share performance graph. The following graph compares the five-year total return to holders of Cardtronics plc's common shares, the NASDAQ Composite index (the "Index"), and a customized peer group of 15 companies that includes: (i) ACI Worldwide, Inc. (ACIW), (ii) Acxiom Corporation (ACXM), (iii) CSG Systems International, Inc. (CSGS), (iv) Euronet Worldwide, Inc. (EEFT), (v) Fair Isaac Corp. (FICO), (vi) Everi Holdings Inc. (EVRI), (vii) Global Payments, Inc. (GPN), (viii) Jack Henry & Associates, Inc. (JKHY), (ix) SS&C Technologies Holdings, Inc. (SSNC), (x) WEX, Inc. (WEX), (xi) Total Systems Services, Inc. (TSS), (xii) VeriFone Systems, Inc. (PAY), (xiii) MoneyGram International, Inc. (MGI), (xiv) Worldpay Inc. (WP), and (xv) Blackhawk Network Holdings, Inc. (HAWK) (collectively, the "Peer Group"). We selected the Peer Group companies because they are publicly traded companies that: (i) have the same Global Industry Classification Standard classification, (ii) earn a similar amount of revenues, (iii) have similar market values, and (iv) provide services that are similar to the services we provide.

The performance graph was prepared based on the following assumptions: (i) $100 was invested in our common shares, in our Peer Group, and the Index on December 31, 2012, (ii) investments in the Peer Group are weighted based on the returns of each individual company within the group according to their market capitalization at the beginning of the period, and (iii) dividends were reinvested on the relevant payment dates. The share price performance included in this graph is historical and not necessarily indicative of future share price performance.

The following graph and related information shall not be deemed "soliciting material" or "filed" with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933 or the Exchange Act, each as amended, except to the extent that we specifically incorporate it by reference into such filing.



	12/12	12/13	12/14	12/15	12/16	12/17
Cardtronics plc	$ 100.00	$ 183.02	$ 162.51	$ 141.74	$ 229.87	$ 78.01
NASDAQ Composite	$ 100.00	$ 141.63	$ 162.09	$ 173.33	$ 187.19	$ 242.29
Peer Group	$ 100.00	$ 150.69	$ 159.62	$ 197.77	$ 208.49	$ 276.36

ITEM 6. SELECTED FINANCIAL DATA

The following table reflects selected financial data derived from our consolidated financial statements. As a result of acquisitions of businesses during the years presented below, our financial results are not comparable in all periods. Additionally, these selected historical results are not necessarily indicative of results to be expected in the future.

	Year Ended December 31,				
	2017	2016	2015	2014	2013
	(In thousands, excluding share and per share information and number of ATMs)				
Consolidated Statements of Operations Data:					
Revenues and Income:					
Total revenues	$ 1,507,599	$ 1,265,364	$ 1,200,301	$ 1,054,821	$ 876,486
(Loss) Income from operations [1]	(103,509)	146,379	139,917	104,639	82,601
Net (loss) income [2]	(145,351)	87,910	65,981	35,194	20,647
Net (loss) income attributable to controlling interests and available to common shareholders [2]	(145,350)	87,991	67,080	37,140	23,816
Per Share Data:					
Basic net (loss) income per common share [2]	$ (3.19)	$ 1.95	$ 1.50	$ 0.83	$ 0.52
Diluted net (loss) income per common share [2]	$ (3.19)	$ 1.92	$ 1.48	$ 0.82	$ 0.52
Basic weighted average shares outstanding	45,619,679	45,206,119	44,796,701	44,338,408	44,371,313
Diluted weighted average shares outstanding	45,619,679	45,821,527	45,368,687	44,867,304	44,577,635
Consolidated Balance Sheets Data:					
Total cash and cash equivalents	$ 51,370	$ 73,534	$ 26,297	$ 31,875	$ 86,939
Total assets	1,862,716	1,364,696	1,319,935	1,247,566	1,048,711
Total long-term debt and capital lease obligations, including current portion [3]	918,275	503,320	568,331	604,473	483,022
Total shareholders' equity	390,393	456,935	369,793	286,535	247,114
Consolidated Statements of Cash Flows Data:					
Cash flows from operating activities	$ 217,892	$ 270,275	$ 256,553	$ 188,553	$ 183,557
Cash flows from investing activities	(631,217)	(139,203)	(209,562)	(336,881)	(266,740)
Cash flows from financing activities	391,424	(78,942)	(48,520)	99,248	154,988
Operating Data (Unaudited):					
Total number of ATMs (at period end):					
ATM operations	96,539	78,561	77,169	78,217	66,984
Managed services and processing, net [4]	134,156	124,572	112,622	31,989	13,610
Total number of ATMs (at period end)	230,695	203,133	189,791	110,206	80,594
Total transactions (excluding Managed services and processing, net)	1,495,586	1,358,409	1,251,626	1,040,241	860,062
Total cash withdrawal transactions (excluding Managed services and processing)	956,919	848,394	759,408	617,419	521,282

(1) The year ended December 31, 2017 includes $194.5 in goodwill and intangible asset impairment losses in addition to $33.3 million of impairment and disposal losses on other assets. The year ended December 31, 2013 includes $8.7 million in nonrecurring property tax expense related to a change in assessment methodology in the U.K. Additionally, the years ended December 31, 2017, 2016, 2015, 2014, and 2013 include $18.9 million, $9.5 million, $27.1 million, $18.1 million, and $15.4 million, respectively, in acquisition and divestiture-related costs.

(2) The year ended December 31, 2017 includes the goodwill, intangible asset and other asset impairment losses, net of tax. The year ended December 31, 2016 includes $13.7 million of expenses associated with the redomicile of our parent company to the U.K., which was completed on July1, 2016. The year ended December 31, 2013 includes $13.8 million in income tax expense related to the restructuring of our U.K. business.

(3) Our long-term debt as of December 31, 2017 consists of outstanding borrowings under our revolving credit facility, our Convertible Notes, our 5.125% Senior Notes due 2022 (the "2022 Notes"), and our 5.50% Senior Notes due 2025 (the "2025 Notes"). The Convertible Notes are reported in the accompanying Consolidated Balance Sheets at a carrying value of $252.0 million, as of December 31, 2017, which represents the principal balance of $287.5 million less the unamortized discount and capitalized debt issuance costs of $35.5 million. The 2022 Notes are reported in the accompanying Consolidated Balance Sheets at a carrying value of $248.0 million, as of December 31, 2017, which represents the principal balance of $250.0 million less the capitalized debt issuance costs of $2.0 million. The 2025 Notes are reported in the accompanying Consolidated Balance Sheets at a carrying value of $295.2 million as of December 31, 2017, which represents the principal balance of $300.0 million less capitalized debt issuance costs of $4.8 million. In accordance with the applicable accounting guidance related to the classification of capitalized debt issuance

costs, these deferred financing costs related to our Convertible Notes, 2022 Notes, and 2025 Notes are presented as a direct deduction from the carrying amount of the related debt liabilities.

(4) The notable increase in the Managed services and processing, net ATM machine count in 2015 is primarily attributable to the July 1, 2015 acquisition of CDS and the incremental number of transacting ATMs for which CDS provides processing services.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements that are based on management's current expectations, estimates, and projections about our business and operations. Our actual results may differ materially from those currently anticipated and expressed in such forward-looking statements. Known material factors that could cause actual results to differ materially from those in the forward-looking statements are those described in Part I. Item 1A. Risk Factors of this 2017 Form 10-K. Additionally, you should read the following discussion together with the consolidated financial statements and the related notes included in Item 8. Financial Statements and Supplementary Data.

Strategic Outlook

Over the past several years, we have expanded our operations and the capabilities and service offerings of our ATMs through strategic acquisitions and investments, continued to deploy ATMs in high-traffic locations under contracts with well-known retailers, and expanded our relationships with leading financial institutions through the growth of Allpoint, our surcharge-free ATM network and our bank-branding programs. We intend to further expand our ATM capabilities and service offerings to financial institutions, as we are seeing increasing interest from financial institutions for outsourcing of ATM-related services due to our cost efficiency advantages and higher service levels, as well as the role that our ATMs can play in maintaining financial institutions physical presence for their customers as they reduce their physical branches.

We have completed several acquisitions in the last six years, including, but not limited to: (i) eight U.S. and Canada based ATM operators, expanding our ATMs in both multi-unit regional retail chains and individual merchant ATM locations in North America, (ii) Cardpoint Limited ("Cardpoint") in August 2013, which further expanded our U.K. ATM operations and allowed us to enter into the German market, (iii) Sunwin in November 2014, which further expanded our cash-in-transit and maintenance servicing capabilities in the U.K. and allowed us to acquire and operate ATMs located at Co-op Food stores, (iv) DCPayments in January 2017, a leading ATM operator with operations in Australia, New Zealand, Canada, the U.K., and Mexico, (v) Spark in January 2017, an independent ATM deployer operating in South Africa, and (vi) various other less significant ATM asset and contract acquisitions. In addition to these ATM acquisitions, we have also made strategic acquisitions including: (i) i-design in March 2013, a Scotland-based provider and developer of marketing and advertising software and services for ATM operators, and (ii) CDS in July 2015, a leading independent transaction processor for ATM deployers and payment card issuers in the U.S., providing solutions to ATM sales and service organizations and financial institutions.

While we will continue to explore potential acquisition opportunities in the future as a way to grow our business, we also expect to continue expanding our ATM footprint organically, and launching new products and services that will allow us to further leverage our existing ATM network. We see opportunities to expand our operations through the following efforts:

- increasing the number of deployed ATMs with existing and new merchant relationships;
- expanding our relationships with leading financial institutions;
- working with non-traditional financial institutions and card issuers to further leverage our extensive ATM network;
- increasing transaction levels at our existing locations;
- developing and providing additional services at our existing ATMs;
- pursuing additional managed services opportunities; and
- pursuing international growth opportunities.

For additional information related to each of our strategic points above, see *Part I. Item 1. Business - Our Strategy*.

Developing Trends and Recent Events

Reduction of physical branches by financial institutions in the U.S., the U.K., and other geographies. Due primarily to the expansion of services available through digital channels, such as online and mobile, and financial institution customers' preferences towards these digital channels, many financial institutions have been de-emphasizing traditional physical branches. This trend toward shifting more customer transactions to online and ATMs has helped financial institutions lower their operating costs. As a result, many banks have been reducing the number of physical branches they operate. However, financial institution customers still consider convenient access to ATMs to be an important criteria for maintaining an account with a particular financial institution. The closing of physical branches generally results in a removal of the ATMs that were at the closed branch locations and may create a void in physical presence for that financial institution. This creates an opportunity for us to provide the financial institution's customers with convenient access to ATMs and to work with the financial institutions to preserve branded or unbranded physical points of presence through our ATM network.

Increase in surcharge-free offerings in the U.S. Many U.S. national and regional financial institutions aggressively compete for market share, and part of their competitive strategy is to increase their number of customer touch points, including the establishment of an ATM network to provide convenient, surcharge-free access to cash for their cardholders. While owning and operating a large ATM network would be a key strategic asset for a financial institution, we believe it would be uneconomical for all but the largest financial institutions to own and operate an extensive ATM network. Bank-branding of ATMs and participation in surcharge-free networks allow financial institutions to rapidly increase surcharge-free ATM access for their customers at a lower cost than owning and operating ATM networks. These factors have led to an increase in bank-branding and participation in surcharge-free ATM networks, and we believe that there will be continued growth in such arrangements.

Managed services. While many financial institutions (and some retailers) own and operate significant networks of ATMs that serve as extensions of their branch networks and increase the level of service offered to their customers, large ATM networks are costly to own and operate and typically do not provide significant revenue for financial institutions or retailers. Owning and operating a network of ATMs is not a core competency for the majority of financial institutions or retailers; therefore, we believe there is an opportunity for a large non-bank ATM owner/operator, such as ourselves, with lower costs and an established operating history, to contract with financial institutions and retailers to manage their ATM networks. Such an arrangement could reduce a financial institution or retailer's operating costs while extending their customer service. Additionally, we believe there are opportunities to provide selected ATM-related services on an outsourced basis, such as transaction processing services, to other independent owners and operators of ATMs.

Growth in other automated consumer financial services. The majority of all ATM transactions in our geographies are cash withdrawals, with the remainder representing other banking functions such as balance inquiries, transfers, and deposits. We believe that there are opportunities for a large non-bank ATM owner/operator, such as ourselves, to provide additional financial services to customers, such as bill payments, check cashing, remote deposit capture, money transfers, and stored-value debit card reload services. These additional automated consumer financial services could result in additional revenue streams for us and could ultimately result in increased profitability. However, they would require additional capital expenditures on our part to offer these services more broadly and would increase regulatory compliance activities.

Increase in usage of stored-value debit cards. In the U.S., we have seen a proliferation in the issuance and acceptance of stored-value debit cards as a means for consumers to access their cash and make routine retail purchases over the past ten years. Based on published studies, the value loaded on stored-value debit cards such as open loop network-branded money and financial services cards, payroll and benefit cards, and social security cards is expected to continue to increase in the next few years.

We believe that our network of ATMs, located in well-known retail establishments throughout the U.S., provides a convenient and cost-effective way for stored-value cardholders to access their cash and potentially conduct other financial services transactions. Furthermore, through our Allpoint network, we partner with financial institutions that manage stored-value debit card programs on behalf of corporate entities and governmental agencies, and we are able to provide the users of those cards convenient, surcharge-free access to their cash. We believe that the number of stored-value debit cards being issued and in circulation has increased significantly over the last several years and represents a growing portion of our total withdrawal transactions at our ATMs in the U.S.

Growth in other markets. In most regions of the world, ATMs are less common than in the U.S. and the U.K. We believe the ATM industry will grow faster in certain international markets, as the number of ATMs per capita in those markets increases and begins to approach the levels in the U.S. and the U.K. We believe there is further growth potential for non-branch ATMs in the other geographic markets in which we operate, including Germany, which we entered into during 2013 through the Cardpoint acquisition.

- *United Kingdom.* The U.K. is the largest ATM market in Europe. According to LINK (which connects the ATM networks of all the U.K. ATM operators), approximately 71,000 ATMs were deployed in the U.K. as of December 2017, of which approximately 40,000 were operated by non-banks (inclusive of our 22,000 ATMs). Similar to the U.S., electronic payment alternatives have gained popularity in the U.K. in recent years. However, according to the Bank of England cash is still the primary payment method preferred by consumers, representing over 50% of spontaneous payments. Due to the maturing of the ATM market, we have seen both the number of ATM deployments and withdrawals slow in recent years, and there has been a shift from fewer pay-to-use ATMs to more free-to-use ATMs. During 2013 and 2014 we significantly expanded in the U.K. through the acquisition of Cardpoint, and Sunwin and via a new ATM placement agreement with Co-op Food. In January 2017, we further expanded our operations in the U.K. through our acquisition of DCPayments. We anticipate additional expansion of our operations in this market through new merchants and new locations with existing merchants as well as other growth strategies.

- *Germany*. We entered the German market in August 2013 through our acquisition of Cardpoint. The German ATM market is highly fragmented and may be under-deployed, based on its population's high use of cash relative to other markets in which we operate, such as the U.S. and the U.K. There are approximately 58,000 ATMs in Germany that are largely deployed in bank branch locations. This fragmented and potentially under-deployed market dynamic is attractive to us, and as a result, we believe there are a number of opportunities for growth in this market.

- *Canada*. We entered the Canadian market in October 2011 through a small acquisition, and further expanded our presence in the country through another small acquisition in December 2012. In January 2017, we significantly expanded our operations in Canada through our acquisition of DCPayments. We expect to continue to grow our number of ATM locations in this market. We currently operate approximately 12,000 ATMs in this market and estimate that there are currently approximately 62,000 ATMs in total in the Canadian market. Our recent organic growth in this market has been primarily through a combination of new merchant and financial institution partners. As we continue to expand our footprint in Canada, we plan to seek additional partnerships with financial institutions to implement bank-branding and other financial services, similar to our bank-branding and surcharge-free strategy in the U.S.

- *Mexico*. There are approximately 48,000 ATMs operating in Mexico, most of which were owned by national and regional financial institutions. Due to a series of governmental and network regulations that have been mostly detrimental to us, together with increased theft attempts on our ATMs in this market, we slowed our expansion in this market in recent years. However, we increased our operations in Mexico through the DCPayments acquisition in January 2017 and remain poised and able to selectively pursue opportunities with retailers and financial institutions in the region, and believe there are currently opportunities to grow this business profitability.

- *Ireland and Spain.* In April 2016, we entered the Ireland market, and in October 2016, we launched our business in Spain, joining a top Spain ATM network and signing agreements to provide ATMs at multiple retail chains. On a combined basis these markets have approximately 55,000 ATMs, of which we currently operate a very small portion. We plan to continue to grow in these markets through additional merchant and financial institution relationships.

- *Australia and New Zealand*. In January 2017, in connection with our acquisition of DCPayments, we obtained operations in Australia and New Zealand, and now are the largest independent ATM operator in Australia. We currently operate approximately 10,000 ATMs in Australia and New Zealand and estimate the total market is comprised of approximately 36,000 ATMs. Recently, we have generally seen same-unit transaction declines in this market, which may, in the near term be amplified by recent actions taken by major banks in Australia. For further information regarding this action, see *Australia market changes and asset impairment* below. However, we believe there are opportunities for longer-term growth in Australia, which would likely include expansion of services to financial institutions in that market.

- *South Africa*. In January 2017, in connection with our acquisition of Spark, we obtained operations in South Africa. Spark is a leading independent ATM deployer in South Africa and we expect to expand in this market with retailers and financial institutions. We operate approximately 3,000 ATMs in South Africa and estimate that this market has approximately 32,000 ATMs in total.

Increase in surcharge rates. As financial institutions increase the surcharge rates charged to non-customers for the use of their ATMs, it enables us to increase the surcharge rates charged on our ATMs in selected markets and with certain merchant customers as well. We also believe that higher surcharge rates in the market make our surcharge-free offerings more attractive to consumers and other financial institutions. Over the last few years, we have seen a slowing of surcharge rate increases and expect to see generally modest increases in surcharge rates in the near future.

Decrease in interchange rates. The interchange rates paid to independent ATM deployers, such as ourselves, are in some cases set by the various EFT networks and major interbank networks through which the transactions conducted on our ATMs are routed. In past years, certain networks have reduced the net interchange rates paid to ATM deployers for ATM transactions in the U.S. routed across their debit networks through a combination of reducing the transaction rates charged to financial institutions and higher per transaction fees charged by the networks to ATM operators. In addition to the impact of the net interchange rate decrease, we saw certain financial institutions migrate their volume away from some networks to take advantage of the lower pricing offered by other networks, resulting in lower net interchange rates per transaction to us. If financial institutions move to take further advantage of lower interchange rates, or if networks reduce the interchange rates they currently pay to ATM deployers or increase their network fees, our future revenues and gross profits could be negatively impacted. We have taken measures to mitigate our exposure to interchange rate reductions by networks, including, but not limited to: (i) where possible, routing transactions through a preferred network such as the Allpoint network, where we have influence over the per transaction rate, (ii) negotiating directly with our financial institution partners for contractual interchange rates on transactions involving their customers, (iii) developing contractual protection from such rate changes in our agreements with merchants and financial institution partners, and (iv) negotiating pricing directly with certain networks. As of December 31, 2017, approximately 4% of our total ATM operating revenues were subject to pricing changes by U.S. networks over which we currently have limited influence or where we have no ability to offset pricing changes through lower payments to merchants.

Interchange rates in the U.K. are primarily set by LINK, the U.K.'s major interbank network. LINK has historically set these rates annually using a cost-based methodology that incorporates ATM service costs from two years back (i.e., operating costs from 2015 are considered for determining the 2017 interchange rate). In addition to LINK transactions, certain card issuers in the U.K. have issued cards that are not affiliated with the LINK network, and instead carry the Visa or MasterCard network brands. Transactions conducted on our ATMs from these cards, which currently represent 2.1% of our annual withdrawal transactions in the U.K., receive interchange fees that are set by Visa or MasterCard, respectively. The interchange rates set by Visa and MasterCard have historically been less than the rates that have been established by LINK. During 2016 and throughout 2017, some of the major financial institutions that participate in LINK expressed concern about the LINK interchange rate and commenced efforts to significantly lower the interchange rate. During 2017, a group of members of LINK (the "Working Group") worked to develop a new interchange rate setting mechanism. After several months of analysis and discussion, the Working Group was unable to reach a recommended amended approach that was satisfactory to its participants, and as a result of this outcome, along with governance recommendations by the Bank of England, in October 2017, it was decided that an independent board of LINK ("LINK Board") would recommend interchange rates going forward. On November 1, 2017, the LINK Board announced that it had reached some tentative recommendations, subject to further comment by the LINK members. The LINK Board proposal sought to reduce interchange rates by approximately 5% per year, and in the aggregate, approximately 20% over a four year period, commencing on April 1, 2018. The intention of the LINK Board proposal was for the new interchange rates to apply from April 1, 2018 and to be finalized no later than January 31, 2018, once consultation with the LINK members has concluded.

Accordingly, on January 31, 2018, the new LINK Board, formalized a new process for setting interchange rates. Starting in July 2018, the new LINK Board determined the withdrawal interchange rate will be reduced by 5% from the 2017 rate. From January 1, 2018 through June 30, 2018, the interchange rates will be slightly reduced from the 2017 rates. The new LINK Board has also announced intentions for further potential interchange rate increases (of up to 5% annually) but has stated that a comprehensive cost study and external factors such as interest rates and compliance costs may impact the timing and ultimate magnitude of any further annual rate decreases. We are currently assessing the impact of this recent development on our U.K. business and have taken certain actions and may continue to take additional measures to mitigate the impact of this price reduction and future potential reductions. Mitigating measures include or in the future may include removal of lower profitability sites, terms renegotiations with certain merchants, change certain ATMs to a direct-charge to the consumer model, and other strategies. On an unmitigated basis, we expect this change to adversely impact our U.K. profits by approximately $7 million to $8 million in 2018, compared to 2017, all of which will occur in the latter six months of the year. For additional information related to the developments regarding LINK, see LINK interchange in the U.K. under Developing Trends and Recent Events below and *Part I. Item 1A. Risk Factors*.

Withdrawal transaction and revenue trends - U.S. Many financial institutions are shifting traditional teller-based transactions to online activities and ATMs to reduce their operating costs. Additionally, many financial institutions are reducing the number of branches they own and operate in order to lower their operating costs. As a result of these current trends, we believe there has been increasing demand for automated banking solutions, such as ATMs. Bank-branding of our ATMs and participation in our surcharge-free ATM network allow financial institutions to rapidly increase and maintain surcharge-free ATM access for their customers at a substantially lower cost than owning and operating an ATM network. We believe there is continued opportunity for a large non-bank ATM owner/operator, such as ourselves, with lower costs and an established operating history, to contract with financial institutions and retailers to manage their ATM networks. Such an arrangement could reduce a financial institution's operating costs while extending its customer service. Furthermore, we believe there are opportunities to provide selected services on an outsourced basis, such as transaction processing services, to other independent owners and operators of ATMs. Over the last several years, we have seen growth in bank-branding, increased participation in Allpoint, our surcharge-free network, and managed services arrangements, and we believe that there will be continued growth in such arrangements.

Total U.S. same-store cash withdrawal transactions during the year ended December 31, 2017 decreased 0.3% from the same period of 2016, excluding 7-Eleven locations. The same-store results were impacted by a number of factors throughout the year, and the discrete impact of each factor is difficult to precisely estimate. We believe the growth rate was partially adversely impacted by certain high-traffic locations that were previously branded with a prominent bank brand no longer having a brand, in addition to increased downtime caused by software issues at certain ATMs during the first part of the year. These declines were partially offset by increased Allpoint transactions, as a result of expansion of the number of ATMs in Allpoint and growth in the number of financial institutions participating in Allpoint.

7-Eleven U.S. relationship. The 7-Eleven ATM placement agreement in the U.S. expired in July 2017, and most of the ATM operations in the U.S. have been transitioned to the new service provider as of December 31, 2017. We expect the transition to be complete during the first quarter of 2018. 7-Eleven in the U.S., was the largest merchant customer in our portfolio and comprised approximately 12.5% of our total revenues for the year ended December 31, 2017. We estimate that the incremental gross margin on these revenues was approximately 40% in 2017. The ATMs that remain at 7-Eleven no longer participate in our Allpoint network and no longer to carry the Citibank brand. For additional information related to 7-Eleven, see *Part I. Item 1A. Risk Factors*.

Withdrawal transaction and revenue trends - U.K. The majority of our ATMs in the U.K. are free-to-use ATMs, meaning the transaction is free to the consumer and we earn an interchange rate paid by the customer's bank. We also operate surcharging pay-to-use ATMs. Although we earn less revenue per cash withdrawal transaction on a free-to-use machine, the significantly higher volume of transactions conducted on free-to-use ATMs have generally translated into higher overall revenues. Our same-store cash withdrawal transactions in the U.K. decreased approximately 4% in 2017, which we believe was in part adversely impacted by changes in consumer behavior, conducting more tap-and-pay transactions for small payments at retailers.

Australia market changes and asset impairment. In late September 2017, Australia's four largest banks, CBA, ANZ, Westpac, and NAB, each independently announced decisions to remove all direct charges to all users on domestic ATM transactions completed at their respective ATM networks effectively creating a free-to-use network of ATM terminals that did not exist previously. Collectively these four banks account for approximately one third of the total ATMs in Australia. CBA removed the direct charges in late September, with Westpac, ANZ, and NAB removing direct charges during the first part of October 2017. As a result of this change in the market in Australia, we expect that our business in this market will likely be adversely impacted. Prior to this action, we were generally experiencing average same-unit transaction percentage declines in the high single-digits across our fleet. For the year ended December 31, 2017, the Australia & New Zealand reporting segment generated $133 million, in total revenues, of which $108 million, was surcharge revenue. Adjusted EBITDA for the year ended December 31, 2017 for the Australia & New Zealand reporting segment was $27 million.

Australia has historically been a direct charge ATM market, where cardholders have paid a fee (or "direct charge") to the operator of an ATM for each transaction, unless the ATM where the transaction was completed is part of the cardholder's issuing bank ATM network. There currently is no broad interchange arrangement in Australia between card issuers and ATM operators to compensate the ATM operator for its service to a financial institution's cardholder in absence of the direct charge being levied to the cardholders. During the year ended December 31, 2017, more than 80% of the Company's revenues in Australia were sourced from direct charges paid by cardholders. The recent actions by the largest banks in Australia have resulted in a significant increase in the availability of free-to-use ATMs to Australian users and while we are working on developing strategies to react to this unexpected market shift, we believe our revenues and profits in Australia will decline in the near-term. While the initial impact we have experienced has been somewhat limited, the impact of this action could increase over time as customers' behavior patterns change as a result of the introduction of a free-to-use network in Australia that did not exist previously.

During the three months ended September 30, 2017 these developments were identified to be an indicator of impairment of our Australia & New Zealand reporting unit and related long-lived assets. Upon further assessment and analysis of the potential impact of these developments, we determined that the fair value of the Australia & New Zealand reporting unit had fallen below its carrying value and determined that the long-lived assets held by Australia & New Zealand were not recoverable via their undiscounted cash flows, an indication of impairment. As a result, during September 2017, we recorded impairments of goodwill, other intangible assets, and other long-lived assets of $140.0 million, $54.5 million, and $19.0 million, respectively. We also recorded a charge of $2.5 million to adjust certain inventory to its estimated net realizable value. These non-cash charges have been reflected in the Goodwill and intangible asset impairment and Loss (gain) on disposal and impairment of assets line items in our accompanying Consolidated Statements of Operations. For additional information related to this unexpected market shift in Australia and the resulting impairment assessment, see *Item 8. Financial Statements and Supplementary Data, Note 1. Basis of Presentation and Summary of Significant Accounting Policies– (m) Goodwill*.

Poland operations. During the fourth quarter of 2017, we ceased operating in Poland and recognized costs to wind down the operations largely consisting of contract termination costs related to our merchant, bank sponsorship, lease and other agreements as well as employee severance costs and charges for asset disposals. During the year ended December 31, 2017 Poland contributed less than 1% of our consolidated ATM operating revenues.

Alternative payment options. We face indirect competition from alternative payment options, including card-based and mobile phone-based contactless payment technology in all of our markets. Australia and the U.K. have reported increasing rates of contactless payment use. Prior to our acquisition of DCPayments and since our ownership of the Australian component of the business, we have observed declines in transactions at Australian ATMs, as cash-based payments have declined as a percentage of total payments in recent years, with growth in contactless payments appearing to be the primary driver of the decline.

Europay, MasterCard, Visa ("EMV") security standard and software upgrades in the U.S. The EMV security standard provides for the security and processing of information contained on microchips embedded in certain debit and credit cards, known as "chip cards." In October 2016, MasterCard commenced a liability shift for U.S. ATM transactions on EMV-issued cards used at non-EMV compliant ATMs in the U.S. Similarly, in October 2017, Visa commenced a liability shift for all transaction types on all EMV-issued cards in the U.S. In response, we upgraded or replaced nearly all of our

U.S. Company-owned ATMs to deploy additional software to enable additional functionality, enhance security features, and enable the EMV security standard. Due to the significant operational challenges of enabling EMV and other hardware and software enhancements across the majority of our U.S. ATMs, which comprises many types and models of ATMs, together with potential compatibility issues with various processing platforms, we experienced increased downtime at our U.S. ATMs during the first part of 2017. As a result of this downtime, we suffered lost revenues and incurred penalties with certain of our contracts during the first part of 2017. We have also incurred increased charges from networks associated with actual or potentially fraudulent transactions, as we are liable for fraudulent transactions on the MasterCard network and other networks that have adopted the EMV security standard if our ATM was not EMV compliant at the time of the transaction, and any fraudulent transactions were processed. As of December 31, 2017, nearly all of our U.S. Company-owned ATMs were enabled to meet the EMV security standard.

Capital investments. Our capital spending in 2017 included expenditures related to the EMV upgrade requirements, coupled with other factors, including: (i) our strategic initiatives to enhance the consumer experience at our ATMs and drive transaction growth, (ii) a significant number of recent long-term renewals of existing merchant contracts, (iii) certain software and hardware enhancements required to facilitate our strategic initiatives, enhance security, and to continue running supported versions, (iv) other compliance related matters including polymer note introductions, and (v) growth opportunities across our enterprise. We expect a decrease in our capital spending in 2018 from what we incurred in 2016 and 2017.

U.K. planned exit from the European Union ("Brexit"). On March 29, 2017, the U.K. government officially triggered Article 50 of the Treaty on the European Union, which commenced the process for the U.K. to exit the European Union. The ultimate impact of Brexit on our business is unknown; however, one noticeable impact was a substantial devaluation of the British pound relative to the U.S. dollar, leading up to and after the Brexit decision announcement in June 2016. As a result, our reported financial results (in U.S. dollars) were adversely impacted during the year ended December 31, 2017 compared to the same period of 2016. Recently, however, the British pound has recovered value against the U.S. dollar. The U.K. is scheduled to exit the European Union on March 29, 2019.

Redomicile to the U.K. On July 1, 2016, the Cardtronics group of companies changed the location of incorporation of the parent company from Delaware to the U.K. Cardtronics plc, a public limited company organized under English law ("Cardtronics plc"), became the new publicly traded corporate parent of the Cardtronics group of companies following the completion of the merger between Cardtronics, Inc., a Delaware corporation ("Cardtronics Delaware") and one of its subsidiaries (the "Merger"). The Merger was completed pursuant to the Agreement and Plan of Merger, dated April 27, 2016, the adoption of which was approved by Cardtronics Delaware's shareholders on June 28, 2016 (collectively, the "Redomicile Transaction").

Restructuring Expenses. During 2017, we initiated a global corporate reorganization and cost reduction initiative (the "Restructuring Plan"), intended to improve our cost structure and operating efficiency. The Restructuring Plan included workforce reductions, facilities closures, contract terminations, and other cost reduction measures. During the year ended December 31, 2017, we incurred $10.4 million of pre-tax expenses related to our Restructuring Plan, including the costs incurred to close our Poland operations.

U.K. regulatory approval of the DCPayments acquisition. On September 22, 2017, we were notified by the U.K. Competition and Markets Authority (the "CMA") that the merger of the DCPayments U.K. business with our existing U.K. operations was approved. Prior to the CMA approval, the DCPayments U.K. business operated separately from our existing U.K. operations. Since the CMA approval, we have begun the process of integrating our existing U.K. operations with the DCPayments U.K. operations and expect to realize operational benefits during 2018 as a result of the combination.

New currency designs in the U.K. Polymer notes were introduced by the Bank of England in 2016 and will be further circulated through 2020. The introduction of these new currency designs has required upgrades to software and physical ATM components on our ATMs in the U.K., which caused some limited downtime for the affected ATMs during 2017. We are now substantially complete with this effort.

Next generation bank note upgrade in Australia. Next generation bank notes are in the process of being introduced by the Reserve Bank of Australia. The new $5 note was introduced on September 1, 2016, and the new $50 note, the most widely disseminated note in Australia, is scheduled to take place on September 1, 2018, with the new $20 note to follow on a date to be determined. The introduction of these next generation bank notes requires upgrades to software and physical ATM components on our ATMs in Australia, which were evaluated in the impairment considerations discussed above and which we expect will likely cause some limited downtime for the affected ATMs during the latter part of 2018.

U.S. Tax Reform. On December 22, 2017, House of Representatives 1 ("H.R. 1"), originally known as the Tax Cuts and Jobs Act ("U.S. Tax Reform") was enacted and signed into legislation. Under U.S. GAAP, the effects of changes in tax rates and laws are recognized in the period in which the new legislation is enacted. As a result of this legislation, during the three months ended December 31, 2017, we provisionally recognized one-time net tax benefits totaling $11.6 million. This amount included an estimated one-time tax benefit of $19.4 million due to the re-measurement of our net deferred tax liabilities, primarily related to the change in the U.S. federal corporate income tax rate from 35% to 21%. Partially offsetting this non-cash book tax benefit, we recognized an estimated one-time tax expense of $7.8 million on our accumulated undistributed foreign earnings pertaining to foreign operations under our U.S. business, which we will elect to pay over an eight-year period. We continue to evaluate the impact of the U.S. Tax Reform on our business. There are many elements of the U.S. Tax Reform that will impact our business. In the near term, due primarily to limitations on the amount of interest expense a U.S. company can deduct, we expect the net impact of this reform to increase our consolidated reported effective tax rate.

Acquisitions. On January 6, 2017, we completed the acquisition of DCPayments, a leading operator of approximately 25,000 ATMs with operations in Australia, New Zealand, Canada, the U.K., and Mexico. In connection with the closing of the acquisition, each DCPayments common share was acquired for Canadian Dollars $19.00 in cash per common share, and we also repaid the outstanding third-party indebtedness of DCPayments, the combined aggregate of which represented a total transaction value of approximately $658 million Canadian Dollars (approximately $495 million U.S. dollars).

On January 31, 2017, we completed the acquisition of Spark, an independent ATM deployer in South Africa, with a growing network of approximately 2,300 ATMs. The agreed purchase consideration included initial cash consideration, paid at closing, and potential additional contingent consideration. The additional purchase consideration is contingent upon Spark achieving certain agreed upon earnings targets in 2019 and 2020.

For additional information related to the acquisitions and divestiture above, see *Item 8. Financial Statements and Supplementary Data, Note 2. Acquisitions and Divestitures*.

Cybersecurity trends. We electronically process and transmit cardholder information as part of our transaction processing services. Companies that process and transmit cardholder information, such as ours, have been specifically and increasingly targeted in recent years by sophisticated criminal organizations in an effort to obtain information and utilize it for fraudulent transactions, and the risk of unauthorized circumvention has been heightened by advances in computer capabilities and increasing sophistication of hackers. The Company takes a risk-based approach to cybersecurity and in recognition of the growing threat within our industry and the general market place, we proactively make strategic investments in our security infrastructure, technical and procedural controls, and regulatory compliance activities. We also apply the knowledge gained through industry and government organizations to continuously improve our technology, processes and services to detect, mitigate and protect our information. Cybersecurity and the effectiveness of the Company's cybersecurity strategy are regular topics of discussion at Board meetings. We expect to continue to focus attention and resources on our security protection protocols, including repairing any system damage and deploying additional personnel, as well as protecting against any potential reputational harm. The cost to remediate any damages to our information technology systems suffered as a result of a cyber-attack could be significant. For further discussion of the risks we face in connection with growing cybersecurity trends, see Item 1A. Risk Factors - *Security breaches, including the occurrence of a cyber-incident or a deficiency in our cybersecurity, could harm our business by compromising merchant and cardholder information and disrupting our transaction processing services, thus damaging our relationships with our merchant customers, business partners, and generally exposing us to liability; Computer viruses or unauthorized software (malware) could harm our business by disrupting or disabling our transaction processing services, causing noncompliance with network rules, damaging our relationships with our merchant and financial institution customers, and damaging our reputation causing a decrease in transactions by individual cardholders; and Regulatory, legislative* *or self-regulatory/standard developments regarding privacy and data security matters could adversely affect our ability to conduct our business.*

Factors Impacting Comparability Between Periods

- *Foreign currency exchange rates.* Our reported financial results are subject to fluctuations in foreign currency exchange rates. We estimate that the year-over-year strengthening in the U.S. dollar relative to the currencies in the markets in which we operate caused our reported total revenues to be lower by approximately $15.7 million, or 1.0%, for the year ended December 31, 2017.

- *Acquisitions and divestitures*. The results of operations for any acquired entities during a particular year have been included in our consolidated financial statements for that year since the respective dates of acquisition. Similarly, the results of operations for any divested operations have been excluded from our consolidated financial statements since the dates of divestiture.

- *7-Eleven ATM removal.* As discussed above, 7-Eleven in the U.S. accounted for approximately 12.5% of our total revenues during the year ended December 31, 2017. The 7-Eleven ATM placement agreement in the U.S. expired in July 2017, and most of the ATM operations in the U.S. have been transitioned to the new service provider as of December 31, 2017. We expect the transition to be complete during the first quarter of 2018.

Components of Revenues, Cost of Revenues, and Expenses

Revenues

We derive our revenues primarily from providing ATM and automated consumer financial services, bank-branding, surcharge-free network offerings, and sales and services of ATM equipment. We currently classify revenues into two primary categories: (i) ATM operating revenues and (ii) ATM product sales and other revenues.

ATM operating revenues. We present revenues from ATM and automated consumer financial services, bank-branding arrangements, surcharge-free network offerings, and managed services in the ATM operating revenues line item in the accompanying Consolidated Statements of Operations. These revenues include the fees we earn per transaction on our ATMs, fees we earn from bank-branding arrangements and our surcharge-free network offerings, fees we earn on managed services arrangements, and fees earned from providing certain ATM management services. Our revenues from ATM services have increased in recent years as a result of (i) the acquisitions we have completed, (ii) unit expansion with our customer base, (iii) acquisition of new merchant relationships, (iv) expansion of our bank-branding programs, (v) the growth of our Allpoint network, (vi) fee increases at certain locations, and (vii) introduction of new services, such as dynamic currency conversion.

ATM operating revenues primarily consist of the four following components: (i) surcharge revenue, (ii) interchange revenue, (iii) bank-branding and surcharge-free network revenue, and (iv) managed services and processing revenue.

- *Surcharge revenue.* A surcharge fee represents a convenience fee paid by the cardholder for making a cash withdrawal from an ATM. Surcharge fees often vary by the arrangement type under which we place our ATMs and can vary widely based on the location of the ATM and the nature of the contracts negotiated with our merchants. Surcharge fees will also vary depending upon the competitive landscape at newly-deployed ATMs, the roll-out of additional bank-branding arrangements, and future negotiations with existing merchant partners. For the ATMs that we own or operate that participate in surcharge-free networks, we do not receive surcharge fees related to withdrawal transactions from cardholders who participate in these networks; rather we receive interchange and bank-branding or surcharge-free network revenues, which are further discussed below. For certain ATMs owned and primarily operated by the merchant, we do not receive any portion of the surcharge but rather the entire fee is earned by the merchant. In the U.K., ATM operators must either operate ATMs on a free-to-use (surcharge-free) or on a pay-to-use (surcharging) basis. On free-to-use ATMs in the U.K., we only earn interchange revenue on withdrawal and other transactions, such as balance inquiries. These fees are paid to us by the cardholder’s financial institution. On our pay-to-use ATMs, we only earn a surcharge fee on withdrawal transactions and no interchange is paid to us by the cardholder's financial institution, except for non-cash withdrawal transactions, such as balance inquiries, for which interchange is paid to us by the cardholder's financial institution. In Germany, we collect a surcharge fee on withdrawal transactions but generally do not receive interchange revenue. In Mexico, surcharge fees are generally similar to those charged in the U.S., except for ATMs that dispense U.S. dollars, where we charge an additional foreign currency exchange convenience fee. In Canada, surcharge fees are comparable to those charged in the U.S. and we also earn an interchange fee that is paid to us by the cardholder's financial institution. As a result of our 2017 acquisitions, we now earn surcharge fees in Australia and New Zealand.

- *Interchange revenue.* An interchange fee is a fee paid by the cardholder's financial institution for its customer's use of an ATM owned by another operator and for the EFT network charges to transmit data between the ATM and the cardholder's financial institution. We typically receive a majority of the interchange fee paid by the cardholder's financial institution, with the remaining portion being retained by the EFT network. In the U.S., interchange fees are earned not only on cash withdrawal transactions but on any ATM transaction, including balance inquiries, transfers, and surcharge-free transactions. We also earn interchange revenues on all transactions occurring on our Allpoint network and on bank-branded transactions. See further discussion below regarding bank-branding and surcharge-free network revenues. In the U.K., interchange fees are earned on all ATM transactions other than pay-to-use cash withdrawals. Nearly all of our interchange revenues in the U.K. are generated over the LINK network. In Germany, our primary revenue source is surcharge fees paid by ATM users. Currently, we do not receive interchange revenue from transactions in Mexico due to rules promulgated by the Central Bank of Mexico, which became effective in May 2010. In Canada, interchange fees are determined by Interac, the interbank network in Canada, and have remained at a constant rate over the past few years. We also now earn interchange revenues on certain transactions in Australia, New Zealand, and South Africa as a result of our 2017 acquisitions.

- *Bank-branding and surcharge-free network revenues.* Under a bank-branding arrangement, ATMs that are owned and operated by us are branded with the logo of the branding financial institution. The financial institution's customers have access to use those bank-branded ATMs without paying a surcharge fee, and in exchange for the value associated with displaying the brand and providing surcharge-free access to their cardholders, the financial institution typically pays us a monthly per ATM fee. Historically, this type of bank-branding arrangement has resulted in an increase in transaction levels at bank-branded ATMs, as existing customers continue to use the ATMs and cardholders of the branding financial institution are attracted by the service. Additionally, although we forego the surcharge fee on transactions by the branding financial institution's customers, we continue to earn interchange fees on those transactions, together with the monthly bank-branding fee, and sometimes experience an increase in surcharge-bearing transactions from customers who are not cardholders of the branding financial institution but prefer to use the bank-branded ATM. In some instances, we have branded an ATM with more than one financial institution. Doing this has allowed us to serve more cardholders on a surcharge-free basis, and in doing so, drive more traffic to our retail sites. Based on these factors, we believe a bank-branding arrangement can substantially increase the profitability of an ATM versus operating the same machine without a consumer brand. Fees paid for bank-branding vary widely within our industry, as well as within our own operations, depending on the ATM location, financial institutions operating in the area, and other factors. Regardless, we typically set bank-branding fees at levels that more than offset our anticipated lost surcharge revenue.

  Under the Allpoint network, financial institutions that participate in the network pay us either a fixed monthly fee per cardholder or a fixed fee per transaction in exchange for us providing their cardholders with surcharge-free ATM access to our large network of ATMs. These fees are meant to compensate us for the lack of surcharge revenues. Although we forego surcharge revenues on those transactions, we continue to earn interchange revenues at a per transaction rate that is usually set by Allpoint. Allpoint also works with financial institutions that manage stored-value debit card programs on behalf of corporate entities and governmental agencies, including general purpose, payroll, and EBT cards. Under these programs, the issuing financial institutions pay Allpoint a fee per issued stored-value debit card or per transaction in return for allowing the users of those cards surcharge-free access to the Allpoint's participating ATM network.

The interchange fees paid to us by both our bank-branding and Allpoint customers are earned on a per transaction basis and are included within the interchange revenue category.

- *Managed services revenue.* Under a managed service arrangement, we offer ATM-related services depending on the needs of our customers, including monitoring, maintenance, cash management, cash delivery, customer service, transaction processing, and other services. Our customers, who include retailers and financial institutions, may also at times request that we own the ATMs. Under a managed services arrangement, all of the surcharge and interchange fees are earned by our customer, whereas we typically receive a fixed management fee per ATM and/or a fixed fee per transaction in return for providing agreed-upon service or suite of services. Managed services arrangements allow our customers to have greater flexibility to control the profitability per ATM by managing the surcharge fee. For financial institutions, we have recently expanded our services and now provide managed service solutions for both their on-branch and off-branch ATMs. Currently, we offer managed services in the U.S., Canada, and Australia.

- *Other revenue*. In addition to the above, we also earn ATM operating revenues from transaction processing for third party ATM operators, advertising revenues, professional services, and other fees. The Company typically recognizes these revenues as the services are provided and the revenues earned.

The following table presents the components of our total ATM operating revenues:

	Year Ended December 31,		
	2017	**2016**	**2015**
Surcharge revenue	45.7 %	40.1 %	40.9 %
Interchange revenue	32.7	37.3	37.3
Bank-branding and surcharge-free network revenues	13.2	15.7	15.3
Other revenues, including managed services	8.4	6.9	6.5
Total ATM operating revenues	100.0 %	100.0 %	100.0 %

ATM product sales and other revenues. We present revenues from the sale of ATMs and ATM-related equipment and other non-transaction-based revenues in the ATM product sales and other revenues line item in the accompanying Consolidated Statements of Operations. These revenues consist primarily of sales of ATMs and ATM-related equipment to merchants operating under merchant-owned arrangements, as well as sales under our value-added reseller ("VAR") program with NCR. Under our VAR program, we primarily sell ATMs to associate VARs who in turn resell the ATMs to various financial institutions throughout the U.S. in territories authorized by the equipment manufacturer. We expect to continue to derive a portion of our revenues from sales of ATMs and ATM-related equipment in the future.

Cost of Revenues

Our cost of revenues primarily consist of the costs directly associated with the transactions completed on our network of ATMs. These costs include merchant commissions, vault cash rental expense, other cost of cash, repairs and maintenance expense, communications expense, transaction processing fees, and direct operations expense. To a lesser extent, cost of revenues also includes those costs associated with the sales of ATMs and ATM-related equipment and providing certain services to third parties. The following is a description of our primary cost of revenues categories:

- *Merchant commissions.* We pay our merchants a fee for allowing us an exclusive right to place our ATM at their location. That fee amount depends on a variety of factors, including the type of arrangement under which the ATM is placed, the type of location, and the number of transactions on that ATM.

- *Vault cash rental expense.* We pay monthly fees to our vault cash providers for renting the vault cash that is maintained in our ATMs. The fees we pay under our arrangements with our vault cash providers are based on market rates of interest; therefore, changes in the general level of interest rates affect our cost of cash. In order to limit our exposure to increases in interest rates, we have entered into a number of interest rate swap contracts of varying notional amounts through 2022 for our U.S. and U.K. current and anticipated outstanding vault cash rental obligations.

- *Other costs of cash.* Other costs of cash includes all costs associated with the provision of cash for our ATMs except for vault cash rental expense, including third-party armored courier services, cash insurance, reconciliation of ATM cash balances, associated wire fees, and other costs. This category excludes the cost of our wholly-owned armored courier operation in the U.K., as those costs are reported in the Other expenses line item described below.

- *Repairs and maintenance.* Depending on the type of arrangement with the merchant, we may be responsible for first and/or second line maintenance for the ATM. In most of our markets, we generally use third-parties with national operations to provide these services. In the U.K., Australia, Canada, and South Africa, we maintain in-house technicians to service our ATMs, and those costs are reported in the Other expenses line item described below.

- *Communications.* Under our Company-owned arrangements, we are usually responsible for the expenses associated with providing telecommunications capabilities to the ATMs, allowing them to connect with the applicable EFT networks.

- *Transaction processing.* We own and operate EFT transaction processing platforms, through which the majority of our ATMs are driven and monitored. We also utilize third-party processors to gateway certain transactions to the EFT networks for authorization by the cardholders' financial institutions and to settle transactions. As a result of our past acquisitions, we have inherited transaction processing contracts with certain third-party providers that have varying lengths of remaining contractual terms. Over the next couple of years, we plan to convert the majority of our ATMs currently operating under these contracts to our own EFT transaction processing platforms.

- *Other expenses.* Other expenses primarily consist of direct operations expenses, which are costs associated with managing our ATM network, including expenses for monitoring the ATMs, program managers, technicians, cash ordering and forecasting personnel, cash-in-transit and maintenance engineers (principally in the U.K., Canada, and Australia), and customer service representatives.

- *Cost of ATM product sales.* In connection with the sale of ATM and ATM-related equipment to merchants and distributors, we incur costs associated with purchasing the ATM equipment from manufacturers, as well as delivery and installation expenses. Additionally, this category includes costs related to providing maintenance services to third-party customers in the U.K.

The following table presents the components of our total cost of ATM operating revenues:

	Year Ended December 31,		
	2017	**2016**	**2015**
Merchant commissions	50.3 %	47.3 %	47.7 %
Vault cash rental	8.1	9.3	9.6
Other costs of cash	10.0	10.3	9.9
Repairs and maintenance	8.7	9.7	9.6
Communications	4.0	4.1	4.3
Transaction processing	2.4	2.1	2.1
Stock-based compensation	0.1	0.1	0.2
Employee costs	8.4	8.7	9.6
Other expenses	8.0	8.4	7.0
Total cost of ATM operating revenues	100.0 %	100.0 %	100.0 %

We define variable costs as those that vary based on transaction levels. The majority of Merchant commissions, Vault cash rental expense, and Other costs of cash fall under this category. The other categories of Cost of ATM operating revenues are mostly fixed in nature, meaning that any significant decrease in transaction volumes would lead to a decrease in the profitability of our operations, unless there was an offsetting increase in per transaction revenues or decrease in our fixed costs. Although the majority of our operating costs are variable in nature, an increase in transaction volumes may lead to an increase in the profitability of our operations due to the economies of scale obtained through increased leveraging of our fixed costs and incremental preferential pricing obtained from our vendors. We exclude depreciation, accretion, and amortization of intangible assets related to ATMs and ATM-related assets from our Cost of ATM operating revenues line item in the accompanying Consolidated Statements of Operations.

The profitability of any particular location, and of our entire ATM operation, is attributable a combination of surcharge, interchange, bank-branding and surcharge-free network revenues, and managed services revenues, as well as the level of our related costs. Accordingly, material changes in our surcharge or interchange revenues may be offset and in some cases more than offset by bank-branding revenues, surcharge-free network fees, managed services revenues or other ancillary revenues, or by changes in our cost structure.

Other operating expenses

Our Other operating expenses include selling, general, and administrative expenses related to salaries, benefits, advertising and marketing, professional services, and overhead. Acquisition and divestiture-related expenses, redomicile-related expenses, restructuring expenses, depreciation and accretion of the ATMs, ATM-related assets, and other assets that we own, amortization of our acquired merchant and bank-branding contracts/relationships, and other amortizable intangible assets are also components of our Other operating expenses. We depreciate our ATMs and ATM-related equipment on a straight-line basis over the estimated life of such equipment and amortize the value of acquired intangible assets over the estimated lives of such assets.

Results of Operations

The following table reflects line items from the accompanying Consolidated Statements of Operations as a percentage of total revenues for the periods indicated. Percentages may not add due to rounding.

	Year Ended December 31,					
	2017		2016		2015	
Revenues:						
ATM operating revenues	$ 1,451,372	96.3 %	$ 1,212,863	95.9 %	$ 1,134,021	94.5 %
ATM product sales and other revenues	56,227	3.7	52,501	4.1	66,280	5.5
Total revenues	1,507,599	100.0	1,265,364	100.0	1,200,301	100.0
Cost of revenues:						
Cost of ATM operating revenues (excludes depreciation, accretion, and amortization of intangible assets reported separately below. See *Note 1(d)*)	951,670	63.1	768,200	60.7	720,925	60.1
Cost of ATM product sales and other revenues	47,450	3.1	45,887	3.6	62,012	5.2
Total cost of revenues	999,120	66.3	814,087	64.3	782,937	65.2
Operating expenses:						
Selling, general, and administrative expenses	174,237	11.6	153,782	12.2	140,501	11.7
Redomicile-related expenses	782	0.1	13,747	1.1	—	—
Restructuring expenses	10,354	0.7	—	—	—	—
Acquisition and divestiture-related expenses	18,917	1.3	9,513	0.8	27,127	2.3
Goodwill and intangible asset impairment	194,521	12.9	—	—	—	—
Depreciation and accretion expense	122,036	8.1	90,953	7.2	85,030	7.1
Amortization of intangible assets	57,866	3.8	36,822	2.9	38,799	3.2
Loss (gain) on disposal and impairment of assets	33,275	2.2	81	—	(14,010)	(1.2)
Total operating expenses	611,988	40.6	304,898	24.1	277,447	23.1
(Loss) income from operations	(103,509)	(6.9)	146,379	11.6	139,917	11.7
Other expense:						
Interest expense, net	35,036	2.3	17,360	1.4	19,451	1.6
Amortization of deferred financing costs and note discount	12,574	0.8	11,529	0.9	11,363	0.9
Other expense (income)	3,524	0.2	2,958	0.2	3,780	0.3
Total other expense	51,134	3.4	31,847	2.5	34,594	2.9
(Loss) income before income taxes	(154,643)	(10.3)	114,532	9.1	105,323	8.8
Income tax (benefit) expense	(9,292)	(0.6)	26,622	2.1	39,342	3.3
Net (loss) income	(145,351)	(9.6)	87,910	6.9	65,981	5.5
Net (loss) income attributable to noncontrolling interests	(1)	—	(81)	—	(1,099)	(0.1)
Net (loss) income attributable to controlling interests and available to common shareholders	$ (145,350)	(9.6)%	$ 87,991	7.0 %	$ 67,080	5.6 %

(1) Excludes effects of depreciation, accretion, and amortization of intangible assets of $148.0 million, $107.5 million, and $103.5 million for the years ended December 31, 2017, 2016, and 2015, respectively. See *Item 8. Financial Statements and Supplementary Data, Note 1. Basis of Presentation and Summary of Significant Accounting Policies - (d) Cost of ATM Operating Revenues Presentation.* The inclusion of this depreciation, accretion, and amortization of intangible assets in Cost of ATM operating revenues would have increased our Cost of ATM operating revenues as a percentage of total revenues by 9.8%, 8.5%, and 8.6% for the years ended December 31, 2017, 2016, and 2015, respectively.

(2) Includes share-based compensation expense of $13.9 million, $20.6 million, and $18.2 million for the years ended December 31, 2017, 2016, and 2015, respectively.

Key Operating Metrics

The following table reflects certain key measures that management uses to gauge our operating performance for the periods indicated, ***including*** the effect of the acquisitions:

	Year Ended December 31, 2017	% Change	2016
Average number of transacting ATMs:			
North America	51,472	*13.6 %*	45,311
Europe & Africa	25,678	*47.2*	17,445
Australia & New Zealand	8,752	*n/m*	—
Total Company-owned	85,902	*36.9*	62,756
North America (1)	15,141	*(2.8)*	15,575
Europe & Africa	616	*n/m*	—
Australia & New Zealand	103	*n/m*	—
Total Merchant-owned	15,860	*1.8*	15,575
Average number of transacting ATMs – ATM operations	101,762	*29.9*	78,331
Managed Services and Processing:			
North America	130,687	*8.8*	120,119
Australia & New Zealand	1,883	*n/m*	—
Average number of transacting ATMs – Managed services and processing	132,570	*10.4*	120,119
Total average number of transacting ATMs	234,332	*18.1*	198,450
Total transactions *(in thousands)*:			
ATM operations	1,495,586	*10.1*	1,358,409
Managed services and processing, net	1,057,999	*51.2*	699,681
Total transactions	2,553,585	*24.1*	2,058,090
Total cash withdrawal transactions *(in thousands)*:			
ATM operations	956,919	*12.8*	848,394
Per ATM per month amounts (excludes managed services and processing):			
Cash withdrawal transactions	784	*(13.2)*	903
ATM operating revenues (2)	$ 1,107	*(9.3)*	$ 1,221
Cost of ATM operating revenues (2)(3)	739	*(4.9)*	777
ATM adjusted operating gross profit (2) (3)	$ 368	*(17.1)%*	$ 444
ATM adjusted operating gross profit margin (2) (3)	33.2 %		36.4 %

(1) Certain ATMs previously reported in this category are now included in the United States: Managed services and processing and United States: Company-owned categories.

(2) ATM operating revenues and Cost of ATM operating revenues relating to managed services, processing, ATM equipment sales, and other ATM-related services are not included in this calculation.

(3) Amounts presented exclude the effect of depreciation, accretion, and amortization of intangible assets, which is presented separately in the accompanying Consolidated Statements of Operations. See *Item 8. Financial Statements and Supplementary Data, Note 1. Basis of Presentation and Summary of Significant Accounting Policies - (d) Cost of ATM Operating Revenues Presentation*.

The following table reflects certain key measures that management uses to gauge our operating performance for the periods indicated, ***excluding*** the effect of the acquisitions:

	Year Ended December 31, 2017	% Change	2016
Average number of transacting ATMs:			
North America	44,330	*(2.2)%*	45,311
Europe & Africa	18,221	*4.4*	17,445
Total Company-owned	62,551	*(0.3)*	62,756
North America [1]	12,216	*(21.6)*	15,575
Total Merchant-owned	12,216	*(21.6)*	15,575
Average number of transacting ATMs – ATM operations	74,767	*(4.5)*	78,331
Managed Services and Processing:			
North America	129,345	*7.7*	120,119
Average number of transacting ATMs – Managed services and processing	129,345	*7.7*	120,119
Total average number of transacting ATMs	204,112	*2.9*	198,450
Total transactions *(in thousands)*:			
ATM operations	1,317,111	*(3.0)*	1,358,409
Managed services and processing, net	690,095	*(1.4)*	699,681
Total transactions	2,007,206	*(2.5)*	2,058,090
Total cash withdrawal transactions *(in thousands)*:			
ATM operations	814,253	*(4.0)*	848,394
Per ATM per month amounts (excludes managed services and processing):			
Cash withdrawal transactions	908	*0.6*	903
ATM operating revenues [2]	$ 1,228	*0.6*	$ 1,221
Cost of ATM operating revenues [2][3]	798	*2.7*	777
ATM adjusted operating gross profit [2][3]	$ 430	*(3.2)%*	$ 444
ATM operating gross profit margin [2][3]	35.0 %		36.4 %

(1) Certain ATMs previously reported in this category are now included in the United States: Managed services and processing and United States: Company-owned categories.

(2) ATM operating revenues and Cost of ATM operating revenues relating to managed services, processing, ATM equipment sales, and other ATM-related services are not included in this calculation.

(3) Amounts presented exclude the effect of depreciation, accretion, and amortization of intangible assets, which is reported separately in the accompanying Consolidated Statements of Operations. See *Item 8. Financial Statements and Supplementary Data, Note 1. Basis of Presentation and Summary of Significant Accounting Policies – (d) Cost of ATM Operating Revenues Presentation*.

Revenues

	Year Ended December 31,				
	2017	% Change	2016	% Change	2015
	(In thousands, excluding percentages)				
North America					
ATM operating revenues	$ 932,962	*8.3 %*	$ 861,339	*8.0 %*	$ 797,809
ATM product sales and other revenues	47,424	*0.8*	47,058	*25.4*	37,541
North America total revenues	980,386	*7.9*	908,397	*8.7*	835,350
Europe & Africa					
ATM operating revenues	396,229	*9.5*	361,967	*4.5*	346,347
ATM product sales and other revenues	8,603	*58.1*	5,443	*(81.1)*	28,739
Europe & Africa total revenues	404,832	*10.2*	367,410	*(2.0)*	375,086
Australia & New Zealand					
ATM operating revenues	132,581	*n/m*	—	*n/m*	—
ATM product sales and other revenues	331	*n/m*	—	*n/m*	—
Australia & New Zealand total revenues	132,912	*n/m*	—	*n/m*	—
Eliminations	(10,531)	*0.8*	(10,443)	*3.0*	(10,135)
Total ATM operating revenues	1,451,372	*19.7*	1,212,863	*7.0*	1,134,021
Total ATM product sales and other revenues	56,227	*7.1*	52,501	*(20.8)*	66,280
Total revenues	$ 1,507,599	*19.1 %*	$ 1,265,364	*5.4 %*	$ 1,200,301

ATM operating revenues. ATM operating revenues during the years ended December 31, 2017 and 2016 increased $238.5 million and $78.8 million, respectively, compared to the prior years. The following tables detail, by segment, the changes in the various components of ATM operating revenues for the periods indicated:

	Year Ended December 31,			
	2017	2016	Change	% Change
	(In thousands, excluding percentages)			
North America				
Surcharge revenues	$ 442,271	$ 383,610	$ 58,661	*15.3 %*
Interchange revenues	197,042	202,462	(5,420)	*(2.7)*
Bank-branding and surcharge-free network revenues	191,016	190,206	810	*0.4*
Managed services revenues	49,727	33,491	16,236	*48.5*
Other revenues	52,906	51,570	1,336	*2.6*
North America total ATM operating revenues	932,962	861,339	71,623	*8.3*
Europe & Africa				
Surcharge revenues	113,052	102,619	10,433	*10.2*
Interchange revenues	272,502	250,274	22,228	*8.9*
Other revenues	10,675	9,074	1,601	*17.6*
Europe & Africa total ATM operating revenues	396,229	361,967	34,262	*9.5*
Australia & New Zealand				
Surcharge revenues	108,224	—	108,224	*n/m*
Interchange revenues	4,416	—	4,416	*n/m*
Bank-branding and surcharge-free network revenues	86	—	86	*n/m*
Managed services revenues	15,024	—	15,024	*n/m*
Other revenues	4,831	—	4,831	*n/m*
Australia & New Zealand total ATM operating revenues	132,581	—	132,581	*n/m*
Eliminations	(10,400)	(10,443)	43	*(0.4)*
Total ATM operating revenues	$ 1,451,372	$ 1,212,863	$ 238,509	*19.7 %*

	Year Ended December 31,			
	2016	2015	Change	% Change
	(In thousands, excluding percentages)			
North America				
Surcharge revenues	$ 383,610	$ 357,549	$ 26,061	*7.3 %*
Interchange revenues	202,462	189,745	12,717	*6.7*
Bank-branding and surcharge-free network revenues	190,206	172,965	17,241	*10.0*
Managed services revenues	33,491	34,432	(941)	*(2.7)*
Other revenues	51,570	43,118	8,452	*19.6*
North America total ATM operating revenues	861,339	797,809	63,530	*8.0*
Europe				
Surcharge revenues	102,619	106,769	(4,150)	*(3.9)*
Interchange revenues	250,274	233,103	17,171	*7.4*
Other revenues	9,074	6,475	2,599	*40.1*
Europe total ATM operating revenues	361,967	346,347	15,620	*4.5*
Eliminations	(10,443)	(10,135)	(308)	*3.0*
Total ATM operating revenues	$ 1,212,863	$ 1,134,021	$ 78,842	*7.0*

North America. During the year ended December 31, 2017, our ATM operating revenues in our North America operations, which includes our operations in the U.S., Canada, Mexico, and Puerto Rico, increased $71.6 million compared to the prior year. This increase was primarily attributable to higher revenue in Canada and Mexico resulting from the DCPayments acquisition. The revenue increase was partially offset by the loss of 7-Eleven in the U.S. We estimate that the loss of 7-Eleven, beginning in July 2017, negatively impacted ATM operating revenues by approximately $36.7 million, when compared to the same period of the prior year.

During the year ended December 31, 2016, our ATM operating revenues in North America increased $63.5 million compared to the prior year. This increase was primarily attributable to a combination of recent acquisitions and organic growth in the U.S. The increases were driven by (i) surcharge and interchange revenues primarily as a result of an acquisition completed in early 2016, (ii) an increase in bank-branding and surcharge-free network revenues, resulting primarily from the continued growth of participating financial institutions and participation in our Allpoint network, and (iii) slightly higher per transaction surcharge rates. Our Canada and Mexico operations did not contribute appreciably to our revenue growth during the period.

For additional information related to recent trends that have impacted, and may continue to impact, the revenues from our North America operations, see *Developing Trends and Recent Events - Withdrawal transaction and revenue trends - U.S.* above.

Europe & Africa. During the year ended December 31, 2017, our ATM operating revenues in our Europe & Africa operations, which includes our operations in the U.K., Ireland, Germany, Spain, South Africa, and the recently exited Poland, as well as i-design, increased by $34.3 million compared to the prior year. Our ATM operating revenues would have been higher by approximately $16.1 million, or an additional 4.1%, absent adverse foreign currency exchange rate movements relative to 2016. Excluding the foreign currency exchange rate movements, the increase was primarily attributable to the Spark (South Africa) and DCPayments (the U.K. component of the business) acquisitions, as well as organic ATM operating revenue growth, driven by an increase in the number of transacting ATMs related to recent ATM placement agreements with new merchants, partially offset by lower same-store transactions in the U.K. For additional information related to our constant-currency calculations, see *Non-GAAP Financial Measures* below.

During the year ended December 31, 2016, our ATM operating revenues in our Europe operations increased by $15.6 million compared to the prior year. The increase was attributable to strong organic ATM operating revenue growth, driven by an increase in the number of transacting ATMs related to recent ATM placement agreements with new merchants, higher interchange rates in the U.K., and to a lesser extent, acquisition related growth. For additional information related to our constant-currency calculations, see *Non-GAAP Financial Measures* below.

For additional information related to recent trends that have impacted, and may continue to impact, the revenues from our Europe operations, see *Developing Trends and Recent Events - Withdrawal transaction and revenue trends - U.K.* above.

Australia & New Zealand. During the year ended December 31, 2017, our ATM operating revenues in our Australia & New Zealand segment were $132.6 million, all of which was attributable to the DCPayments acquisition, as we did not previously have operations in Australia or New Zealand. The DCPayments acquisition was completed on January 6, 2017, and our results for the year ended December 31, 2017 reflect the ATM operating revenues from this date.

ATM product sales and other revenues. During the year ended December 31, 2017, our ATM product sales and other revenues increased $3.7 million compared to the prior year. The increase was primarily related to additional equipment sales in our North America and Europe & Africa segments, driven by the DCPayments acquisition and their impact on Canada and the U.K.

During the year ended December 31, 2016, our ATM product sales and other revenues decreased $13.8 million compared to the prior year. This decrease was primarily attributable to our 2015 divestiture of the retail cash-in-transit component of the previously acquired Sunwin business in the U.K., which was included in our 2015 financial results.

Cost of Revenues (exclusive of depreciation, accretion, and amortization of intangible assets)

	Year Ended December 31,				
	2017	**% Change**	**2016**	**% Change**	**2015**
	(In thousands, excluding percentages)				
North America					
Cost of ATM operating revenues	$ 618,379	*13.1 %*	$ 546,544	*10.5 %*	$ 494,423
Cost of ATM product sales and other revenues	39,775	*(12.9)*	45,646	*21.4*	37,590
North America total cost of revenue	658,154	*11.1*	592,190	*11.3*	532,013
Europe & Africa					
Cost of ATM operating revenues	244,647	*5.8*	231,223	*(1.8)*	235,467
Cost of ATM product sales and other revenues	5,472	*n/m*	241	*n/m*	24,422
Europe & Africa total cost of revenues	250,119	*8.1*	231,464	*(10.9)*	259,889
Australia & New Zealand					
Cost of ATM operating revenues	94,147	*n/m*	—	*n/m*	—
Cost of ATM product sales and other revenues	2,326	*n/m*	—	*n/m*	—
Australia & New Zealand total cost of revenues	96,473	*n/m*	—	*n/m*	—
Corporate					
Corporate total cost of revenues	1,146	*31.0*	875	*(28.2)*	1,218
Eliminations	(6,772)	*(35.1)*	(10,442)	*2.5*	(10,184)
Cost of ATM operating revenues	951,670	*23.9*	768,200	*6.6*	720,924
Cost of ATM product sales and other revenues	47,450	*3.4*	45,887	*(26.0)*	62,012
Total cost of revenues	$ 999,120	*22.7 %*	$ 814,087	*4.0 %*	$ 782,936

Cost of ATM operating revenues (exclusive of depreciation, accretion, and amortization of intangible assets). Cost of ATM operating revenues (exclusive of depreciation, accretion, and amortization of intangible assets) for the years ended December 31, 2017 and 2016, respectively, increased $183.5 million and $47.3 million, compared to the prior years. The following tables detail, by segment, changes in the various components of the cost of ATM operating revenues (exclusive of depreciation, accretion, and amortization of intangible assets) for the periods indicated:

	Year Ended December 31,			
	2017	**2016**	**Change**	**% Change**
	(In thousands, excluding percentages)			
Cost of ATM operating revenues				
North America				
Merchant commissions	$ 317,535	$ 266,050	$ 51,485	*19.4 %*
Vault cash rental	54,911	60,724	(5,813)	*(9.6)*
Other costs of cash	69,516	63,217	6,299	*10.0*
Repairs and maintenance	60,718	56,988	3,730	*6.5*
Communications	21,162	21,143	19	*0.1*
Transaction processing	8,270	6,840	1,430	*20.9*
Employee costs	33,340	29,311	4,029	*13.7*
Other expenses	52,927	42,271	10,656	*25.2*
North America total cost of ATM operating revenues	618,379	546,544	71,835	*13.1*
Europe & Africa				
Merchant commissions	106,522	97,611	8,911	*9.1*
Vault cash rental	13,603	10,349	3,254	*31.4*
Other costs of cash	17,057	15,640	1,417	*9.1*
Repairs and maintenance	14,142	17,315	(3,173)	*(18.3)*
Communications	12,032	10,236	1,796	*17.5*
Transaction processing	17,224	17,810	(586)	*(3.3)*
Employee costs	40,589	37,755	2,834	*7.5*
Other expenses	23,478	24,507	(1,029)	*(4.2)*
Europe & Africa total cost of ATM operating revenues	244,647	231,223	13,424	*5.8*
Australia & New Zealand				
Merchant commissions	54,449	—	54,449	*n/m*
Vault cash rental	8,987	—	8,987	*n/m*
Other costs of cash	8,828	—	8,828	*n/m*
Repairs and maintenance	8,188	—	8,188	*n/m*
Communications	4,583	—	4,583	*n/m*
Transaction processing	2,447	—	2,447	*n/m*
Employee costs	5,575	—	5,575	*n/m*
Other expenses	1,090	—	1,090	*n/m*
Australia & New Zealand total cost of ATM operating revenues	94,147	—	94,147	*n/m*
Corporate	1,146	875	271	*31.0*
Eliminations	(6,649)	(10,442)	3,793	*(36.3)*
Total cost of ATM operating revenues	$ 951,670	$ 768,200	$ 183,470	*23.9 %*

	Year Ended December 31,			
	2016	2015	Change	% Change
	(In thousands, excluding percentages)			
Cost of ATM operating revenues				
North America				
Merchant commissions	$ 266,050	$ 243,908	$ 22,142	*9.1 %*
Vault cash rental	60,724	56,716	4,008	*7.1*
Other costs of cash	63,217	57,613	5,604	*9.7*
Repairs and maintenance	56,988	48,819	8,169	*16.7*
Communications	21,143	19,934	1,209	*6.1*
Transaction processing	6,840	6,252	588	*9.4*
Employee costs	29,311	25,429	3,882	*15.3*
Other expenses	42,271	35,752	6,519	*18.2*
North America total cost of ATM operating revenues	546,544	494,423	52,121	*10.5*
Europe				
Merchant commissions	97,611	99,630	(2,019)	*(2.0)*
Vault cash rental	10,349	12,347	(1,998)	*(16.2)*
Other costs of cash	15,640	14,074	1,566	*11.1*
Repairs and maintenance	17,315	20,086	(2,771)	*(13.8)*
Communications	10,236	11,212	(976)	*(8.7)*
Transaction processing	17,810	17,449	361	*2.1*
Employee costs	37,755	43,929	(6,174)	*(14.1)*
Other expenses	24,507	16,740	7,767	*46.4*
Europe total cost of ATM operating revenues	231,223	235,467	(4,244)	*(1.8)*
Corporate	875	1,219	(344)	*(28.2)*
Eliminations	(10,442)	(10,184)	(258)	*2.5*
Total cost of ATM operating revenues	$ 768,200	$ 720,925	$ 47,275	*6.6 %*

North America. During the year ended December 31, 2017, our cost of ATM operating revenues (exclusive of depreciation, accretion, and amortization of intangible assets) increased $71.8 million compared to the prior year. The increase was attributable to the following: (i) incremental costs in Canada and Mexico resulting from the DCPayments acquisition, (ii) higher other cost of cash in the U.S. driven by charges from networks associated with suspected fraudulent transactions following the EMV liability shift on the MasterCard network, (iii) higher maintenance costs in the U.S. related primarily to recent software upgrades at certain Company-owned ATMs, and (iv) higher merchant commission expense associated with our recent contract renewals. These increases were partially offset by a decrease in vault cash rental expense in the U.S. as a result of vault cash interest savings associated with lower fixed rates and notional amounts outstanding on our interest rate swaps. Additionally, as the ATMs at 7-Eleven locations were removed during the latter part of 2017, our operating expenses associated with these locations were reduced.

During the year ended December 31, 2016, our cost of ATM operating revenues (exclusive of depreciation, accretion, and amortization of intangible assets) increased $52.1 million compared to the prior year. The increase was driven primarily by revenue growth, including an acquisition in early 2016, and higher merchant commissions expense associated with contract renewals.

Europe & Africa. During the year ended December 31, 2017, our cost of ATM operating revenues (exclusive of depreciation, accretion, and amortization of intangible assets) increased $13.4 million compared to the prior year. Excluding foreign currency exchange rate movements, our cost of ATM operating revenues (exclusive of depreciation, accretion, and amortization of intangible assets) increased $23.5 million, or 10%. The increase is consistent with the increase in ATM operating revenues (also on a constant-currency basis) during the period. For additional information related to our constant-currency calculations, see *Non-GAAP Financial Measures* below. Excluding the foreign currency exchange rate movements, the increase was fairly consistent with the increase in revenues (also on a constant-currency basis) during the period. Additionally, we continued to realize operational efficiencies across our maintenance and cash replenishment functions.

During the year ended December 31, 2016, our cost of ATM operating revenues (exclusive of depreciation, accretion, and amortization of intangible assets) decreased $4.2 million compared to the prior year. Adjusting for changes in foreign currency exchange rates, our cost of ATM operating revenues (exclusive of depreciation, accretion, and amortization of intangible assets) were up $23.7 million, or 10.1%. Excluding the foreign currency exchange rate movements, the increase is fairly consistent with the increase in revenues (also on a constant-currency basis) during the period. Additionally, we continued to realize operational efficiencies across our maintenance and cash replenishment functions.

Australia & New Zealand. For the year ended December 31, 2017, our cost of ATM operating revenues (exclusive of depreciation, accretion, and amortization of intangible assets) in our Australia & New Zealand segment were $94.1 million, all of which was attributable to the DCPayments acquisition, as we did not previously have operations in Australia or New Zealand. The DCPayments acquisition was completed on January 6, 2017, and our results for the year ended December 31, 2017 reflect the cost of ATM operating revenues (exclusive of depreciation, accretion, and amortization of intangible assets) from this date.

Cost of ATM product sales and other revenues. During the year ended December 31, 2017, our cost of ATM product sales and other revenues increased $1.6 million compared to the prior year. This increase was consistent with the increase in related revenues as discussed above.

During the year ended December 31, 2016, our cost of ATM product sales and other revenues decreased $16.1 million. This decrease was also consistent with the decrease in related revenues, as discussed above.

Selling, General, and Administrative Expenses

	Year Ended December 31,				
	2017	**% Change**	**2016**	**% Change**	**2015**
	(In thousands, excluding percentages)				
Selling, general, and administrative expenses	$ 160,385	*20.4 %*	$ 133,227	*9.0 %*	$ 122,265
Share-based compensation expense	13,852	*(32.6)*	20,555	*12.7*	18,236
Total selling, general, and administrative expenses	$ 174,237	*13.3 %*	$ 153,782	*9.5 %*	$ 140,501
Percentage of total revenues:					
Selling, general, and administrative expenses	10.6 %		10.5 %		10.2 %
Share-based compensation expense	0.9		1.6		1.5
Total selling, general, and administrative expenses	11.6 %		12.2 %		11.7 %

Selling, general, and administrative expenses (“SG&A expenses”), excluding share-based compensation. SG&A expenses, excluding share-based compensation, increased $27.2 million during the year ended December 31, 2017 compared to the prior year. The increase was primarily driven by additional SG&A expenses associated with the acquisitions completed during 2017, partially offset by the savings derived from our Restructuring Plan.

SG&A expenses, excluding share-based compensation, increased $11.0 million during the year ended December 31, 2016 compared to the prior year. This increase was attributable to the following: (i) higher payroll-related costs compared to the same period in 2015 due to increased headcount, (ii) higher professional expenses primarily related to our business growth initiatives, and (iii) increased costs related to strengthening our information technology and product development organizations.

Share-based compensation. Share-based compensation decreased $6 . 7 million during the year ended December 31, 2017 compared to the prior year, partially attributable to a higher level of forfeitures during the period as a result of our Restructuring Plan and the associated employee terminations. The employee terminations resulted in the net reversal of $1.5 million in share-based compensation expense during the three months ended March 31, 2017. Additionally, we recognized a lower estimated level of payout for the performance-based share awards in 2017 compared to the prior year.

Share-based compensation increased $2.3 million during the year ended December 31, 2016 compared to the prior year, due to the timing and amount of grants made during the applicable periods and higher than anticipated company performance relative to targets for performance-based awards in 2016. For additional information related to equity awards, see *Item 8. Financial Statements and Supplementary Data, Note 3. Share-Based Compensation*.

Redomicile-related Expenses

Redomicile-related expenses. As a result of the Redomicile Transaction, we incurred $0.8 million and $13.7 million in redomicile-related expenses during the years ended December 31, 2017 and 2016, respectively. For additional information, see *Developing Trends and Recent Events - Redomicile to the U.K.* above.

Restructuring Expenses

Restructuring expenses. During 2017, the Company initiated a Restructuring Plan intended to improve its cost structure and operating efficiency. The Restructuring Plan included workforce reductions, facilities closures, and other cost reduction measures.

During the three months ended March 31, 2017, the Company incurred $8.2 million of pre-tax expenses related to the Restructuring Plan. These expenses included employee severance costs of $8.0 million and an immaterial amount of lease termination costs. During the three months ended December 31, 2017, the Company amended the Restructuring Plan and recognized an additional $2.2 million of pre-tax expenses primarily related to our previously announced wind down of operations in Poland. These costs are reflected in the Restructuring expenses line item in the accompanying Consolidated Statements of Operations and include contract termination costs related to our merchant, bank sponsorship, lease and other agreements as well as employee severance costs. For additional information, see *Item 8. Financial Statements and Supplementary Data, Note 1. Basis of Presentation and Summary of Significant Accounting – (f) Restructuring Expenses.*

Acquisition and Divestiture-related Expenses

	Year Ended December 31,				
	2017	**% Change**	**2016**	**% Change**	**2015**
	(In thousands, excluding percentages)				
Acquisition and divestiture-related expenses	$ 18,917	*98.9 %*	$ 9,513	*(64.9)%*	$ 27,127
Percentage of total revenues	1.3 %		0.8 %		2.3 %

Acquisition and divestiture-related expenses. Acquisition and divestiture-related expenses increased $9.4 million during the year ended December 31, 2017 compared to the prior year. This increase was driven by the professional services and other costs associated with the completion and integration of the acquisitions completed during January 2017.

Acquisition and divestiture-related expenses decreased $17.6 million during the year-ended December 31, 2016 compared 2015. Acquisition and divestiture expenses in 2015 included significant costs incurred associated with our retail cash-in-transit divestiture in the U.K. and the CDS acquisition. The 2016 amounts relate to professional fees associated with the acquisitions completed in early 2017 and employee severance costs associated with the divestiture.

During 2015, we completed the acquisition of CDS and the divestiture of a portion of the Sunwin business in the U.K., both of which drove a significant amount of acquisition and divestiture-related expenses in that year, together with some integration-related costs associated with our 2014 acquisition of Sunwin.

For additional information, see *Developing Trends and Recent Events - Acquisitions* and *Developing Trends and Recent Events - Divestitures* above.

Goodwill and Intangible Asset Impairment

Goodwill and intangible asset impairment. In September 2017, as a result of an unexpected event in Australia whereby the four largest Australian banks removed direct charges to all users at their ATMs, we recognized $140.0 million and $54.5 million in impairment charges to reduce the carrying values of goodwill and intangible assets, respectively, associated with our Australia & New Zealand segment. For additional information related to this unexpected market shift in Australia and the results of our testing as of December 31, 2017, see *Item 8. Financial Statements and Supplementary Data, Note 1. Basis of Presentation and Summary of Significant Accounting – (l) Intangible Assets Other than Goodwill and (m) Goodwill.*

Depreciation and Accretion Expense

	Year Ended December 31,				
	2017	% Change	2016	% Change	2015
	(In thousands, excluding percentages)				
Depreciation and accretion expense	$ 122,036	*34.2 %*	$ 90,953	*7.0 %*	$ 85,030
Percentage of total revenues	8.1 %		7.2 %		7.1 %

Depreciation and accretion expense. For the year ended December 31, 2017, depreciation and accretion expense increased $31.1 million, or 34.2%, compared to the prior year. This increase was primarily driven by the assets we acquired in the acquisitions completed during January 2017, and to a lesser extent, incremental depreciation expense associated with our recent U.S. ATM upgrades and replacements.

Depreciation and accretion expense increased $5.9 million during the year ended December 31, 2016 compared to the prior year, primarily attributable to increased deployment of new and replacement Company-owned ATMs and acquisitions in recent periods.

Amortization of Intangible Assets

	Year Ended December 31,				
	2017	% Change	2016	% Change	2015
	(In thousands, excluding percentages)				
Amortization of intangible assets	$ 57,866	*57.2 %*	$ 36,822	*(5.1)%*	$ 38,799
Percentage of total revenues	3.8 %		2.9 %		3.2 %

Amortization of intangible assets. The increase in amortization of intangible assets of $21.0 million for the year ended December 31, 2017 compared to the prior year, was driven by the additional intangible assets that were recognized in connection with the acquisitions completed during January 2017.

The slight decrease in amortization of intangible assets of $2.0 million for the year ended December 31, 2016 compared to the prior year, was primarily attributable to certain assets becoming fully amortized during 2015.

Loss (Gain) on Disposal and Impairment of Assets

	Year Ended December 31,				
	2017	% Change	2016	% Change	2015
	(In thousands, excluding percentages)				
Loss (gain) on disposal and impairment of assets	$ 33,275	*n/m*	$ 81	*n/m* %	$ (14,010)
Percentage of total revenues	2.2 %		— %		(1.2)%

Loss (gain) on disposal and impairment of assets. For the year ended December 31, 2017, the loss on disposal and impairment of assets was $33.3 million. The increase relative to the prior periods was primarily a result of an unexpected market shift in Australia following the announcement by the country's four largest banks that they will remove direct charges to all consumers at their ATMs. Following this announcement, we recognized $21.5 million in impairment charges to reduce the carrying values of certain long-lived assets and adjust the inventory associated with our Australia & New Zealand segment to its estimated net realizable value. For additional information related to this unexpected market shift in Australia, see *Item 1. Financial Statements, Note 1. Basis of Presentation and Summary of Significant Accounting – (l) Intangibles Assets Other Than Goodwill and (m) Goodwill*. During 2017, we also identified certain assets that we assessed as likely to be abandoned or are no longer capable of recovering their carrying values and recognized an additional $11.8 million in asset impairment and disposal charges, primarily in our U.S. business.

The net gain on disposal of assets for the year ended December 31, 2015 is primarily related to a net pre-tax gain of $16.6 million recognized on the divestiture of our non-core business components in the U.K. completed in the year ended December 31, 2015.

Interest Expense, net

	Year Ended December 31,				
	2017	% Change	2016	% Change	2015
	(In thousands, excluding percentages)				
Interest expense, net	$ 35,036	*101.8 %*	$ 17,360	*(10.8)%*	$ 19,451
Amortization of deferred financing costs and note discount	12,574	*9.1*	11,529	*1.5*	11,363
Total interest expense, net	$ 47,610		$ 28,889		$ 30,814
Percentage of total revenues	3.2 %		2.3 %		2.6 %

Interest expense, net. Interest expense, net, increased $17.7 million during the year ended December 31, 2017, compared to the prior year. The increase in interest expense was attributable to the incremental outstanding borrowings that were necessary to fund the acquisitions completed during January 2017. For additional information related to our outstanding borrowings, see *Item 8. Financial Statements and Supplementary Data, Note 10. Long-Term Debt*.

Amortization of deferred financing costs and note discount. Amortization of deferred financing costs and note discount during the year ended December 31, 2017, was up slightly from the prior year related to additional financing costs incurred in 2017, which are being amortized over the life of the instrument.

For additional information, see *Item 8. Financial Statements and Supplementary Data, Note 10. Long-Term Debt*.

Income Tax Expense

	Year Ended December 31,				
	2017	**% Change**	**2016**	**% Change**	**2015**
	(In thousands, excluding percentages)				
Income tax (benefit) expense	$ (9,292)	*(134.9)%*	$ 26,622	*(32.3)%*	$ 39,342
Effective tax rate	6.0 %		23.2 %		37.4 %

Income tax expense. The decrease in income tax expense, compared to the prior year, is attributable to a combination of 1) the U.S. Tax Reform benefit of $11.6 million, 2) the excess tax benefit related to stock compensation, and 3) the mix of earnings across jurisdictions, and is partially offset by the establishment of a valuation allowance related to Australian deferred tax assets of $6.4 million. The goodwill impairment in Australia recognized during the period ending September 30, 2017, was not deductible for income tax purposes, and as a result, there was no tax benefit recognized from the impairment. For additional information, see *Item 8. Financial Statements and Supplementary Data, Note 1. Basis of Presentation and Summary of Significant Accounting – (l) Intangible Assets Other Than Goodwill, (m) Goodwill, and Note 18. Income Taxes.*

Non-GAAP Financial Measures

EBITDA, Adjusted EBITDA, Adjusted EBITA, Adjusted Net Income, Adjusted Net Income per diluted share, Free Cash Flow, and certain financial results prepared in accordance with U.S. GAAP, as well as non-GAAP measures on a constant-currency basis represent non-GAAP financial measures provided as a complement to financial results prepared in accordance with U.S. GAAP and may not be comparable to similarly-titled measures reported by other companies. We use these non-GAAP financial measures in managing and measuring the performance of our business, including setting and measuring incentive based compensation for management. We believe that the presentation of these measures and the identification of notable, non-cash, and/or (if applicable in a particular period) certain costs not anticipated to occur in future periods enhance an investor's understanding of the underlying trends in our business and provide for better comparability between periods in different years. Adjusted EBITDA and Adjusted EBITA excludes amortization of intangible assets, share-based compensation expense, acquisition and divestiture-related expenses, certain non-operating expenses, certain costs not anticipated to occur in future periods (if applicable in a particular period), gains or losses on disposal of assets, our obligation for the payment of income taxes, interest expense, and other obligations such as capital expenditures, and includes an adjustment for noncontrolling interests. Additionally, Adjusted EBITDA excludes depreciation and accretion expense. Depreciation and accretion expense and amortization of intangible assets are excluded as these amounts can vary substantially from company to company within our industry depending upon accounting methods and book values of assets, capital structures, and the methods by which the assets were acquired. Adjusted Net Income represents net income computed in accordance with U.S. GAAP, before amortization of intangible assets, gains or losses on disposal of assets, share-based compensation expense, certain other expense amounts, acquisition and divestiture-related expenses, certain non-operating expenses, and (if applicable in a particular period) certain costs not anticipated to occur in future periods (together, the "Adjustments"). Prior to June 30, 2016, Adjusted Net Income was calculated using an estimated long-term cross-jurisdictional effective cash tax rate of 32%. Subsequent to the redomicile of our parent company to the U.K., we have revised the process for determining our non-GAAP tax rate and now utilizes a non-GAAP tax rate derived from the U.S. GAAP tax rate adjusted for the net tax effects of the identified Adjustments, based on the nature and geography of the Adjustments. For the year ended December 31, 2017, the non-GAAP rate of 27.7% excludes a non-recurring net benefit of $11.6 million related to U.S. Tax Reform which is included in the U.S. GAAP tax rate. For the year ended December 31, 2016, the non-GAAP tax rate of 29.1% is a result of 29.2% for the quarter ended December 31, 2016, which excludes a non-recurring benefit of $8.2 million related to the release of a valuation allowance on deferred tax assets in the U.K., which is included in the U.S. GAAP tax rate, 24.2% for the quarter ended September 30, 2016, and for the six months ended June 30, 2016, our previous estimated long-term cross-jurisdictional tax rate of 32%. For the year ended December 31, 2015, we used our previous estimated long-term cross-jurisdictional tax rate of 32%. Adjusted Net Income per diluted share is calculated by dividing Adjusted Net Income by weighted average diluted shares outstanding. Free Cash Flow is defined as cash provided by operating activities less payments for capital expenditures, including those financed through direct debt, but excluding acquisitions. The Free Cash Flow measure does not take into consideration certain other non-discretionary cash requirements such as mandatory principal payments on portions of our long-term debt. Management calculates certain U.S. GAAP as well as non-GAAP measures on a constant-currency basis using the average foreign currency exchange rates applicable in the corresponding period of the previous year and applying these rates to the measures in the current reporting period. Management uses U.S. GAAP as well as non-GAAP measures on a constant-currency basis to assess performance and eliminate the effect foreign currency exchange rates have on comparability between periods.

The non-GAAP financial measures presented herein should not be considered in isolation or as a substitute for operating income, net income, cash flows from operating, investing, or financing activities, or other income or cash flow measures prepared in accordance with U.S. GAAP. Reconciliations of the non-GAAP financial measures used herein to the most directly comparable U.S. GAAP financial measures are presented as follows:

Reconciliation of Net (Loss) Income Attributable to Controlling Interests and Available to Common Shareholders to EBITDA, Adjusted EBITDA, Adjusted EBITA, and Adjusted Net Income (in thousands, excluding share and per share amounts)

	Year Ended December 31,		
	2017	**2016**	**2015**
Net (loss) income attributable to controlling interests and available to common shareholders	**$ (145,350)**	**$ 87,991**	**$ 67,080**
Adjustments:			
Interest expense, net	35,036	17,360	19,451
Amortization of deferred financing costs and note discount	12,574	11,529	11,363
Income tax (benefit) expense	(9,292)	26,622	39,342
Depreciation and accretion expense	122,036	90,953	85,030
Amortization of intangible assets	57,866	36,822	38,799
EBITDA	**$ 72,870**	**$ 271,277**	**$ 261,065**
Add back:			
Loss (gain) on disposal and impairment of assets	33,275	81	(14,010)
Other expense (1)	3,524	2,958	3,780
Noncontrolling interests (2)	(25)	(67)	(996)
Share-based compensation expense	14,395	21,430	19,421
Redomicile-related expenses (3)	782	13,747	—
Restructuring expenses (4)	10,354	—	
Acquisition and divestiture-related expenses (5)	18,917	9,513	27,127
Goodwill and intangible asset impairment (6)	194,521	—	
Adjusted EBITDA	**$ 348,613**	**$ 318,939**	**$ 296,387**
Less:			
Depreciation and accretion expense (7)	122,029	90,927	84,608
Adjusted EBITA	**$ 226,584**	**$ 228,012**	**$ 211,779**
Less:			
Interest expense, net (7)	35,036	17,360	19,447
Adjusted pre-tax income	191,548	210,652	192,332
Income tax expense (8)	53,084	61,342	61,546
Adjusted Net Income	**$ 138,464**	**$ 149,310**	**$ 130,786**
Adjusted Net Income per share – basic	**$ 3.03**	**$ 3.30**	**$ 2.92**
Adjusted Net Income per share – diluted (9)	**$ 3.00**	**$ 3.26**	**$ 2.88**
Weighted average shares outstanding – basic	45,619,679	45,206,119	44,796,701
Weighted average shares outstanding – diluted	46,214,715	45,821,527	45,368,687

(1) Includes foreign currency translation gains/losses, the revaluation of the estimated acquisition-related contingent consideration payable, and other non-operating costs.

(2) Noncontrolling interest adjustment made such that Adjusted EBITDA includes only our ownership interest in the Adjusted EBITDA of one of our Mexican subsidiaries.

(3) Expenses associated with the redomicile of our parent company to the U.K., which was completed on July 1, 2016.

(4) Expenses primarily related to employee severance costs associated with our Restructuring Plan implemented in the first quarter of 2017 and certain costs associated with exiting its Poland operations during the fourth quarter of 2017.

(5) Acquisition and divestiture-related expenses include costs incurred for professional and legal fees and certain other transition and integration-related costs.

(6) Goodwill and intangible asset impairments related to our Australia & New Zealand segment.

(7) Amounts exclude a portion of the expenses incurred by one of our Mexican subsidiaries to account for the amounts allocable to the noncontrolling interest shareholders.

(8) For the year ended December 31, 2017, 2016, and 2015, calculated using an effective tax rate of approximately 27.7%, 29.1%, and 32.0%, respectively, which represents our U.S. GAAP tax rate as adjusted for the net tax effects related to the items excluded from Adjusted Net Income. For 2017 it excludes non-recurring tax items related to U.S. Tax Reform. See *Non-GAAP Financial Measures* above.

(9) Consistent with the positive Adjusted Net Income, the Adjusted Net Income per diluted share amounts have been calculated using the diluted shares outstanding that would have resulted from positive U.S. GAAP Net Income, if applicable.

Reconciliation of U.S. GAAP Revenue to Constant-Currency Revenue

Europe & Africa revenue

	Year Ended December 31, 2017			2016	% Change	
	U. S. GAAP	Foreign Currency Impact	Constant - Currency	U.S. GAAP	U.S. GAAP	Constant - Currency
	(In thousands)					
ATM operating revenues	$ 396,229	$ 16,091	$ 412,320	$ 361,967	9.5 %	13.9 %
ATM product sales and other revenues	8,603	274	8,877	5,443	58.1	63.1
Total revenues	$ 404,832	$ 16,365	$ 421,197	$ 367,410	10.2 %	14.6 %

Consolidated revenue

	Year Ended December 31, 2017			2016	% Change	
	U. S. GAAP	Foreign Currency Impact	Constant - Currency	U.S. GAAP	U.S. GAAP	Constant - Currency
	(In thousands)					
ATM operating revenues	$ 1,451,372	$ 15,480	$ 1,466,852	$ 1,212,863	19.7 %	20.9 %
ATM product sales and other revenues	56,227	228	56,455	52,501	7.1	7.5
Total revenues	$ 1,507,599	$ 15,708	$ 1,523,307	$ 1,265,364	19.1 %	20.4 %

Reconciliation of Adjusted EBITDA, Adjusted Net Income, and Adjusted Net Income per diluted share on a Non-GAAP basis to Constant-Currency

	Year Ended December 31, 2017			2016	% Change	
	Non - GAAP [(1)]	Foreign Currency Impact	Constant - Currency	Non - GAAP [(1)]	Non - GAAP [(1)]	Constant - Currency
	(In thousands)					
Adjusted EBITDA	$ 348,613	$ 4,554	$ 353,167	$ 318,939	9.3 %	10.7 %
Adjusted Net Income	$ 138,464	$ 2,083	$ 140,547	$ 149,310	(7.3)%	(5.9)%
Adjusted Net Income per share – diluted [(2)]	$ 3.00	$ 0.04	$ 3.04	$ 3.26	(8.0)%	(6.7)%

(1) As reported on the *Reconciliation of Net Income Attributable to Controlling Interests and Available to Common Shareholders' to EBITDA, Adjusted EBITDA, Adjusted EBITA, and Adjusted Net Income* above.

(2) Adjusted Net Income per diluted share is calculated by dividing Adjusted Net Income by the weighted average diluted shares outstanding of 46,214,715 and 45,821,527 for the years ended December 31, 2017 and 2016, respectively.

Calculation of Free Cash Flow

	Year Ended December 31,		
	2017	2016	2015
Cash provided by operating activities	$ 217,892	$ 270,275	$ 256,553
Payments for capital expenditures [1]:			
Cash used in investing activities, excluding acquisitions and divestitures	(144,140)	(125,882)	(142,349)
Free cash flow	$ 73,752	$ 144,393	$ 114,204

(1) Capital expenditure amounts include payments made for exclusive license agreements, site acquisition costs, and other intangible assets. Additionally, capital expenditure amounts for Mexico (included in the North America segment) are reflected gross of any noncontrolling interest amounts.

Liquidity and Capital Resources

Overview

As of December 31, 2017, we had $51.4 million in cash and cash equivalents on hand and $917.7 million in outstanding long-term debt.

We have historically funded our operations primarily through cash flows from operations, borrowings under our revolving credit facility, and the issuance of debt and equity securities and used a portion of our cash flows to invest in additional ATMs, either through acquisitions or through organic growth. We have also used cash to pay interest and principal amounts outstanding under our borrowings. Because we collect a sizable portion of our cash from sales on a daily basis but generally pay our vendors on 30 day terms and are not required to pay certain of our merchants until 20 days after the end of each calendar month, we are able to utilize the excess available cash flow to reduce borrowings made under our revolving credit facility and to fund capital expenditures. Accordingly, it is not uncommon for us to reflect a working capital deficit position in the accompanying Consolidated Balance Sheets.

We believe that our cash on hand and our current revolving credit facility will be sufficient to meet our working capital requirements and contractual commitments for the next twelve months. We expect to fund our working capital needs from cash flows from our operations and borrowings under our revolving credit facility, to the extent needed. See *Financing Facilities* below.

Operating Activities

Net cash provided by operating activities totaled $217.9 million, $270.3 million, and $256.6 million during the years ended December 31, 2017, 2016, and 2015, respectively. These increases are primarily attributable to our profitable operations before non-cash expenses and changes in working capital.

Investing Activities

Net cash used in investing activities totaled $631.2 million, $139.2 million, and $209.6 million for the years ended December 31, 2017, 2016, and 2015, respectively. These amounts vary by year, depending on acquisition and divestiture activities in a particular year, along with our capital investments. In each of the years 2017, 2016, and 2015, we completed acquisitions and divestitures of varying sizes. In each of 2017, 2016, and 2015, we incurred a significant amount of capital expenditures associated with compliance with the EMV standard in the U.S. and certain merchant contract renewals.

Acquisitions. On January 6, 2017, we completed the acquisition of DCPayments, for a total transaction value of approximately $658 million Canadian Dollars (approximately $495 million U.S. dollars). On January 31, 2017, we completed the acquisition of Spark with initial cash consideration, paid at closing, and potential additional contingent consideration subject to certain performance conditions being met in future periods. Both of these transactions were financed at close with cash on hand and borrowings under our revolving credit facility. For additional information, see *Developing Trends and Recent Events - Acquisitions* above.

Anticipated future capital expenditures. We currently anticipate that the majority of our capital expenditures for the foreseeable future will be attributable to ongoing support for our existing estate and operations, organic growth projects, including the purchase of ATMs for both new and existing ATM management agreements and various compliance requirements. We currently anticipate that our capital expenditures for 2018 will total approximately $110 million, the majority of which is expected to be utilized to support new business growth. We expect such capital expenditures to be funded primarily through our cash flows from operations and we anticipate being able to fund all capital expenditures internally.

Financing Activities and Facilities

Net cash provided by (used in) financing activities $391.4 million, $(78.9) million, and $(48.5) million for the years ended December 31, 2017, 2016, and 2015, respectively. The cash provided by financing activities during the year ended December 31, 2017 was primarily related to borrowings to finance our acquisitions in January 2017. The cash used during the years ended December 31, 2016 and 2015 was primarily attributable to repayments of borrowings under our revolving credit facility.

For information related to our financing facilities, see *Item 8. Financial Statements and Supplementary Data, Note 10. Long-term Debt*.

Effects of Inflation

Our monetary assets, consisting primarily of cash and receivables, are not currently significantly affected by inflation. Similarly our non-monetary assets, consisting primarily of tangible and intangible assets, are not affected by inflation. However, inflation may in the future affect our expenses, such as those for employee compensation, operating costs and capital expenditures, which may not be readily recoverable in the price of services offered by us.

Contractual Obligations

The following table reflects our significant contractual obligations and other commercial commitments as of December 31, 2017:

	Payments Due by Period						
	2018	2019	2020	2021	2022	Thereafter	Total
				(In thousands)			
Long-term debt obligations:							
Principal [1]	$ —	$ —	$ 287,500	$ 122,461	$ 250,000	$ 300,000	$ 959,961
Interest [2]	32,411	32,411	32,172	27,581	20,286	55,000	199,861
Operating leases	9,264	7,181	5,529	4,320	2,511	8,829	37,634
Merchant space leases	5,687	2,848	2,116	1,572	993	873	14,089
Minimum service contracts	732	97	—	—	—	—	829
Open purchase orders	2,459	—	—	—	—	—	2,459
Total contractual obligations	$ 50,553	$ 42,537	$ 327,317	$ 155,934	$ 273,790	$ 364,702	$ 1,214,833

(1) Represents the $250.0 million face value of our Senior Notes, $287.5 million face value of our Convertible Notes, $300.0 million face value of our 2025 Notes, and $122.5 million outstanding under our revolving credit facility.

(2) Represents the estimated interest payments associated with our long-term debt outstanding as of December 31, 2017, assuming current interest rates and consistent amount of debt outstanding over the periods indicated in the table above.

Critical Accounting Policies and Estimates

Our consolidated financial statements included in this 2017 Form 10-K have been prepared in accordance with U.S. GAAP, which requires management to make numerous estimates and assumptions. Actual results could differ from those estimates and assumptions, thus impacting our results of operations and financial position. The critical accounting policies and estimates described in this section are those that are most important to the depiction of our financial condition and results of operations and the application of which requires management's most subjective judgments in making estimates about the effect of matters that are inherently uncertain. For additional information related to our significant accounting policies, see *Item 8. Financial Statements and Supplementary Data, Note 1. Basis of Presentation and Summary of Significant Accounting Policies*.

Goodwill and intangible assets. We have accounted for our acquisitions as business combinations in accordance with U.S. GAAP. Accordingly, the purchase consideration for any acquisitions have been allocated to the assets acquired and liabilities assumed based on their respective fair values as of each acquisition date. Intangible assets that met the criteria established by U.S. GAAP for recognition apart from goodwill include acquired merchant and bank-branding contract/relationships, trade names, technology, and the non-compete agreements entered into in connection with certain acquisitions. The excess of the purchase consideration of the acquisitions over the fair values of the identified assets acquired and liabilities assumed is recognized as goodwill in our consolidated financial statements.

Goodwill and other intangible assets that have indefinite useful lives are not amortized, but instead are tested at least annually for impairment, and intangible assets that have finite useful lives are amortized over their estimated useful lives. We follow the specific guidance provided in U.S. GAAP for testing goodwill and other non-amortized intangible assets for impairment. In 2017, we elected to forego the optional qualitative assessment allowed under U.S. GAAP to determine if it was necessary to perform a quantitative assessment. The qualitative assessment considers whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. In the event that the qualitative assessment indicates it is more likely than not that the fair value of a reporting unit is less than its carrying amount, we perform the quantitative assessment prescribed by the guidance where the carrying amount of the net assets associated with each applicable reporting unit is compared to the estimated fair value of such reporting unit as of the date of the test or the annual testing date, December 31, 2017. For the year ended December 31, 2017, we performed our annual goodwill impairment test for seven separate reporting units: (i) the U.S. operations, (ii) the U.K. operations, (iii) the Australia & New Zealand operations, (iv) the Canada operations, (v) the South Africa operations, (vi) the Germany operations, and (vii) the Mexico operations.

We evaluate the recoverability of our goodwill and non-amortized intangible assets by estimating the future discounted cash flows of the reporting units to which the goodwill and non-amortized intangible assets relate. We use discount rates corresponding to our cost of capital, risk-adjusted as appropriate, to determine the discounted cash flows, and consider current and anticipated business trends, prospects, and other market and economic conditions when performing our evaluations. These evaluations are performed on an annual basis at a minimum, or more frequently based on the occurrence of events that might indicate a potential impairment. Examples of events that might indicate impairment include, but are not limited to, the loss of a significant contract, a material change in the terms or conditions of a significant contract, or significant decreases in revenues associated with a contract or business.

Valuation of long-lived assets. We place significant value on the installed ATMs that we own and manage in merchant locations and the related acquired merchant and bank-branding contracts/relationships. Long-lived assets, such as property and equipment and intangible assets subject to amortization, are reviewed for impairment at least annually, and whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. We test our acquired merchant and bank-branding contract/relationship intangible assets for impairment quarterly, along with the related ATMs, on an individual merchant and bank-branding contract/relationship basis for our significant acquired contracts/relationships, and on a pooled or portfolio basis (by acquisition) for all other acquired contracts/relationships.

In determining whether a particular merchant and bank-branding contract/relationship is significant enough to warrant a separate identifiable intangible asset, we analyze a number of relevant factors, including: (i) estimates of the historical cash flows from such contract/relationship prior to its acquisition, (ii) estimates regarding our ability to increase the contract/relationship's cash flows subsequent to the acquisition through a combination of lower operating costs, the deployment of additional ATMs, and the generation of incremental revenues from increased surcharges and/or new merchant or bank-branding contracts/relationships, and (iii) estimates regarding our ability to renew such contract/relationship beyond their originally scheduled termination date. An individual merchant and bank-branding contract/relationship, and the related ATMs, could be impaired if the contract/relationship is terminated sooner than originally anticipated, or if there is a decline in the number of transactions related to such contract/relationship without a corresponding increase in the amount of revenue collected per transaction. A portfolio of purchased contract/relationship intangibles, including the related ATMs, could be impaired if the contract/relationship attrition rate is materially more than the rate used to estimate the portfolio's initial value, or if there is a decline in the number of transactions associated with such portfolio without a corresponding increase in the revenue collected per transaction. Whenever events or changes in circumstances indicate that a merchant or bank-branding contract/relationship intangible asset may be impaired, we evaluate the recoverability of the intangible asset, and the related ATMs, by measuring the related carrying amounts against the estimated undiscounted future cash flows associated with the related contract/relationship or portfolio of contracts/relationships. Should the sum of the expected future net cash flows be less than the carrying values of the tangible and intangible assets being evaluated, an impairment loss would be recognized. The impairment loss would be calculated as the amount by which the carrying values of the ATMs and intangible assets exceeded the calculated fair value.

Income taxes. Income tax provisions are based on taxes payable or refundable for the current year and deferred taxes on temporary differences between the amount of taxable income and income before provision of income taxes and between the tax basis of assets and liabilities and their reported amounts in our consolidated financial statements. We include deferred tax assets and liabilities in our consolidated financial statements at currently enacted income tax rates. As changes in tax laws or rates are enacted, we adjust our deferred tax assets and liabilities through the income tax provision.

In assessing the realizability of deferred tax assets, we consider whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent on the generation of future taxable income during the periods in which those temporary differences become deductible. We consider the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. In the event we do not believe we will be able to utilize the related tax benefits associated with deferred tax assets, we record valuation allowances to reserve for the assets.

Asset retirement obligations ("ARO"). We estimate the fair value of future ARO costs associated with our cost to deinstall ATMs and, in some cases, restoring the ATM sites to their original conditions. ARO estimates are based on a number of assumptions, including: (i) the types of ATMs that are installed, (ii) the relative mix where the ATMs are installed (i.e., whether such ATMs are located in single-merchant locations or in locations associated with large, geographically-dispersed retail chains), and (iii) whether we will ultimately be required to refurbish the merchant store locations upon the removal of the related ATMs. Additionally, we are required to make estimates regarding the timing of when AROs will be incurred. We utilize a pooled approach in calculating and managing our AROs, as opposed to a specific machine-by-machine approach, by pooling the ARO of assets based on the estimated deinstallation dates. We periodically review the reasonableness of the ARO balance by obtaining the current machine count and updated cost estimates to deinstall ATMs.

The fair value of a liability for an ARO is recognized in the period in which it is incurred and can be reasonably estimated. ARO costs are capitalized as part of the carrying amount of the related long-lived asset and depreciated over the asset's estimated useful life. Fair value estimates of liabilities for AROs generally involve discounted future cash flows. Periodic accretion of such liabilities due to the passage of time is recorded as an operating expense in the consolidated financial statements. Upon settlement of the liability, we recognize a gain or loss for any difference between the settlement amount and the liability recorded.

Share-based compensation. We calculate the fair value of share-based instruments awarded to our Board of Directors and employees on the date of grant and recognize the calculated fair value, net of estimated forfeitures, as compensation expense over the requisite service periods of the related awards. In determining the fair value of our share-based awards, we are required to make certain assumptions and estimates, including: (i) the number of awards that may ultimately be granted to and forfeited by the recipients, (ii) the expected term of the underlying awards, and (iii) the future volatility associated with the price of our common shares. For additional information related to such estimates, and the basis for our conclusions regarding such estimates for the year ended December 31, 2017, see *Item 8. Financial Statements and Supplementary Data, Note 3. Share-Based Compensation*.

Derivative financial instruments. We recognize all of our derivative instruments as assets or liabilities in the accompanying Consolidated Balance Sheets at fair value. The accounting for changes in the fair value (e.g., gains or losses) of the derivative instruments depends on: (i) whether such instruments have been designated and qualify as part of a hedging relationship and (ii) the type of hedging relationship designated. For derivative instruments that are designated and qualify as hedging instruments, we designate the hedging instrument, based upon the exposure being hedged, as a cash flow hedge, a fair value hedge, or a hedge of a net investment in a foreign operation. These derivatives are valued using pricing models based on significant other observable inputs (Level 2 inputs under the fair value hierarchy prescribed by U.S. GAAP), while taking into account the creditworthiness of the party that is in the liability position with respect to each trade. As of December 31, 2017, all of our derivative instruments were designated and qualify as cash flow hedges, and, accordingly, changes in the fair values of such derivatives have been reflected in the Accumulated other comprehensive loss, net line item in the accompanying Consolidated Balance Sheets. For additional information related to our derivative financial instrument transactions, see *Item 8. Financial Statements and Supplementary Data, Note 15. Derivative Financial Instruments*.

Convertible Notes. We are party to various derivative instruments related to the issuance of our Convertible Notes. As of December 31, 2017, all of our derivative instruments related to the Convertible Notes qualified for classification in the Shareholders' equity line item in the accompanying Consolidated Balance Sheets. We are required, however, for the remaining term of the Convertible Notes, to assess whether we continue to meet the shareholders' equity classification requirements and if in any future period we fail to satisfy those requirements we would need to reclassify these instruments out of Shareholders' equity and record them as a derivative asset or liability, at which point we would be required to record any changes in fair value through earnings. For additional information related to our Convertible Notes, see *Item 8. Financial Statements and Supplementary Data, Note 10. Long-Term Debt*.

New Accounting Pronouncements

For recent accounting pronouncements, including those not yet adopted during 2017, see *Item 8. Financial Statements and Supplementary Data, Note 22. New Accounting Pronouncements.*

Commitments and Contingencies

We are subject to various legal proceedings and claims arising in the ordinary course of our business. We do not expect that the outcome in any of these legal proceedings, individually or collectively, will have a material adverse financial or operational impact on us. For additional information related to our commitments and contingencies, see *Item 8. Financial Statements and Supplementary Data, Note 17. Commitments and Contingencies*.

Off-Balance Sheet Arrangements

As of December 31, 2017, we did not have any material off-balance sheet arrangements, as contemplated in Item 303(a)(4)(ii) of Regulation S-K.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Disclosures about Market Risk

We are exposed to certain risks related to our ongoing business operations, including interest rate risk associated with our vault cash rental obligations and, to a lesser extent, borrowings under our revolving credit facility. The following quantitative and qualitative information is provided about financial instruments to which we were a party at December 31, 2017, and from which we may incur future gains or losses from changes in market interest rates or foreign currency exchange rates. We do not enter into derivative or other financial instruments for speculative or trading purposes.

Hypothetical changes in interest rates and foreign currency exchange rates chosen for the following estimated sensitivity analysis are considered to be reasonably possible near-term changes generally based on consideration of past fluctuations for each risk category. However, since it is not possible to accurately predict future changes in interest rates and foreign currency exchange rates, these hypothetical changes may not necessarily be an indicator of probable future fluctuations.

Interest Rate Risk

Vault cash rental expense. Because our ATM vault cash rental expense is based on market rates of interest, it is sensitive to changes in the general level of interest rates in the respective countries in which we operate. We pay a monthly fee on the average outstanding vault cash balances in our ATMs under floating rate formulas based on a spread above various interbank offered rates in the U.S., the U.K., Germany, and Spain. In Australia, the formula is based on the Bank Bill Swap Rates ("BBSY"), in South Africa, the rate is based on the South African Prime Lending rate, in Canada, the rate is based on the Bank of Canada's Bankers Acceptance Rate and the Canadian Prime Rate, and in Mexico, the rate is based on the Interbank Equilibrium Interest Rate (commonly referred to as the "TIIE").

As a result of the significant sensitivity surrounding our vault cash rental expense, we have entered into a number of interest rate swap contracts with varying notional amounts and fixed interest rates in the U.S. and the U.K. to effectively fix the rate we pay on the amounts of our current and anticipated outstanding vault cash balances. As a result of the DCPayments acquisition, completed January 6, 2017, we became party to Australian dollar notional interest rate swap contracts, which terminate on February 28, 2019.

The notional amounts, weighted average fixed rates, and terms associated with our interest rate swap contracts that are currently in place in the U.S. ($300 million was entered into in January 2018) and the U. K. (as of the date of the issuance of this 2017 Form 10-K) are as follows:

Notional Amounts U.S. $	Weighted Average Fixed Rate U.S.	Notional Amounts U.K. £	Weighted Average Fixed Rate U.K.	Term
(In millions)		*(In millions)*		
$ 300	1.88 %	—	—	January 16, 2018 – December 31, 2018
$ 1,150	2.17 %	£ 550	0.82 %	January 1, 2018 – December 31, 2018
$ 1,000	2.06 %	£ 550	0.90 %	January 1, 2019 – December 31, 2019
$ 1,000	2.06 %	£ 500	0.94 %	January 1, 2020 – December 31, 2020
$ 400	1.46 %	£ 500	0.94 %	January 1, 2021 – December 31, 2021
$ 400	1.46 %	£ 500	0.94 %	January 1, 2022 – December 31, 2022

In conjunction with the DCPayments acquisition, completed on January 6, 2017, we became party to three interest rate swap contracts. Effective January 6, 2017, these interest rate swap contracts were designated as cash flow hedging instruments.

The notional amounts, weighted average fixed rates, and terms associated with our interest rate swap contracts that are currently in place in Australia (as of the date of the issuance of this 2017 Form 10-K) are as follows:

Notional Amounts AUS $ (In millions)	Weighted Average Fixed Rate	Term
$ 135	2.98 %	January 1, 2018 – February 27, 2018
$ 85	3.11 %	February 28, 2018 – September 28, 2018
$ 35	2.98 %	September 29, 2018 – February 28, 2019

Summary of Interest Rate Exposure on Average Outstanding Vault Cash

The following table presents a hypothetical sensitivity analysis of our annual vault cash rental expense in North America based on our average outstanding vault cash balance for the quarter ended December 31, 2017 and assuming a 100 basis point increase in interest rates (in millions):

North America		
Average outstanding vault cash balance	$	2,311
Interest rate swap contracts fixed notional amount		(1,000)
Residual unhedged outstanding vault cash balance	$	1,311
Additional annual interest incurred on 100 basis point increase	$	13.11

Our ATM operating contract with our largest merchant relationship (7-Eleven in the U.S.) during 2017 was in the process of being de-installed during the fourth quarter of 2017. We expect that the ATMs associated with this relationship will be fully removed by the end of the first quarter of 2018. Included within the $2.3 billion average outstanding vault cash balance above was approximately $0.4 billion of vault cash related to 7-Eleven ATMs. As a result, the average vault cash balance in the U.S. excluding 7-Eleven would have been approximately $1.9 billion during the fourth quarter of 2017. With the additional interest rate swaps that became effective in January 2018, which total $1.45 billion for the majority of 2018, we expect to have floating interest rate exposure in the U.S. during 2018 on approximately $400 million to $500 million of vault cash, prior to any other contractual measures or operational actions we may trigger to reduce costs. We have terms in certain of our North America contracts with merchants and financial institution partners where we can decrease fees paid to merchants or effectively increase the fees paid to us by financial institutions if vault cash rental costs increase. Such protection will serve to reduce but not eliminate the exposure calculated above. Furthermore, we have the ability in North America to partially mitigate our interest rate exposure through our operations. We believe we can reduce the average outstanding vault cash balances as interest rates rise by visiting ATMs more frequently with lower cash amounts. This ability to reduce the average outstanding vault cash balances is partially constrained by the incremental cost of more frequent ATM visits. Our contractual protections with merchants and financial institution partners and our ability to reduce the average outstanding vault cash balances will serve to reduce but not eliminate interest rate exposure.

The following table presents a hypothetical sensitivity analysis of our annual vault cash rental expense in Europe & Africa based on our average outstanding vault cash balance for the quarter ended December 31, 2017 and assuming a 100 basis point increase in interest rates (in millions):

Europe & Africa		
Average outstanding vault cash balance	$	1,389
Interest rate swap contracts fixed notional amount		(730)
Residual unhedged outstanding vault cash balance	$	659
Additional annual interest incurred on 100 basis point increase	$	6.59

Our sensitivity to changes in interest rates in Europe is partially mitigated by the interchange rate setting methodology that impacts our U.K. interchange revenue. Under this methodology, expected interest rate costs are utilized to determine the interchange rate that is set on an annual basis. As a result of this structure, should interest rates rise in the U.K., causing our operating expenses to rise, we would expect to see a rise in interchange rates (and our revenues), albeit with some time lag. As discussed above, to further mitigate our risk, we entered into interest rate swap contracts that commence on January 1, 2017. As a result, our exposure to floating interest payments in Europe has been fixed to the extent of the £550.0 million notional amount.

The following table presents a hypothetical sensitivity analysis of our annual vault cash rental expense in Australia & New Zealand based on our average outstanding vault cash balance for the quarter ended December 31, 2017 and assuming a 100 basis point increase in interest rates (in millions):

Australia & New Zealand		
Average outstanding vault cash balance	$	250
Interest rate swap contracts fixed notional amount		(104)
Residual unhedged outstanding vault cash balance	$	146
Additional annual interest incurred on 100 basis point increase	$	1.46

As of December 31, 2017, we had an asset of $15.6 million and a liability of $10.9 million (includes $0.1 million related to the foreign currency forward contracts) recorded in the accompanying Consolidated Balance Sheets related to our interest rate swap and foreign currency forward contracts, which represented the fair value asset or liability of the interest rate swap and foreign currency forward contracts, as derivative instruments are required to be carried at fair value. The fair value estimate was calculated as the present value of amounts estimated to be received or paid to a marketplace participant in a selling transaction. These interest rate swap and foreign currency forward contracts are valued using pricing models based on significant other observable inputs (Level 2 inputs under the fair value hierarchy prescribed by U.S. GAAP), the effective portion of the gain or loss on the derivative instrument is reported as a component of the Accumulated other comprehensive loss, net line item in the accompanying Consolidated Balance Sheets and reclassified into earnings in the Vault cash rental expense line item in the accompanying Consolidated Statements of Operations in the same period or periods during which the hedged transaction affects earnings and has been forecasted into earnings.

Interest expense. Our interest expense is also sensitive to changes in interest rates as borrowings under our revolving credit facility accrue interest at floating rates. In connection with the acquisition of DCPayments, we increased our borrowings under our revolving credit facility. Subsequently, in April 2017, we issued the 2025 Notes at a fixed interest rate of 5.50% and used the net proceeds to repay $295.0 million of the outstanding borrowings under our revolving credit facility. As a result, our outstanding borrowings and exposure to floating interest rates under our revolving credit facility were significantly lowered in April 2017. As of December 31, 2017, our outstanding borrowings under our revolving credit facility, which carries a floating interest rate, were $122.5 million. In the future, we may consider derivative instruments to effectively fix the interest rate on a portion of the outstanding borrowings under our revolving credit facility.

Outlook. Although we currently hedge a substantial portion of our vault cash interest rate risk in the U.S., the U.K., and Australia, we may not be able to enter into similar arrangements for similar amounts in the future, and any significant increase in interest rates in the future could have an adverse impact on our business, financial condition, and results of operations by increasing our operating expenses. However, we expect that the impact on our consolidated financial statements from a significant increase in interest rates would be partially mitigated by the interest rate swap and foreign currency forward contracts that we currently have in place associated with our vault cash balances in the U.S., the U.K., and Australia and other protective measures we have put in place to mitigate such risk.

Foreign Currency Exchange Rate Risk

As a result of our operations in the U.K., Ireland, Germany, Spain, Mexico, Canada, Australia, New Zealand, and South Africa, we are exposed to market risk from changes in foreign currency exchange rates. The functional currencies of our international subsidiaries are their respective local currencies. The results of operations of our international subsidiaries are translated into U.S. dollars using average foreign currency exchange rates in effect during the periods in which those results are recorded and the assets and liabilities are translated using the foreign currency exchange rate in effect as of each balance sheet reporting date. These resulting translation adjustments to assets and liabilities have been reported in the Accumulated other comprehensive loss, net line item in the accompanying Consolidated Balance Sheets. As of December 31, 2017, this accumulated translation loss totaled $24.4 million compared to $80.9 million as of December 31, 2016.

Our consolidated financial results were significantly impacted by changes in foreign currency exchange rates during the year ended December 31, 2017 compared to the prior year. Our total revenues during the year ended December 31, 2017 would have been higher by approximately $15.7 million had the foreign currency exchange rates from the year ended December 31, 2016 remained unchanged. A sensitivity analysis indicates that, if the U.S. dollar uniformly strengthened or weakened 10% against the British pound, Euro, Polish zloty, Mexican peso, Canadian dollar, Australian dollar, or South African rand, the effect upon our operating income would have been approximately $6.6 million for the year ended December 31, 2017. During 2017, we entered into forward currency swaps to mitigate our exposure to changes in foreign currency exchange rates related to expected cash flows generated in currencies other than the U.S. dollar that are expected to be converted into U.S. dollars within the next twelve months.

Certain intercompany balances are designated as short-term in nature. The changes in these balances related to foreign currency exchange rates have been recorded in the accompanying Consolidated Statements of Operations and we are exposed to foreign currency exchange rate risk as it relates to these intercompany balances.

We do not hold derivative commodity instruments, and all of our cash and cash equivalents are held in money market and checking funds.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders
Cardtronics plc:

Opinion on Internal Control Over Financial Reporting

We have audited Cardtronics plc and subsidiaries' (the "Company") internal control over financial reporting as of December 31, 2017, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2017, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated balance sheets of the Company as of December 31, 2017 and 2016, the related consolidated statements of operations, comprehensive (loss) income, shareholders' equity and cash flows for each of the years in the three year period ended December 31, 2017 and the related notes, (collectively, the "consolidated financial statements"), and our report dated February 28, 2018 expressed an unqualified opinion on those financial statements.

As described in Management's Annual Report on Internal Control over financial Reporting, management excluded from its assessment the internal control over financial reporting of DirectCash Payments Inc. ("DCPayments") and Spark ATM Systems Pty Ltd. ("Spark"), which were acquired during 2017 and whose total assets constituted 26% of consolidated total assets (of which approximately 19% represents goodwill and intangible assets included within the scope of the assessment) and total revenues constituted approximately 18% of consolidated total revenue as of and for the year ended December 31, 2017. Our audit of internal control over financial reporting of the Company also excluded an evaluation of the internal control over financial reporting of DCPayments and Spark.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP
Houston, Texas
February 28, 2018

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
Cardtronics plc:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Cardtronics plc and subsidiaries (the "Company") as of December 31, 2017 and 2016, the related consolidated statements of operations, comprehensive (loss) income, shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2017, and the related notes (collectively, the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2017, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of December 31, 2017, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 28, 2018 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting. Our report on the effectiveness of internal control contains an explanatory paragraph that states that management's assessment of the effectiveness of internal control over financial reporting and our audit of internal control over financial reporting excludes an evaluation of internal control over financial reporting for DirectCash Payments Inc. and Spark ATM Systems Pty Ltd., which were acquired in 2017.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG LLP
We have served as the Company's auditor since 2001.

Houston, Texas
February 28, 2018

CARDTRONICS PLC
CONSOLIDATED BALANCE SHEETS
(In thousands, excluding share and per share amounts)

	December 31, 2017	December 31, 2016
ASSETS		
Current assets:		
Cash and cash equivalents	$ 51,370	$ 73,534
Accounts and notes receivable, net of allowance for doubtful accounts of $2,001 and $1,931 as of December 31, 2017 and December 31, 2016, respectively	105,245	84,156
Inventory, net	14,283	12,527
Restricted cash	48,328	32,213
Prepaid expenses, deferred costs, and other current assets	96,106	67,107
Total current assets	315,332	269,537
Property and equipment, net of accumulated depreciation of $404,141 and $397,972 as of December 31, 2017 and December 31, 2016, respectively	497,902	392,735
Intangible assets, net	209,862	121,230
Goodwill	774,939	533,075
Deferred tax asset, net	6,925	13,004
Prepaid expenses, deferred costs, and other noncurrent assets	57,756	35,115
Total assets	$ 1,862,716	$ 1,364,696
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current portion of other long-term liabilities	$ 31,370	$ 28,237
Accounts payable	44,235	44,965
Accrued liabilities	306,945	240,618
Total current liabilities	382,550	313,820
Long-term liabilities:		
Long-term debt	917,721	502,539
Asset retirement obligations	59,920	45,086
Deferred tax liability, net	37,130	27,625
Other long-term liabilities	75,002	18,691
Total liabilities	1,472,323	907,761
Commitments and contingencies (See *Note 17*)		
Shareholders' equity:		
Ordinary shares, $0.01 nominal value; 45,696,338 and 45,326,430 issued and outstanding as of December 31, 2017 and December 31, 2016, respectively	457	453
Additional paid-in capital	316,940	311,041
Accumulated other comprehensive loss, net	(33,595)	(107,135)
Retained earnings	106,670	252,656
Total parent shareholders' equity	390,472	457,015
Noncontrolling interests	(79)	(80)
Total shareholders' equity	390,393	456,935
Total liabilities and shareholders' equity	$ 1,862,716	$ 1,364,696

The accompanying notes are an integral part of these consolidated financial statements.

CARDTRONICS PLC
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, excluding share and per share amounts)

	Year Ended December 31, 2017	2016	2015
Revenues:			
ATM operating revenues	$ 1,451,372	$ 1,212,863	$ 1,134,021
ATM product sales and other revenues	56,227	52,501	66,280
Total revenues	1,507,599	1,265,364	1,200,301
Cost of revenues:			
Cost of ATM operating revenues (excludes depreciation, accretion, and amortization of intangible assets reported separately below. See *Note 1(d)*)	951,670	768,200	720,925
Cost of ATM product sales and other revenues	47,450	45,887	62,012
Total cost of revenues	999,120	814,087	782,937
Operating expenses:			
Selling, general, and administrative expenses	174,237	153,782	140,501
Redomicile-related expenses	782	13,747	—
Restructuring expenses	10,354	—	—
Acquisition and divestiture-related expenses	18,917	9,513	27,127
Goodwill and intangible asset impairment	194,521	—	—
Depreciation and accretion expense	122,036	90,953	85,030
Amortization of intangible assets	57,866	36,822	38,799
Loss (gain) on disposal and impairment of assets	33,275	81	(14,010)
Total operating expenses	611,988	304,898	277,447
(Loss) income from operations	(103,509)	146,379	139,917
Other expense:			
Interest expense, net	35,036	17,360	19,451
Amortization of deferred financing costs and note discount	12,574	11,529	11,363
Other expense	3,524	2,958	3,780
Total other expense	51,134	31,847	34,594
(Loss) income before income taxes	(154,643)	114,532	105,323
Income tax (benefit) expense	(9,292)	26,622	39,342
Net (loss) income	(145,351)	87,910	65,981
Net (loss) income attributable to noncontrolling interests	(1)	(81)	(1,099)
Net (loss) income attributable to controlling interests and available to common shareholders	$ (145,350)	$ 87,991	$ 67,080
Net (loss) income per common share – basic	$ (3.19)	$ 1.95	$ 1.50
Net (loss) income per common share – diluted	$ (3.19)	$ 1.92	$ 1.48
Weighted average shares outstanding – basic	45,619,679	45,206,119	44,796,701
Weighted average shares outstanding – diluted	45,619,679	45,821,527	45,368,687

The accompanying notes are an integral part of these consolidated financial statements.

CARDTRONICS PLC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(In thousands)

	Year Ended December 31,		
	2017	2016	2015
Net (loss) income	$ (145,351)	$ 87,910	$ 65,981
Unrealized gain on interest rate swap and foreign currency forward contracts, net of deferred income tax expense of $7,050, $12,228, and $3,742 for the years ended December 31, 2017, 2016, and 2015, respectively.	17,029	15,990	6,058
Foreign currency translation adjustments, net of deferred income tax (benefit) of ($1,226), $(2,548), and $(1,565) for the years ended December 31, 2017, 2016, and 2015 respectively.	56,511	(34,999)	(11,177)
Other comprehensive income (loss)	73,540	(19,009)	(5,119)
Total comprehensive (loss) income	(71,811)	68,901	60,862
Less: comprehensive income (loss) attributable to noncontrolling interests	—	(99)	(438)
Comprehensive (loss) income attributable to controlling interests	$ (71,811)	$ 69,000	$ 61,300

The accompanying notes are an integral part of these consolidated financial statements.

CARDTRONICS PLC
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands)

	Common Shares		Additional Paid-In	Accumulated Other Comprehensive	Retained	Treasury	Noncontrolling	
	Shares	Amount	Capital	Loss, Net	Earnings	Shares	Interests	Total
Balance as of January 1, 2015	**44,562**	**$ 5**	**$ 352,166**	**$ (83,007)**	**$ 118,817**	**$ (97,835)**	**$ (3,611)**	**$ 286,535**
Issuance of common shares for share-based compensation, net of forfeitures	530	—	1,107	—	—	—	—	1,107
Repurchase of common shares	(138)	—	—	—	—	(4,731)	—	(4,731)
Share-based compensation expense	—	—	19,306	—	—	—	—	19,306
Additional tax benefit related to share-based compensation	—	—	1,985	—	—	—	—	1,985
Unrealized gain on interest rate swap contracts, net of deferred income tax expense of $3,742	—	—	—	6,058	—	—	—	6,058
Net income attributable to controlling interests	—	—	—	—	67,080	—	—	67,080
Net loss attributable to noncontrolling interests	—	—	—	—	—	—	(1,099)	(1,099)
Foreign currency translation adjustments, net of deferred income tax (benefit) of $(1,565)	—	—	—	(11,177)	—	—	661	(10,516)
Additional investment in Cardtronics Mexico joint venture	—	—	—	—	—	—	4,068	4,068
Balance as of December 31, 2015	**44,954**	**$ 5**	**$ 374,564**	**$ (88,126)**	**$ 185,897**	**$ (102,566)**	**$ 19**	**$ 369,793**
Issuance of common shares for share-based compensation, net of forfeitures	500	—	450	—	—	—	—	450
Repurchase of common shares	(128)	—	—	—	—	(3,959)	—	(3,959)
Share-based compensation expense	—	—	21,430	—	—	—	—	21,430
Additional tax benefit related to share-based compensation	—	—	338	—	—	—	—	338
Unrealized gain on interest rate swap contracts, net of deferred income tax expense of $12,228	—	—	—	15,990	—	—	—	15,990
Net income attributable to controlling interests	—	—	—	—	87,991	—	—	87,991
Net loss attributable to noncontrolling interests	—	—	—	—	—	—	(81)	(81)
Foreign currency translation adjustments, net of deferred income tax (benefit) of $(2,548)	—	—	—	(34,999)	—	—	(18)	(35,017)
Change in common shares, treasury shares, and additional paid-in capital associated with the Redomicile Transaction	—	448	(85,741)	—	(21,232)	106,525	—	—
Balance as of December 31, 2016	**45,326**	**$ 453**	**$ 311,041**	**$ (107,135)**	**$ 252,656**	**$ —**	**$ (80)**	**$ 456,935**
Issuance of common shares for share-based compensation, net of forfeitures	370	4	104	—	—	—	—	108
Share-based compensation expense	—	—	14,375	—	—	—	—	14,375
Tax payments related to share-based compensation	—	—	(8,580)	—	—	—	—	(8,580)
Unrealized gain on interest rate swap and foreign currency forward contracts, net of deferred income tax expense of $7,050	—	—	—	17,029	(636)	—	—	16,393
Net income attributable to controlling interests	—	—	—	—	(145,350)	—	—	(145,350)
Net loss attributable to noncontrolling interests	—	—	—	—	—	—	(1)	(1)
Foreign currency translation adjustments, net of deferred income tax (benefit) of $(1,226)	—	—	—	56,511	—	—	2	56,513
Balance as of December 31, 2017	**45,696**	**$ 457**	**$ 316,940**	**$ (33,595)**	**$ 106,670**	**$ —**	**$ (79)**	**$ 390,393**

The accompanying notes are an integral part of these consolidated financial statements.

CARDTRONICS PLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended December 31,		
	2017	2016	2015
Cash flows from operating activities:			
Net (loss) income	$ (145,351)	$ 87,910	$ 65,981
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Depreciation, accretion, and amortization of intangible assets	179,902	127,775	123,829
Amortization of deferred financing costs and note discount	12,574	11,529	11,363
Share-based compensation expense	14,395	21,430	19,454
Deferred income tax (benefit) expense	(16,298)	9,886	10,993
Loss (gain) on disposal and impairment of assets	33,275	81	(14,010)
Other reserves and non-cash items	5,055	1,901	3,145
Goodwill and intangible asset impairment	194,521	—	—
Changes in assets and liabilities:			
Decrease (increase) in accounts and notes receivable, net	6,616	(16,284)	17,384
Increase in prepaid expenses, deferred costs, and other current assets	(18,679)	(12,491)	(19,588)
Increase in inventory, net	(1,673)	(1,191)	(4,668)
Increase in other assets	(24,934)	(21,955)	8,415
(Decrease) increase in accounts payable	(24,938)	15,468	(8,016)
Increase in accrued liabilities	1,830	46,508	31,889
Increase (decrease) in other liabilities	1,597	(292)	10,382
Net cash provided by operating activities	217,892	270,275	256,553
Cash flows from investing activities:			
Additions to property and equipment	(144,140)	(125,882)	(142,349)
Acquisitions, net of cash acquired	(487,077)	(22,669)	(103,874)
Proceeds from sale of assets and businesses	—	9,348	36,661
Net cash used in investing activities	(631,217)	(139,203)	(209,562)
Cash flows from financing activities:			
Proceeds from borrowings under revolving credit facility	1,081,689	235,368	452,670
Repayments of borrowings under revolving credit facility	(976,161)	(311,362)	(499,551)
Proceeds from borrowings of long-term debt	300,000	—	—
Debt issuance costs	(5,704)	—	—
Tax payments related to share-based compensation	(8,504)	—	—
Proceeds from exercises of stock options	104	673	1,107
Additional tax benefit related to share-based compensation	—	338	1,985
Repurchase of common shares	—	(3,959)	(4,731)
Net cash provided by (used in) financing activities	391,424	(78,942)	(48,520)
Effect of exchange rate changes on cash	(263)	(4,893)	(4,049)
Net (decrease) increase in cash and cash equivalents	(22,164)	47,237	(5,578)
Cash and cash equivalents as of beginning of period	73,534	26,297	31,875
Cash and cash equivalents as of end of period	$ 51,370	$ 73,534	$ 26,297
Supplemental disclosure of cash flow information:			
Cash paid for interest	$ 31,649	$ 16,718	$ 19,494
Cash paid for income taxes	$ 6,367	$ 17,886	$ 28,292

The accompanying notes are an integral part of these consolidated financial statements.

CARDTRONICS PLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(1) Basis of Presentation and Summary of Significant Accounting Policies

(a) Description of Business

Cardtronics plc, together with its wholly and majority-owned subsidiaries (collectively, the “Company”), provides convenient automated financial related services to consumers through its network of automated teller machines and multi-function financial services kiosks (collectively referred to as “ATMs”). As of December 31, 2017, Cardtronics was the world’s largest ATM owner/operator, providing services to over 230,000 ATMs.

During 2017, 64.4% of the Company’s revenues were derived from operations in North America (including its ATM operations in the U.S., Canada, and Mexico), 26.8% of the Company’s revenues were derived from operations in Europe and Africa (including its ATM operations in the U.K., Ireland, Germany, Spain, South Africa and the recently exited operations in Poland which accounted for less than 1% of total revenues), and 8.8% of the Company’s revenues were derived from the Company’s operations in Australia and New Zealand. As of December 31, 2017, the Company provided processing only services or various forms of managed services solutions to approximately 134,000 ATMs. Under a managed services arrangement, retailers, financial institutions, and ATM distributors rely on Cardtronics to handle some or all of the operational aspects associated with operating and maintaining ATMs, typically in exchange for a monthly service fee, fee per transaction, or fee per service provided.

Through its network, the Company delivers financial related services to cardholders and provides ATM management and ATM equipment-related services (typically under multi-year contracts) to large retail merchants, smaller retailers, and operators of facilities such as shopping malls, airports, and train stations. In doing so, the Company provides its retail partners with a compelling automated solution that helps attract and retain customers, and in turn, increases the likelihood that the ATMs placed at their facilities will be utilized. The Company also owns and operates electronic funds transfer (“EFT”) transaction processing platforms that provide transaction processing services to its network of ATMs, as well as to other ATMs under managed services arrangements. Additionally, in Canada, through the acquisition of DirectCash Payments Inc. (“DCPayments”), the Company provides processing services for issuers of debit cards.

In addition to its retail merchant relationships, the Company also partners with leading financial institutions to brand selected ATMs within its network, including BBVA Compass Bancshares, Inc. (“BBVA”), Citibank, N.A. (“Citibank”), Citizens Financial Group, Inc. (“Citizens”), Cullen/Frost Bankers, Inc. (“Cullen/Frost”), Discover Bank (“Discover”), PNC Bank, N.A. (“PNC Bank”), Santander Bank, N.A. (“Santander”), and TD Bank, N.A. (“TD Bank”) in the U.S.; the Bank of Nova Scotia (“Scotiabank”), TD Bank, Canadian Imperial Bank Commerce (“CIBC”), and DirectCash Bank in Canada; and the Bank of Queensland Limited (“BOQ”) and HSBC Holdings plc (“HSBC”) in Australia. In Mexico, the Company partners with Scotiabank to place their brands on its ATMs in exchange for certain services provided by them. As of December 31, 2017, approximately 20,000 of the Company’s ATMs were under contract with approximately 500 fin ancial institutions to place their logos on the ATMs and to provide convenient surcharge-free access for their banking customers.

The Company owns and operates the Allpoint network (“Allpoint”), the largest surcharge-free ATM network (based on the number of participating ATMs). Allpoint, which has approximately 55,000 participating ATMs, provides surcharge-free ATM access to over 1,000 participating banks, credit unions, and stored-value debit card issuers. For participants, Allpoint provides scale, density, and convenience of surcharge-free ATMs that surpasses the largest banks in the U.S. Allpoint earns either a fixed monthly fee per cardholder or a fixed fee per transaction that is paid by the participants. The Allpoint network includes a majority of the Company’s ATMs in the U.S. and certain ATMs in the U.K., Canada, Mexico, Puerto Rico, and Australia. Allpoint also works with financial institutions that manage stored-value debit card programs on behalf of corporate entities and governmental agencies, including general purpose, payroll, and electronic benefits transfer (“EBT”) cards. Under these programs, the issuing financial institutions pay Allpoint a fee per issued stored-value debit card or per transaction in return for allowing the users of those cards surcharge-free access to Allpoint’s participating ATM network.

The Company's revenues are generally recurring in nature, and historically have been derived largely from convenience transaction fees, which are paid by cardholders, as well as other transaction-based fees, including interchange fees, which are paid by the cardholder's financial institution for the use of the ATMs serving their customers and connectivity to the applicable EFT network that transmits data between the ATM and the cardholder's financial institution. Other revenue sources include: (i) fees for branding ATMs with the logos of financial institutions and providing financial institution cardholders with surcharge free access, (ii) revenues earned by providing managed services (including transaction processing services) solutions to retailers and financial institutions, (iii) fees from financial institutions that participate in the Allpoint surcharge-free network, (iv) fees earned from foreign currency exchange transactions at the ATM, known as dynamic currency conversion, and (v) revenues from the sale of ATMs and ATM-related equipment and other ancillary services.

(b) Basis of Presentation and Consolidation

The consolidated financial statements include the accounts of the Company. All material intercompany accounts and transactions have been eliminated in consolidation. The Company owns a majority (95.7%) interest in, and realizes a majority of the earnings and/or losses of Cardtronics Mexico, and as a result this entity is reflected as a consolidated subsidiary in the financial statements, with the remaining ownership interests not held by the Company being reflected as noncontrolling interests.

In management's opinion, all normal recurring adjustments necessary for a fair presentation of the Company's current and prior period financial results have been made. During the year ended December 31, 2017, the Company adopted the provisions of the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") No. 2016-09, *Improvements to Employee Stock-Based Payment Accounting* ("ASU 2016-09"), which simplifies several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. The Company utilized the prospective transition method in adopting this new standard and beginning January 1, 2017, the Company recognized all excess tax charges or benefits as income tax expense or benefit in the accompanying Consolidated Statements of Operations and in the accompanying Consolidated Statements of Cash Flows as operating activities. The Company also adopted ASU No. 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory* ("ASU 2015-11"), for additional information, see *(j) Inventory, net* below.

(c) Use of Estimates in the Preparation of the Consolidated Financial Statements

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of this Annual Report on Form 10-K (this "2017 Form 10-K") and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates include the carrying amount of intangibles, goodwill, asset retirement obligations ("ARO"), contingencies, and valuation allowances for receivables, inventories, and deferred income tax assets. Additionally, the Company is required to make estimates and assumptions related to the valuation of its derivative instruments and share-based compensation. Actual results could differ from those estimates, and these differences could be material to the consolidated financial statements.

(d) Cost of ATM Operating Revenues Presentation

The Company presents the Cost of ATM operating revenues in the accompanying Consolidated Statements of Operations exclusive of depreciation, accretion, and amortization of intangible assets related to ATMs and ATM-related assets.

The following table reflects the amounts excluded from the Cost of ATM operating revenues line item in the accompanying Consolidated Statements of Operations for the periods presented:

	Year Ended December 31,		
	2017	2016	2015
Depreciation and accretion expenses related to ATMs and ATM-related assets	$ 90,138	$ 70,702	$ 64,695
Amortization of intangible assets	57,866	36,822	38,799
Total depreciation, accretion, and amortization of intangible assets excluded from Cost of ATM operating revenues	$ 148,004	$ 107,524	$ 103,494

The Company previously reported a Gross profit subtotal line item in the accompanying Consolidated Statements of Operations, but pursuant to interpretations of SEC guidance regarding the calculation and display of this and similarly titled measures, the Company has removed this subtotal line item from its accompanying Consolidated Statements of Operations.

(e) Redomicile to the U.K.

On July 1, 2016, the Cardtronics group of companies changed the location of incorporation of the parent company from Delaware to the U.K. Cardtronics plc, a public limited company organized under English law ("Cardtronics plc"), became the new publicly traded corporate parent of the Cardtronics group of companies following the completion of the merger between Cardtronics, Inc., a Delaware corporation ("Cardtronics Delaware"), and one of its subsidiaries (the "Merger"). The Merger was completed pursuant to the Agreement and Plan of Merger, dated April 27, 2016, the adoption of which was approved by Cardtronics Delaware's Shareholders on June 28, 2016 (collectively, the "Redomicile Transaction"). Pursuant to the Redomicile Transaction, each issued and outstanding common share of Cardtronics Delaware held immediately prior to the Merger was effectively converted into one Class A Ordinary Share, nominal value $0.01 per share, of Cardtronics plc (collectively "common shares"). Upon completion, the common shares were listed and began trading on The NASDAQ Stock Market LLC under the symbol "CATM," the same symbol under which common shares of Cardtronics Delaware were formerly listed and traded.

Any references to "the Company" (as defined above) or any similar references relating to periods before the Redomicile Transaction shall be construed as references to Cardtronics Delaware being the previous parent company of the Cardtronics group of companies, and/or its subsidiaries depending on the context. The Redomicile Transaction was accounted for as an internal reorganization of entities under common control and, therefore, the Cardtronics Delaware assets and liabilities have been accounted for at their historical cost basis and not revalued in the transaction.

(f) Restructuring Expenses

During 2017, the Company initiated a global corporate reorganization and cost reduction initiative (the "Restructuring Plan"), intended to improve its cost structure and operating efficiency. The Restructuring Plan included workforce reductions, facilities closures, and other cost reduction measures.

During the three months ended March 31, 2017, the Company incurred $8.2 million of pre-tax expenses related to the Restructuring Plan. These expenses included employee severance costs of $8.0 million and an immaterial amount of lease termination costs. During the three months ended December 31, 2017, the Company recognized an additional $2.2 million of pre-tax expenses primarily related to the wind down of its operations in Poland. These costs are reflected in the Restructuring expenses line item in the accompanying Consolidated Statements of Operations and include contract termination costs related to merchant, bank sponsorship, lease, and other agreements as well as employee severance costs.

The following table reflects the amounts by segment (for additional information related to the Company's segments, see *Note 20. Segment Information*) recorded in the Restructuring expenses line item in the accompanying Consolidated Statements of Operations for December 31, 2017:

	Year Ended December 31, 2017			
	North America	Europe & Africa	Corporate	Total
	(In thousands)			
Restructuring expenses	$ 3,668	$ 2,942	$ 3,744	$ 10,354

As of December 31, 2017, $5.4 million of the employee severance, lease and contract termination costs, were unpaid and presented within the Current portion of other long-term liabilities, Accrued liabilities, and Other long-term liabilities line items in the accompanying Consolidated Balance Sheets.

	As of December 31, 2017			
	North America	Europe & Africa	Corporate	Total
	(In thousands)			
Current portion of other long-term liabilities	$ —	$ 52	$ —	$ 52
Accrued liabilities	—	932	2,628	3,560
Other long-term liabilities	—	1,440	331	1,771
Total restructuring liabilities	$ —	$ 2,424	$ 2,959	$ 5,383

The changes in the Company's restructuring liabilities consisted of the following:

	(In thousands)
Restructuring liabilities as of January 1, 2017	$ —
Restructuring expenses	10,354
Payments	(4,971)
Restructuring liabilities as of December 31, 2017	$ 5,383

(g) Cash and Cash Equivalents

For purposes of reporting financial condition and cash flows, cash and cash equivalents include cash in bank and short-term deposit sweep accounts. Additionally, the Company maintains cash on deposit with banks that is pledged for a particular use or restricted to support a potential liability. These balances are classified as Restricted cash in the Current assets or Noncurrent assets line items in the accompanying Consolidated Balance Sheets based on when the Company expects this cash to be paid. Current restricted cash consisted of amounts collected on behalf of, but not yet remitted to, certain of the Company's merchant customers or third-party service providers. The Company held $48.3 million and $32.2 million of Restricted cash in the Current assets line item in the accompanying Consolidated Balance Sheets as of December 31, 2017 and 2016, respectively. These assets are offset by accrued liability balances in the Current liability line item in the accompanying Consolidated Balance Sheets.

(h) ATM Cash Management Program

The Company relies on arrangements with various banks to provide the cash that it uses to fill its Company-owned, and in some cases merchant-owned and managed services ATMs. The Company refers to such cash as "vault cash." The Company pays a monthly fee based on the average outstanding vault cash balance, as well as fees related to the bundling and preparation of such cash prior to it being loaded in the ATMs. At all times, beneficial ownership of the cash is retained by the vault cash providers, and the Company has no right to the cash and no access to the cash except for the ATMs that are serviced by the Company's wholly-owned armored courier operations in the U.K. While the U.K. armored courier operations have physical access to the cash loaded in the ATMs, beneficial ownership of that cash remains with the vault cash provider at all times. The Company's vault cash arrangements expire at various times through November 2021. (For additional information related to the concentration risk associated with the Company's vault cash arrangements, see *Note 19. Concentration Risk*.) Based on the foregoing, the ATM vault cash, and the related obligations, are not reflected in the consolidated financial statements. The average outstanding vault cash balance in the Company's ATMs for the quarters ended December 31, 2017 and 2016 was approximately $3.9 billion and approximately $3.5 billion, respectively.

(i) Accounts Receivable, net of Allowance for Doubtful Accounts

Accounts receivable are comprised of amounts due from the Company's clearing and settlement banks for transaction revenues earned on transactions processed during the month ending on the balance sheet date, as well as receivables from bank-branding and network-branding customers, and for ATMs and ATM-related equipment sales and service. Trade accounts receivable are recorded at the invoiced amount and do not bear interest. The allowance for doubtful accounts represents the Company's best estimate of the amount of probable credit losses on the Company's existing accounts receivable. The Company reviews its allowance for doubtful accounts monthly and determines the allowance based on an analysis of its past due accounts. All balances over 90 days past due are reviewed individually for collectability. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

(j) Inventory, net

The Company has adopted the provisions of ASU 2015-11, which requires entities to measure their inventory at the lower of cost and net realizable value. The adoption of ASU 2015-11, effective for annual periods beginning after December 15, 2016, did not have an impact on the Company's consolidated financial statements. The Company's inventory is determined using the average cost method. The Company periodically assesses its inventory, and as necessary, adjusts the carrying values to the lower of cost and net realizable value.

The following table reflects the Company's primary inventory components:

	December 31, 2017	December 31, 2016
	(In thousands)	
ATMs	$ 3,181	$ 1,915
ATM spare parts and supplies	12,935	12,556
Total inventory	16,116	14,471
Less: Inventory reserves	(1,833)	(1,944)
Inventory, net	$ 14,283	$ 12,527

(k) Property and Equipment, net

Property and equipment are stated at cost, and depreciation is calculated using the straight-line method over estimated useful lives ranging from three to ten years. Most new ATMs are depreciated over eight years and most refurbished ATMs and installation-related costs are depreciated over five years, all on a straight-line basis. Leasehold improvements and property acquired under capital leases are amortized over the useful life of the asset or the lease term, whichever is shorter. Also reported in property and equipment are ATMs and the associated equipment the Company has acquired for future installation or has temporarily removed from service and plans to re-deploy. These ATMs are held as available for deployment or deployments in process and are not depreciated until installed or re-deployed. Significant refurbishment costs that extend the useful life of an asset, or enhance its functionality are capitalized and depreciated over the estimated remaining life of the improved asset. Property and equipment are reviewed for impairment at least annually and additionally whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable.

In most of the Company's markets, maintenance services on ATMs are generally performed by third-party service providers and are generally incurred as a fixed fee per month per ATM. In the U.K. and Canada maintenance services are to differing degrees mostly performed by in-house technicians. In all cases, maintenance costs are expensed as incurred.

Also reported within property and equipment are costs associated with internally-developed products. The Company capitalizes certain internal costs associated with developing new or enhanced products and technology that are expected to benefit multiple future periods through enhanced revenues and/or cost savings and efficiencies. Internally developed projects are placed into service and depreciation is commenced once the products are completed and are available for use. These projects are generally depreciated on a straight-line basis over estimated useful lives of three to five years. During the years ended December, 31, 2017 and 2016, the Company capitalized internal development costs of approximately $5.5 million and $5.0 million, respectively.

Depreciation expense for the years ended December 31, 2017, 2016, and 2015 was $120.2 million, $89.1 million, and $82.8 million, respectively. As of December 31, 2017, the Company did not have any material capital leases outstanding.

(l) Intangible Assets Other Than Goodwill

The Company's intangible assets include merchant and bank-branding contracts/relationships acquired in connection with acquisitions of ATMs and ATM-related assets (i.e., the right to receive future cash flows related to transactions occurring at these ATM locations), exclusive license agreements and site acquisition costs (i.e., the right to be the exclusive ATM provider, at specific ATM locations, for the time period under contract with a merchant customer), trade names, technology, non-compete agreements, and deferred financing costs relating to the Company's revolving credit facility (see *Note 10. Long-Term Debt*).

The estimated fair value of the merchant and bank-branding contracts/relationships within each acquired portfolio is determined based on the estimated net cash flows and useful lives of the underlying merchant or bank-branding contracts/relationships, including expected renewals. The contracts/relationships comprising each acquired portfolio are typically fairly similar in nature with respect to the underlying contractual terms and conditions. Accordingly, the Company generally pools such acquired contracts/relationships into a single intangible asset, by acquired portfolio, for purposes of computing the related amortization expense. The Company amortizes such intangible assets on a straight-line basis over the estimated useful lives of the portfolios to which the assets relate. Because the net cash flows associated with the Company's acquired merchant and bank-branding contracts/relationships have generally increased subsequent to the acquisition date, the use of a straight-line method of amortization effectively results in an accelerated amortization schedule. The estimated useful life of each portfolio is determined based on the weighted average lives of the expected cash flows associated with the underlying contracts/relationships comprising the portfolio, and takes into consideration expected renewal rates and the terms and significance of the underlying contracts/relationships themselves. Costs incurred by the Company to renew or extend the term of an existing contract/relationship are expensed as incurred, except for any direct payments made to the merchants, which are set up as new intangible assets (exclusive license agreements). Certain acquired merchant and bank-branding contracts/relationships may have unique attributes, such as significant contractual terms or value, and in such cases, the Company will separately account for these contracts/relationships in order to better assess the value and estimated useful lives of the underlying contracts/relationships.

The Company tests its acquired merchant and bank-branding contract/relationship intangible assets for impairment, together with the related ATMs, on an individual merchant and bank-branding contract/relationship basis for the Company's significant acquired contracts/relationships, and on a pooled or portfolio basis (by acquisition) for all other acquired contracts/relationships. If, subsequent to the acquisition date, circumstances indicate that a shorter estimated useful life is warranted for an acquired portfolio or an individual contract/relationship as a result of changes in the expected future cash flows associated with the individual merchant and bank-branding contracts/relationships comprising that portfolio or individual contract/relationship, then that individual contract/relationship or portfolio's remaining estimated useful life and related amortization expense are adjusted accordingly on a prospective basis.

Whenever events or changes in circumstances indicate that a merchant or bank-branding contract/relationship intangible asset may be impaired, the Company evaluates the recoverability of the intangible asset, and the related ATMs, by measuring the related carrying amounts against the estimated undiscounted future cash flows associated with the related contract/relationship or portfolio of contracts/relationships. Should the sum of the expected future net cash flows be less than the carrying values of the tangible and intangible assets being evaluated, an impairment loss would be recognized. The impairment loss would be calculated as the amount by which the carrying values of the ATMs and intangible assets exceeded the calculated fair value.

During September 2017, the Company experienced a significant market shift in Australia, which caused an impairment analysis to be performed that resulted in a $54.5 million impairment of the customer relationships and trade name intangible assets held in the Australia & New Zealand reporting unit. For additional information see *(m) Goodwill- Interim Evaluation as of September 30, 2017* and *Note 7. Intangible Assets*.

(m) Goodwill

Included within the Company's assets are goodwill balances that have been recognized in conjunction with its purchase accounting for completed business combinations. Under U.S. GAAP, goodwill is not amortized but is evaluated periodically for impairment. The Company performs this evaluation annually as of December 31 or more frequently if there are indicators that suggest the fair value of a reporting unit may be below its carrying value. The Company initially assesses qualitative factors to determine whether it is necessary to perform a quantitative goodwill impairment analysis. The qualitative and quantitative evaluations are performed at a reporting unit level. Reporting units are identified based on a number of factors, including: (i) whether or not the group has any recorded goodwill, (ii) the availability of discrete financial information, and (iii) how business unit performance is measured and reported. The Company has identified seven separate reporting units for its goodwill assessments: (i) the U.S. operations, (ii) the U.K. operations, (iii) the Australia & New Zealand operations, (iv) the Canada operations, (v) the South African operations, (vi) the German operations, and (vii) the Mexico operations. Based on a qualitative assessment, if it is more-likely-than-not that the fair value of a reporting unit is less than its carrying value, the Company performs a quantitative goodwill impairment analysis using a two-step approach to test goodwill for potential impairment. Step One of the quantitative approach compares the estimated fair value of a reporting unit to its carrying value. If the carrying value exceeds the estimated fair value, then a Step Two impairment calculation is performed. Step Two compares the carrying value of the reporting unit to the fair value of all of the assets and liabilities of the reporting unit, as if the reporting unit was newly acquired in a business combination. If the carrying value of a reporting unit's goodwill exceeds the implied fair value of its goodwill, an impairment loss is recognized. In connection with the identification of potential impairment triggering events, the long-lived assets (intangibles assets other than goodwill and related ATM fixed assets) held by the reporting units may, on the basis of a qualitative and quantitative analysis, be determined to have carrying values that are not recoverable and in excess of their associated fair values, in which case an impairment would also be recognized related to these intangible and fixed assets.

Interim Evaluation as of September 30, 2017

In late September 2017, Australia's four largest banks, the Commonwealth Bank of Australia ("CBA"), Australia and New Zealand Banking Group Limited ("ANZ"), Westpac Banking Corporation ("Westpac"), and National Australia Bank Limited ("NAB"), each independently announced decisions to remove all direct charges to users on domestic transactions completed on their respective ATM networks. Collectively, these four banks account for approximately one third of the total ATMs in Australia. This unexpected market shift appears to have been instigated by a decision and announcement by CBA, the largest Australian bank, to immediately remove direct charges to all users of its ATMs, regardless of whether or not the ATM user is a customer of the bank. In early October 2017, ANZ, Westpac, and NAB followed by removing direct charges on their ATM networks. Australia has historically been a direct charge ATM market, where cardholders pay a fee (or "direct charge") to the operator of an ATM for each transaction, unless the ATM where the transaction was completed is part of the cardholder's issuing bank ATM network. There currently is no broad interchange arrangement in Australia between card issuers and ATM operators to compensate the ATM operator for its service to a financial institution's cardholder. During the nine months ended September 30, 2017, more than 80% of the Company's revenues in Australia were sourced from direct charges paid by cardholders. As a result of this introduction of free-to-use ATMs in Australia and the resulting significant increase in availability of free-to-use ATMs to users, the Company determined that its future surcharge revenues in Australia had likely been materially adversely impacted. These developments were identified as an indicator of impairment, and the Company determined that in the presence of this indicator that it was more-likely-than-not that the fair value of the Australia & New Zealand reporting unit had fallen below its carrying value.

In response to the interim indicator of impairment, the Company performed a quantitative Step One analysis to assess the fair value of its reporting units as of September 30, 2017. In this quantitative analysis, the fair value of all of the Company's reporting units was determined using a combination of the income approach and the market approach. The income approach estimates the fair value of the reporting units based on estimates of the present value of future cash flows.

The Company uses significant estimates to develop its forecasts used in the income approach. These estimates include growth rates in revenues and costs, capital expenditure requirements, operating margins and tax rates. The income approach involves many significant estimates and judgments, including valuation multiples assigned to projected earnings before interest expense, income taxes, depreciation and amortization expense ("EBITDA") to estimate the terminal values of reporting units. The financial forecasts take into consideration many factors, including historical results and operating performance, related industry trends, pricing strategies, customer analysis, operational issues, competitor analysis, and marketplace data, among others. The assumptions used in the discounted cash flow analysis are inherently uncertain and require significant judgment on the part of management.

The discount rates used in the Step One income approach were determined using a weighted average cost of capital that reflected the risks and uncertainties in each reporting unit's cash flow estimates. The weighted average cost of capital included an estimated cost of debt and equity. The cost of equity was estimated using the capital asset pricing model, which included inputs for a long-term risk-free rate, equity risk premium, country risk premium, and a beta volatility factor estimate. The discount rates utilized in the September 30, 2017 Step One analysis ranged from 9.3% to 16.9% across the Company's seven reporting units. The market approach resulted in an estimated fair value based on the Company's market capitalization that is computed using the market price of its common stock and the number of shares outstanding as of the impairment test date. The sum of the estimated fair values for each reporting unit, as computed using the income approach, was then compared to the fair value of the Company as a whole, as determined based on the market approach plus an estimated control premium. All of the assumptions utilized in estimating the fair value of the Company's reporting units and performing the goodwill impairment test are inherently uncertain and require significant judgment on the part of management.

The Step One analysis, performed as of September 30, 2017 indicated that the fair value of the Company's Australia & New Zealand reporting unit was significantly below its carrying value. Therefore, the Company engaged a third party valuation expert and proceeded with its Step Two analysis utilizing an income approach consistent with the approach used to perform the purchase accounting for its recent business combinations. With respect to the Company's forecasted financial projections for its Australia & New Zealand reporting unit, management made certain assumptions regarding the potential impact this triggering event may have on the Company's future revenues based on inherently uncertain information as a result of the recent market shift. With only very preliminary information available regarding the impact of the recent changes implemented by Australia's four largest banks, the Company evaluated a range of possible impacts and ultimately determined that there would likely be a significant and prolonged adverse impact on the Company's ATMs as a result of the banks' actions described above, and the Company incorporated assumptions related to these potential impacts in its financial forecasts. Management prepared these forecasts based on the best information available at the time, including assumptions related to future transaction volumes and consumer habits. While management attempted to make reasonable and conservative assessments of future activities, those assumptions, and future impairment assessments, are subject to change in the future as actual patterns and transaction volumes develop.

Upon completion of the goodwill impairment analysis as of September 30, 2017, the Company determined that the implied fair value of its goodwill associated with its Australia & New Zealand reporting unit was below its carrying value. Accordingly, the Company recorded a goodwill impairment charge of $140.0 million to reduce the goodwill balance of its Australia & New Zealand reporting unit to its implied fair value. The Company also recognized a $54.5 million impairment of the customer relationships and trade name intangible assets in the Australia & New Zealand reporting unit. The carrying values of these assets were not deemed recoverable via their undiscounted cash flows; therefore, the fair values of these assets were re-evaluated using the income approach as of September 30, 2017, consistent with the approach used to value these assets in conjunction with the acquisition of DCPayments that was completed on January 6, 2017. The goodwill and intangible asset impairment charges are recognized within the Goodwill and intangible asset impairment line item in the accompanying Consolidated Statement of Operations. In addition, the Company recognized an impairment charge of $19.0 million related to other long-lived assets in the Australia & New Zealand reporting unit, and a charge of $2.5 million to adjust the Australia & New Zealand reporting unit inventory to its estimated net realizable value. The other long-lived assets and inventory charges are recognized in the Loss (gain) on disposal and impairment of assets line item in the accompanying Consolidated Statement of Operations. The Company recognized a non-cash income tax benefit of $22.5 million in the three and nine months ended September 30, 2017, to remove the deferred tax liabilities associated with the intangible and fixed assets that were impaired.

Annual Goodwill Impairment Evaluation as of December 31, 2017

As described above, the Company performs its goodwill impairment evaluation annually as of December 31 or more frequently if there are indicators that suggest the fair value of a reporting unit may be below its carrying value. For the goodwill impairment evaluation as of December 31, 2017, the Company elected to forego the qualitative assessment and instead performed the quantitative assessment under the applicable guidance.

The assessment as of December 31, 2017 was prepared using updated forecasts, estimates, and discount rates ranging from approximately 9.9% to 17.2% for the reporting units. This evaluation indicated that the fair value of all the reporting units were in excess of their respective carrying values as of December 31, 2017.

The majority of the Company's reporting units were determined to be significantly in excess of their carrying value as of December 31, 2017. The fair value of the Company's Canada reporting unit was not significantly in excess of its carrying value as of December 31, 2017, due to the recent acquisition of the Canada operations of DCPayments in January 2017 at fair value. Management will continue to monitor the transaction volumes, operating performance, and future projections for this reporting unit to determine if there are any impairment indicators in future periods. The estimated combined fair value of all reporting units as of December 31, 2017 resulted in an implied control premium for the enterprise comparable to recent market transactions.

(n) Income Taxes

Provisions for income taxes are based on taxes payable or refundable for the current year and deferred taxes, which are based on temporary differences between the amount of taxable income and income before provision for income taxes and between the tax basis of assets and liabilities and their reported amounts in the consolidated financial statements. Deferred tax assets and liabilities are reported in the consolidated financial statements at current income tax rates. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the provision for income taxes. In assessing the realizability of deferred tax assets, the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. As the ultimate realization of deferred tax assets is dependent on the generation of future taxable income during the periods in which those temporary differences become deductible, the Company considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. In the event the Company does not believe it is more likely than not that it will be able to utilize the related tax benefits associated with deferred tax assets, valuation allowances will be recorded to reserve for the assets.

(o) Asset Retirement Obligations ("ARO")

The Company estimates the fair value of future ARO costs associated with the costs to deinstall its ATMs, and in some cases, restore the ATM sites to their original condition, and recognizes this amount as a liability on a pooled basis based on the estimated deinstallation dates in the period in which it is incurred and can be reasonably estimated. The Company's estimates of fair value involve discounted future cash flows. The Company capitalizes the initial estimated fair value amount of the ARO asset and depreciates the ARO over the asset's estimated useful life. Subsequent to recognizing the initial liability, the Company recognizes an ongoing expense for changes in such liabilities due to the passage of time (i.e., accretion expense), which is recorded in the Depreciation and accretion expense line item in the accompanying Consolidated Statements of Operations. As the liability is not revalued on a recurring basis, it is periodically reevaluated based on current machine count and cost estimates. Upon settlement of the liability, the Company recognizes a gain or loss for any difference between the settlement amount and the liability recorded. For additional information related to the Company's AROs, see *Note 11. Asset Retirement Obligations.*

(p) Revenue Recognition

ATM operating revenues. Substantially all of the Company's revenues are from ATM operating and transaction-based fees, which are reflected in the ATM operating revenues line item in the accompanying Consolidated Statements of Operations. ATM operating revenues primarily include the following:

- *Surcharge, interchange, and dynamic currency conversion revenues*, which are recognized daily as the underlying transactions are processed.

- *Bank-branding revenues*, which are provided by the Company's bank-branding arrangements, under which financial institutions generally pay a monthly per ATM fee to the Company to place their brand logo on selected ATMs within the Company's portfolio. In return, the branding financial institution's cardholders have access to use those bank-branded ATMs without paying a surcharge fee. The monthly per ATM fees are recognized as revenues on a monthly basis as earned. In addition to the monthly per ATM fees, the Company may also receive a one-time set-up fee per ATM. This set-up fee is separate from the recurring, monthly per ATM fees and is meant to compensate the Company for the burden incurred related to the initial set-up of a bank-branded ATM versus the on-going monthly services provided for the actual bank-branding. The Company has deferred these set-up fees (as well as the corresponding costs associated with the initial set-up) and is recognizing such amounts as revenue (and expense) over the terms of the underlying bank-branding agreements on a straight-line basis.

- *Surcharge-free network revenues*, which are produced by the operations of the Company's Allpoint business. The Company allows cardholders of financial institutions that participate in Allpoint to use the Company's network of ATMs on a surcharge-free basis. In return, the participating financial institutions pay a fixed monthly fee per cardholder or a fixed fee per transaction to the Company. These surcharge-free network fees are recognized as revenues on a monthly basis as earned.

- *Managed services revenues*, which the Company typically receives a fixed management fee per ATM and/or fixed fee per transaction. While the fixed management fee per ATM and any transaction-based fees are recognized as revenue as earned (generally monthly), the surcharge and interchange fees from the ATMs under the managed services arrangement are earned by the Company's customer, and therefore, are not recorded as revenue of the Company.

- *Other revenues,* which includes transaction processing for third party ATM operators, advertising revenues, professional services, and other fees. The Company typically recognizes these revenues as the services are provided and the revenues earned.

ATM product sales. The Company also earns revenues from the sale of ATMs and ATM-related equipment and other non-transaction-based revenues. Such amounts are reflected in the ATM product sales and other revenues line item in the accompanying Consolidated Statements of Operations. These revenues consist primarily of sales of ATMs and ATM-related equipment to merchants operating under merchant-owned arrangements, as well as sales under the Company's value-added reseller ("VAR") program with a third party. Revenues related to the sale of ATMs and ATM-related equipment to merchants are recognized when the equipment is delivered to the customer and the Company has completed all required installation and set-up procedures. With respect to the sale of ATMs to associate VARs, the Company recognizes revenues related to such sales when the equipment is delivered to the associate VAR. The Company typically extends 30 day terms and receives payment directly from the associate VAR irrespective of the ultimate sale to a third-party.

ATM services. The Company also receives revenues from the sale of services to retailers, including the provision of cash delivery and maintenance services. Revenues from this business activity have been reported within the ATM product sales and other revenues line item in the accompanying Consolidated Statements of Operations. The Company recognizes and invoices revenues related to these services when the service has been performed.

Merchant-owned arrangements. In connection with the Company's merchant-owned ATM arrangements, the Company typically pays all or a sizable portion of the transaction fees that it collects to the merchant as payment for providing, placing, and maintaining the ATM. Pursuant to the guidance in the FASB ASC 605-45-45, *Revenue Recognition - Principal Agent Considerations - Other Presentation Matters*, the Company has assessed whether to record such payments as a reduction of associated ATM transaction revenues or a cost of revenues. Specifically, if the Company acts as the principal and is the primary obligor in the ATM transactions, provides the processing for the ATM transactions, has significant influence over pricing, and has the risks and rewards of ownership, including a variable earnings component and the risk of loss for collection, the Company recognizes the surcharge and interchange fees on a gross basis and does not reduce its reported revenues for payments made to the various merchants who are also involved in the business activity. As a result, for agreements under which the Company acts as the principal, the Company records the total amounts earned from the underlying ATM transactions as ATM operating revenues and records the related merchant commissions as a cost of ATM operating revenues. However, for those agreements in which the Company does not meet the criteria to qualify as the principal agent in the transaction, the Company does not record the related surcharge and interchange revenue as the rights associated with this revenue stream inure to the benefit of the merchant.

(q) Share-Based Compensation

The Company calculates the fair value of share-based instruments awarded to Company's Board of Directors (the "Board") and its employees on the date of grant and recognizes the calculated fair value, net of estimated forfeitures, as compensation expense over the underlying requisite service periods of the related awards. For additional information related to the Company's share-based compensation, see *Note 3. Share-Based Compensation.*

(r) Derivative Financial Instruments

The Company utilizes derivative financial instruments to hedge its exposure to changing interest rates related to the Company's ATM cash management activities, and on a limited basis, the Company's exposure to foreign currency transactions. The Company does not enter into derivative transactions for speculative or trading purposes, although circumstances may subsequently change the designation of its derivatives to economic hedges.

The Company records derivative instruments at fair value in the accompanying Consolidated Balance Sheets. These derivatives, which consist of interest rate swap and foreign currency forward contracts, are valued using pricing models based on significant other observable inputs (Level 2 inputs under the fair value hierarchy prescribed by U.S. GAAP), while taking into account the credit worthiness of the party that is in the liability position with respect to each trade. The majority of the Company's derivative transactions have been accounted for as cash flow hedges, and accordingly, changes in the fair values of such derivatives have been reported in the Accumulated other comprehensive loss, net line item in the accompanying Consolidated Balance Sheets. For additional information related to the Company's derivative financial instruments, see *Note 15. Derivative Financial Instruments*.

In connection with the issuance of the $287.5 million of 1.00% Convertible Senior Notes due December 2020 (the "Convertible Notes"), the Company entered into separate convertible note hedge and warrant transactions with certain of the initial purchasers to reduce the potential dilutive impact upon the conversion of the Convertible Notes. For additional information related to the Company's convertible note hedges and warrant transactions, see *Note 10. Long-Term Debt.*

(s) Fair Value of Financial Instruments

The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. U.S. GAAP does not require the disclosure of the fair value of lease financing arrangements and non-financial instruments, including intangible assets such as goodwill and the Company's merchant and bank-branding contracts/relationships. For additional information related to the Company's fair value evaluation of its financial instruments, see *Note 16. Fair Value Measurements.*

(t) Foreign Currency Exchange Rate Translation

The Company is exposed to foreign currency exchange rate risk with respect to its international operations. The functional currencies of these international subsidiaries are their respective local currencies. The results of operations of the Company's international subsidiaries are translated into U.S. dollars using average foreign currency exchange rates in effect during the periods in which those results are recorded and the assets and liabilities are translated using the foreign currency exchange rate in effect as of each balance sheet reporting date. These resulting translation adjustments have been recorded in the Accumulated other comprehensive loss, net line item in the accompanying Consolidated Balance Sheets.

The Company currently believes that the unremitted earnings of all of its international subsidiaries will be reinvested in the corresponding country of origin for an indefinite period of time. Accordingly, no deferred taxes have been provided for the differences between the Company's book basis and underlying tax basis in those subsidiaries or on the foreign currency translation adjustment amounts.

(u) Treasury Shares

Immediately prior to the Redomicile Transaction, 7,310,022 treasury shares of Cardtronics Delaware with a cost basis of $106.5 million were cancelled with the offsetting impact recorded in the Additional paid-in capital and Retained earnings line items in the accompanying Consolidated Balance Sheets. As a result, the Company does not currently hold any treasury shares. Prior to the Redomicile Transaction, treasury shares were recorded at cost and carried as a reduction to Shareholders' equity.

(v) Advertising Costs

Advertising costs are expensed as incurred and totaled $5.0 million, $5.0 million, and $5.4 million during the years ended December 31, 2017, 2016, and 2015, respectively, and are reported in the Selling, general, and administrative expenses line item in the accompanying Consolidated Statements of Operations.

(w) Working Capital Deficit

The Company's surcharge and interchange revenues are typically collected in cash on a daily basis or within a short period of time subsequent to the end of each month. However, the Company typically pays its vendors on 30 day terms and is not required to pay certain of its merchants until 20 days after the end of each calendar month. As a result, the Company will typically utilize the excess available cash flow to reduce borrowings made under the Company's revolving credit facility. Accordingly, the Company's balance sheets will often reflect a working capital deficit position. The Company considers such a presentation to be a normal part of its ongoing operations.

(x) Contingencies

The Company evaluates its accounting and disclosures for contingencies on a recurring basis in accordance with U.S. GAAP. As of December 31, 2017, the Company had a material contingent liability for acquisition-related contingent consideration associated with its purchase of Spark ATM Systems Pty Ltd. See additional discussion in *Note. 2 Acquisitions and Divestitures and Note. 17 Commitments and Contingencies.*

(2) Acquisitions and Divestitures

Sunwin Services Group Acquisition

On November 3, 2014, the Company completed the acquisition of Sunwin Services Group, ("Sunwin") in the U.K., a subsidiary of the Co-operative Group, for aggregate cash consideration of £41.5 million, or $66.4 million. Sunwin's primary business is providing secure cash logistics and ATM maintenance services to ATMs and other services to retail locations. The Company also acquired approximately 2,000 ATMs from Co-op Bank and secured an exclusive ATM placement agreement to operate ATMs at Co-operative Food locations. The Company has accounted for these transactions as if they were all related due to the timing of the transactions being completed and the dependency of the transactions on each other. The Company completed the purchase accounting for Sunwin in June 2015. On July 1, 2015, the Company completed the divestiture of its retail cash-in-transit operation in the U.K. This business was primarily engaged in the collection of cash from retail locations and was originally acquired through the Sunwin acquisition completed in November 2014. The Company recognized divestiture proceeds at their estimated fair value of $39 million in 2015. The net pre-tax gain recognized on this transaction was $1.8 million and $16.6 million in the years ended December 31, 2016 and 2015, respectively. The Company completed the purchase accounting in the fourth quarter of 2016, recognizing no additional adjustments to the preliminary opening balance sheet.

Columbus Data Services, L.L.C. Acquisition

On July 1, 2015, the Company completed the acquisition of Columbus Data Services, L.L.C. ("CDS") for total purchase consideration of $80.6 million. CDS is a leading independent transaction processor for ATM deployers and payment card issuers, providing leading-edge solutions to ATM sales and service organizations and financial institutions. CDS operates as a separate division of the Company. The total purchase consideration for CDS was allocated to the assets acquired and liabilities assumed, including identifiable tangible and intangible assets, based on their respective fair values estimated at the date of acquisition. The estimated fair values of the intangible assets included the acquired customer relationships' valued at $16.5 million, technology valued at $7.8 million, and other intangible assets valued at $1.7 million. Intangible values were estimated utilizing primarily a discounted cash flow approach, with the assistance of an independent appraisal firm. The tangible assets acquired included property and equipment, and were recorded at their estimated fair value of $4.6 million, utilizing the market and cost approaches. The purchase consideration allocation resulted in goodwill of $52.7 million. The Company completed the purchase accounting for CDS in the first quarter of 2016, recognizing no additional adjustments to the preliminary opening balance sheet. All of the goodwill and intangible asset amounts are expected to be deductible for income tax purposes.

On April 13, 2016, the Company completed the acquisition of a 2,600 location ATM portfolio in the U.S. from a major financial institution. This acquisition was affected through multiple closings taking place primarily in April 2016. The total purchase consideration of approximately $13.8 million was paid in installments corresponding to each close. In conjunction with this transaction, the Company recognized property and equipment of $8.3 million, contract intangibles and prepaid merchant commissions of $7.1 million, and asset retirement obligations of $1.6 million. The Company completed the purchase accounting in the fourth quarter of 2016, recognizing no additional adjustments to the preliminary opening balance sheet.

DirectCash Payments Inc. Acquisition

On January 6, 2017, the Company completed the acquisition of DCPayments, whereby DCPayments became a wholly-owned indirect subsidiary of the Company. In connection with the closing of the acquisition, each DCPayments common share was acquired for Canadian Dollars $19.00 in cash per common share, and the Company also repaid the outstanding third-party indebtedness of DCPayments, the combined aggregate of which represented a total transaction value of approximately $658 million Canadian Dollars (approximately $495 million U.S. dollars). The total amount paid for the acquisition at closing was financed with cash on hand and borrowings under the Company's revolving credit facility.

As a result of the DCPayments acquisition, the Company significantly increased the size of its Canada, Mexico, and U.K. operations and entered into the Australia and New Zealand markets. With this acquisition, the Company added approximately 25,000 ATMs to its global ATM count.

On September 22, 2017, the U.K. Competition and Markets Authority (the "CMA") completed its regulatory review and approved the merger of the DCPayments U.K. business with the Company's existing U.K. operations. Prior to the CMA approval, the DCPayments U.K. business operated separately from the Company's existing U.K. operations with the DCPayments pre-acquisition management running the business independently from the Company's management. The Company is in the process of integrating its existing U.K. operations with the DCPayments U.K. operations.

The results of DCPayments operations have been included in the accompanying Consolidated Statements of Operations subsequent to the January 6, 2017 acquisition date and disclosure of the associated 2017 revenue and earnings is impracticable given the level of integration achieved during 2017. The income from operations includes $17.8 million and $4.0 million of acquisition-related expenses in the years ended December 31, 2017 and 2016.

The DCPayments acquisition was accounted for as a business combination using the purchase method of accounting under the provisions of Accounting Standards Codification ("ASC") Topic 805, Business Combinations ("ASC 805"). In accordance with ASC 805, all assets acquired and liabilities assumed have been recorded at their estimated fair value as of the acquisition date and any excess of the purchase consideration over the fair value of the identifiable assets acquired and liabilities assumed has been recognized as goodwill. The Company completed its fair value purchase allocation and purchase accounting in December 2017, which resulted in a goodwill allocation of approximately $300.3 million, of which $107.4 million, $51.3 million, and $141.6 million has been assigned to the Company's North America, Europe & Africa, and Australia & New Zealand reporting segments, respectively. The recognized goodwill was primarily attributable to expected revenue and cost synergies from the acquisition. None of the goodwill or intangible asset amounts are expected to be deductible for income tax purposes; however, the Company acquired certain tax assets in the form of accumulated net operating loss carryforwards and capital allowances, which at the date of acquisition the Company expected to utilize.

The following table summarizes the final estimated fair values of the assets acquired and liabilities assumed as of the acquisition date:

		(In thousands)
Cash and cash equivalents	$	28,227
Accounts and notes receivable		14,841
Inventory		977
Restricted cash		2,475
Prepaid expenses, deferred costs, and other current assets		3,157
Property and equipment		68,842
Intangible assets		182,075
Goodwill		300,266
Prepaid expenses, deferred costs, and other noncurrent assets		674
Total assets acquired	$	601,534
Current portion of other long-term liabilities	$	10,852
Accounts payable and other current liabilities		51,453
Asset retirement obligations		8,906
Deferred tax liability		23,213
Other long-term liabilities		11,631
Total liabilities assumed	$	106,055
Net assets acquired	$	495,479

The fair values of intangible assets acquired were estimated utilizing an income approach, with the assistance of an independent appraisal firm. The acquired intangible assets are being amortized on a straight-line basis, over the estimated lives. At the date of the acquisition the estimated fair values consisted of the following:

		Fair Values	**Estimated Useful Lives**
		(In thousands)	
Merchant contracts/relationships	$	171,382	8 years
Trade names: definite-lived		10,693	3 years
Total intangible assets acquired	$	182,075	

Pro Forma Results of Operations - unaudited

The following table presents certain unaudited pro forma combined results of operations of the Company and the acquired DCPayments operations for the year ended December 31, 2016, after giving effect to certain pro forma and conforming accounting adjustments including: (i) amortization of acquired intangible assets, (ii) the impact of certain fair value adjustments such as depreciation on the acquired property and equipment, (iii) an interest expense adjustment for the net impact of the removal of the interest expense on the historical long-term debt of DCPayments that was repaid and the new interest expense on additional borrowings incurred by the Company to fund the acquisition, and (iv) a conforming adjustment to recognize certain DCPayments surcharge revenues on a gross basis (not reduced by merchant commission payments), consistent with the Company policy and practice, and other less significant conforming accounting adjustments.

	Year Ended December 31, 2016	
	As Reported	**Pro Forma**
		(Unaudited)
	(In thousands, excluding per share amounts)	
Total revenues	$ 1,265,364	$ 1,530,072
Net income attributable to controlling interests and available to common shareholders	87,991	80,945
Net income per common share – basic	$ 1.95	$ 1.79
Net income per common share – diluted	$ 1.92	$ 1.77

The unaudited pro forma combined results of operations for the year ended December 31, 2016, reflected in the table above, do not include the impact of other acquisitions completed since December 31, 2016, as these transactions did not have a material impact on the overall consolidated financial statements. This unaudited pro forma combined results of operations do not reflect the impact of any potential operating efficiencies, savings from expected synergies, or costs to integrate the operations. The unaudited pro forma combined results of operations are not necessarily indicative of the future results to be expected for the Company's consolidated results of operations. As discussed in *Note 1. Basis of Presentation and Summary of Significant Accounting Policies — (m) Goodwill*, the Company recognized significant impairment charges related to the acquired Australia operations during the year ended December 31, 2017.

Other Acquisitions

On January 31, 2017, the Company completed the acquisition of Spark ATM Systems Pty Ltd. ("Spark"), an independent ATM deployer in South Africa, with a growing network of approximately 2,300 ATMs. The initial purchase consideration of approximately $19.5 million was paid in cash. In addition to the initial consideration, the total purchase price also includes potential additional contingent consideration of up to approximately $59.6 million at the January 31, 2017 foreign currency exchange rate. The contingent consideration will vary based upon performance relative to certain agreed upon earnings targets in 2019 and 2020 and would be payable to the previous investors in the business. The estimated acquisition date fair value of the contingent consideration was approximately $34.8 million, at the January 31, 2017 foreign currency exchange rate, as determined with the assistance of an independent appraisal firm using forecasted future financial projections and other Level 3 inputs (for additional information related to the Company's fair value estimates see *Note 16. Fair Value Measurements*). During the year ended December 31, 2017, the Company recorded expenses of $3.9 million, in the Other expense line item in the accompanying Consolidated Statements of Operations related to changes in the estimated fair value of the contingent consideration arrangement. In future periods, the Company may record additional expense or may reduce its expense to account for revisions to the amount expected to be paid related to the contingent payment element, which will vary based on actual and expected performance. In conjunction with the transaction, the Company recognized property and equipment of approximately $5.3 million, intangible assets of $2.8 million, Asset Retirement Obligations ("ARO") of approximately $0.4 million, other net liabilities of approximately $1.5 million, and goodwill of approximately $48.2 million. The Company completed the purchase accounting for this acquisition during the fourth quarter of 2017.

(3) Share-Based Compensation

The Company accounts for its share-based compensation by recognizing the grant date fair value of share-based awards, net of estimated forfeitures, as share-based compensation expense over the underlying requisite service periods of the related awards. The grant date fair value is based upon the Company's share price on the date of grant.

The following table reflects the total share-based compensation expense amounts reported in the accompanying Consolidated Statements of Operations:

	Year Ended December 31,		
	2017	2016	2015
		(In thousands)	
Cost of ATM operating revenues	$ 543	$ 875	$ 1,218
Selling, general, and administrative expenses	13,852	20,555	18,236
Total share-based compensation expense	$ 14,395	$ 21,430	$ 19,454

Total share-based compensation expense decreased $7.0 million during the year ended December 31, 2017 compared to the prior year partially due to: (i) a lower expected payout for the performance-based awards compared to the prior year and (ii) a higher level of forfeitures during the period as a result of the Company's Restructuring Plan and the associated employee terminations. The employee terminations resulted in the net reversal of $1.5 million in share-based compensation expense during the three months ended March 31, 2017. Total share-based compensation expense increased $2.0 million during the year ended December 31, 2016 compared to the prior year due to the timing and amount of grants made during preceding periods and additional estimated expense related to performance-based awards in 2016.

Share-based compensation plans. The Company currently has two long-term incentive plans - the Third Amended and Restated 2007 Stock Incentive Plan (as amended, the "2007 Plan") and the 2001 Stock Incentive Plan ("2001 Plan"). The purpose of each of these plans is to provide members of the Board and employees of the Company additional incentive and reward opportunities designed to enhance the profitable growth of the Company. Equity grants awarded under these plans generally vest in various increments over four years based on continued employment. The Company handles stock option exercises and other share grants through the issuance of new common shares.

In conjunction with the Redomicile Transaction, on July 1, 2016, Cardtronics plc executed a deed of assumption pursuant to which Cardtronics plc adopted the 2007 Plan and assumed all outstanding awards granted under the 2007 Plan (including awards granted under the 2007 Plan prior to the completion of the Redomicile Transaction) and the 2001 Stock Incentive Plan of Cardtronics Delaware, as amended. All grants during the periods above were made under the 2007 Plan.

2007 Plan. The 2007 Plan provides for the granting of incentive stock options intended to qualify under Section 422 of the Internal Revenue Code, options that do not constitute incentive stock options, Restricted Stock Awards ("RSAs"), phantom share awards, Restricted Stock Units ("RSUs"), bonus share awards, performance awards, and annual incentive awards. The number of common shares that may be issued under the 2007 Plan may not exceed 9,679,393 shares. The shares issued under the 2007 Plan are subject to further adjustment to reflect share dividends, share splits, recapitalizations, and similar changes in the Company's capital structure. As of December 31, 2017, 416,500 options and 6,420,855 shares of RSAs and RSUs, net of cancellations, had been granted under the 2007 Plan, and options to purchase 300,625 common shares have been exercised.

2001 Plan. No awards were granted in 2017, 2016, and 2015 under the Company's 2001 Plan. As of December 31, 2017, options to purchase an aggregate of 6,438,172 common shares (net of options cancelled) had been granted pursuant to the 2001 Plan, all of which the Company considered as non-qualified stock options, and 6,306,821 of these options had been exercised.

Restricted Stock Units. The Company grants RSUs under its Long-term Incentive Plan ("LTIP"), which is an annual equity award program under the 2007 Plan. The ultimate number of RSUs that are determined to be earned under the LTIP are approved by the Compensation Committee of the Company's Board of Directors on an annual basis, based on the Company's achievement of certain performance levels during the calendar year of its grant. The majority of these grants have both a performance-based and a service-based vesting schedule (“Performance-RSUs”), and the Company recognizes the related compensation expense based on the estimated performance levels that management believes will ultimately be met. A portion of the awards have only a service-based vesting schedule (“Time-RSUs”), for which the associated expense is recognized ratably over four years. Performance-RSUs and Time-RSUs are convertible into the Company’s common shares after the passage of the vesting periods, which are 24, 36, and 48 months from January 31 of the grant year, at the rate of 50%, 25%, and 25%, respectively. Performance-RSUs will be earned only if the Company achieves certain performance levels. Although the Performance-RSUs are not considered to be earned and outstanding until at least the minimum performance metrics are met, the Company recognizes the related compensation expense over the requisite service period (or to an employee’s qualified retirement date, if earlier) using a graded vesting methodology. RSUs are also granted outside of LTIPs, with or without performance-based vesting requirements.

The number of the Company’s non-vested RSUs as of December 31, 2017, and changes during the year ended December 31, 2017, are presented below:

	Number of Shares	Weighted Average Grant Date Fair Value
Non-vested RSUs as of January 1, 2017	971,751	$ 37.08
Granted	723,654	$ 37.80
Vested	(532,815)	$ 36.57
Forfeited	(156,581)	$ 37.01
Non-vested RSUs as of December 31, 2017	1,006,009	$ 37.88

The above table only includes earned RSUs; therefore, the Performance-RSUs granted in 2017 but not yet earned are not included. The number of Performance-RSUs granted at target in 2017, net of estimated forfeitures, was 241,550 units with a grant date fair value of $37.72 per unit. Time-RSUs are included as granted. The weighted average grant date fair value of the RSUs granted was $37.80, $37.63, and $38.35 for the years ended December 31, 2017, 2016, and 2015 respectively. The total fair value of RSUs that vested during the years ended December 31, 2017, 2016, and 2015 was $26.0 million, $16.1 million, and $14.7 million, respectively. Compensation expense associated with RSUs totaled $14.5 million, $21.0 million, and $18.6 million for the years ended December 31, 2017, 2016, and 2015, respectively. As of December 31, 2017, the unrecognized compensation expense associated with earned RSUs was $11.4 million, which will be recognized using a graded vesting schedule for Performance-RSUs and a straight-line vesting schedule for Time-RSUs, over a remaining weighted average vesting period of approximately 2.4 years.

Restricted Stock Awards. As of December 31, 2017, all RSAs had fully vested and the Company had no unrecognized compensation expense. The Company ceased granting RSAs in 2013.

Options. As of December 31, 2017, there were 1,250 outstanding and exercisable options with a weighted average grant date fair value of $9.69. The Company has not granted any options since 2010. As of December 31, 2017, the Company had no unrecognized compensation expense associated with outstanding options as all the remaining outstanding options became fully vested during 2015.

(4) Earnings (Loss) per Share

The Company reports its earnings per share under the two-class method. Under this method, potentially dilutive securities are excluded from the calculation of diluted earnings per share (as well as their related impact on the net income available to common shareholders) when their impact on net income available to common shareholders is anti-dilutive.

For the year ended December 31, 2017, the Company incurred a net loss, and accordingly, excluded all potentially dilutive securities from the calculation of diluted (loss) earnings per share as their impact on the net loss available to common shareholders was anti-dilutive. Potentially dilutive securities for the years ended December 31, 2017, 2016, and 2015 included all outstanding stock options, RSAs, and RSUs, which were included in the calculation of diluted earnings per share for these periods. The potentially dilutive effect of outstanding warrants and the underlying shares exercisable under the Company’s Convertible Notes were excluded from diluted shares outstanding because the exercise price exceeded the average market price of the Company's common shares in the periods presented. The effect of the note hedge the Company purchased to offset the underlying conversion option embedded in its Convertible Notes was also excluded, as the effect is anti-dilutive.

Additionally, the restricted shares issued by the Company under RSAs have a non-forfeitable right to cash dividends, if and when declared by the Company. Accordingly, restricted shares issued under RSAs are considered to be participating securities and, as such, the Company has allocated the undistributed earnings for the years ended December 31, 2016 and 2015 among the Company's outstanding common shares and issued but unvested restricted shares. For December 31, 2017, the undistributed loss was not allocated to the vested restricted shares as they do not carry an obligation to share in losses.

Accordingly, the allocated details are as follows:

(Loss) Earnings per Share (in thousands, excluding share and per share amounts)

	2017		
	Loss	**Weighted Average Shares Outstanding**	**Loss per Share**
Basic:			
Net (loss) attributable to controlling interests and available to common shareholders	$ (145,350)		
Less: Undistributed earnings allocated to unvested RSAs	—		
Net (loss) available to common shareholders	$ (145,350)	45,619,679	$ (3.19)
Diluted:			
Effect of dilutive securities:			
Add: Undistributed earnings allocated to restricted shares	$ —		
Stock options added to the denominator under the treasury stock method		—	
RSUs added to the denominator under the treasury stock method		—	
Less: Undistributed earnings reallocated to RSAs	—		
Net (loss) available to common shareholders and assumed conversions	$ (145,350)	45,619,679	$ (3.19)

	2016			2015		
	Income	Weighted Average Shares Outstanding	Earnings per Share	Income	Weighted Average Shares Outstanding	Earnings per Share
Basic:						
Net income attributable to controlling interests and available to common shareholders	$ 87,991			$ 67,080		
Less: Undistributed earnings allocated to unvested RSAs	(42)			(94)		
Net income available to common shareholders	$ 87,949	45,206,119	$ 1.95	$ 66,986	44,796,701	$ 1.50
Diluted:						
Effect of dilutive securities:						
Add: Undistributed earnings allocated to restricted shares	$ 42			$ 94		
Stock options added to the denominator under the treasury stock method		24,509			63,657	
RSUs added to the denominator under the treasury stock method		590,899			508,329	
Less: Undistributed earnings reallocated to RSAs	(41)			(93)		
Net income available to common shareholders and assumed conversions	$ 87,950	45,821,527	$ 1.92	$ 66,987	45,368,687	$ 1.48

Potentially dilutive common shares related to restricted shares issued by the Company under RSAs were 2,821 for December 31, 2017. The computation of diluted earnings per share excluded potentially dilutive common shares related to restricted shares issued by the Company under RSAs of 12,316, and 31,005 shares for the years ended December 31, 2016 and 2015, respectively, because the effect of including these shares in the computation would have been anti-dilutive.

(5) Related Party Transactions

Board members. Dennis Lynch, a member of the Board, is a member of the Board of Directors for Fiserv, Inc. ("Fiserv"). Additionally, Jorge Diaz, also a member of the Board, is the Division President and Chief Executive Officer of Fiserv Output Solutions, a division of Fiserv. During the years ended December 31, 2017, 2016, and 2015, Fiserv provided the Company with third-party services during the normal course of business, including transaction processing, network hosting, network sponsorship, and cash management. The amounts paid to Fiserv in each of these years is immaterial to the Company's financial statements.

G. Patrick Philips, a member of the Board, a member of the Board, is a member of the Board of Directors for USAA Federal Savings Bank ("USAA FSB"). During the years ended December 31, 2017, 2016, and 2015, the Company provided bank-branding and Allpoint services to USAA on terms that are generally consistent with its other customers for similar services.

BANSI, S.A. Institución de Banca Multiple ("Bansi"). Bansi, an entity that owns a noncontrolling interest in the Company's subsidiary, Cardtronics Mexico, provides various ATM management services to Cardtronics Mexico in the normal course of business, including serving as one of the vault cash providers and bank sponsors, as well as providing other miscellaneous services. The amounts paid to Bansi for each of the years ended December 31, 2017, 2016, and 2015 were immaterial to the Company's financial statements.

(6) Property and Equipment, net

The Company's property and equipment consisted of the following:

	December 31, 2017	December 31, 2016
	(In thousands)	
ATM equipment and related costs	$ 661,108	$ 633,905
Technology assets	146,489	97,152
Facilities, equipment, and other	94,446	59,650
Total property and equipment	902,043	790,707
Less: Accumulated depreciation	(404,141)	(397,972)
Property and equipment, net	$ 497,902	$ 392,735

As discussed in *Note 1. Basis of Presentation and Summary of Significant Accounting Policies - (k) Property and Equipment, net,* the property and equipment balances include assets available for deployment and deployments in process of $50.5 million and $66.1 million as of December 31, 2017 and 2016, respectively.

(7) Intangible Assets, net

Intangible Assets with Indefinite Lives

The following tables present the net carrying amount of the Company's intangible assets with indefinite lives as of December 31, 2017 and 2016, as well as the changes in the net carrying amounts for the years ended December 31, 2017 and 2016 by segment:

	North America (1)	Europe & Africa (2)	Australia & New Zealand	Total
	(In thousands)			
Goodwill, gross as of January 1, 2016	$ 452,270	$ 146,669	$ —	$ 598,939
Accumulated impairment loss	—	(50,003)	—	(50,003)
Goodwill, net as of January 1, 2016	$ 452,270	$ 96,666	$ —	$ 548,936
Intersegment allocation	—	—	—	—
Foreign currency translation adjustments	(38)	(15,823)	—	(15,861)
Goodwill, gross as of December 31, 2016	$ 452,232	$ 130,846	$ —	$ 583,078
Accumulated impairment loss	—	(50,003)	—	(50,003)
Goodwill, net as of December 31, 2016	$ 452,232	$ 80,843	$ —	$ 533,075
Acquisitions	107,442	99,465	141,557	348,464
Foreign currency translation adjustments	6,043	16,238	11,157	33,438
Impairment loss	—	—	(140,038)	(140,038)
Goodwill, gross as of December 31, 2017	$ 565,717	$ 246,549	$ 152,714	$ 964,980
Accumulated impairment loss	—	(50,003)	(140,038)	(190,041)
Goodwill, net as of December 31, 2017	$ 565,717	$ 196,546	$ 12,676	$ 774,939

(1) The North America segment is comprised of the Company's operations in the U.S., Canada, Mexico, and Puerto Rico.

(2) The Europe & Africa segment is comprised of the Company's operations in the U.K., Ireland, Germany, Spain, South Africa, Poland, and its ATM advertising business, i-design group plc ("i-design").

	Trade Name: Indefinite-lived		
	North America (1)	Europe & Africa (2)	Total
	(In thousands)		
Balance as of January 1, 2016	$ 1,900	$ 416	$ 2,316
Reclassification to definite-lived trade name	(1,700)	—	(1,700)
Foreign currency translation adjustments	—	3	3
Trade names: indefinite-lived as of December 31, 2016	$ 200	$ 419	$ 619
Foreign currency translation adjustments	—	40	40
Trade names: indefinite-lived as of December 31, 2017	$ 200	$ 459	$ 659

(1) The North America segment is comprised of the Company's operations in the U.S., Canada, Mexico, and Puerto Rico.

(2) The Europe & Africa segment is comprised of the Company's operations in the U.K., Ireland, Germany, Spain, South Africa, the recently exited Poland, and i-design.

Intangible Assets with Definite Lives

The following table presents the Company's intangible assets that were subject to amortization:

	December 31, 2017			December 31, 2016		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
	(In thousands)					
Merchant and bank-branding contracts/relationships	$ 490,332	$ (299,801)	$ 190,531	$ 353,334	$ (248,428)	$ 104,906
Trade names: definite-lived	18,480	(7,091)	11,389	11,618	(3,674)	7,944
Technology	10,901	(5,230)	5,671	10,718	(4,781)	5,937
Non-compete agreements	4,438	(4,308)	130	4,351	(4,057)	294
Revolving credit facility deferred financing costs	2,730	(1,248)	1,482	3,770	(2,240)	1,530
Total intangible assets with definite lives	$ 526,881	$ (317,678)	$ 209,203	$ 383,791	$ (263,180)	$ 120,611

The majority of the Company's intangible assets with definite lives are being amortized over the assets' estimated useful lives utilizing the straight-line method. Estimated useful lives range from four to ten years for merchant and bank-branding contracts/relationships, two to ten years for exclusive license agreements, one to fifteen years for finite-lived trade names, three years for acquired technology, and one to five years for non-compete agreements. Deferred financing costs relating to the Company's revolving credit facility are amortized through interest expense over the contractual term of the revolving credit facility utilizing the effective interest method. The Company periodically reviews the estimated useful lives of its identifiable intangible assets, taking into consideration any events or circumstances that might result in a reduction in fair value or a revision of those estimated useful lives.

Amortization of definite-lived intangible assets is recorded in the Amortization of intangible assets line item in the accompanying Consolidated Statements of Operations, except for deferred financing costs related to the revolving credit facility and certain exclusive license agreements. Amortization of the revolving credit facility deferred financing costs is combined with the amortization of note discount related to other debt instruments and is recorded in the Amortization of deferred financing costs and note discount line item in the accompanying Consolidated Statements of Operations. Certain exclusive license agreements that were effectively prepayments of merchant fees were amortized through the Cost of ATM operating revenues line item in the accompanying Consolidated Statements of Operations during the years ended December 31, 2017, 2016, and 2015 and totaled $10.0 million, $8.9 million, and $5.9 million, respectively.

The Company's intangible assets acquired during the years ended December 31, 2017 and 2016 consisted of the following:

	Amount Acquired in 2017	Weighted Average Amortization Period	Amount Acquired in 2016	Weighted Average Amortization Period
		(In thousands)		
Merchant and bank-branding contracts/relationships	$ 174,210	8.0 years	$ 12,551	5.6 years
Trade name: definite-lived	10,693	3.0 years	–	
Total	$ 184,903		$ 12,551	

Estimated amortization for the Company's intangible assets with definite lives as of December 31, 2017, for each of the next five years, and thereafter is as follows (in thousands):

2018	$ 55,132
2019	51,182
2020	40,368
2021	32,014
2022	28,107
Thereafter	2,400
Total	$ 209,203

(8) Prepaid Expenses, Deferred Costs, and Other Assets

The Company's prepaid expenses, deferred costs, and other assets consisted of the following:

	December 31, 2017	December 31, 2016
	(In thousands)	
Current portion of prepaid expenses, deferred costs, and other current assets		
Prepaid expenses	$ 44,480	$ 29,380
Interest rate swap contracts	1,154	—
Deferred costs and other current assets	50,472	37,727
Total	$ 96,106	$ 67,107
Noncurrent portion of prepaid expenses, deferred costs, and other noncurrent assets		
Prepaid expenses	$ 34,264	$ 17,049
Interest rate swap contracts	14,467	14,137
Deferred costs and other noncurrent assets	9,025	3,929
Total	$ 57,756	$ 35,115

As of December 31, 2017, the Company's deferred costs and other current assets included settlement receivables of $17.6 million and other amounts recoverable from the Company's merchant customers.

(9) Accrued Liabilities

The Company's accrued liabilities consisted of the following:

	December 31, 2017	December 31, 2016
	(In thousands)	
Accrued merchant settlement	$ 101,366	$ 77,142
Accrued merchant fees	57,079	40,369
Accrued taxes	35,759	32,982
Accrued compensation	24,044	19,150
Accrued cash management fees	16,604	9,894
Accrued interest	8,679	6,174
Accrued processing costs	7,830	5,918
Accrued maintenance	3,927	8,473
Accrued armored	6,654	6,354
Accrued purchases	4,631	6,249
Accrued telecommunications costs	1,413	1,841
Accrued interest on interest rate swap contracts	1,070	2,152
Other accrued expenses	37,889	23,920
Total accrued liabilities	$ 306,945	$ 240,618

As of December 31, 2017, the Accrued compensation line item included $3.6 million of employee severance costs associated with the Company's Restructuring Plan. The increase in the Other accrued expenses line item is primarily attributed to additional liabilities assumed with the DCPayments acquisition.

(10) Long-Term Debt

The Company's carrying value of long-term debt consisted of the following:

	December 31, 2017	December 31, 2016
	(In thousands)	
Revolving credit facility, including swingline credit facility (weighted average combined interest rate of 3.2% and 4.0% as of December 31, 2017 and December 31, 2016, respectively)	$ 122,461	$ 14,100
1.00% Convertible Senior Notes due 2020, net of unamortized discount and capitalized debt issuance costs	251,973	241,068
5.125% Senior Notes due 2022, net of capitalized debt issuance costs	248,038	247,371
5.50% Senior Notes due 2025, net of capitalized debt issuance costs	295,249	—
Total long-term debt	$ 917,721	$ 502,539

The 1.00% Convertible Notes due 2020 (the "Convertible Notes") with a face value of $287.5 million are presented net of unamortized discount and capitalized debt issuance costs of $35.5 million and $46.4 million as of December 31, 2017 and December 31, 2016, respectively. The 5.125% Senior Notes due 2022 (the "2022 Notes") with a face value of $250.0 million are presented net of capitalized debt issuance costs of $2.0 million and $2.6 million as of December 31, 2017 and December 31, 2016, respectively. The 5.50% Senior Notes due 2025 (the "2025 Notes") with a face value of $300.0 million are presented net of capitalized debt issuance costs of $4.8 million as of December 31, 2017.

Revolving Credit Facility

As of December 31, 2017, the Company had a $400.0 million revolving credit facility, which matures on July 1, 2021, led by a syndicate of banks including JPMorgan Chase, N.A. and Bank of America, N.A. As of December 31, 2017, the Company had $277.5 million in available borrowing capacity and letters of credit (subject to the covenants contained within the amended and restated credit agreement (the "Credit Agreement") governing the revolving credit facility) and could be increased by the exercise of an accordion feature to $500.0 million, under certain conditions.

On October 3, 2017, the Company entered into a Sixth Amendment (the "Sixth Amendment") to the Credit Agreement. Pursuant to the Sixth Amendment, certain administrative changes were made to the Credit Agreement, primarily to expand the currencies under which the Company and the other borrowers can borrow funds.

The total commitments under the credit facility can be borrowed in U.S. dollars, alternative currencies (including Euros, U.K. pounds sterling, Canadian dollars, Australian dollars and South African rand), or a combination thereof. The Credit Agreement provides for sub-limits under the commitment of $50.0 million for swingline loans and $30.0 million for letters of credit. Borrowings (not including swingline loans) accrue interest, at the Company's option and based on the type of currency borrowed, at the Alternate Base Rate, the Canadian Prime Rate, the Adjusted LIBO Rate, the Canadian Dealer Offered Rate, the Bank Bill Swap Reference Rate or the Johannesburg Interbank Agreed Rate (each, as defined in the Credit Agreement) plus a margin depending on the Company's most recent Total Net Leverage Ratio (as defined in the Credit Agreement). The margin for Alternative Base Rate loans and Canadian Prime Rate loans varies between 0% and 1.25%, the margin for Adjusted LIBO Rate loans, Canadian Dealer Offered Rate loans and Bank Bill Swap Reference Rate loans varies between 1.00% and 2.25% and the margin for Johannesburg Interbank Agreed Rate loans varies between 1.25% and 2.50%. Swingline loans denominated in U.S. dollars bear interest at the Alternate Base Rate plus a margin as described above, swingline loans denominated in Canadian dollars bear interest at the Canadian Prime Rate plus a margin as described above and swingline loans denominated in other alternative currencies bear interest at the Overnight Foreign Currency Rate (as defined in the Credit Agreement) plus the applicable margin for the Adjusted LIBO Rate, the Bank Bill Swap Reference Rate or the Johannesburg Interbank Agreed Rate, as applicable.

Substantially all of the Company's U.S. assets, including the stock of certain of its subsidiaries are pledged as collateral to secure borrowings made under the revolving credit facility. Furthermore, each of the Credit Facility Guarantors (as defined in the Credit Agreement) has guaranteed the full and punctual payment of the obligations under the revolving credit facility. The obligations of the CFC Borrowers (as defined in the Credit Agreement) are secured by the assets of the CFC Guarantors (as defined in the Credit Agreement), which do not guarantee the obligations of the Credit Facility Guarantors.

The Credit Agreement contains representations, warranties and covenants that are customary for similar credit arrangements, including, among other things, covenants relating to: (i) financial reporting and notification, (ii) payment of obligations, (iii) compliance with applicable laws, and (iv) notification of certain events. Financial covenants in the Credit Agreement require the Company to maintain: (i) as of the last day of any fiscal quarter, a Senior Secured Net Leverage Ratio (as defined in the Credit Agreement) of no more than 2.25 to 1.00, (ii) as of the last day of any fiscal quarter, a Total Net Leverage Ratio of no more than 4.00 to 1.00, and (iii) as of the last day of any fiscal quarter, a Fixed Charge Coverage Ratio (as defined in the Credit Agreement) of no less than 1.50 to 1.00. Additionally, the Company is limited on the amount of restricted payments, including dividends, which it can make pursuant to the terms of the Credit Agreement; however, the Company may generally make restricted payments so long as no event of default exists at the time of such payment and the Total Net Leverage Ratio is less than 3.00 to 1.00 at the time such restricted payment is made.

As of December 31, 2017, the Company had $122.5 million of outstanding borrowings under its $400.0 million revolving credit facility and was in compliance with all applicable covenants and ratios under the Credit Agreement. As of the years ended December 31, 2017 and 2016, the weighted average interest rates on the Company's borrowings under the revolving credit facility were 3.2% and 4.0%, respectively.

$287.5 Million 1.00% Convertible Senior Notes Due 2020 and Related Equity Instruments

On November 19, 2013, Cardtronics Delaware issued the Convertible Notes at par value. Cardtronics Delaware received $254.2 million in net proceeds from the offering after deducting underwriting fees paid to the initial purchasers and a repurchase of 665,994 of its outstanding common shares concurrent with the offering. Cardtronics Delaware used a portion of the net proceeds from the offering to fund the net cost of the convertible note hedge transaction, as described below. The convertible note hedge and warrant transactions were entered into concurrent with the pricing of the Convertible Notes. Interest on the Convertible Notes is payable semi-annually in cash in arrears on June 1st and December 1st of each year. Under U.S. GAAP, certain convertible debt instruments that may be settled in cash (or other assets) upon conversion are required to be separately accounted for as liability (debt) and equity (conversion option) components of the instrument in a manner that reflects the issuer's non-convertible debt borrowing rate. The Company, with assistance from a valuation professional, determined that the fair value of the debt component was $215.8 million and the fair value of the embedded option was $71.7 million as of the issuance date. The Company recognizes effective interest expense on the debt component and that interest expense effectively accretes the debt component to the total principal amount due at maturity of $287.5 million. The effective rate of interest to accrete the debt balance is approximately 5.26%, which corresponded to the Company's estimated conventional debt instrument borrowing rate at the date of issuance.

On July 1, 2016, Cardtronics plc, Cardtronics Delaware, and Wells Fargo Bank, National Association, as trustee, entered into a supplemental indenture (the "Convertible Notes Supplemental Indenture") with respect to the Convertible Notes. The Convertible Notes Supplemental Indenture provides for the unconditional and irrevocable guarantee by Cardtronics plc of the prompt payment, when due, of any amount owed to the holders of the Convertible Notes. The Convertible Notes Supplemental Indenture also provides that, from and after the effective date of the Redomicile Transaction, the Convertible Notes will be convertible into shares of Cardtronics plc in lieu of common share of Cardtronics Delaware.

The Convertible Notes have a conversion price of $52.35 per share, which equals a conversion rate of 19.1022 shares per $1,000 principal amount of Convertible Notes, for a total of approximately 5.5 million shares underlying the debt. The conversion rate, however, is subject to adjustment under certain circumstances. Conversion can occur: (i) any time on or after September 1, 2020, (ii) after March 31, 2014, during any calendar quarter that follows a calendar quarter in which the price of the shares exceeds 135% of the conversion price for at least 20 days during the 30 consecutive trading-day period ending on the last trading day of the quarter, (iii) during the ten consecutive trading-day period following any five consecutive trading-day period in which the trading price of the Convertible Notes is less than 98% of the closing price of the shares multiplied by the applicable conversion rate on each such trading day, (iv) upon specified distributions to Cardtronics plc's shareholders upon recapitalizations, reclassifications, or changes in shares, and (v) upon a make-whole fundamental change. A fundamental change is defined as any one of the following: (i) any person or group that acquires 50% or more of the total voting power of all classes of common equity that is entitled to vote generally in the election of Cardtronics plc's directors, (ii) Cardtronics plc engages in any recapitalization, reclassification, or changes of common shares as a result of which the shares would be converted into or exchanged for, shares, other securities, or other assets or property, (iii) Cardtronics plc engages in any share exchange, consolidation, or merger where the shares converted into cash, securities, or other property, (iv) the Company engages in certain sales, leases, or other transfers of all or substantially all of the consolidated assets, or (v) Cardtronics plc's shares are not listed for trading on any U.S. national securities exchange.

None of the Convertible Notes were convertible as of December 31, 2017, and therefore, remain classified in the Long-term debt line item in the accompanying Consolidated Balance Sheets at December 31, 2017. In future financial reporting periods, the classification of the Convertible Notes may change depending on whether any of the above contingent criteria have been subsequently satisfied.

Upon conversion, holders of the Convertible Notes are entitled to receive cash, shares, or a combination of cash and shares, at the Company's election. In the event of a change in control, as defined in the indenture under which the Convertible Notes have been issued, holders can require Cardtronics Delaware to purchase all or a portion of their Convertible Notes for 100% of the notes' par value plus any accrued and unpaid interest.

The Company's interest expense related to the Convertible Notes consisted of the following:

	Year Ended December 31,		
	2017	**2016**	**2015**
	(In thousands)		
Cash interest per contractual coupon rate	$ 2,875	$ 2,875	$ 2,875
Amortization of note discount	10,210	9,690	9,194
Amortization of debt issuance costs	695	624	559
Total interest expense related to Convertible Notes	$ 13,780	$ 13,189	$ 12,628

The Company's carrying value of the Convertible Notes consisted of the following:

	December 31, 2017	December 31, 2016
	(In thousands)	
Principal balance	$ 287,500	$ 287,500
Unamortized discount and capitalized debt issuance costs	(35,527)	(46,432)
Net carrying amount of Convertible Notes	$ 251,973	$ 241,068

In connection with the issuance of the Convertible Notes, Cardtronics Delaware entered into separate convertible note hedge and warrant transactions to reduce the potential dilutive impact upon the conversion of the Convertible Notes. The net effect of these transactions effectively raised the price at which dilution would occur from the $52.35 initial conversion price of the Convertible Notes to $73.29. Pursuant to the convertible note hedge, Cardtronics Delaware purchased call options granting Cardtronics Delaware the right to acquire up to approximately 5.5 million common shares with an initial strike price of $52.35. The call options automatically become exercisable upon conversion of the Convertible Notes, and will terminate on the second scheduled trading day immediately preceding December 1, 2020. Cardtronics Delaware also sold to the initial purchasers warrants to acquire up to approximately 5.5 million common shares with a strike price of $73.29. The warrants will expire incrementally on a series of expiration dates subsequent to the maturity date of the Convertible Notes through August 30, 2021. If the conversion price of the Convertible Notes remains between the strike prices of the call options and warrants, Cardtronics plc's shareholders will not experience any dilution in connection with the conversion of the Convertible Notes; however, to the extent that the price of the shares exceeds the strike price of the warrants on any or all of the series of related expiration dates of the warrants, Cardtronics plc would be required to issue additional shares to the warrant holders. The amounts allocated to both the note hedge and warrants were recorded in the Shareholders' equity section in the accompanying Consolidated Balance Sheets.

$250.0 Million 5.125% Senior Notes Due 2022

On July 28, 2014, in a private placement offering, Cardtronics Delaware issued $250.0 million in aggregate principal amount of the 2022 Notes pursuant to an indenture dated July 28, 2014 (the "2022 Notes Indenture") among Cardtronics Delaware, certain subsidiary guarantors (each, a "2022 Notes Guarantor"), and Wells Fargo Bank, National Association, as trustee. Interest on the 2022 Notes is payable semi-annually in cash in arrears on February 1st and August 1st of each year.

On July 1, 2016, Cardtronics plc, Cardtronics Delaware, certain 2022 Notes Guarantors, and Wells Fargo Bank, National Association, as trustee, entered into a supplemental indenture (the "2022 Notes Supplemental Indenture") with respect to the 2022 Notes. The 2022 Notes Supplemental Indenture provides for the unconditional and irrevocable guarantee by Cardtronics plc of the prompt payment, when due, of any amount owed to the holders of the 2022 Notes. Furthermore, certain additional subsidiary guarantors were also added as 2022 Notes Guarantors to the 2022 Notes. On April 28, 2017, additional subsidiaries of Cardtronics plc were added as 2022 Notes Guarantors pursuant to a second supplemental indenture to the 2022 Notes Indenture (the "2022 Notes Second Supplemental Indenture").

The 2022 Notes and the related guarantees (the "2022 Notes Guarantees") rank: (i) equally in right of payment with all o f Cardtronics Delaware's and the 2022 Notes Guarantors (including Cardtronics plc) existing and future senior indebtedness, (ii) effectively junior to secured debt to the extent of the collateral securing such debt, including borrowings under the Company's revolving credit facility, and (iii) structurally junior to existing and future indebtedness of Cardtronics plc's non-guarantor subsidiaries. The 2022 Notes and 2022 Notes Guarantees rank senior in right of payment to any of Cardtronics Delaware's and the 2022 Notes Guarantors' (including Cardtronics plc) existing and future subordinated indebtedness.

The 2022 Notes contain covenants that, among other things, limit Cardtronics plc's ability and the ability of certain of its restricted subsidiaries (including Cardtronics Delaware) to incur or guarantee additional indebtedness, make certain investments, or pay dividends or distributions on Cardtronics plc's common shares or repurchase common shares or make certain other restricted payments, consolidate or merge with or into other companies, conduct asset sales, restrict dividends or other payments by restricted subsidiaries, engage in transactions with affiliates or related persons, and create liens.

Obligations under its 2022 Notes are fully and unconditionally and jointly and severally guaranteed on a senior unsecured basis by Cardtronics plc and certain of its subsidiaries and certain of its future subsidiaries, with the exception of Cardtronics plc's immaterial subsidiaries and CFC Guarantors (as defined in the Credit Agreement). There are no significant restrictions on the ability of Cardtronics plc to obtain funds from Cardtronics Delaware or the other 2022 Notes Guarantors by dividend or loan. None of the 2022 Notes Guarantors' assets represent restricted assets pursuant to Rule 4-08(e)(3) of Regulation S-X. The 2022 Notes included registration rights, and as required under the terms of the 2022 Notes, Cardtronics Delaware completed an exchange offer for these 2022 Notes in June 2015 whereby participating holders received registered notes.

The 2022 Notes are subject to certain automatic customary releases with respect to the 2022 Notes Guarantors (other than Cardtronics plc), including the sale, disposition, or transfer of the common shares or substantially all of the assets of such 2022 Notes Guarantor, designation of such 2022 Notes Guarantor as unrestricted in accordance with the 2022 Notes Indenture, exercise of the legal defeasance option or the covenant defeasance option, liquidation, or dissolution of such 2022 Notes Guarantor and, in the case of a 2022 Notes Guarantor that is not wholly-owned by Cardtronics plc, such 2022 Notes Guarantor ceasing to guarantee other indebtedness of Cardtronics plc, Cardtronics Delaware, or another 2022 Notes Guarantor. The 2022 Notes Guarantors, including Cardtronics plc, may not sell or otherwise dispose of all or substantially all of their properties or assets to, or consolidate with or merge into, another company if such a sale would cause a default under the 2022 Notes Indenture and certain other specified requirements under the 2022 Notes Indenture are not satisfied.

$300.0 Million 5.50% Senior Notes Due 2025

On April 4, 2017, in a private placement offering, Cardtronics Delaware and Cardtronics USA, Inc. (the "2025 Notes Issuers") issued $300.0 million in aggregate principal amount of the 2025 Notes pursuant to an indenture dated April 4, 2017 (the "2025 Notes Indenture") among the 2025 Notes Issuers, Cardtronics plc, and certain of its subsidiaries, as guarantors (each, a "2025 Notes Guarantor"), and Wells Fargo Bank, National Association, as trustee.

Interest on the 2025 Notes accrues from April 4, 2017, the date of issuance, at the rate of 5.50% per annum. Interest on the 2025 Notes is payable semi-annually in cash in arrears on May 1st and November 1st of each year, commencing on November 1, 2017.

The 2025 Notes and the related guarantees (the "2025 Guarantees") are the general unsecured senior obligations of each of the 2025 Notes Issuers and the 2025 Notes Guarantors, respectively, and rank: (i) equally in right of payment with all of the 2025 Notes Issuers' and the 2025 Notes Guarantors' existing and future senior indebtedness and (ii) senior in right of payment to all of the 2025 Notes Issuers' and the 2025 Notes Guarantors' future subordinated indebtedness. The 2025 Notes and the 2025 Guarantees are effectively subordinated to any of the 2025 Notes Issuers' and the 2025 Notes Guarantors' existing and future secured debt to the extent of the collateral securing such debt, including all borrowings under the Company's revolving credit facility. The 2025 Notes are structurally subordinated to all liabilities of any of Cardtronics plc's subsidiaries (excluding the 2025 Notes Issuers) that do not guarantee the 2025 Notes.

The 2025 Notes contain covenants that, among other things, limit the 2025 Notes Issuers' ability and the ability of Cardtronics plc and certain of its restricted subsidiaries to incur or guarantee additional indebtedness, make certain investments, or pay dividends or distributions on Cardtronics plc's common shares or repurchase common shares or make certain other restricted payments, consolidate or merge with or into other companies, conduct asset sales, restrict dividends or other payments by restricted subsidiaries, engage in transactions with affiliates or related persons, and create liens.

Obligations under the 2025 Notes are fully and unconditionally and jointly and severally guaranteed on a senior unsecured basis by Cardtronics plc and certain of its subsidiaries and certain of its future subsidiaries, with the exception of Cardtronics plc's immaterial subsidiaries and CFC Guarantors (as defined in the Credit Agreement). There are no significant restrictions on the ability of Cardtronics plc to obtain funds from Cardtronics Delaware, Cardtronics USA, Inc., or the other 2025 Notes Guarantors by dividend or loan. None of the 2025 Notes Guarantors' assets represent restricted assets pursuant to Rule 4-08(e)(3) of Regulation S-X.

The 2025 Notes are subject to certain automatic customary releases with respect to the 2025 Notes Guarantors (other than Cardtronics plc, Cardtronics Holdings Limited, and CATM Holdings LLC), including the sale, disposition, or transfer of the common shares or substantially all of the assets of such 2025 Notes Guarantor, designation of such 2025 Notes

Guarantor as unrestricted in accordance with the 2025 Notes Indenture, exercise of the legal defeasance option or the covenant defeasance option, liquidation, or dissolution of such 2025 Notes Guarantor. The 2025 Notes Guarantors, including Cardtronics plc, may not sell or otherwise dispose of all or substantially all of their properties or assets to, or consolidate with or merge into, another company if such a sale would cause a default under the 2025 Notes Indenture and certain other specified requirements under the 2025 Notes Indenture are not satisfied.

Debt Maturities

Aggregate maturities of the principal amounts of the Company's long-term debt as of December 31, 2017, for each of the next five years, and thereafter is as follows (in thousands):

2018	$	—
2019		—
2020		287,500
2021		122,461
2022		250,000
Thereafter		300,000
Total	$	959,961

(11) Asset Retirement Obligations

Asset retirement obligations ("ARO") consist primarily of costs to deinstall the Company's ATMs and restore the ATM sites to their original condition, which are estimated based on current market rates. In most cases, the Company is contractually required to perform this deinstallation of its owned ATMs and in some cases, site restoration work. For each group of similar ATM type, the Company has recognized the estimated fair value of the ARO as a liability in the accompanying Consolidated Balance Sheets and capitalized that cost as part of the cost basis of the related asset. The related assets are depreciated on a straight-line basis over five years, which is the estimated average time period that an ATM is installed in a location before being deinstalled, and the related liabilities are accreted to their full value over the same period of time.

The changes in the Company's ARO liability consisted of the following:

	December 31, 2017	December 31, 2016
	(In thousands)	
Asset retirement obligations as of the beginning of the period	$ 54,907	$ 54,727
Additional obligations	11,727	8,720
Estimated obligations assumed in acquisitions	9,343	—
Accretion expense	1,856	1,803
Change in estimates	(108)	(1,638)
Payments	(9,788)	(4,351)
Foreign currency translation adjustments	1,820	(4,354)
Asset retirement obligations at the end of the period	69,757	54,907
Less: current portion of asset retirement obligations	9,837	9,821
Asset retirement obligations, excluding current portion, at the end of the period	$ 59,920	$ 45,086

For additional information related to the Company's AROs with respect to its fair value measurements, see *Note 16. Fair Value Measurements.*

(12) Other Liabilities

The Company's other liabilities consisted of the following:

	December 31, 2017	December 31, 2016
	(In thousands)	
Current portion of other long-term liabilities		
Interest rate swap contracts	$ 7,314	$ 16,533
Asset retirement obligations	9,837	9,821
Deferred revenue	3,590	249
Other	10,629	1,634
Total current portion of other long-term liabilities	$ 31,370	$ 28,237
Noncurrent portion of other long-term liabilities		
Acquisition-related contingent consideration	$ 42,614	$ —
Interest rate swap contracts	3,547	14,456
Deferred revenue	2,063	1,698
Other	26,778	2,537
Total noncurrent portion of other long-term liabilities	$ 75,002	$ 18,691

As of December 31, 2017, the Acquisition-related contingent consideration line item consisted of the preliminary estimated fair value of the contingent consideration associated with the Spark acquisition. For additional information related to the Spark acquisition contingent consideration, see *Note 2. Acquisitions and Divestitures*.

(13) Shareholders' Equity

Redomicile Transaction. Pursuant to the Redomicile Transaction, each issued and outstanding common share of Cardtronics Delaware held immediately prior to the Merger was effectively converted into one Class A Ordinary Share, nominal value $0.01 per share, of Cardtronics plc (collectively, "common shares"). Upon completion of the Redomicile Transaction, the common shares were listed and began trading on The NASDAQ Stock Market LLC under the symbol "CATM," the same symbol under which common shares of Cardtronics Delaware were formerly listed and traded. Likewise, the equity plans and/or awards granted thereunder were assumed by Cardtronics plc and amended to provide that those plans and/or awards will now provide for the award and issuance of Ordinary Shares. Furthermore, all treasury shares of Cardtronics Delaware were cancelled in the Redomicile Transaction.

Change in common shares, treasury shares, and additional paid-in capital associated with the Redomicile Transaction. In the Redomicile Transaction, completed on July 1, 2016, each of the 52,529,197, $0.0001 par value per share, issued and outstanding common shares of Cardtronics Delaware held immediately prior to the Merger were effectively converted into an equivalent number of $0.01 nominal value per share common shares of Cardtronics plc. In addition, immediately prior to the Redomicile Transaction, 7,310,022 treasury shares of Cardtronics Delaware with a cost basis of $106.5 million were cancelled with the offsetting impact recorded in the Additional paid-in capital and Retained earnings line items in the accompanying Consolidated Balance Sheets.

Common shares. The Company has 45,696,338 and 45,326,430 shares outstanding as of December 31, 2017 and 2016, respectively.

Additional paid-in capital. Included in the balance of Additional paid-in capital are amounts related to the Convertible Notes issued in November 2013 and the related equity instruments. These amounts include: (i) the fair value of the embedded option of the Convertible Notes of $71.7 million, (ii) the amount paid to purchase the associated convertible note hedges of $72.6 million, (iii) the amount received for selling associated warrants of $40.5 million, and (iv) $1.6 million in debt issuance costs allocated to the equity component of the convertible note. For additional information related to the Convertible Notes and the related equity instruments, see *Note 10. Long-Term Debt*.

Accumulated other comprehensive loss, net. Accumulated other comprehensive loss, net, is a separate component of Shareholders' equity in the accompanying Consolidated Balance Sheets. The following table presents the changes in the balances of each component of Accumulated other comprehensive loss, net for the years ended December 31, 2017, 2016, and 2015:

	Foreign Currency Translation Adjustments	Unrealized (Losses) Gains on Interest Rate Swap and Foreign Currency Forward Contracts	Total
		(In thousands)	
Total accumulated other comprehensive loss, net as of January 1, 2015	$ (34,709)	$ (48,298)(1)	$ (83,007)
Other comprehensive loss before reclassification	(11,177)(6)	(28,173)(2)	(39,350)
Amounts reclassified from accumulated other comprehensive loss, net	—	34,231 (2)	34,231
Net current period other comprehensive (loss) income	(11,177)	6,058	(5,119)
Total accumulated other comprehensive loss, net as of December 31, 2015	$ (45,886)(5)	$ (42,240)(1)	$ (88,126)
Other comprehensive loss before reclassification	(34,999)(6)	(12,580)(3)	(47,579)
Amounts reclassified from accumulated other comprehensive loss, net	—	28,570 (3)	28,570
Net current period other comprehensive (loss) income	(34,999)	15,990	(19,009)
Total accumulated other comprehensive loss, net as of December 31, 2016	$ (80,885)(5)	$ (26,250)(1)	$ (107,135)
Other comprehensive income (loss) before reclassification	56,511 (6)	(3,007)(4)	53,504
Amounts reclassified from accumulated other comprehensive loss, net	—	20,036 (4)	20,036
Net current period other comprehensive income	56,511	17,029	73,540
Total accumulated other comprehensive loss, net as of December 31, 2017	$ (24,374)(5)	$ (9,221)(1)	$ (33,595)

(1) Net of deferred income tax (benefit) expense of $(6,701) as of January 1, 2015, and $(2,959), $9,269, and $16,317 as of December 31, 2015, 2016, and 2017, respectively.

(2) Net of deferred income tax (benefit) expense of $(17,402) and $21,143 for Other comprehensive loss before reclassification and Amounts reclassified from accumulated other comprehensive loss, net, respectively, for the year ended December 31, 2015. See *Note 15. Derivative Financial Instruments*.

(3) Net of deferred income tax (benefit) expense of $(9,619) and $21,847 for Other comprehensive loss before reclassification and Amounts reclassified from accumulated other comprehensive loss, net, respectively, for the year ended December 31, 2016. See *Note 15. Derivative Financial Instruments*.

(4) Net of deferred income tax (benefit) expense of $(1,245) and $8,295 for Other comprehensive loss before reclassification and Amounts reclassified from accumulated other comprehensive loss, net, respectively, for the year ended December 31, 2017. See *Note 15. Derivative Financial Instruments*.

(5) Net of deferred income tax (benefit) of $(5,339) $(4,113), and $(1,565) as of December 31, 2017, 2016, and 2015, respectively.

(6) Net of deferred income tax (benefit) of $(1,226), $(2,548), and $(1,565) for the years ended December 31, 2017, 2016, and 2015, respectively.

The Company records unrealized gains and losses related to its interest rate swap contracts net of estimated taxes in the Accumulated other comprehensive loss, net, line item in the accompanying Consolidated Balance Sheets since it is more likely than not that the Company will be able to realize the benefits associated with its net deferred tax asset positions in the future. The amounts reclassified from Accumulated other comprehensive loss, net are recognized in the Cost of ATM operating revenues line item in the accompanying Consolidated Statements of Operations.

The Company has elected the portfolio approach for the deferred tax asset of the unrealized gains and losses related to the interest rate swap contracts in the Accumulated other comprehensive loss, net line item in the accompanying Consolidated Balance Sheets. Under the portfolio approach, the disproportionate tax effect created when the valuation allowance was appropriately released as a tax benefit into continuing operations in 2010, will reverse out of the Accumulated other comprehensive loss, net line item in the accompanying Consolidated Balance Sheets and into continuing operations as a tax expense when the Company ceases to hold any interest rate swap contracts. As of December 31, 2017, the disproportionate tax effect is approximately $14.6 million.

The Company currently believes that the unremitted earnings of its foreign subsidiaries under its former U.S. parent company will be reinvested for an indefinite period of time. Accordingly, no deferred taxes have been provided for the differences between the Company's book basis and underlying tax basis in these subsidiaries or on the foreign currency translation adjustment amounts.

(14) Employee Benefits

The Company sponsors defined contribution retirement plans for its employees, the principal plan being the 401(k) plan which is offered to its employees in the U.S. During 2017, the Company matched 100% of employee contributions up to 4% of the employee's eligible compensation. Employees immediately vest in their contributions while the Company's matching contributions vest at a rate of 20% per year. The Company also sponsors a similar retirement plan for its employees in other jurisdictions. The Company contributed $3.7 million, $2.9 million, and $2.4 million to the defined contribution benefit plans for the years ended December 31, 2017, 2016, and 2015, respectively.

(15) Derivative Financial Instruments

Risk Management Objectives of Using Derivatives

The Company is exposed to interest rate risk associated with its vault cash rental obligations and, to a lesser extent, borrowings under its revolving credit facility. The Company utilizes varying notional amount interest rate swap contracts to manage the interest rate risk associated with its vault cash rental obligations in the U.S., the U.K., and Australia. The Company does not currently utilize derivative instruments to manage the interest rate risk associated with its borrowings. The Company is also exposed to foreign currency exchange rate risk with respect to its operations outside the U.S. The Company has not historically utilized derivative instruments to hedge its foreign currency exchange rate risk; however, during the fourth quarter of 2017 the Company entered into a series of short-term foreign currency forward contracts to hedge its foreign exchange rate risk associated with certain anticipated transactions.

The Company's interest rate swap contracts serve to mitigate interest rate risk exposure by converting a portion of the Company's monthly floating-rate vault cash rental payments to monthly fixed-rate vault cash rental payments. Typically, the Company receives monthly floating-rate payments from its interest rate swap contract counterparties that correspond to, in all material respects, the monthly floating-rate payments required by the Company to its vault cash rental providers for the portion of the average outstanding vault cash balances that have been hedged. In return, the Company pays its counterparties a monthly fixed-rate amount based on the same notional amounts outstanding. By converting the vault cash rental obligation interest rate from a floating-rate to a fixed-rate, the impact of favorable and unfavorable changes in future interest rates on the monthly vault cash rental payments, and therefore, the Vault cash rental expense line item in the accompanying Consolidated Statement of Operations, has been reduced.

There is never an exchange of the underlying principal or notional amounts associated with the interest rate swap contracts described above. Additionally, none of the Company's existing interest rate swap contracts contain credit-risk-related contingent features.

Accounting Policy

The interest rate swap and foreign currency forward contracts discussed above are derivative instruments used by the Company to hedge exposure to variability in expected future cash flows attributable to a particular risk; therefore, they are designated and qualify as cash flow hedging instruments. The Company does not currently hold any derivative instruments not designated as hedging instruments, fair value hedges, or hedges of a net investment in a foreign operation.

The Company reports the effective portion of a gain or loss related to each cash flow hedging instrument as a component of the Accumulated other comprehensive loss, net line item in the accompanying Consolidated Balance Sheets and reclassifies the gain or loss into earnings in the same period or periods that the hedged transaction affects and has been forecasted in earnings. Gains or losses on the Company's interest rate swaps are recognized with the hedged item in the Vault cash rental expense line item in the accompanying Consolidated Statement of Operations, while gains and losses on our foreign currency forward contracts are recognized with the associated hedged item, in the Other expense (income) line item.

Gains and losses related to the cash flow hedging instrument that represent either hedge ineffectiveness or hedge components excluded from the assessment of effectiveness are recognized in the Other expense (income) line item in the accompanying Consolidated Statement of Operations. As discussed above, the Company generally utilizes fixed-for-floating interest rate swap and foreign currency forward contracts in which the underlying pricing terms of the cash flow hedging instrument agree, in all material respects, with the pricing terms of the vault cash rental obligations to the Company's vault cash providers. Therefore, the amount of ineffectiveness associated with the interest rate swap and foreign currency forward contracts has historically been immaterial. If the Company concludes that it is no longer probable the expected vault cash obligations that have been hedged will occur, or if changes are made to the underlying contract terms of the vault cash rental agreements, the interest rate swap and foreign currency forward contracts would be deemed ineffective. The Company does not currently anticipate terminating or modifying terms of its existing derivative instruments prior to their expiration dates.

Accordingly, the Company recognizes all of its interest rate swap and foreign currency forward contracts derivative instruments as assets or liabilities in the accompanying Consolidated Balance Sheets at fair value and any changes in the fair values of the related interest rate swap and foreign currency forward contracts have been reported in the Accumulated other comprehensive loss, net line item in the accompanying Consolidated Balance Sheets. The Company believes that it is more likely than not that it will be able to realize the benefits associated with its net deferred tax asset positions in the future, therefore, the unrealized gains and losses to the fair value related to the interest rate swap and foreign currency forward contracts have been reported net of estimated taxes in the Accumulated other comprehensive loss, net line item in the accompanying Consolidated Balance Sheets. For additional information related to the Company's interest rate swap and foreign currency forward contracts with respect to its fair value measurements, see *Note 16. Fair Value Measurements*.

Cash Flow Hedges

During the three months ended December 31, 2017, the company entered into a series of short-term foreign currency forward contracts with an aggregate notional amount of approximately $9.5 million Canadian dollars to hedge its foreign exchange rate risk associated with certain anticipated transactions. Approximately $6.8 million Canadian dollars in notional amount was outstanding as of December 31, 2017, having quarterly settlement dates through December 31, 2018 and forward rates of approximately 1.29 CAD/USD.

During the year ended December 31, 2016, the Company entered into the following new forward-starting interest rate swap contracts to hedge its exposure to floating interest rates on its vault cash outstanding balances in future periods: (i) £550.0 million aggregate notional amount interest rate swap contracts that begin January 1, 2017, with £250.0 million terminating December 31, 2018 and £300.0 million terminating December 31, 2019, (ii) £250.0 million initial notional amount interest rate swap contract, that begins January 1, 2019 and increases to £500.0 million January 1, 2020, terminating December 31, 2022, and (iii) $400.0 million aggregate notional amount interest rate swap contracts that begin January 1, 2018 and terminate December 31, 2022.

Effective June 29, 2016, one of the Company's interest rate swap contract counterparties exercised its right to terminate a $200.0 million notional amount, 2.40% fixed rate, interest rate swap contract that was previously designated as a cash flow hedge of the Company's 2019 and 2020 vault cash rental payments. The designated vault cash rental payments remained probable; therefore, upon termination and as of that date, the Company recognized an unrealized loss of $4.9 million in the Accumulated other comprehensive loss, net line item in the accompanying Consolidated Balance Sheets. The Company will amortize this unrealized loss into Vault cash rental expense, a component of the Cost of ATM operating revenues line item in the accompanying Consolidated Statements of Operations, over the 2019 and 2020 periods. The terminated interest rate swap contract was effectively novated by the previous counterparty, and the Company entered into a similar $200.0 million notional amount, 2.52% fixed rate, interest rate swap contract with a new counterparty, which the Company designated as a cash flow hedge of its 2019 and 2020 vault cash rental payments. The modified terms resulted in ineffectiveness of $0.4 million recognized in the Other expense (income) line item in the accompanying Consolidated Statements of Operations during the year ended December 31, 2016.

The notional amounts, weighted average fixed rates, and terms associated with the Company's interest rate swap contracts accounted for as cash flow hedges that were in place for the U.S. ($300 million was entered into in January 2018) and U.K. (as of the date of the issuance of this 2017 Form 10-K) are as follows:

Summary of outstanding interest rate swaps in the U.S. and U.K.

Notional Amounts U.S. $	Weighted Average Fixed Rate U.S.	Notional Amounts U.K. £	Weighted Average Fixed Rate U.K.	Term
(In millions)		*(In millions)*		
$ 300	1.88 %	—	—	January 16, 2018 – December 31, 2018
$ 1,150	2.17 %	£ 550	0.82 %	January 1, 2018 – December 31, 2018
$ 1,000	2.06 %	£ 550	0.90 %	January 1, 2019 – December 31, 2019
$ 1,000	2.06 %	£ 500	0.94 %	January 1, 2020 – December 31, 2020
$ 400	1.46 %	£ 500	0.94 %	January 1, 2021 – December 31, 2021
$ 400	1.46 %	£ 500	0.94 %	January 1, 2022 – December 31, 2022

The notional amounts, weighted average fixed rates, and terms associated with the Company's interest rate swap contracts accounted for as cash flow hedges that are currently in place for Australia (as of the date of the issuance of this 2017 Form 10-K) are as follows:

Summary of outstanding interest rate swaps in Australia

Notional Amounts AUS $ (In millions)	Weighted Average Fixed Rate	Term
$ 135	2.98 %	January 1, 2018 – February 27, 2018
$ 85	3.11 %	February 28, 2018 – September 28, 2018
$ 35	2.98 %	September 29, 2018 – February 28, 2019

The following tables depict the effects of the use of the Company's derivative contracts in the accompanying Consolidated Balance Sheets and Consolidated Statements of Operations.

Balance Sheet Data

	December 31, 2017		December 31, 2016	
Asset (Liability) Derivative Instruments	Balance Sheet Location	Fair Value (In thousands)	Balance Sheet Location	Fair Value (In thousands)
Derivatives designated as hedging instruments:				
Interest rate swap contracts	Prepaid expenses, deferred costs, and other current assets	$ 1,154	Prepaid expenses, deferred costs, and other current assets	$ —
Interest rate swap contracts	Prepaid expenses, deferred costs, and other noncurrent assets	14,467	Prepaid expenses, deferred costs, and other noncurrent assets	14,137
Interest rate swap contracts	Current portion of other long-term liabilities	(7,314)	Current portion of other long-term liabilities	(16,533)
Interest rate swap contracts	Other long-term liabilities	(3,547)	Other long-term liabilities	(14,456)
Total derivative instruments, net		$ 4,760		$ (16,852)

As of December 31, 2017, the Interest rate swap contract – Current portion of long-term liabilities balance above also includes approximately $0.1 million related to foreign currency forward contracts.

Statements of Operations Data

Derivatives in Cash Flow Hedging Relationship	Amount of Loss Recognized in Accumulated Other Comprehensive Loss on Derivative Instruments (Effective Portion)		Year Ended December 31, Location of Loss Reclassified from Accumulated Other Comprehensive Loss into Income (Effective Portion)	Amount of Loss Reclassified from Accumulated Other Comprehensive Loss into Income (Effective Portion)	
	2017 (1)	2016		2017	2016
	(In thousands)			*(In thousands)*	
Interest rate swap contracts	$ (3,007)	$ (12,580)	Cost of ATM operating revenues	$ (20,036)	$ (28,570)

(1) Includes a loss of $0.1 million related to foreign currency forward contracts.

As of December 31, 2017, the Company expects to reclassify $7.3 million of net derivative-related losses within the Accumulated comprehensive loss, net line item in its accompanying Consolidated Balance Sheets into earnings during the next twelve months concurrent with the recording of the related vault cash rental expense amounts.

(16) Fair Value Measurements

The following tables provide the financial assets and liabilities carried at fair value measured on a recurring basis as of December 31, 2017 and 2016 using the fair value hierarchy prescribed by U.S. GAAP. The fair value hierarchy has three levels based on the reliability of the inputs used to determine fair value. Level 1 refers to fair values determined based on quoted prices in active markets for identical assets. Level 2 refers to fair values estimated using significant other observable inputs, and Level 3 includes fair values estimated using significant non-observable inputs. An asset or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

	Fair Value Measurements at December 31, 2017			
	Total	Level 1	Level 2	Level 3
	(In thousands)			
Assets				
Assets associated with interest rate swap contracts	$ 15,621	$ —	$ 15,621	$ —
Liabilities				
Liabilities associated with interest rate swap contracts	$ (10,861)	$ —	$ (10,861)	$ —
Liabilities associated with acquisition-related contingent consideration	$ (42,614)	$ —	$ —	$ (42,614)

	Fair Value Measurements at December 31, 2016			
	Total	Level 1	Level 2	Level 3
	(In thousands)			
Assets				
Assets associated with interest rate swap contracts	$ 14,137	$ —	$ 14,137	$ —
Liabilities				
Liabilities associated with interest rate swap contracts	$ (30,989)	$ —	$ (30,989)	$ —

As of December 31, 2017, liabilities associated with Level 2 interest rate swap contracts includes $0.1 million related to foreign currency forward contracts.

Below are descriptions of the Company's valuation methodologies for assets and liabilities measured at fair value. The methods described below may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

Cash and cash equivalents, accounts and notes receivable, net of the allowance for doubtful accounts, prepaid expenses, deferred costs, and other current assets, accounts payable, accrued liabilities, and other current liabilities. These financial instruments are not carried at fair value, but are carried at amounts that approximate fair value due to their short-term nature and generally negligible credit risk.

Acquisition-related intangible assets. The estimated fair values of acquisition-related intangible assets are valued using significant non-observable inputs (Level 3 inputs). Intangible assets subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. An assessment of non-amortized intangible assets is performed on an annual basis, or more frequently based on the occurrence of events that might indicate a potential impairment.

Acquisition related contingent consideration. Liabilities from acquisition-related contingent consideration are estimated by using a Monte Carlo simulation and market observable, as well as internal projections, and other significant non-observable (Level 3) inputs based on the Company's best estimate of future operational results upon which the payment of these obligations are contingent. As of December 31, 2017, the estimated fair value of the Company's acquisition-related contingent consideration liability was approximately $42.6 million. For additional information related to the Spark acquisition contingent consideration, see *Note 2. Acquisitions and Divestitures*.

Long-term debt. The carrying amount of the long-term debt balance related to borrowings under the Company's revolving credit facility approximates fair value due to the fact that any outstanding borrowings are subject to short-term floating interest rates. As of December 31, 2017, the fair value of the 2020 Notes, 2022 Notes, and 2025 Notes (see *Note 10. Long-Term Debt*) totaled $257.8 million, $240.0 million, and $272.3 million, respectively, based on the quoted prices in markets that are not active (Level 2 input) for these notes as of that date.

Additions to asset retirement obligations liability. The Company estimates the fair value of additions to its ARO liability using expected future cash outflows discounted at the Company's credit-adjusted risk-free interest rate. Liabilities added to ARO are measured at fair value at the time of the asset installations using significant non-observable (Level 3) inputs. These liabilities are evaluated periodically based on estimated current fair value. Amounts added to the ARO liability during the years ended December 31, 2017 and 2016 totaled $11.7 million and $8.7 million, respectively.

Interest rate swap and foreign currency forward contracts. As of December 31, 2017, the fair value of the Company's interest rate swap and foreign currency forward contracts was an asset of $15.6 million and a liability of $10.9 million (includes approximately $0.1 million related to the foreign currency forward contracts). These financial instruments are carried at fair value and calculated as the present value of amounts estimated to be received or paid to a marketplace participant in a selling transaction. These derivatives are valued using pricing models based on significant other observable (Level 2 inputs), while taking into account the creditworthiness of the party that is in the liability position with respect to each trade. For additional information related to the valuation process of this asset or liability, see *Note 15. Derivative Financial Instruments*.

(17) Commitments and Contingencies

Legal Matters

The Company is subject to various legal proceedings and claims arising in the ordinary course of its business. The Company has provided reserves where necessary for all claims and the Company's management does not expect the outcome in any legal proceedings, individually or collectively, to have a material adverse financial or operational impact on the Company. Additionally, the Company currently expenses all legal costs as they are incurred.

Operating Lease Obligations

The Company was a party to several operating leases as of December 31, 2017, primarily for office space and the rental of space at certain merchant locations.

Future minimum lease payments under the Company's operating and merchant space leases (with initial lease terms in excess of one year) as of December 31, 2017, for each of the next five years and thereafter are as following (in thousands):

2018	$ 14,951
2019	10,029
2020	7,645
2021	5,892
2022	3,504
Thereafter	9,702
Total	$ 51,723

Total rental expense under the Company's operating leases, net of sublease income, was $15.5 million, $15.1 million, and $14.1 million for the years ended December 31, 2017, 2016, and 2015, respectively.

Other Commitments

Asset retirement obligations. The Company's AROs consist primarily of deinstallation costs of the Company's ATMs and costs to restore the ATM sites to their original condition. In most cases, the Company is legally required to perform this deinstallation, and in some cases, the site restoration work. The Company had $69.8 million accrued for these liabilities as of December 31, 2017. For additional information, see *Note 11. Asset Retirement Obligations*.

Acquisition-related contingent consideration. As a result of the Spark acquisition, the Company has recorded an acquisition-related contingent consideration liability of $42.6 million as of December 31, 2017. For additional information related to the Spark acquisition contingent consideration, see *Note 2. Acquisitions and Divestitures*.

Purchase commitments. During the normal course of business, the Company issues purchase orders for various products. As of December 31, 2017, the Company had open purchase commitments of $2.5 million for products to be delivered in 2018. Other material purchase commitments as of December 31, 2017 included $0.8 million in minimum service requirements for certain gateway and processing fees over the next three years.

(18) Income Taxes

On December 22, 2017, House of Representatives 1 ("H.R. 1"), originally known as the Tax Cuts and Jobs Act ("U.S. Tax Reform") was enacted and signed into legislation. Under U.S. GAAP, the effects of changes in tax rates and laws are recognized in the period in which the new legislation is enacted. As a result of this legislation, in the three months ended December 31, 2017, the Company provisionally recognized one-time net tax benefits totaling $11.6 million. This amount included an estimated one-time tax benefit of $19.4 million due to the re-measurement of the Company's net deferred tax liabilities, primarily related to the change in the U.S. federal corporate income tax rate from 35% to 21%. Partially offsetting this non-cash book tax benefit, the Company recognized an estimated one-time tax expense of $7.8 million on its accumulated undistributed foreign earnings pertaining to foreign operations under the U.S. business, which the Company will elect to pay over an eight-year period. As of December 31, 2017, the Company had not completed its accounting for the tax effects of the U.S. Tax Reform, due to additional anticipated guidance from standard-setting bodies and the need to obtain additional information to complete calculations. These net tax benefits represent the Company's current reasonable estimate of the U.S. Tax Reform impact, and in accordance with SEC Staff Accounting bulletin No. 118, the Company will adjust the provisional estimates within the measurement period when the amounts are determined.

As a result of the Redomicile Transaction, completed on July 1, 2016, the location of incorporation of the parent company of the Cardtronics group was changed from Delaware to the U.K. As a Delaware company, the statutory corporate tax rate was 35%, and after the redomicile to the U.K., the Cardtronics parent company statutory tax rate was 20% for the Company's calendar reporting year 2016 and 19.25% for 2017. For additional information related to the Redomicile Transaction, see *Note 1. Basis of Presentation and Summary of Significant Accounting Policies - (a) Description of Business*.

The Company's income before income taxes consisted of the following:

	Year Ended December 31, 2017	2016	2015
	(In thousands)		
U.S.	$ 24,919	$ 39,347	$ 80,318
Non-U.S.	(179,562)	75,185	25,005
Total pre-tax book income	$ (154,643)	$ 114,532	$ 105,323

The Company's income tax (benefit) expense based on income before income taxes consisted of the following:

	Year Ended December 31, 2017	2016	2015
	(In thousands)		
Current			
U.S. federal	$ (493)	$ 8,005	$ 19,590
U.S. state and local	1,657	4,386	4,495
Non-U.S.	5,842	4,345	4,264
Total current	$ 7,006	$ 16,736	$ 28,349
Deferred			
U.S. federal	$ 732	$ 9,857	$ 6,890
U.S. state and local	874	1,966	1,226
Non-U.S.	(17,904)	(1,937)	2,877
Total deferred	$ (16,298)	$ 9,886	$ 10,993
Total income tax (benefit) expense	$ (9,292)	$ 26,622	$ 39,342

Income tax (benefit) expense differs from amounts computed by applying the statutory tax rate to income before income taxes as follows:

	Year Ended December 31, 2017	2016	2015
	(In thousands)		
Income tax (benefit) expense, at the statutory tax rate of 19.25%, 20%, and 35% for the years ended December 31, 2017, 2016, and 2015 respectively.	$ (29,769)	$ 22,906	$ 36,863
Provision to return and deferred tax adjustments	(264)	1,858	145
U.S. state tax, net of federal benefit	2,181	3,584	3,504
Permanent adjustments	1,411	1,514	1,810
Tax rates (less than) in excess of statutory tax rates	(18,398)	8,161	(5,035)
Impact of Finance Structure	(5,734)	(8,165)	—
Gain on divestiture	—	—	3,465
Nondeductible transaction costs	6,743	3,844	—
Goodwill impairment (non-deductible)	41,510	—	—
US Tax Reform (net impact)	(11,569)	—	—
Share-based Compensation	(2,464)	—	—
Other	(206)	316	(773)
Subtotal	(16,559)	34,018	39,979
Change in valuation allowance	7,267	(7,396)	(637)
Total income tax (benefit) expense	$ (9,292)	$ 26,622	$ 39,342

The net income tax benefit is attributable to a combination of 1) the U.S. Tax Reform benefit of $11.6 million, 2) the excess tax benefit related to share-based compensation, and 3) the mix of earnings across jurisdictions, and is partially offset by the establishment of a valuation allowance related to Australian deferred tax assets of $6.4 million. In addition, the goodwill impairment recognized during the period ended September 30, 2017, was not deductible for income tax purposes, and as a result there was no tax benefit recognized from the impairment. For additional information, see *Item 8. Financial Statements and Supplementary data, Note 1. Basis of Presentation and Summary of Significant accounting – (l) Intangible Assets Other Than Goodwill and (m) Goodwill.*

The Company's net deferred tax assets and liabilities (by segment) consisted of the following:

	Year Ended December 31, 2017				
	North America	Europe & Africa	Australia & New Zealand	Corporate	Total
			(In thousands)		
Noncurrent deferred tax asset	$ 29,218	$ 14,572	$ 15,803	$ 942	$ 60,535
Valuation allowance	(2,267)	(891)	(6,387)	—	(9,545)
Noncurrent deferred tax liability	(61,486)	(10,293)	(9,416)	—	(81,195)
Net noncurrent deferred tax (liability) asset	$ (34,535)	$ 3,388	$ —	$ 942	$ (30,205)

	Year Ended December 31, 2016				
	North America	Europe & Africa	Australia & New Zealand	Corporate	Total
			(In thousands)		
Noncurrent deferred tax asset	$ 34,274	$ 18,644	$ —	$ 1,768	$ 54,686
Valuation allowance	(2,244)	(850)	—	—	(3,094)
Noncurrent deferred tax liability	(59,194)	(7,019)	—	—	(66,213)
Net noncurrent deferred tax (liability) asset	$ (27,164)	$ 10,775	$ —	$ 1,768	$ (14,621)

The Company's tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities consisted of the following:

	December 31, 2017	December 31, 2016
	(In thousands)	
Noncurrent deferred tax assets		
Reserve for receivables	$ 564	$ 667
Accrued liabilities and inventory reserves	6,358	7,472
Net operating loss carryforward	12,940	8,779
Unrealized losses on interest rate swap contracts	70	5,452
Share-based compensation expense	5,859	11,455
Asset retirement obligations	2,595	3,300
Tangible and intangible assets	25,117	13,343
Deferred revenue	287	878
Other	6,745	3,340
Subtotal	60,535	54,686
Valuation allowance	(9,545)	(3,094)
Noncurrent deferred tax assets	$ 50,990	$ 51,592
Noncurrent deferred tax liabilities		
Tangible and intangible assets	$ (79,666)	$ (66,116)
Asset retirement obligations	(45)	(97)
Unrealized gain on interest rate swap contracts	(1,181)	—
Other	(303)	—
Noncurrent deferred tax liabilities	$ (81,195)	$ (66,213)
Net deferred tax liability	$ (30,205)	$ (14,621)

The Company assesses the need for any deferred tax asset valuation allowances at the end of each reporting period. The determination of whether a valuation allowance for deferred tax assets is needed is subject to considerable judgment and requires an evaluation of all available positive and negative evidence. Based on the assessment at December 31, 2017, and the weight of all evidence, the Company concluded that maintaining valuation allowances on deferred tax assets in Australia, Mexico, and other new markets is appropriate, as the Company currently believes that it is more likely than not that the related deferred tax assets will not be realized.

The deferred tax expenses and benefits associated with the Company's net unrealized gains and losses on derivative instruments and foreign currency translation adjustments have been reflected within the Accumulated other comprehensive loss, net balance in the accompanying Consolidated Balance Sheets.

As of December 31, 2017, the Company had approximately $7.3 million in U.S. federal net operating loss carryforwards that will begin expiring in 2021, approximately $26.7 million in Canadian net operating loss carryforwards that will begin expiring in 2031, and approximately $8.9 million in net operating loss carryforwards in Mexico that are subject to expiration based on a 10 year loss carryforward limitation. The deferred tax benefits associated with such carryforwards in Mexico, to the extent they are not offset by deferred tax liabilities, have been fully reserved for through a valuation allowance.

The Company currently believes that the unremitted earnings of certain of its foreign subsidiaries will be indefinitely reinvested in the corresponding country of origin. Accordingly, no deferred taxes have been provided for on the differences between the Company's book basis and underlying tax basis in those subsidiaries, except as was mandated by U.S. Tax Reform.

The Company files U.S., state, and foreign income tax returns in jurisdictions with varying statutes of limitations. With few exceptions, the Company is not subject to income tax examination by tax authorities for years before 2012. The Company recorded $1.2 million of uncertain tax benefits in conjunction with the acquisition of DCPayments as of

December 31, 2017. It is reasonably possible that the total amount of this unrecognized benefit may change within the next twelve months as a result of the resolution of income tax examinations and the lapse of the applicable statute of limitations. At this time, it is not possible to estimate the range of change due to the uncertainty of potential outcomes. If the tax position is resolved, the total amount of unrecognized tax benefits would affect the effective tax rate. The Company recognizes accrued interest and penalties related to unrecognized tax benefits in tax expense. The amount of interest and penalties recognized in 2017 is immaterial.

(19) Concentration Risk

Significant supplier. For the years ended December 31, 2017 and 2016, the Company purchased ATM and ATM-related equipment from one supplier that accounted for 73.7% and 60.0%, respectively, of the Company's total ATM purchases for those years.

Significant customers. For the years ended December 31, 2017 and 2016, the Company derived approximately 30.9% and 39.2%, respectively, of its total revenues from ATMs placed at the locations of its top five merchant customers. The Company's top five merchant customers for the years ended December 31, 2017 and 2016 were 7-Eleven, Inc. ("7-Eleven"), CVS Caremark Corporation ("CVS"), Co-op Food (in the U.K.), Walgreens Boots Alliance, Inc. ("Walgreens"), and Speedway LLC ("Speedway"). 7-Eleven in the U.S. is currently the largest merchant customer in the Company's portfolio, representing 12.5% and 18% of the Company's total revenues for the years ended December 31, 2017 and 2016, respectively. The next four largest merchant customers together comprised 18.4% and 21.0% of the Company's total revenues for the years ended December 31, 2017 and 2016, respectively.

Accordingly, a significant percentage of the Company's future revenues and operating income will be dependent upon the successful continuation of its relationship with these merchants. The 7-Eleven ATM placement agreement in the U.S. expired in July 2017, and most of the ATM operations in the U.S. were transitioned to the new service provider as of December 31, 2017. We expect the transition to be complete during the first quarter of 2018. As a result, the loss of the 7-Eleven relationship in the U.S., has had and will most likely continue to have, a significant negative impact on our income from operations and cash flows relative to prior periods.

(20) Segment Information

As of December 31, 2017, the Company's operations consisted of its North America, Europe & Africa, and Australia & New Zealand segments. As the integration of DCPayments (acquired in January 2017) progressed throughout the second quarter of 2017, the Company separated the DCPayments operations into their respective geographical components, including them within the Company's geographical segments and created a new Australia & New Zealand segment, which includes the DCPayments operations in Australia and New Zealand. The Company's ATM operations in the U.S., Canada, Mexico, and Puerto Rico are included in its North America segment. The North America segment also includes the Company's transaction processing operations, which service its internal ATM operations, along with external customers. The transaction processing operations were previously reported in the Company's Corporate & Other segment. The Corporate segment solely includes the Company's corporate general and administrative expenses. The Company's operations in the U.K., Ireland, Germany, Poland, Spain, and South Africa are included in its Europe & Africa segment, along with i-design (the Company's ATM advertising business based in the U.K.). While each of the reporting segments provides similar kiosk-based and/or ATM-related services, each segment is managed separately and requires different marketing and business strategies. Segment information presented for prior periods have been revised to reflect the changes in the Company's segments.

Management uses Adjusted EBITDA and Adjusted EBITA, together with U.S. GAAP measures, to manage and measure the performance of its segments. Management believes Adjusted EBITDA and Adjusted EBITA are useful measures because they allow management to more effectively evaluate the performance of the business and compare its results of operations from period to period without regard to financing methods, capital structure or non-recurring costs, as defined by the Company. Adjusted EBITDA and Adjusted EBITA exclude amortization of intangible assets, share-based compensation expense, acquisition and divestiture-related expenses, certain non-operating expenses (if applicable in a particular period), certain costs not anticipated to occur in future periods, gains or losses on disposal and impairment of assets, the Company's obligations for the payment of income taxes, interest expense, and other obligations such as capital expenditures, and includes an adjustment for noncontrolling interests. Additionally, Adjusted EBITDA excludes depreciation and accretion expense. Depreciation and accretion expense and amortization of intangible assets are excluded as these amounts can vary substantially from company to company within the Company's industry depending upon accounting methods and book values of assets, capital structures, and the methods by which the assets were acquired.

Adjusted EBITDA and Adjusted EBITA, as defined by the Company, are non-GAAP financial measures provided as a complement to financial results prepared in accordance with U.S. GAAP and may not be comparable to similarly-titled measures reported by other companies. In evaluating the Company's performance as measured by Adjusted EBITDA and Adjusted EBITA, management recognizes and considers the limitations of these measurements. Accordingly, Adjusted EBITDA and Adjusted EBITA are only two of the measurements that management utilizes. Therefore, Adjusted EBITDA and Adjusted EBITA should not be considered in isolation or as a substitute for operating income, net income, cash flows from operating, investing, or financing activities, or other income or cash flow measures prepared in accordance with U.S. GAAP.

Below is a reconciliation of Net (loss) income attributable to controlling interests and available to common shareholders to EBITDA, Adjusted EBITDA, and Adjusted EBITA:

	Year Ended December 31,		
	2017	**2016**	**2015**
		(In thousands)	
Net (loss) income attributable to controlling interests and available to common shareholders	$ (145,350)	$ 87,991	$ 67,080
Adjustments:			
Interest expense, net	35,036	17,360	19,451
Amortization of deferred financing costs and note discount	12,574	11,529	11,363
Income tax (benefit) expense	(9,292)	26,622	39,342
Depreciation and accretion expense	122,036	90,953	85,030
Amortization of intangible assets	57,866	36,822	38,799
EBITDA	$ 72,870	$ 271,277	$ 261,065
Add back:			
Loss (gain) on disposal and impairment of assets	33,275	81	(14,010)
Other expense (1)	3,524	2,958	3,780
Noncontrolling interests (2)	(25)	(67)	(996)
Share-based compensation expense	14,395	21,430	19,421
Acquisition and divestiture-related expenses (3)	18,917	9,513	27,127
Goodwill and intangible asset impairment(4)	194,521	—	—
Redomicile-related expenses (5)	782	13,747	—
Restructuring expenses (6)	10,354	—	—
Adjusted EBITDA	$ 348,613	$ 318,939	$ 296,387
Less:			
Depreciation and accretion expense (7)	122,029	90,927	84,608
Adjusted EBITA	$ 226,584	$ 228,012	$ 211,779

(1) Includes foreign currency translation gains/losses, the revaluation of the estimated acquisition-related contingent consideration payable, and other non-operating costs.

(2) Noncontrolling interests adjustment made such that Adjusted EBITDA includes only the Company's ownership interest in the Adjusted EBITDA of its Mexican subsidiaries.

(3) Acquisition and divestiture-related expenses include costs incurred for professional and legal fees and certain other transition and integration-related costs.

(4) Goodwill and intangible asset impairments related to the Company's Australia & New Zealand segment.

(5) Expenses associated with the Company's redomicile of its parent company to the U.K., which was completed on July 1, 2016.

(6) Expenses primarily related to employee severance costs associated with the Company's Restructuring Plan implemented in the first quarter of 2017 and certain costs associated with exiting its Poland operations during the fourth quarter of 2017.

(7) Amounts exclude a portion of the expenses incurred by one of the Company's Mexican subsidiaries to account for the amounts allocable to the noncontrolling interest shareholders.

The following tables reflect certain financial information for each of the Company's reporting segments for the periods presented:

	Year Ended December 31, 2017					
	North America	Europe & Africa (1)	Australia & New Zealand (2)	Corporate	Eliminations	Total
	(In thousands)					
Revenue from external customers	$ 971,343	$ 403,344	$ 132,912	$ —	$ —	$ 1,507,599
Intersegment revenues	9,043	1,488	—	—	(10,531)	—
Cost of revenues	658,153	250,120	96,474	1,146	(6,773)	999,120
Selling, general, and administrative expenses	71,603	37,992	9,244	55,398	—	174,237
Redomicile-related expenses	—	49	—	733	—	782
Restructuring expenses	3,668	2,942	—	3,744	—	10,354
Acquisition and divestiture-related expenses	2,210	2,261	3,132	11,314	—	18,917
Goodwill and intangible asset impairment	—	—	194,521	—	—	194,521
Loss on disposal and impairment of assets	10,432	1,299	21,496	48	—	33,275
Adjusted EBITDA	250,619	116,720	27,170	(42,137)	(3,759)	348,613
Depreciation and accretion expense	70,934	44,306	6,796	—	—	122,036
Adjusted EBITA	179,686	72,414	20,380	(42,137)	(3,759)	226,584
Capital expenditures (3)	$ 61,742	$ 61,651	$ 6,310	$ 14,437	$ —	$ 144,140

	Year Ended December 31, 2016					
	North America	Europe & Africa (1)	Australia & New Zealand (2)	Corporate	Eliminations	Total
	(In thousands)					
Revenue from external customers	$ 899,392	$ 365,972	$ —	$ —	$ —	$ 1,265,364
Intersegment revenues	9,006	1,437	—	—	(10,443)	—
Cost of revenues	592,187	231,465	—	878	(10,443)	814,087
Selling, general, and administrative expenses	63,672	34,138	—	55,972	—	153,782
Redomicile-related expenses	—	166	—	13,581	—	13,747
Acquisition and divestiture-related expenses	3,035	1,471	—	5,007	—	9,513
Loss (gain) on disposal and impairment of assets	1,975	(1,894)	—	—	—	81
Adjusted EBITDA	252,543	101,806	—	(35,489)	79	318,939
Depreciation and accretion expense	54,597	36,356	—	—	—	90,953
Adjusted EBITA	197,946	65,450	—	(35,463)	79	228,012
Capital expenditures (3)	$ 64,028	$ 51,294	$ —	$ 10,560	$ —	$ 125,882

	Year Ended December 31, 2015					
	North America	Europe & Africa (1)	Australia & New Zealand (2)	Corporate	Eliminations	Total
	(In thousands)					
Revenue from external customers	$ 824,075	$ 376,226	$ —	$ —	$ —	$ 1,200,301
Intersegment revenues	11,275	(1,140)	—	—	(10,135)	—
Cost of revenues	532,013	259,889	—	1,219	(10,184)	782,937
Selling, general, and administrative expenses	61,602	32,410	—	46,489	—	140,501
Acquisition and divestiture-related expenses	4,769	22,258	—	100	—	27,127
Loss (gain) on disposal of assets	2,089	(16,099)	—	—	—	(14,010)
Adjusted EBITDA	239,475	85,125	—	(28,280)	67	296,387
Depreciation and accretion expense	50,897	34,133	—	—	—	85,030
Adjusted EBITA	188,577	50,992	—	(28,280)	490	211,779
Capital expenditures (3)	$ 90,499	$ 51,850	$ —	$ —	$ —	$ 142,349

(1) The Europe & Africa segment includes operations in South Africa, which were acquired on January 31, 2017.

(2) The Australia & New Zealand segment includes operations in Australia and New Zealand, which were acquired on January 6, 2017 with the DCPayments acquisition.

(3) Capital expenditure amounts include payments made for exclusive license agreements, site acquisition costs, and other intangible assets. Additionally, capital expenditure amounts for one of the Company's Mexican subsidiaries, included in the North America segment, are reflected gross of any noncontrolling interest amounts.

Identifiable Assets

	December 31, 2017	December 31, 2016
	(In thousands)	
North America	$ 1,175,154	$ 956,807
Europe & Africa	579,879	363,857
Australia & New Zealand	75,095	—
Corporate	32,588	44,032
Total	$ 1,862,716	$ 1,364,696

(21) Supplemental Guarantor Financial Information

Prior to the Redomicile Transaction, the 2022 Notes were fully and unconditionally guaranteed, subject to certain customary release provisions, on a joint and several basis by certain wholly-owned subsidiaries of Cardtronics Delaware. On July 1, 2016, Cardtronics plc and certain of its subsidiaries became 2022 Notes Guarantors pursuant to the 2022 Notes Supplemental Indenture entered into in conjunction with the Redomicile Transaction. As of December 31, 2017, the 2022 Notes were fully and unconditionally guaranteed, subject to certain customary release provisions, on a joint and several basis by Cardtronics plc and certain wholly-owned subsidiaries (including the original Cardtronics Delaware subsidiary 2022 Notes Guarantors). Cardtronics Delaware, the subsidiary issuer of the 2022 Notes is 100% owned by Cardtronics plc, the parent 2022 Notes Guarantor. In addition, on April 28, 2017, additional subsidiaries of Cardtronics plc were added as 2022 Notes Guarantors pursuant to the 2022 Notes Second Supplemental Indenture.

The guarantees of the 2022 Notes by any 2022 Notes Guarantor (other than Cardtronics plc) are subject to automatic and customary releases upon: (i) the sale or disposition of all or substantially all of the assets of the 2022 Notes Guarantor, (ii) the disposition of sufficient common shares of the 2022 Notes Guarantor so that it no longer qualifies under the 2022 Notes Indenture as a restricted subsidiary of Cardtronics plc, (iii) the designation of the 2022 Notes Guarantor as unrestricted in accordance with the 2022 Notes Indenture, (iv) the legal or covenant defeasance of the 2022 Notes or the satisfaction and discharge of the 2022 Notes Indenture, (v) the liquidation or dissolution of the 2022 Notes Guarantor, or (vi) provided the 2022 Notes Guarantor is not wholly-owned by Cardtronics plc, its ceasing to guarantee other indebtedness the Cardtronics plc, Cardtronics Delaware, or another 2022 Notes Guarantor. A 2022 Notes Guarantor (other than Cardtronics plc) may not sell or otherwise dispose of all or substantially all of its properties or assets to, or consolidate with or merge with or into, another company (other than Cardtronics plc, Cardtronics Delaware, or another 2022 Notes Guarantor), unless no default under the 2022 Notes Indenture exists and either the successor to the 2022 Notes Guarantor assumes its guarantee of the 2022 Notes or the disposition, consolidation, or merger complies with the "Asset Sales" covenant in the 2022 Notes Indenture. In addition, Cardtronics plc may not sell or otherwise dispose of all or substantially all of its properties or assets to, or consolidate with or merge with or into, another company (other than Cardtronics Delaware or another 2022 Notes Guarantor), unless, among other things, no default under the 2022 Notes Indenture exists, the successor to Cardtronics plc is a domestic entity and assumes Cardtronics plc's guarantee of the 2022 Notes and transaction (on a pro forma basis) satisfies certain criteria related to the Fixed Charge Coverage Ratio (as defined in the 2022 Notes Indenture).

The following information reflects the Condensed Consolidating Statements of Comprehensive (Loss) Income and Condensed Consolidated Statements of Cash Flows for the years ended December 31, 2017, 2016, and 2015 and the Condensed Consolidating Balance Sheets as of December 31, 2017 and 2016 for: (i) Cardtronics plc, the parent 2022 Notes Guarantor ("Parent"), (ii) Cardtronics Delaware ("Issuer"), (iii) the 2022 Notes Guarantors (including those 2022 Notes Guarantors added pursuant to the 2022 Notes Second Supplemental Indenture) (the "Guarantors"), and (iv) the 2022 Notes Non-Guarantors. The statements for the 2016 periods have been revised to present the financial results of these entities in a manner that is consistent with the Company's organizational structure as of December 31, 2017.

Condensed Consolidating Statements of Comprehensive (Loss) Income

	Year Ended December 31, 2017					
	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total
	(In thousands)					
Revenues	$ —	$ —	$ 1,050,497	$ 468,695	$ (11,593)	$ 1,507,599
Operating costs and expenses	30,015	2,087	951,444	444,634	(11,593)	1,416,587
Goodwill and intangible impairment	—	—	194,521	—	—	194,521
(Loss) income from operations	(30,015)	(2,087)	(95,468)	24,061	—	(103,509)
Interest expense (income), net, including amortization of deferred financing costs and note discount	—	25,374	39,299	(17,062)	(1)	47,610
Equity in (earnings) loss of subsidiaries	121,145	(19,429)	(320,861)	(2,940)	222,085	—
Other (income) expense	(130)	(411)	26,322	(10,172)	(12,085)	3,524
(Loss) income before income taxes	(151,030)	(7,621)	159,772	54,235	(209,999)	(154,643)
Income tax (benefit) expense	(5,679)	(10,550)	1,881	5,056	—	(9,292)
Net (loss) income	(145,351)	2,929	157,891	49,179	(209,999)	(145,351)
Net loss attributable to noncontrolling interests	—	—	—	—	(1)	(1)
Net (loss) income attributable to controlling interests and available to common shareholders	(145,351)	2,929	157,891	49,179	(209,998)	(145,350)
Comprehensive (loss) income attributable to controlling interests	$ (71,811)	$ 5,616	$ 189,618	$ 93,024	$ (288,258)	$ (71,811)

	Year Ended December 31, 2016					
	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total
	(In thousands)					
Revenues	$ —	$ —	$ 904,237	$ 411,907	$ (50,780)	$ 1,265,364
Operating costs and expenses	18,166	22,565	764,425	364,609	(50,780)	1,118,985
(Loss) income from operations	(18,166)	(22,565)	139,812	47,298	—	146,379
Interest expense (income), net, including amortization of deferred financing costs and note discount	—	25,188	30,212	(26,511)	—	28,889
Equity in (earnings) loss of subsidiaries	(102,653)	(102,835)	(58,890)	—	264,378	—
Other expense (income)	263	(19,838)	(3,914)	(2,882)	29,329	2,958
Income before income taxes	84,224	74,920	172,404	76,691	(293,707)	114,532
Income tax (benefit) expense	(3,686)	(10,889)	37,268	3,929	—	26,622
Net income	87,910	85,809	135,136	72,762	(293,707)	87,910
Net loss attributable to noncontrolling interests	—	—	—	—	(81)	(81)
Net income attributable to controlling interests and available to common shareholders	87,910	85,809	135,136	72,762	(293,626)	87,991
Comprehensive income attributable to controlling interests	$ 68,919	$ 77,015	$ 122,973	$ 73,395	$ (273,302)	$ 69,000

	Year Ended December 31, 2015					
	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total
	(In thousands)					
Revenues	$ —	$ —	$ 856,948	$ 397,831	$ (54,478)	$ 1,200,301
Operating costs and expenses	—	4,945	751,726	358,191	(54,478)	1,060,384
(Loss) income from operations	—	(4,945)	105,222	39,640	—	139,917
Interest expense, net, including amortization of deferred financing costs and note discount	—	22,633	5,650	2,521	10	30,814
Equity in (earnings) loss of subsidiaries	(65,981)	(68,405)	4,811	—	129,575	—
Other (income) expense	—	(177)	(13,689)	86,256	(68,610)	3,780
Income (loss) before income tax	65,981	41,004	108,450	(49,137)	(60,975)	105,323
Income tax (benefit) expense	—	(10,687)	42,443	7,586	—	39,342
Net income (loss)	65,981	51,691	66,007	(56,723)	(60,975)	65,981
Net loss attributable to noncontrolling interests	—	—	—	—	(1,099)	(1,099)
Net income (loss) attributable to controlling interests and available to common shareholders	65,981	51,691	66,007	(56,723)	(59,876)	67,080
Comprehensive income (loss) attributable to controlling interests	$ 60,201	$ 41,287	$ 80,639	$ (66,070)	$ (54,757)	$ 61,300

Condensed Consolidating Balance Sheets

	As of December 31, 2017					
	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total
	(In thousands)					
Assets						
Cash and cash equivalents	$ 89	$ 7	$ 15,807	$ 35,467	$ —	$ 51,370
Accounts and notes receivable, net	—	—	55,912	49,333	—	105,245
Deferred tax asset, net	—	—	(3,466)	3,466	—	—
Other current assets	400	1,585	73,847	82,885	—	158,717
Total current assets	489	1,592	142,100	171,151	—	315,332
Property and equipment, net	—	—	312,591	185,479	(168)	497,902
Intangible assets, net	—	—	159,248	51,337	(723)	209,862
Goodwill	—	—	572,275	202,664	—	774,939
Investments in and advances to subsidiaries	385,729	465,347	392,327	—	(1,243,403)	—
Intercompany receivable	10,231	211,540	71,477	486,408	(779,656)	—
Deferred tax asset, net	332	—	1,343	5,250	—	6,925
Prepaid expenses, deferred costs, and other noncurrent assets	—	12,172	28,763	16,821	—	57,756
Total assets	$ 396,781	$ 690,651	$ 1,680,124	$ 1,119,110	$ (2,023,950)	$ 1,862,716
Liabilities and Shareholders' Equity						
Current portion of other long-term liabilities	—	4,892	21,746	4,744	(12)	31,370
Accounts payable and accrued liabilities	979	10,070	205,199	134,932	—	351,180
Total current liabilities	979	14,962	226,945	139,676	(12)	382,550
Long-term debt	—	504,912	394,596	18,213	—	917,721
Intercompany payable	5,409	4,272	673,053	100,410	(783,144)	—
Asset retirement obligations	—	—	25,424	34,496	—	59,920
Deferred tax liability, net	—	—	34,926	2,204	—	37,130
Other long-term liabilities	—	3,997	25,402	45,603	—	75,002
Total liabilities	6,388	528,143	1,380,346	340,602	(783,156)	1,472,323
Shareholders' equity	390,393	162,508	299,778	778,508	(1,240,794)	390,393
Total liabilities and shareholders' equity	$ 396,781	$ 690,651	$ 1,680,124	$ 1,119,110	$ (2,023,950)	$ 1,862,716

	As of December 31, 2016					
	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total
	(In thousands)					
Assets						
Cash and cash equivalents	$ 101	$ 7	$ 6,995	$ 66,431	$ —	$ 73,534
Accounts and notes receivable, net	—	—	59,375	24,781	—	84,156
Other current assets	—	1,468	52,087	58,292	—	111,847
Total current assets	101	1,475	118,457	149,504	—	269,537
Property and equipment, net	—	—	271,142	121,593	—	392,735
Intangible assets, net	—	—	89,028	32,202	—	121,230
Goodwill	—	—	450,229	82,846	—	533,075
Investments in and advances to subsidiaries	452,014	748,278	872,795	—	(2,073,087)	—
Intercompany receivable	12,962	297,790	251,754	1,615,808	(2,178,314)	—
Deferred tax asset, net	537	—	1,462	11,005	—	13,004
Prepaid expenses, deferred costs, and other noncurrent assets	—	504	22,098	12,513	—	35,115
Total assets	$ 465,614	$ 1,048,047	$ 2,076,965	$ 2,025,471	$ (4,251,401)	$ 1,364,696
Liabilities and Shareholders' Equity						
Current portion of other long-term liabilities	—	—	22,662	5,591	(16)	28,237
Accounts payable and accrued liabilities	(15)	17,152	179,489	89,024	(67)	285,583
Total current liabilities	(15)	17,152	202,151	94,615	(83)	313,820
Long-term debt	—	502,539	—	—	—	502,539
Intercompany payable	8,694	82,660	1,248,493	838,467	(2,178,314)	—
Asset retirement obligations	—	—	21,746	23,340	—	45,086
Deferred tax liability, net	—	—	24,953	2,672	—	27,625
Other long-term liabilities	—	504	14,305	3,882	—	18,691
Total liabilities	8,679	602,855	1,511,648	962,976	(2,178,397)	907,761
Shareholders' equity	456,935	445,192	565,317	1,062,495	(2,073,004)	456,935
Total liabilities and shareholders' equity	$ 465,614	$ 1,048,047	$ 2,076,965	$ 2,025,471	$ (4,251,401)	$ 1,364,696

Condensed Consolidated Statement of Cash Flows

	Year Ended December 31, 2017					
	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total
	(In thousands)					
Net cash provided by operating activities	$ 8,388	$ 20,200	$ 164,993	$ 24,311	$ —	$ 217,892
Additions to property and equipment	—	—	(83,357)	(60,783)	—	(144,140)
Acquisitions, net of cash acquired	—	—	(468,930)	(18,147)	—	(487,077)
Net cash used in investing activities	—	—	(552,287)	(78,930)	—	(631,217)
Proceeds from borrowings under revolving credit facility	—	352,600	604,138	124,951	—	1,081,689
Repayments of borrowings under revolving credit facility	—	(372,800)	(495,944)	(107,417)	—	(976,161)
Proceeds from borrowings of long-term debt	—	—	300,000	—	—	300,000
Debt issuance costs	—	—	(5,704)	—	—	(5,704)
Intercompany financing	—	—	(6,605)	6,605	—	—
Tax payments related to share-based compensation	(8,504)	—	—	—	—	(8,504)
Proceeds from exercises of stock options	104	—	—	—	—	104
Net cash (used in) provided by financing activities	(8,400)	(20,200)	395,885	24,139	—	391,424
Effect of exchange rate changes on cash	—	—	221	(484)	—	(263)
Net (decrease) increase in cash and cash equivalents	(12)	—	8,812	(30,964)	—	(22,164)
Cash and cash equivalents as of beginning of period	101	7	6,995	66,431	—	73,534
Cash and cash equivalents as of end of period	$ 89	$ 7	$ 15,807	$ 35,467	$ —	$ 51,370

	Year Ended December 31, 2016					
	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total
	(In thousands)					
Net cash (used in) provided by operating activities	$ (1,106)	$ 60,033	$ 101,430	$ 109,918	$ —	$ 270,275
Additions to property and equipment	—	—	(77,124)	(48,758)	—	(125,882)
Acquisitions, net of cash acquired	—	—	(17,512)	(5,157)	—	(22,669)
Proceeds from sale of assets and businesses	—	—	9,348	—	—	9,348
Net cash used in investing activities	—	—	(85,288)	(53,915)	—	(139,203)
Proceeds from borrowings under revolving credit facility	—	198,826	—	36,542	—	235,368
Repayments of borrowings under revolving credit facility	—	(255,727)	—	(55,635)	—	(311,362)
Intercompany financing	—	248	(14,430)	14,182	—	—
Proceeds from exercises of stock options	526	147	—	—	—	673
Additional tax (expense) related to share-based compensation	681	(343)	—	—	—	338
Repurchase of common shares	—	(3,959)	—	—	—	(3,959)
Net cash (used in) provided by financing activities	1,207	(60,808)	(14,430)	(4,911)	—	(78,942)
Effect of exchange rate changes on cash	—	—	(917)	(3,976)	—	(4,893)
Net increase (decrease) in cash and cash equivalents	101	(775)	795	47,116	—	47,237
Cash and cash equivalents as of beginning of period	—	782	6,200	19,315	—	26,297
Cash and cash equivalents as of end of period	$ 101	$ 7	$ 6,995	$ 66,431	$ —	$ 73,534

	Year Ended December 31, 2015					
	Parent	Issuer	Guarantors	Non-Guarantors	Eliminations	Total
	(In thousands)					
Net cash provided by operating activities	$ —	$ 67,436	$ 110,945	$ 77,802	$ 370	$ 256,553
Additions to property and equipment	—	—	(93,248)	(48,731)	(370)	(142,349)
Funding of intercompany notes payable, net	—	—	—	—	—	—
Acquisitions, net of cash acquired	—	—	(72,434)	(31,440)	—	(103,874)
Proceeds from sale of assets and businesses	—	—	36,661	—	—	36,661
Net cash used in investing activities	—	—	(129,021)	(80,171)	(370)	(209,562)
Proceeds from borrowings under revolving credit facility	—	379,400	—	73,270	—	452,670
Repayments of borrowings under revolving credit facility	—	(446,085)	—	(53,466)	—	(499,551)
Repayments of intercompany notes payable	—	1,670	24,523	(26,193)	—	—
Proceeds from exercises of stock options	—	1,107	—	—	—	1,107
Additional tax benefit related to share-based compensation	—	1,985	—	—	—	1,985
Repurchase of common shares	—	(4,731)	—	—	—	(4,731)
Net cash (used in) provided by financing activities	—	(66,654)	24,523	(6,389)	—	(48,520)
Effect of exchange rate changes on cash	—	—	—	(4,049)	—	(4,049)
Net (decrease) increase in cash and cash equivalents	—	782	6,447	(12,807)	—	(5,578)
Cash and cash equivalents as of beginning of period	—	—	(247)	32,122	—	31,875
Cash and cash equivalents as of end of period	$ —	$ 782	$ 6,200	$ 19,315	$ —	$ 26,297

(22) New Accounting Pronouncements

For information related to the ASUs adopted during the year ended December 31, 2017, see *Note 1. Basis of Presentation and Summary of Significant Accounting Policies – (b) Basis of Presentation*. The new ASUs relevant to the Company are as follows:

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606) ("ASU 2014-09"), which supersedes the revenue recognition requirements in ASC 605, Revenue Recognition. ASU 2014-09 was later amended by ASU No. 2016-08, Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net), ASU No. 2016-10 Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing, and ASU No. 2016-12, Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients. ASU 2014-09, as amended, (the "Revenue Standard") supersedes most industry specific guidance and intends to enhance comparability of revenue recognition practices across entities and industries by providing a principle-based, comprehensive framework for addressing revenue recognition issues. The Revenue Standard is effective for fiscal years beginning after December 15, 2017, and interim reporting periods within those years, although early adoption is permitted.

The Company will adopt the Revenue Standard in the first quarter of fiscal 2018. The Company has completed an analysis of its most significant revenue streams including those most likely to be impacted by the Revenue Standard and anticipates that the adoption of the Revenue Standard will result in relatively minor impacts to the recognition of revenues to be reported in its consolidated financial statements. The Company believes that the most significant impact will be from the deferral of contract acquisition costs. These costs primarily consist of sales commissions and directly related costs provided to the Company's sales force that have not been deferred historically. It has been the Company's practice to recognize sales commissions when paid and now they will be deferred and recognized over time. The Company plans to use the modified retrospective method to adopt the Revenue Standard, recognizing deferred sales commissions and related costs of approximately $8.0 million effective January 1, 2018.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842) (the "Lease Standard") in order to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet for those leases classified as operating leases under previous U.S. GAAP. The Lease Standard requires that a lessee should recognize a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term on the balance sheet. The Lease Standard is effective for fiscal years beginning after December 15, 2018, and interim periods within those years, using a modified retrospective approach and early adoption is permitted. The Company is required to adopt the Lease Standard during the first quarter of fiscal 2019. The Company is currently reviewing its operating leases and ATM placement agreements to assess the impact the Lease Standard will have on its consolidated financial statements. The Company currently anticipates that its adoption of the Lease Standard will result in the recognition of significant right-to-use assets and lease liabilities related to its operating leases as well as certain of its ATM placement agreements that contain fixed payments and are deemed to contain a lease under the Lease Standard.

In August and November 2016, the FASB issued ASU No. 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments ("ASU 2016-15") and ASU No. 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash ("ASU 2016-18"). ASU 2016-15 and ASU 2016-18 update the following specific cash flow issues: debt prepayment or debt extinguishment costs; settlement of zero-coupon or insignificant rate debt instruments; contingent consideration payments made after a business combination; proceeds from the settlement of insurance claims; proceeds from the settlement of corporate-owned life insurance policies; distributions received from equity method investees; beneficial interests in securitization transactions; separately identifiable cash flows and application of the predominance principle, and classification of restricted cash. ASU 2016-15 and ASU 2016-18 are effective for fiscal years beginning after December 15, 2017, and interim periods within those years, and early adoption is permitted. The Company is required to adopt this guidance during the first quarter of fiscal 2018 and plans to adopt both ASU 2016-15 and ASU 2016-18 at that time. Responsive to this guidance, the Company will include the balance of restricted cash together with cash and cash equivalents when presenting the Consolidated Statements of Cash Flows, commencing with its first quarter reporting in 2018. The Company will also recognize contingent consideration payments up to the amount of the liability recognized at the acquisition date in financing activities and any excess in operating activities. The Company does not anticipate that this classification will result in a change to the operating, financing, or investing cash flows that would otherwise be reported.

In October 2016, the FASB issued ASU No. 2016-16, Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other than Inventory ("ASU 2016-16"). ASU 2016-16 requires an entity to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. The amendments eliminate the exception for an intra-entity transfer of an asset other than inventory. ASU 2016-16 is effective for fiscal years beginning after December 15, 2018, and interim periods within those years, and early adoption is permitted. The Company is currently evaluating the impact the standard will have on its consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-01, Business Combinations (Topic 805): Clarifying the Definition of a Business ("ASU 2017-01"). ASU 2017-01 clarifies the definition of a business when determining an acquisition, divestiture, disposal, goodwill, or consolidation. ASU 2017-01 is effective for fiscal years beginning after December 15, 2017, and interim periods within those years, and early adoption is permitted.

In addition, in January 2017, the FASB issued ASU No. 2017-04, Intangibles – Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment ("ASU 2017-04"). ASU 2017-04 eliminates Step 2 from the goodwill impairment test and the requirements for any reporting unit with a zero or negative carrying amount to perform a qualitative assessment and, if it fails that qualitative test, to perform Step 2 of the goodwill impairment test. An entity still has the option to perform the qualitative assessment for a reporting unit to determine if the quantitative impairment test is necessary. ASU 2017-04 is effective for fiscal years beginning after December 15, 2019, and interim periods within those years, and early adoption is permitted.

In May 2017, the FASB issued ASU No. 2017-09, Compensation – Stock Compensation (Topic 718): Scope of Modification Accounting ("ASU 2017-09"). ASU 2017-09 clarifies what constitutes a modification of a share-based payments award. ASU 2017-09 is effective for fiscal years beginning after December 15, 2017, and interim periods within those years, and early adoption is permitted. The Company is currently evaluating the impact these standards will have on its consolidated financial statements.

In August 2017, the FASB issued ASU No. 2017-12, Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities (“ASU 2017-12”). ASU 2017-12 provides targeted improvements to the accounting for hedging activities to better align an entity’s risk management activities and financial reporting for hedging relationships through changes to both the designation and measurement guidance for qualifying hedging relationships and the presentation of hedge results. ASU 2017-12 is effective for fiscal years beginning after December 15, 2018 and early adoption is permitted. The Company is currently evaluating the impact these standards will have on its consolidated financial statements.

(23) Supplemental Selected Quarterly Financial Information (Unaudited)

The Company’s financial information by quarter is summarized below for the periods indicated:

	Quarter Ended				
	March 31	**June 30**	**September 30**	**December 31**	**Total**
	(In thousands, excluding per share amounts)				
2017					
Total revenues	$ 357,572	$ 385,112	$ 401,950	$ 362,965	$ 1,507,599
Net (loss) income	(894)	15,157	(175,570)	15,956	(145,351)
Net income attributable to controlling interests and available to common shareholders	(901)	15,158	(175,561)	15,954	(145,350)
Basic net income per common share	$ (0.02)	$ 0.33	$ (3.84)	$ 0.34	$ (3.19)
Diluted net income per common share	$ (0.02)	$ 0.33	$ (3.84)	$ 0.34	$ (3.19)
2016					
Total revenues	$ 303,247	$ 323,961	$ 328,334	$ 309,822	$ 1,265,364
Net income	15,359	20,114	27,478	24,959	87,910
Net income attributable to controlling interests and available to common shareholders	15,384	20,148	27,490	24,969	87,991
Basic net income per common share	$ 0.34	$ 0.45	$ 0.61	$ 0.55	$ 1.95
Diluted net income per common share	$ 0.34	$ 0.44	$ 0.60	$ 0.54	$ 1.92

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There have been no changes in or disagreements on any matters of accounting principles or financial statement disclosure between the Company and its independent registered public accountants.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Company have evaluated, under the supervision and with the participation of its management, including its principal executive officer and principal financial officer, the effectiveness of the design and operation of its disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Annual Report on Form 10-K (this "2017 Form 10-K"). The Company's disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company in reports that it files under the Exchange Act is accumulated and communicated to its management, including its principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, the Company's principal executive officer and principal financial officer concluded that its disclosure controls and procedures were effective as of December 31, 2017 at the reasonable assurance level.

Changes in Internal Controls over Financial Reporting

There have been no changes in the Company's system of internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended December 31, 2017 that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

Management's Annual Report on Internal Control over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) under the Exchange Act). The Company's internal control over financial reporting is a process designed by management, under the supervision and with the participation of its principal executive officer and principal financial officer, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements in accordance with U.S. GAAP. The Company's internal control over financial reporting includes those policies and procedures that: (i) relate to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of its assets, (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with U.S. GAAP, and that its receipts and expenditures are being made only in accordance with authorizations of its management and directors, and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of its assets that could have a material effect on its consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The scope of management's assessment of the effectiveness of the Company's internal control over financial reporting as of December 31, 2017 includes its consolidated subsidiaries, except for the acquisitions of DCPayments and Spark during 2017. DCPayments' and Spark's internal control over financial reporting was associated with approximately 26% of total assets (of which approximately 19% represents goodwill and intangibles included within the scope of the assessment) and total revenues of approximately 18% included in the consolidated financial statements of the Company as of and for the year ended December 31, 2017.

The Company's management, under the supervision and with the participation of its principal executive officer and principal financial officer, assessed the effectiveness of its internal control over financial reporting as of December 31, 2017 based on the framework in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on the Company's evaluation under the framework in *Internal Control - Integrated Framework (2013)*, its management concluded that its internal control over financial reporting was effective as of December 31, 2017.

Attestation Report of the Independent Registered Public Accounting Firm

The Company's internal control over financial reporting as of December 31, 2017 has been audited by KPMG LLP, an independent registered public accounting firm that audited the Company's consolidated financial statements included in this 2017 Form 10-K, as stated in the attestation report which is included in *Item 8. Financial Statements and Supplementary Data, Reports of Independent Registered Public Accounting Firm.*

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Code of Ethics

The Company has adopted a Code of Ethics applicable to its principal executive officer, principal financial officer, principal accounting officer, and persons performing similar functions. A copy of the Code of Ethics is available on the Company's website at *http://www.cardtronics.com*, and you may also request a copy of the Code of Ethics at no cost, by writing or telephoning at the following: Cardtronics plc, Attention: Chief Financial Officer, 3250 Briarpark Drive, Suite 400, Houston, Texas 77042, (832) 308-4000. The Company intends to disclose any amendments to or waivers of the Code of Ethics on behalf of its Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer, and persons performing similar functions on its website at *http://www.cardtronics.com* promptly following the date of any such amendment or waiver.

Pursuant to General Instruction G of Form 10-K, the Company incorporates by reference into this Item 10 the remaining information required by this Item 10 from the information to be disclosed in its definitive proxy statement for its 2018 Annual Meeting of Shareholders.

ITEM 11. EXECUTIVE COMPENSATION

Pursuant to General Instruction G of Form 10-K, the Company incorporates by reference into this Item 11 the information to be disclosed in its definitive proxy statement for its 2018 Annual Meeting of Shareholders.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Pursuant to General Instruction G of Form 10-K, the Company incorporates by reference into this Item 12 the information to be disclosed in its definitive proxy statement for its 2018 Annual Meeting of Shareholders.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Pursuant to General Instruction G of Form 10-K, the Company incorporates by reference into this Item 13 the information to be disclosed in its definitive proxy statement for its 2018 Annual Meeting of Shareholders.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Pursuant to General Instruction G of Form 10-K, the Company incorporates by reference into this Item 14 the information to be disclosed in its definitive proxy statement for its 2018 Annual Meeting of Shareholders.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

1. Consolidated Financial Statements

2. Financial Statement Schedules

All schedules are omitted because they are either not applicable or required information is reported in the consolidated financial statements or notes thereto.

3. Index to Exhibits

The exhibits required to be filed pursuant to the requirements of Item 601 of Regulation S-K are reflected in the Index to Exhibits accompanying this 2017 Form 10-K.

ITEM 16. FORM 10-K SUMMARY

None.

Exhibit Number	Description
2.1	Agreement and Plan of Merger, dated April 27, 2016, by and among Cardtronics, Inc., Cardtronics Group Limited, CATM Merger Sub LLC and CATM Holdings LLC (incorporated herein by reference to Annex A of the Registration Statement on Form S-4, filed by Cardtronics plc on April 27, 2016, File No. 333-210955).
2.2	Arrangement Agreement, dated October 3, 2016, by and between Cardtronics Holdings Limited and Directcash Payments Inc. (incorporated herein by reference to Exhibit 2.1 of the Current Report on Form 8-K, filed by Cardtronics plc on October 7, 2016, File No. 001-37820).
3.1	Articles of Association of Cardtronics plc (incorporated herein by reference to Exhibit 3.1 of the Current Report on Form 8-K, filed by Cardtronics plc on July 1, 2016, File No. 001-37820).
4.1	Indenture, dated as of July 28, 2014, by and among Cardtronics, Inc., the subsidiary guarantors named therein and Wells Fargo Bank, National Association, as trustee, relating to Cardtronics, Inc.'s 5.125% Senior Notes due 2022 (incorporated herein by reference to Exhibit 4.1 of the Current Report on Form 8-K, filed by Cardtronics, Inc. on July 30, 2014, File No. 001-33864).
4.2	First Supplemental Indenture, dated as of July 1, 2016, by and among Cardtronics, Inc., Cardtronics plc, the subsidiary guarantors named therein and Wells Fargo Bank, National Association, as trustee, relating to Cardtronics, Inc.'s 5.125% Senior Notes due 2022 (incorporated herein by reference to Exhibit 4.2 of the Current Report on Form 8-K, filed by Cardtronics plc on July 1, 2016, File No. 001-37820).
4.3	Form of 5.125% Senior Note due 2022 (incorporated herein by reference to Exhibit 4.2 (included in Exhibit 4.1) of the Current Report on Form 8-K, filed by Cardtronics, Inc. on July 30, 2014, File No. 001-33864).

Exhibit Number	Description
4.4	Indenture, dated as of November 25, 2013, by and among Cardtronics, Inc. and Wells Fargo Bank, National Association, as trustee, relating to Cardtronics, Inc.'s 1.00% Convertible Senior Notes due 2020 (incorporated herein by reference to Exhibit 4.1 of the Current Report on Form 8-K, filed by Cardtronics, Inc. on November 26, 2013, File No. 001-33864).
4.5	First Supplemental Indenture, dated as of July 1, 2016, by and among Cardtronics, Inc., Cardtronics plc and Wells Fargo Bank, National Association, as trustee, relating to Cardtronics, Inc.'s 1.00% Convertible Senior Notes due 2020 (incorporated herein by reference to Exhibit 4.1 of the Current Report on Form 8-K, filed by Cardtronics plc on July 1, 2016, File No. 001-37820).
4.6	Form of 1.00% Convertible Senior Notes due 2020 (incorporated herein by reference to Exhibit A of Exhibit 4.1 of the Current Report on Form 8-K, filed by Cardtronics, Inc. on November 26, 2013, File No. 001-33864).
4.7	Form of Class A ordinary share certificate for Cardtronics plc (incorporated herein by reference to Exhibit 4.3 of the Current Report on Form 8-K, filed by Cardtronics plc. on July 1, 2016, File No. 001-37820).
10.1	Amended and Restated Credit Agreement, dated April 24, 2014, by and among Cardtronics, Inc., the Guarantors party thereto, the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent, J.P. Morgan Europe Limited, as Alternative Currency Agent, Bank of America, N.A., as Syndication Agent and Wells Fargo Bank, N.A. as Documentation Agent (incorporated herein by reference to Exhibit 10.4 of the Quarterly Report on Form 10-Q, filed by Cardtronics, Inc. on July 30, 2015, File No. 001-33864).
10.2	First Amendment to Amended and Restated Credit Agreement, dated July 11, 2014, by and among Cardtronics, Inc., the Guarantors party thereto, the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated herein by reference to Exhibit 10.2 of the Quarterly Report on Form 10-Q, filed by Cardtronics, Inc. on October 29, 2014, File No. 001-33864).
10.3	Second Amendment to Amended and Restated Credit Agreement and Amendment to Security Agreement, dated May 26, 2015, by and among Cardtronics, Inc., the Guarantors party thereto, the Lenders party thereto, Cardtronics Europe Limited as the European Borrower and JPMorgan Chase Bank N.A., as Administrative Agent (incorporated herein by reference to Exhibit 10.6 of the Quarterly Report on Form 10-Q, filed by Cardtronics, Inc. on July 30, 2015, File No. 001-33864).
10.4	Third Amendment to Amended and Restated Credit Agreement, dated July 1, 2016, by and among Cardtronics, Inc., Cardtronics plc, the other Borrowers, the Guarantors party thereto, the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated herein by reference to Exhibit 10.1 of the Current Report on Form 8-K, filed by Cardtronics plc on July 1, 2016, File No. 001-37820).
10.5	Fourth Amendment to Amended and Restated Credit Agreement, dated January 3, 2017, by and among Cardtronics plc, the other Obligors party thereto, the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated herein by reference to Exhibit 10.1 of the Current Report on Form 8-K, filed by Cardtronics plc on January 9, 2017, File No. 001-37820).
10.6*	Sixth Amendment to Amended and Restated Credit Agreement, dated October 3, 2017, by and among Cardtronics plc, the other Obligors party thereto, the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.
10.7	Placement Agreement, dated as of July 20, 2007, by and between Cardtronics, Inc. and 7-Eleven, Inc. (incorporated herein by reference to Exhibit 10.2 of the Quarterly Report on Form 10-Q, filed by Cardtronics, Inc. on November 9, 2007, File No. 333-113470).
10.8	Purchase Agreement, dated July 21, 2014, by and among WSILC, L.L.C., RTW ATM, LLC, C.O.D., LLC and WG ATM, LLC and their Members and Cardtronics USA, Inc. (incorporated herein by reference to Exhibit 10.3 of the Quarterly Report on Form 10-Q, filed by Cardtronics, Inc. on October 29, 2014, File No. 001-33864).

Exhibit Number	Description
10.9	Purchase and Sale Agreement, dated as of June 1, 2007, by and among Cardtronics, LP, 7-Eleven, Inc. and Vcom Financial Services, Inc. (incorporated herein by reference to Exhibit 10.1 of the Current Report on Form 8-K, filed by Cardtronics, Inc. on July 26, 2007, File No. 333-113470).
10.10	Amended and Restated Base Bond Hedge Confirmation, dated as of October 26, 2016, by and among Cardtronics plc, Cardtronics, Inc. and Bank of America, N.A. (incorporated herein by reference to Exhibit 10.1 of the Current Report on Form 8-K, filed by Cardtronics plc on November 1, 2016, File No. 001-37820).
10.11	Amended and Restated Base Bond Hedge Confirmation, dated as of October 26, 2016, by and among Cardtronics plc, Cardtronics, Inc. and JPMorgan Chase Bank, National Association, London Branch (incorporated herein by reference to Exhibit 10.2 of the Current Report on Form 8-K, filed by Cardtronics plc on November 1, 2016, File No. 001-37820).
10.12	Amended and Restated Base Bond Hedge Confirmation, dated as of October 26, 2016, by and among Cardtronics plc, Cardtronics, Inc. and Wells Fargo Bank, National Association (incorporated herein by reference to Exhibit 10.3 of the Current Report on Form 8-K, filed by Cardtronics plc on November 1, 2016, File No. 001-37820).
10.13	Amended and Restated Base Warrant Confirmation, dated as of October 26, 2016, by and among Cardtronics plc, Cardtronics, Inc. and Bank of America, N.A. (incorporated herein by reference to Exhibit 10.4 of the Current Report on Form 8-K, filed by Cardtronics plc on November 1, 2016, File No. 001-37820).
10.14	Amended and Restated Base Warrant Confirmation, dated as of October 26, 2016, by and among Cardtronics plc, Cardtronics, Inc. and JPMorgan Chase Bank, National Association, London Branch (incorporated herein by reference to Exhibit 10.5 of the Current Report on Form 8-K, filed by Cardtronics plc on November 1, 2016, File No. 001-37820).
10.15	Amended and Restated Base Warrant Confirmation, dated as of October 26, 2016, by and among Cardtronics plc, Cardtronics, Inc. and Wells Fargo Bank, National Association (incorporated herein by reference to Exhibit 10.6 of the Current Report on Form 8-K, filed by Cardtronics plc on November 1, 2016, File No. 001-37820).
10.16	Amended and Restated Additional Bond Hedge Confirmation, dated as of October 26, 2016, by and among Cardtronics plc, Cardtronics, Inc. and Bank of America, N.A. (incorporated herein by reference to Exhibit 10.7 of the Current Report on Form 8-K, filed by Cardtronics plc. on November 1, 2016, File No. 001-37820).
10.17	Amended and Restated Additional Bond Hedge Confirmation, dated as of October 26, 2016, by and among Cardtronics plc, Cardtronics, Inc. and JPMorgan Chase Bank, National Association, London Branch (incorporated herein by reference to Exhibit 10.8 of the Current Report on Form 8-K, filed by Cardtronics plc on October 26, 2016, File No. 001-37820).
10.18	Amended and Restated Additional Bond Hedge Confirmation, dated as of October 26, 2016, by and among Cardtronics plc, Cardtronics, Inc. and Wells Fargo Bank, National Association (incorporated herein by reference to Exhibit 10.9 of the Current Report on Form 8-K, filed by Cardtronics plc on November 1, 2016, File No. 001-37820).
10.19	Amended and Restated Additional Warrant Confirmation, dated as of October 26, 2016, by and among Cardtronics plc, Cardtronics, Inc. and Bank of America, N.A. (incorporated herein by reference to Exhibit 10.10 of the Current Report on Form 8-K, filed by Cardtronics plc on November 1, 2016, File No. 001-37820).
10.20	Amended and Restated Additional Warrant Confirmation, dated as of October 26, 2016, by and among Cardtronics plc, Cardtronics, Inc. and JPMorgan Chase Bank, National Association, London Branch (incorporated herein by reference to Exhibit 10.11 of the Current Report on Form 8-K, filed by Cardtronics plc on November 1, 2016, File No. 001-37820).
10.21	Amended and Restated Additional Warrant Confirmation, dated as of October 26, 2016, by and among Cardtronics plc, Cardtronics, Inc. and Wells Fargo Bank, National Association (incorporated herein by reference to Exhibit 10.12 of the Current Report on Form 8-K, filed by Cardtronics plc on November 1, 2016, File No. 001-37820).

Exhibit Number	Description
10.22†	Form of Deed of Indemnity of Cardtronics plc, entered into by each director of Cardtronics plc and each of the following officers: Steven A. Rathgaber, Edward H. West, E. Brad Conrad, Jerry Garcia, Dilshad Kasmani, Todd Ruden, Jonathan Simpson-Dent and Roger Craig (incorporated herein by reference to Exhibit 10.21 of the Annual Report on Form 10-K, filed by Cardtronics, Inc. on February 28, 2017, File No. 001-33864).
10.23†	Form of Indemnification Agreement of Cardtronics, Inc., entered into by each director of Cardtronics plc and each of the following officers: Steven A. Rathgaber, Edward H. West, E. Brad Conrad, Jerry Garcia and David Dove (incorporated herein by reference to Exhibit 10.7 of the Current Report on Form 8-K, filed by Cardtronics plc on July 1, 2016, File No. 001-37820).
10.24†	2001 Stock Incentive Plan of Cardtronics Group, Inc., dated effective as of June 4, 2001 (incorporated herein by reference to Exhibit 10.21 of the Registration Statement on Form S-4, filed by Cardtronics, Inc. on January 20, 2006, File No. 333-131199).
10.25†	Amendment No. 1 to the 2001 Stock Incentive Plan of Cardtronics Group, Inc., dated effective as of January 30, 2004 (incorporated herein by reference to Exhibit 10.22 of the Registration Statement on Form S-4, filed by Cardtronics, Inc. on January 20, 2006, File No. 333-131199).
10.26†	Amendment No. 2 to the 2001 Stock Incentive Plan of Cardtronics Group, Inc., dated effective as of June 23, 2004 (incorporated herein by reference to Exhibit 10.23 of the Registration Statement on Form S-4, filed by Cardtronics, Inc. on January 20, 2006, File No. 333-131199).
10.27†	Amendment No. 3 to the 2001 Stock Incentive Plan of Cardtronics Group, Inc. dated effective as of May 9, 2006 (incorporated herein by reference to Exhibit 10.38 of Post-effective Amendment No. 1 to the Registration Statement on Form S-1, filed by Cardtronics, Inc. on December 10, 2007, File No. 333-145929).
10.28†	Amendment No. 4 to the 2001 Stock Incentive Plan of Cardtronics Group, Inc. dated effective as of August 22, 2007 (incorporated herein by reference to Exhibit 10.39 of Post-effective Amendment No. 1 to the Registration Statement on Form S-1, filed by Cardtronics, Inc. on December 10, 2007, File No. 333-145929).
10.29†	Amendment No. 5 to the 2001 Stock Incentive Plan of Cardtronics Group, Inc. dated effective as of November 26, 2007 (incorporated herein by reference to Exhibit 10.40 of Post-effective Amendment No. 1 to the Registration Statement on Form S-1, filed by Cardtronics, Inc. on December 10, 2007, File No. 333-145929).
10.30†	Third Amended and Restated 2007 Stock Incentive Plan (as assumed and adopted by Cardtronics plc, effective July 1, 2016) (incorporated herein by reference to Exhibit 10.3 of the Current Report on Form 8-K, filed by Cardtronics plc on July 1, 2016, File No. 001-37820).
10.31†	Form of Restricted Stock Unit Agreement (Time-Based) pursuant to the Third Amended and Restated 2007 Stock Incentive Plan (incorporated herein by reference to Exhibit 10.4 of the Current Report on Form 8-K, filed by Cardtronics plc on July 1, 2016, File No. 001-37820).
10.32†	Form of Restricted Stock Unit Agreement (Performance-Based) pursuant to the Third Amended and Restated 2007 Stock Incentive Plan (incorporated herein by reference to Exhibit 10.5 of the Current Report on Form 8-K, filed by Cardtronics plc on July 1, 2016, File No. 001-37820).
10.33†	Form of Non-Employee Director Restricted Stock Unit Agreement pursuant to the Third Amended and Restated 2007 Stock Incentive Plan (incorporated herein by reference to Exhibit 10.6 of Current Report on Form 8-K, filed by Cardtronics plc on July 1, 2016, File No. 001-37820).
10.34	Deed of Assumption, dated July 1, 2016, executed by Cardtronics plc (incorporated herein by reference to Exhibit 10.2 of the Current Report on Form 8-K, filed by Cardtronics plc on July 1, 2016, File No. 001-37820).
10.35†	Restricted Stock Unit Agreement by and between Cardtronics, Inc. and David Dove, dated effective September 3, 2013 (incorporated herein by reference to Exhibit 10.57 of the Annual Report on Form 10-K, filed by Cardtronics, Inc. on February 18, 2014, File No. 001-33864).
10.36†	Cardtronics, Inc. 2016 Annual Executive Cash Incentive Plan (incorporated herein by reference to Exhibit 10.2 of the Quarterly Report on Form 10-Q, filed by Cardtronics, Inc. on April 28, 2016, File No. 001-33864).

Exhibit Number	Description
10.37†	Cardtronics, Inc. 2013 Long Term Incentive Plan, dated March 29, 2013 (incorporated herein by reference to Exhibit 10.1 of the Current Report on Form 8-K, filed by Cardtronics, Inc. on April 4, 2013, File No. 001-33864).
10.38†	Cardtronics, Inc. 2014 Long Term Incentive Plan, dated March 27, 2014 (incorporated herein by reference to Exhibit 99.3 of the Current Report on Form 8-K, filed by Cardtronics, Inc. on April 2, 2014, File No. 001-33864).
10.39†	Cardtronics, Inc. 2015 Long Term Incentive Plan, dated March 24, 2015 (incorporated herein by reference to Exhibit 10.3 of the Quarterly Report on Form 10-Q, filed by Cardtronics, Inc. on April 30, 2015, File No. 001-33864).
10.40†	Cardtronics, Inc. 2016 Long Term Incentive Plan (incorporated herein by reference to Exhibit 10.3 of the Quarterly Report on Form 10-Q, filed by Cardtronics, Inc. on April 28, 2016 File No. 001-33864).
10.41†	Cardtronics, Inc. 2016 Annual Bonus Pool Allocation Plan (incorporated by reference to Exhibit 10.1 of the Quarterly Report on Form 10-Q, filed by Cardtronics, Inc. on April 28, 2016, File No. 001-33864).
10.42†	Employment Agreement by and among Cardtronics USA, Inc., Cardtronics, Inc. and Steven A. Rathgaber, dated effective as of February 1, 2010 (incorporated herein by reference to Exhibit 10.48 of the Annual Report on Form 10-K, filed by Cardtronics, Inc. on March 4, 2010, File No. 001-33864).
10.43†	Employment Agreement by and between Cardtronics USA, Inc. and P. Michael McCarthy, dated effective as of May 13, 2013 (incorporated herein by reference to Exhibit 10.1 of the Quarterly Report on Form 10-Q, filed by Cardtronics, Inc. on July 31, 2013, File No. 001-33864).
10.44†	Retirement Agreement by and between Cardtronics plc and P. Michael McCarthy, dated effective as of January 3, 2017 (incorporated herein by reference to Exhibit 10.43 of the Annual Report on Form 10-K, filed by Cardtronics, Inc. on February 28, 2017, File No. 001-33864).
10.45†	Employment Agreement by and between Cardtronics USA, Inc. and David Dove, dated effective as of September 1, 2013 (incorporated herein by reference to Exhibit 10.2 of the Quarterly Report on Form 10-Q, filed by Cardtronics, Inc. on November 4, 2013, File No. 001-33864).
10.46†	First Amendment to Employment Agreement by and between Cardtronics USA, Inc. and David Dove, dated effective as of August 22, 2016 (incorporated herein by reference to Exhibit 10.4 of the Quarterly Report on Form 10-Q, filed by Cardtronics plc on October 27, 2016, File No. 001-37820).
10.47†	Employment Agreement by and among Cardtronics USA, Inc., Cardtronics, Inc. and Edward H. West, dated as of January 11, 2016 (incorporated herein by reference to Exhibit 10.59 of the Annual Report on Form 10-K, filed by Cardtronics, Inc. on February 22, 2016, File No. 001-33864).
10.48†	Amended and Restated Employment Agreement by and between Cardtronics USA, Inc. and J. Chris Brewster, dated effective as of February 22, 2016 (incorporated herein by reference to Exhibit 10.4 of the Quarterly Report on Form 10-Q, filed by Cardtronics, Inc. on April 28, 2016, File No. 001-33864).
10.49†	Service Agreement by and between Bank Machine Limited and Jonathan Simpson-Dent, dated effective as of August 7, 2013 (incorporated herein by reference to Exhibit 10.56 of the Annual Report on Form 10-K, filed by Cardtronics, Inc. on February 24, 2015, File No. 001-33864).
10.50†	Amended and Restated Employment Agreement by and between Cardtronics plc and Edward H. West, dated as of December 6, 2017 (incorporated herein by reference to Exhibit 10.01 of the Current Report on Form 8-K, filed by Cardtronics, Inc. on December 11, 2017, File No. 001-33864).
10.51†*	Employment Agreement by and between Cardtronics plc and Gary W. Ferrera, dated effective as of November 28, 2017.
12.1*	Computation of Ratio of Earnings to Fixed Charges.
21.1*	Subsidiaries of Cardtronics plc.

Exhibit Number	Description
23.1*	Consent of Independent Registered Public Accounting Firm KPMG LLP.
31.1*	Certification of the Chief Executive Officer of Cardtronics plc pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Chief Financial Officer of Cardtronics plc pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of the Chief Executive Officer and Chief Financial Officer of Cardtronics plc 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.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document

* Filed herewith.

** Furnished herewith.

† Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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, in the City of Houston, State of Texas, on February 28, 2018.

Cardtronics plc

/s/ Edward H. West
Edward H. West
Chief Executive Officer and Director
(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities indicated on February 28, 2018.

Signature	Title
/s/ Edward H. West Edward H. West	Chief Executive Officer and Director (Principal Executive Officer)
/s/ Gary W. Ferrera Gary W. Ferrera	Chief Financial Officer (Principal Financial Officer)
/s/ E. Brad Conrad E. Brad Conrad	Chief Accounting Officer (Principal Accounting Officer)
/s/ Dennis F. Lynch Dennis F. Lynch	Chairman of the Board of Directors
/s/ Tim Arnoult Tim Arnoult	Director
/s/ Juli Spottiswood Juli Spottiswood	Director
/s/ Jorge M. Diaz Jorge M. Diaz	Director
/s/ G. Patrick Phillips G. Patrick Phillips	Director
/s/ Mark Rossi Mark Rossi	Director
/s/ Julie Gardner Julie Gardner	Director

Exhibit 10.51

EMPLOYMENT AGREEMENT

This Employment Agreement (this *"**Agreement**"*), dated November 16, 2017 (the "***Effective Date***") is made by and between Cardtronics USA, Inc., a Delaware corporation (together with any successor thereof, the "***Company***"), and Gary W. Ferrera (*"**Executive**"*).

WITNESSETH:

WHEREAS, the Company desires to employ Executive on the terms and conditions, and for the consideration hereinafter set forth, and Executive desires to be employed by the Company on such terms and conditions and for such consideration.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and obligations contained herein, the sufficiency of which is hereby acknowledged by the parties, the Company and Executive agree as follows:

ARTICLE I
DEFINITIONS

In addition to the terms otherwise defined herein, for purposes of this Agreement the following capitalized words shall have the following meanings:

1.1 "***Affiliate***" shall mean any other Person that owns or controls, is owned or controlled by, or is under common ownership or control with, such particular Person. Without limiting the scope of the preceding sentence, the Parent Company shall be deemed to be an Affiliate of the Company for all purposes of this Agreement. Notwithstanding the foregoing, for the purposes of Article VII, "Affiliate" shall only mean any corporation, entity or organization of which at least fifty percent (50%) of the voting rights for directors is owned directly or indirectly by the Parent.

1.2 "***Average Annual Bonus***" shall mean the average Annual Bonus paid (or payable) for the two calendar years preceding the Date of Termination; *provided, however*, if the Date of Termination is prior to the end of the second calendar year after the Commencement Date, then "Average Annual Bonus" shall mean the higher of (i) the average Annual Bonus paid (or payable) prior to the Date of Termination or (ii) 100% of Executive's current Base Salary.

1.3 "***Beneficial Owner***" shall have the meaning set forth in Rule 13d-3 under the U.S. Securities Exchange Act of 1934, as amended from time to time (the "***Exchange Act***").

1.4 "***Board***" shall mean the Board of Directors of the Parent Company.

1.5 "***Cause***" shall mean a reasonable and good faith determination by the Board that Executive has (a) engaged in gross negligence, gross incompetence or willful misconduct in the performance of Executive's duties with respect to the Company or any of its Affiliates, (b) refused without proper legal reason to perform Executive's duties and responsibilities to the Company or any of its Affiliates, (c) materially breached any material provision of this Agreement or any written agreement or corporate policy or code of conduct established by the Company or any of its Affiliates, (d) disclosed without specific authorization from the Company, except in the good faith performance of your duties or in compliance with legal process, confidential information of the Company or any of its Affiliates that is materially injurious to any such Entity, (e) committed an act of theft, fraud, embezzlement, misappropriation or willful breach of a fiduciary duty to the Company or any of its Affiliates, or (f) been convicted of (or pleaded no contest to) a crime involving fraud, dishonesty or moral turpitude or any felony (or a crime of similar import in a foreign jurisdiction); *provided* that any assertion by the Company of a termination of employment for "Cause" shall not be effective unless the Company has provided written Notice of Breach to Executive within 90 days of the Company's actual knowledge of the existence of the condition allegedly constituting Cause in accordance with Section 10.1.

1.6 "***Change in Control***" shall mean and shall be deemed to have occurred if any event set forth in any one of the following paragraphs shall have occurred:

(a) the consummation of a merger of, or other business combination by, the Parent Company with or involving another entity; a reorganization, reincorporation, amalgamation, scheme of arrangement or consolidation involving the Parent Company; or the sale of all or substantially all of the Company's Assets to another entity (any of which, a "***Corporate Transaction***"); *provided*, in any such case, (a) the holders of equity securities of the Parent Company immediately prior to such transaction do not beneficially own, directly or indirectly, immediately after such transaction equity securities of the resulting or surviving parent entity, the transferee entity or any new direct or indirect parent entity of the Parent Company resulting from or surviving any such transaction entitled to 70% or more of the votes then eligible to be cast in the election of directors generally (or comparable governing body) of the resulting or surviving parent entity, the transferee entity or any new direct or indirect parent entity of the Parent Company resulting from or surviving any such transaction in substantially the same proportion that they owned the equity securities of the Parent Company immediately prior to such transaction or (b) the persons who were members of the Board immediately prior to such transaction shall not constitute at least a majority of the board of directors (or comparable governing body) of the resulting or surviving parent entity, the transferee entity or any new direct or indirect parent entity of the Parent Company resulting from or surviving any such transaction immediately after such transaction;

(b) upon the dissolution or liquidation of the Parent Company, other than a liquidation or dissolution into any entity in which the holders of equity securities of the Parent Company immediately prior to such liquidation or dissolution beneficially own, directly or indirectly, immediately after such liquidation or dissolution equity securities of the entity into which the Parent Company was liquidated or dissolved entitled to 70% or more of the votes then eligible to be cast in the election of directors generally (or comparable governing body) of such entity, in substantially the same proportion that they owned the equity securities of the Parent Company immediately prior to such liquidation or dissolution;

(c) when any person or entity, including a "group" as contemplated by Section 13(d)(3) of the Exchange Act, but excluding any employee benefit plan sponsored by the Parent Company (or any related trust thereto), acquires or gains ownership or control (including, without limitation, power to vote) of more than 30% of the combined voting power of the outstanding equity securities of the Parent Company, other than any entity in which the holders of equity securities of the Parent Company immediately prior to such acquisition beneficially own, directly or indirectly, immediately after such acquisition, equity securities of the acquiring entity entitled to 70% or more of the votes then eligible to be cast in the election of directors generally (or comparable governing body) of the acquiring entity, in substantially the same proportion that they owned the equity securities of the Parent Company immediately prior to such acquisition or any employee benefit plan sponsored by any such entity (or any related trust thereto); or

(d) as a result of or in connection with a contested election of directors, the persons who were members of the Board immediately before such election shall cease to constitute a majority of the Board.

1.7 "***Code***" shall mean the Internal Revenue Code of 1986, as amended.

1.8 *"**Company's Assets**"* shall mean the assets (of any kind) owned by the Parent Company, including, without limitation, the securities of the Parent Company's Subsidiaries and any of the assets owned by the Parent Company's Subsidiaries.

1.9 "***Date of Termination***" shall mean (a) if Executive's employment is terminated other than by reason of death or pursuant to Section 3.2(a) hereof ("***Disability***"), the date of receipt of the Notice of Termination or any later date specified therein (or, in the event Executive has a Separation From Service without the delivery of a Notice of Termination, then the date of such Separation From Service), as the case may be, *provided* that in the case of a termination by Executive for Good Reason, any Notice of Breach shall be deemed void if the Company cures, within the required cure period, the matter giving rise to Good Reason pursuant to Section 1.11; and (b) if Executive's employment is terminated by reason of death or Disability, the Date of Termination shall be the date of death or Disability notice, as the case may be.

1.10 "***Entity***" shall mean any corporation, partnership, association, joint-stock company, limited liability company, trust, unincorporated organization or other business entity.

1.11 "***Good Reason***" shall mean the occurrence of any of the following events:

(a) a material diminution in Executive's Base Salary, provided that a diminution of less than 5% from the Executive's highest Base Salary that is part of an initiative that applies to and affects all similarly situated executive officers of the Company substantially the same and proportionately shall not be a material diminution;

(b) a material diminution in Executive's authority, duties, or responsibilities as Chief Financial Officer (including, in connection with a Change in Control or other Corporate Transaction, Executive being assigned to any position (including offices, titles and reporting requirements), authority, duties or responsibilities that are not at or with the Parent Company engaged in the business of the successor to the Parent Company or the corporation or other Entity surviving or resulting from such Corporate Transaction), including, without limitation, Executive's ceasing to be the Chief Financial Officer of a publicly traded company;

(c) any material diminution in the Executive's reporting lines;

(d) a material breach by the Company of a material provision of this Agreement; or

(e) a relocation of Executive's work location by more than 35 miles from the current location.

Notwithstanding the foregoing provisions of this Section 1.11 or any other provision in this Agreement to the contrary, any assertion by Executive of a termination of employment for "Good Reason" shall not be effective unless all of the following conditions are satisfied: (i) the condition described in Section 1.11(a), (b), (c), (d) or (e) giving rise to Executive's termination of employment must have arisen without Executive's written consent; (ii) Executive must provide written Notice of Breach to the Company of such condition in accordance with Section 10.1 within 45 days of the initial existence of the condition; (iii) the condition specified in the Notice of Breach must remain uncorrected for 30 days after receipt of the Notice of Breach by the Company; and (iv) the date of Executive's termination of employment must occur within 90 days after the initial existence of the condition specified in the Notice of Breach. Any Notice of Breach shall be deemed void if the Company cures the matter giving rise to Good Reason under this Section 1.11 within 30 days of the receipt of the Notice of Breach.

1.12 "***Notice of Breach***" shall mean a written notice delivered to the other party within the time period required under the definition of "Cause" or "Good Reason," as applicable, that (a) indicates, as applicable, the specific provision in this Agreement that the party contends the other party has breached or the specific clause of the definition of "Cause" or "Good Reason" that the party alleges to exist, and (b) to the extent applicable, sets forth in reasonable detail the facts and circumstances Executive or the Company, as applicable, claims provide the basis for such breach or other condition.

1.13 "***Notice of Termination***" shall mean a written notice delivered to the other party indicating the specific termination provision in this Agreement relied upon for termination of Executive's employment and the Date of Termination and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated and shall include a Notice of Breach, but only at the time and to the extent such Notice of Breach becomes a Notice of Termination under Section 3.3.

1.14 "***Parent Company***" shall mean Cardtronics plc, a public limited company organized under English law, or any successor thereof, including any Entity into which Cardtronics plc is merged, consolidated or amalgamated, including, without limitation, any Entity otherwise resulting from a Corporate Transaction.

1.15 "***Person***" shall mean (a) an individual or Entity and (b) for purposes of the definition of "Change in Control" and related provisions shall have the meaning provided in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (i) the Parent Company or any of its Subsidiaries, (ii) a trustee or other fiduciary holding securities under a Benefit Plan of the Parent Company or any of its Affiliated companies, (iii) an underwriter temporarily holding securities pursuant to an offering by the Parent Company of such securities, or (iv) an Entity owned, directly or indirectly, by the shareholders of the Parent Company in substantially the same proportion as their ownership of shares of the Parent Company.

1.16 "***Section 409A Payment Date***" shall have the meaning set forth in Section 7.2(b).

1.17 "***Subsidiary***" shall mean any direct or indirect majority-owned subsidiary of the Parent Company or any majority-owned subsidiary thereof, or any other Entity in which the Parent Company owns, directly or indirectly, a significant financial interest provided that the Chief Executive Officer of the Parent Company designates such Entity to be a Subsidiary for the purposes of this Agreement.

ARTICLE II

EMPLOYMENT AND DUTIES

2.1 **Employment; Commencement Date**. Executive is commencing his employment with the Company on November 28, 2017 (the "***Commencement Date***") and, from and after such date, the Company agrees to employ Executive, and Executive agrees to be employed by the Company, pursuant to the terms of this Agreement and continuing for the period of time set forth in Article III, subject to the terms and conditions of this Agreement.

2.2 **Positions**. From and after the Commencement Date, the Company shall employ Executive in the position of Executive Vice President and Chief Financial Officer of the Parent Company or in such other position or positions as the parties mutually may agree, and Executive shall report to the Chief Executive Officer of the Parent Company.

2.3 **Duties and Services**. Executive agrees to serve in the position(s) referred to in Section 2.2 and to perform diligently and to the best of Executive's abilities the duties and services appertaining to such position(s) as well as such additional duties and services appropriate to such position(s) as may be assigned, from time to time, by the Company. Executive shall have authority commensurate with the position and Executive's employment shall also be subject to the policies maintained and established by the Company and its Affiliates that are of general applicability to the Company's executive employees, as such policies may be amended from time to time, *provided* that such policies may not change the definition of Cause or Good Reason hereunder.

2.4 **Other Interests**. Executive agrees, during the period of Executive's employment by the Company, to devote substantially all of Executive's business time, energy and best efforts to the business and affairs of the Company and its Affiliates. Notwithstanding the foregoing, the parties acknowledge and agree that Executive may (a) engage in and manage Executive's passive personal investments, (b) engage in charitable and civic activities, (c) at the sole discretion of the Board, serve on the boards of other for- and non-profit Entities, and (d) engage in *de minimis* other activities such as non-commercial speeches; *provided, however*, that such activities shall be permitted so long as such activities do not conflict with the business and affairs of the Company or interfere with Executive's performance of Executive's duties hereunder. The activities listed on Exhibit B are hereby approved.

2.5 **Duty of Loyalty**. Executive acknowledges and agrees that Executive owes a fiduciary duty of loyalty, fidelity and allegiance to act in the best interests of the Company and to do no act that would materially injure the business, interests or reputation of the Company or any of its Affiliates. In keeping with these duties, Executive shall make full disclosure to the Company of all business opportunities seriously proposed to the Executive pertaining to the Company's business and shall not appropriate for Executive's own benefit business opportunities concerning the subject matter of the fiduciary relationship, *provided* that any decision made by the Executive in the good faith discharge of Executive's role and responsibilities as outlined in this Agreement which results in injury to the Company or its Affiliates shall not be a breach of this duty of loyalty.

ARTICLE III
TERM AND TERMINATION OF EMPLOYMENT

3.1 **Term**. Subject to the remaining terms of this ARTICLE III, this Agreement shall be for an initial term that begins on the Commencement Date and continues in effect through the fourth anniversary of the Commencement Date (the *"**Initial Term**"*) and, unless terminated sooner as herein provided, shall continue on a year-to-year basis (each a "***Renewal Term***" and, together with the Initial Term, the "***Term***"). If the Company or Executive elects not to renew the Term under this Agreement for a Renewal Term, the Company or Executive must provide a Notice of Termination to the other party at least 90 days before the expiration of the then-current Initial Term or Renewal Term, as applicable. In the event that one party provides the other party with a Notice of Termination pursuant to this Section 3.1, no further automatic extensions will occur and this Agreement and Executive's employment with the Company shall terminate at the end of the then-existing Initial Term or Renewal Term, as applicable.

3.2 **Company's Right to Terminate**. Notwithstanding the provisions of Section 3.1, the Company may terminate Executive's employment under this Agreement at any time for any of the following reasons by providing Executive with a Notice of Termination:

(a) upon Executive being eligible for the Company's (or its Affiliate's) long-term disability benefits, if any are available to employees of the Company; *provided* that if at any time Executive is unable to perform Executive's duties or fulfill Executive's obligations under this Agreement by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 180 days as determined by the Company and certified in writing by a competent medical physician selected solely by the Company in the event of any alleged mental impairment and in the event of any alleged physical impairment by the Company, with the Executive having the right to approve such selection (however, if the Executive fails to approve the Company's first two selections within ten days of being notified of each such selection, the Company will have the right thereafter to designate any licensed medical physician on staff with either the Baylor College of Medicine or Methodist Hospital, each located in Houston, Texas) (an "Impairment"), then the Company may employ someone to undertake Executive's authorities, duties and responsibilities with respect to the Company and its Affiliates, including with Executive's title and reporting lines, during the period from the onset of the Impairment until Executive's employment with the Company is terminated, and, notwithstanding anything to the contrary, any such action by the Company will not constitute Good Reason, constructive termination or breach of this Agreement or otherwise provided that, if Executive recovers from the incapacity prior to the date he would qualify for long term disability and the Company does not return him to his position, he shall have his rights under the Good Reason provisions of this agreement.

(b) Executive's death;

(c) for Cause; or

(d) for any other reason whatsoever or for no reason at all, in the sole discretion of the Board.

3.3 Executive's Right to Terminate. Notwithstanding the provisions of Section 3.1, Executive shall have the right to terminate Executive's employment under this Agreement for Good Reason or for any other reason whatsoever or for no reason at all, in the sole discretion of Executive, by providing the Company with a Notice of Termination. In the case of a termination of employment by Executive without Good Reason, the Date of Termination specified in the Notice of Termination shall not be less than 15 nor more than 60 days, respectively, from the date such Notice of Termination is provided, and the Company may require a Date of Termination earlier than that specified in the Notice of Termination (and, if such earlier Date of Termination is so required, it shall not change the basis for Executive's termination nor be construed or interpreted as a termination of employment pursuant to Section 3.1 or Section 3.2). In the event Executive intends to terminate employment with the Company for Good Reason, the Notice of Breach issued by Executive to the Company pursuant to Section 1.11 shall automatically be deemed a Notice of Termination, effective immediately upon the expiration of the cure period described in Section 1.11. If Executive fails to provide the Company with the requisite Notice of Termination under this Section 3.3, Executive forfeits the right to any contingent future payments under this Agreement.

3.4 Deemed Resignations. Unless otherwise agreed to in writing by the Company and Executive prior to the termination of Executive's employment, any termination of Executive's employment shall constitute an automatic resignation of Executive as an officer of the Company and each Affiliate of the Company (including the Parent Company), and an automatic resignation of Executive from the Board (if applicable) and from the board of directors of the Company and any Affiliate of the Company and from the board of directors or similar governing body of any Entity in which the Company or any Affiliate holds an equity interest and with respect to which board or similar governing body Executive serves as the Company's or such Affiliate's designee or other representative which, in each case, is effective as at the Date of Termination.

3.5 Meaning of Termination of Employment. For all purposes of this Agreement, Executive shall be considered to have terminated employment with the Company only when Executive incurs a "separation from service" with the Company within the meaning of Section 409A(a)(2)(A)(i) of the Code and applicable administrative guidance issued thereunder ("***Separation From Service***").

ARTICLE IV
COMPENSATION AND BENEFITS

4.1 Base Salary. During the Term of this Agreement, Executive shall receive a minimum, annualized gross base salary of $550,000 (the *"**Base Salary**"*). Executive's Base Salary shall be reviewed periodically by the Board (or a committee thereof) and, in the sole discretion of the Board (or a committee thereof), such base salary may be increased (but not decreased) effective as of any date determined by the Board (or a committee thereof). Executive's Base Salary shall be paid in equal installments in accordance with the Company's standard policy regarding payment of compensation to executives but no less frequently than monthly.

4.2 Cash Incentive Plan Awards. Executive shall be eligible to receive an annual, calendar-year bonus (*"**Annual Bonus**"*) based on criteria determined in the sole discretion of the Board (or a committee thereof) as part of the Cardtronics, Inc. Annual Executive Cash Incentive Plan (and/or other then-current or similar or successor plan, the "***AECIP***") and subject to the terms and conditions of the AECIP, it being understood that (a) the target Annual Bonus at planned or targeted levels of performance shall equal 100% of Executive's Base Salary and (b) the actual amount of each Annual Bonus shall be determined in the sole discretion of the Board (or a committee thereof) and may range between 0% and 200% of the target Annual Bonus. The Company shall use commercially reasonable efforts to pay each Annual Bonus with respect to a calendar year on or before March 15 of the following calendar year (and in no event shall an Annual Bonus be paid before January 1 or after December 31 of the following calendar year), *provided* that (except as otherwise provided in Section 7.1(b) Executive is employed by the Company on such date of payment. If Executive has not been employed by the Company since January 1 of the year that includes the Effective Date, then the Annual Bonus for such year shall be prorated based on the ratio of the number of days during such calendar year that Executive was employed by the Company to the number of days in such calendar year. For the calendar year 2018 only, Executive's Annual Bonus (to be paid in 2019 in accordance with the terms of this Agreement and the AECIP) shall be no less than $412,500 (75% of your Base Salary).

4.3 **One-Time Sign-on Bonus.** Executive shall be eligible to receive a one-time sign-on bonus of $100,000 for personal travel, temporary living and miscellaneous expenses payable no later than 30 days following the Commencement Date (the "**One-Time Sign-on Bonus**"). This is in addition to any Relocation Allowance payable to the executive pursuant to this ARTICLE IV. The One-Time Sign-on Bonus is subject to normal withholdings and must be repaid by the Executive to the Company in full if Executive terminates his employment without Good Reason, or the Company terminates Executive's employment for Cause, prior to the first anniversary of the Commencement Date. Repayment of the One-Time Sign-On Bonus by the Executive pursuant to this Section 4.3 must be made within 30 days of the date of the Executive's Date of Termination.

4.4 **Stock Incentive Plan Awards.** Commencing on January 1, 2018, Executive shall be eligible to receive an annual, calendar-year equity award ("***Annual Equity Award***") based on criteria determined in the sole discretion of the Board (or a committee thereof) as part of the Cardtronics, Inc. Third Amended and Restated 2007 Stock Incentive Plan (and/or other then-current or similar or successor plan, "***Stock Incentive Plan***"), it being understood that (a) the Annual Equity Award at planned or targeted levels of performance shall equal $1,300,000 at the grant date for the calendar year 2018, (b) the actual amount of each Annual Equity Award shall be determined in the sole discretion of the Board (or a committee thereof) and any performance based portion of the Annual Equity Award may range between 0% and 200% of that portion of the target Annual Equity Award, and (c) Executive must be employed by the Company or one of its Affiliates on the vesting dates of any portion of any Annual Equity Award awarded, except as otherwise provided herein or in the associated equity award agreements. Upon the execution of an equity award agreement by and between Executive and the Parent Company on or about the Commencement Date, Executive will be awarded one-time $500,000 in restricted stock units (valued as of the close of trading on the Commencement Date), which award shall be governed by the terms and conditions of the Stock Incentive Plan and the associated equity award agreement in the form attached hereto as Exhibit A (the "*Sign-On Stock Incentive Award*"). The Sign-On Stock Incentive Award shall vest in four equal installments upon each of the first four anniversaries of the Commencement Date, subject to Executive's continued employment though each such anniversary date and the other terms of the Stock Incentive Plan, except as otherwise provided herein or in the Sign-On Stock Incentive Award agreement. In the event of any inconsistency between the terms of this Agreement and the Sign-On Stock Incentive Award agreement, the terms of this Agreement shall govern.

4.5 **Expenses**. The Company shall reimburse Executive his reasonable attorney's fees incurred in connection with the negotiation and execution of this Agreement. Further, the Company shall reimburse Executive for all reasonable business expenses incurred by Executive in performing services hereunder, including commuting expenses and temporary housing for the first 30 days of the Executive's employment, and all expenses of travel and living expenses while away from home on business or at the request of and in the service of the Company; *provided*, in each case, that such expenses are incurred and accounted for in accordance with the policies and procedures established by the Company. Any reimbursement of expenses (whether pursuant to Section 4.5 or otherwise) shall be made by the Company upon or as soon as practicable following receipt of supporting documentation reasonably satisfactory to the Company (but in any event not later than the close of Executive's taxable year following the taxable year in which the expense is incurred by Executive); *provided, however*, that, upon Executive's termination of employment with the Company, in no event shall any additional reimbursement be made prior to the Section 409A Payment Date to the extent such payment delay is required under Section 409A(a)(2)(B)(i) of the Code.

4.6 The following provisions shall apply to reimbursements under this Agreement in order to assure that such reimbursements do not create a deferred compensation arrangement subject to Section 409A of the Code:

(a) the amount of reimbursements to which Executive may become entitled in any one calendar year shall not affect the amount of expenses eligible for reimbursement hereunder in any other calendar year:

(b) each reimbursement to which Executive becomes entitled shall be made no later than the close of business of the calendar year following the calendar year in which the reimbursable expense is incurred; and

(c) Executive's right to reimbursement cannot be liquidated or exchanged for any other benefit or payment.

4.7 **Vacation and Sick Leave**. During Executive's employment hereunder, Executive shall be entitled to (a) sick leave in accordance with the Company's policies applicable to similarly situated executive officers of the Company and (b) 4 weeks paid vacation each calendar year (40 hours of which may be carried forward to a succeeding year).

4.8 **Offices**. Subject to Articles II, III and IV, Executive agrees to serve without additional compensation, if elected or appointed thereto, as an officer (in addition to the position specified in Section 2.2) or director of the Company or any of the Company's Affiliates and as a member of any committees of the board of directors of any such Entities and in one or more executive positions of any of the Company's Affiliates.

4.9 Relocation Reimbursement. The Executive shall be entitled to reimbursement of all relocation costs to be incurred during the establishment of a Personal Residence (defined below) in the greater-Houston, Texas area. This relocation allowance shall reimburse Executive for actual out-of-pocket costs associated with: trips to the greater-Houston area to view potential residences, the shipment of household goods (including automobiles) to Houston, all documented closing costs (including brokerage) associated with the sale of Executive's existing residence (if any), all documented closing costs (including brokerage) associated with Executive's purchase of a residence or execution of a residential lease of no less than one year in the greater- Houston area for the Executive and the Executive's family to reside in. As used herein, "***Personal Residence***" shall mean a residence evidenced by the purchase of a residence or the execution of a residential lease of no less than one year in the greater-Houston area by the Executive for the Executive and the Executive's family to reside in. If Executive terminates his employment without Good Reason, or the Company or the Parent Company terminates Executive's employment for Cause, prior to or during the 12-month period immediately following the establishment of a Personal Residence, Executive shall, within 30 days following Executive's Date of Termination, repay to the Company or the Parent Company any such remaining balance actually paid to him under this sentence, less any taxes paid or payable thereon.

4.10 Other Perquisites. During Executive's employment hereunder, the Company shall provide Executive with the same perquisite benefits made available to other senior executives of the Company.

ARTICLE V
PROTECTION OF INFORMATION

5.1 Work Product. For purposes of this ARTICLE V, the term "the Company" shall include the Company and any of its Affiliates (including the Parent Company), and any reference to "employment" or similar terms shall include an officer, director and/or consulting relationship. Executive agrees that all information, inventions, patents, trade secrets, formulas, processes, designs, ideas, concepts, improvements, diagrams, drawings, flow charts, programs, methods, apparatus, software, hardware, ideas, improvements, product developments, discoveries, systems, techniques, devices, models, prototypes, copyrightable works, mask works, trademarks, service marks, trade dress, business slogans, written materials and other things of value conceived, reduced to practice, made or learned by Executive, either alone or with others, while employed with the Company (whether during business hours or otherwise and whether on Company's premises or otherwise) that relate to the Company's business and/or the business of Affiliates of the Company using the Company's time, data, facilities and/or materials (hereinafter collectively referred to as the "***Work Product***") belong to and shall remain the sole and exclusive property of the Company (or its Affiliates) forever. Executive hereby assigns to the Company all of Executive's right, title, and interest to all such Work Product. Executive agrees to promptly and fully disclose all Work Product in writing to the Company. Executive agrees to cooperate and do all lawful things requested by the Company to protect Company ownership rights in all Work Product. Executive warrants that no Work Product has been conceived, reduced to practice, made or learned by Executive prior to Executive's employment with the Company.

5.2 Confidential Information. During Executive's employment with the Company, the Company agrees to and shall provide to Executive confidential, proprietary, non-public and/or trade secret information regarding the Company that Executive has not previously had access to or knowledge of before the execution of this Agreement including, without limitation, Work Product, technical information, corporate opportunities, product specification, compositions, manufacturing and distribution methods and processes, research, financial and sales data, business and marketing plans, strategies, financing, plans, business policies and practices of the Company, and/or Affiliates of the Company, know-how, specialized training, mailing lists, acquisition prospects, identity of customers or their requirements, the identity of key contacts within the customer's organizations or within the organization of acquisition prospects, potential client lists, employee records, pricing information, evaluations, opinions, interpretations, production, marketing and merchandising techniques, prospective names and marks or other forms of information considered by the Company to be confidential, proprietary, non-public or in the nature of trade secrets (hereafter collectively referred to as "***Confidential Information***") that the Company and its Affiliates desire to protect.

5.3 No Unauthorized Use or Disclosure. Executive agrees to preserve and protect the confidentiality of all Confidential Information and Work Product of the Company and its Affiliates. Executive agrees that Executive will not, at any time during or after Executive's employment with the Company, make any unauthorized disclosure of, and Executive shall not remove from the Company premises, Confidential Information or Work Product of the Company or its Affiliates, or make any use thereof, except, in each case, in the carrying out of Executive's responsibilities hereunder. Executive shall use all reasonable efforts to cause all Persons to whom any Confidential Information shall be disclosed by Executive hereunder to preserve and protect the confidentiality of such Confidential Information. At the request of the Company at any time, Executive agrees to deliver to the Company all Confidential Information that Executive may possess or control. Executive agrees that all Confidential Information of the Company (whether now or hereafter existing) conceived, discovered or made by Executive during the period of Executive's employment by the Company exclusively belongs to the Company (and not to Executive), and upon request by the Company for specified Confidential Information, Executive will promptly disclose such Confidential Information to the Company and perform all actions reasonably requested by the Company to establish and confirm such exclusive ownership. Affiliates of the Company shall be third party beneficiaries of Executive's obligations under this ARTICLE V. As a result of Executive's employment by the Company, Executive may also from time to time have access to, or knowledge of, Confidential Information or Work Product of third parties, such as customers, suppliers, partners, joint venturers, and the like, of the Company and its Affiliates. Executive also agrees to preserve and protect the confidentiality of such third party Confidential Information and Work Product. Notwithstanding anything contained in this Agreement to the contrary, Executive may disclose Confidential Information: (a) as such disclosure or use may be required or appropriate in connection with his work as an employee of the Company; (b) when required to do so by a court of law, by any governmental agency having apparent supervisory authority over the business of the Company or by any administrative or legislative body (including a committee thereof) with apparent jurisdiction to order him to divulge, disclose or make accessible such information; *provided, however*, that in the event disclosure is so required, Executive shall provide the Company with prompt notice of such requirement prior to making any such disclosure, so that the Company may seek an appropriate protective order; or (c) as to such Confidential Information that becomes generally known to the public or trade without his violation of this Section 5.3 or (d) to Executive's spouse, attorney and/or Executive's personal tax or financial advisers as and to the extent reasonably necessary and appropriate to advance Executive's tax, financial and other personal planning. Upon termination of Executive's employment by the Company for any reason, Executive promptly shall deliver such Confidential Information and Work Product, and all copies thereof (in whatever form, tangible or intangible), to the Company. No Company policies or practices, including the sections herein addressing confidentiality obligations, are intended to or shall limit, prevent, impede or interfere in any way with Executive's right, without prior notice to the Company, to provide information to the government, participate in investigations, testify in proceedings regarding the Company's past or future conduct or engage in any activities protected under whistle blower statutes. Notwithstanding the foregoing, Executive may retain his address book to the extent it only contains contact information and the Company shall cooperate with the Executive to transfer, Executive's cell phone number to him.

Notwithstanding anything herein to the contrary, nothing in this Agreement shall: (i) prohibit Executive from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of state or federal law or regulation; or (ii) require notification or prior approval by the Company of any reporting described in clause (i).

5.4 **Ownership by the Company**. If, during Executive's employment by the Company, Executive creates any work of authorship fixed in any tangible medium of expression that is the subject matter of copyright (such as videotapes, written presentations, or acquisitions, computer programs, electronic mail, voice mail, electronic databases, drawings, maps, architectural renditions, models, manuals, brochures, or the like) relating to the Company's business, products, or services, whether such work is created solely by Executive or jointly with others (whether during business hours or otherwise and whether on the Company's premises or otherwise), including any Work Product, the Company shall be deemed the author of such work if the work is prepared by Executive in the scope of Executive's employment; or, if the work relating to the Company's business, products or services is not prepared by Executive within the scope of Executive's employment but is specially ordered by the Company as a contribution to a collective work, as a part of a motion picture or other audiovisual work, as a translation, as a supplementary work, as a compilation, or as an instructional text, then the work shall be considered to be work made for hire and the Company shall be the author of the work. If the work relating to the Company's business, products, or services is neither prepared by Executive within the scope of Executive's employment nor a work specially ordered that is deemed to be a work made for hire during Executive's employment by the Company, then Executive hereby agrees to assign, and by these presents does assign, to the Company all of Executive's worldwide right, title, and interest in and to such work and all rights of copyright therein.

5.5 **Assistance by Executive**. During the period of Executive's employment by the Company, Executive shall assist the Company and its nominee, at any time, in the protection of the Company's or its Affiliates' worldwide right, title and interest in and to Confidential Information and Work Product and the execution of all formal assignment documents requested by the Company or its nominee and the execution of all lawful oaths and applications for patents and registration of copyright in the United States and foreign countries. After Executive's employment with the Company terminates, at the request from time to time and expense of the Company or its Affiliates, Executive shall reasonably assist the Company and its nominee, at reasonable times and for reasonable periods and for reasonable compensation, in the protection of the Company's or its Affiliates' worldwide right, title and interest in and to Confidential Information and Work Product and the execution of all formal assignment documents requested by the Company or its nominee and the execution of all lawful oaths and applications for patents and registration of copyright in the United States and foreign countries.

5.6 **Remedies**. Executive acknowledges that money damages would not be a sufficient remedy for any breach of this Article V by Executive, and the Company or its Affiliates shall be entitled to enforce the provisions of this ARTICLE V by immediately terminating payments then owing to, or the rights of, Executive under Section 7.1(b)(i) through 7.1(b)(iv) or otherwise upon the occurrence of any such breach and to obtain specific performance and injunctive relief as remedies for such breach or any threatened breach. Such remedies shall not be deemed the exclusive remedies for a breach of this ARTICLE V but shall be in addition to all remedies available at law or in equity, including the recovery of damages from Executive and Executive's agents.

5.7 **Immunity from Liability for Confidential Disclosure of Trade Secrets**. Executive shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made in confidence either directly or indirectly to a Federal, State or local government official, or to an attorney, solely for the purpose of reporting or investigating, a violation of law. Executive shall also not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If Executive files a lawsuit alleging retaliation by the Company for reporting a suspected violation of the law, Executive may disclose the trade secret to Executive's attorney and use the trade secret in the court proceeding, so long as any document containing the trade secret is filed under seal and does not disclose the trade secret, except pursuant to court order. This Section 5.7 will govern to the extent it may conflict with any other provision of this Agreement.

ARTICLE VI

STATEMENTS CONCERNING THE COMPANY AND EXECUTIVE

6.1 **Statements by Executive**. Executive shall refrain, other than in the good faith performance of his duties to the Company, both during and after the termination of the employment relationship, from publishing any oral or written statements about the Company, any of its Affiliates or any of the Company's or such Affiliates' directors, officers or employees that (a) are slanderous, libelous or defamatory, (b) except as provided in Section 5.3, disclose Confidential Information of the Company, any of its Affiliates or any of the Company's or any such Affiliates' business affairs, directors, officers or employees, or (c) place the Company, any of its Affiliates, or any of the Company's or any such Affiliates' directors, officers or employees in a false light before the public. A violation or threatened violation of this prohibition may be enjoined by the courts and would be considered a material breach of this Agreement. The rights afforded the Company and its Affiliates under this provision are in addition to any and all rights and remedies otherwise afforded by law.

6.2 **Statements by the Company**. The Company's officers and directors shall refrain, both during and after the termination of the employment relationship, from, directly or indirectly, publishing any oral or written statements about Executive that (a) are slanderous, libelous or defamatory, (b) disclose confidential information of Executive, or (c) place Executive in a false light before the public. A violation or threatened violation of this prohibition may be enjoined by the courts. The rights afforded Executive under this provision are in addition to any and all rights and remedies otherwise afforded by law.

6.3 **Exceptions.** Sections 6.1 and 6.2 shall not be violated by the Executive or the Company's officers, directors or employees giving legal testimony or through the rebuttal by the Executive, the Company's officers, directors or employees of false or misleading statements by others.

ARTICLE VII
EFFECT OF TERMINATION OF EMPLOYMENT ON COMPENSATION

7.1 **Effect of Termination of Employment on Compensation**.

(a)If Executive's employment hereunder shall terminate for any reason described in Section 3.2(a), 3.2(b) or 3.2(c), pursuant to Executive's resignation for other than Good Reason, or by Executive's election not to renew the Initial Term or any Renewal Term in accordance with Section 3.1, then all compensation and all benefits to Executive hereunder shall terminate contemporaneously with such termination of employment, except that Executive shall be entitled to (i) payment of all accrued and unpaid Base Salary accrued but unused vacation and unreimbursed expenses to the Date of Termination, (ii) except in the case of a termination under Section 3.2(c) or by Executive's election not to renew the Initial Term or any Renewal Term in accordance with Section 3.1, any unpaid Annual Bonus for the calendar year ending prior to the Date of Termination, which amount shall be payable in a lump-sum on or before the date such annual bonuses are paid to executives who have continued employment with the Company (but in no event later than March 15 of the calendar year following the calendar year to which such Annual Bonus relates), (iii) reimbursement for all incurred but unreimbursed expenses for which Executive is entitled to reimbursement in accordance with Section 4.5, (iv) except in the case of a termination under Section 3.2(c), to the extent not already paid, any reimbursement of relocation costs to which the Executive is otherwise entitled in accordance with Section 4.9, and (v) benefits to which Executive is entitled under the terms of any applicable benefit plan or program. In addition, if Executive's employment hereunder is terminated pursuant to Section 3.2(a) or 3.2(b), (i) the amount of any unvested portion of any Annual Equity Awards that have previously been earned but that would have otherwise vested solely by the passage of time within one year following the Date of Termination shall be accelerated on the Date of Termination and settled within 10 days following the Date of Termination, (ii) the unvested portions of the Sign-On Incentive Stock Award will be 100% fully accelerated and settled within 10 days following the Date of Termination, and (iii) if Executive's employment is terminated by the Company due to death or Disability, Executive shall receive a bonus for the year in which the Date of Termination occurs, calculated on a pro-rata basis to the Date of Termination and paid when other bonuses for such fiscal year are paid.

(b)If Executive's employment hereunder shall terminate pursuant to Executive's resignation for Good Reason, by action of the Company pursuant to Section 3.2(d), or the Company's election not to renew the Initial Term or any Renewal Term in accordance with Section 3.1, then all compensation and all benefits to Executive hereunder shall terminate contemporaneously with such termination of employment, except that Executive shall be entitled to payment of all accrued and unpaid Base Salary, accrued but unused vacation and unreimbursed expenses to the Date of Termination, reimbursement for all incurred but unreimbursed expenses for which Executive is entitled to reimbursement in accordance with Section 4.5, to the extent not already paid, any reimbursement to which the Executive is entitled in accordance with Section 4.9 and subject to Executive's delivery, within 30 days after the date of Executive's termination of employment, of an executed release substantially in the form of the release contained at Appendix A (the *"**Release**"*) and subject to Executive's compliance with all of the surviving provisions of this Agreement and non-revocation of the Release, Executive shall receive the following additional compensation and benefits from the Company (but no other compensation or benefits after such termination):

(i) the Company shall pay to Executive any unpaid Annual Bonus for the calendar year ending prior to the Date of Termination, which amount shall be payable in a lump-sum on or before the date such annual bonuses are paid to executives who have continued employment with the Company (but in no event later than December 31 following such calendar year);

(ii) the Company shall pay to Executive a bonus for the calendar year in which the Date of Termination occurs in an amount equal to the Annual Bonus for such year as determined in good faith by the Board in accordance with the criteria established pursuant to Section 4.2 and based on the Company's performance for such year, which amount shall be prorated through and including the Date of Termination (based on the ratio of the number of days Executive was employed by the Company during such year to the number of days in such year), payable in a lump-sum between January 1st and March 15th following such calendar year); *provided, however*, that if this paragraph applies with respect to an Annual Bonus that is intended to constitute performance-based compensation within the meaning of, and for purposes of, Section 162(m) of the Code, then no bonus shall be paid except to the extent the applicable performance criteria have been satisfied as certified by a committee of the Board as required under Section 162(m) of the Code;

(iii) the Company shall pay to Executive an amount equal to 2 times the sum of Executive's Base Salary as of the Date of Termination and the Average Annual Bonus, which amount shall be divided into and paid in twenty four equal consecutive semi-monthly installments payable on the 15th and last day of each month, measuring from the Termination Date, *provided* that actual payment shall commence on the first payroll date that falls on or immediately follows the 60th day after Executive's Date of Termination and shall include an amount to cover any missed payments. The right to payment of the installment amounts pursuant to this paragraph shall be treated as a right to a series of separate payments for purposes of Section 409A of the Code; and

(iv) during the portion, if any, of the 18-month period following the Date of Termination that Executive elects to continue coverage for Executive and Executive's eligible dependents under the Company's group health plans under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (COBRA), and/or Sections 601 through 608 of the Employee Retirement Income Security Act of 1974, as amended, the Company shall promptly reimburse Executive on a monthly basis for the amount Executive pays to effect and continue such coverage; *provided, however*, that (x) the amount of such benefits in any one calendar year of such coverage shall not affect the amount of benefits in any other calendar year for which such benefits are to be provided hereunder and (y) Executive's right to the benefits cannot be liquidated or exchanged for any other benefit.

7.2 Payment Date under Section 409A of the Code.

(a)It is the intention of the parties that benefits payable pursuant to this Agreement are either exempt from or comply with the requirements of Section 409A of the Code and applicable administrative guidance issued thereunder. Accordingly, to the extent there is any ambiguity as to whether one or more provisions of this Agreement would otherwise contravene the applicable requirements or limitations of Section 409A, then those provisions shall be interpreted and applied in a manner that ensures a payment is exempt from or otherwise does not result in a violation of the applicable requirements or limitations of Section 409A. In no event may Executive, directly or indirectly, designate the calendar year of a payment. Neither the Company nor its directors, officers, employees or advisers shall be liable to Executive (or any individual claiming a benefit through Executive) for any tax, interest or penalties Executive may owe as a result of compensation or benefits paid under this Agreement, and the Company shall have no obligation to indemnify or otherwise protect Executive from the obligation to pay any taxes pursuant to Section 409A. The parties agree not to take any position inconsistent with the preceding sentence for any reporting purposes, whether internal or external, and to cause their Affiliates, agents, successors, and assigns not to take any such inconsistent position.

(b)Notwithstanding any provision to the contrary in this Agreement, no payments or benefits to which Executive becomes entitled under this ARTICLE VII and which constitute deferred compensation within the meaning of Code Section 409A shall be made or paid to Executive prior to the earlier of (i) the first business day of the seventh month following the date of Executive's termination of employment or (ii) the date of Executive's death (such date, the "***Section 409A Payment Date***"), if (x) Executive is deemed on termination of employment a "specified employee" within the meaning of that term under Section 409A of the Code, (y) the stock of the Parent Company or any successor Entity is publicly traded on an established market and (z) such delayed commencement is otherwise required in order to avoid a prohibited distribution under Code Section 409A(a)(2). Upon the expiration of the applicable deferral period, all payments deferred pursuant to this provision shall be paid in a lump sum to Executive, and any remaining payments, benefits or reimbursements due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(c)Each separately identifiable amount and each installment payment to which Executive is entitled to payment shall be deemed to be a separate payment for purposes of Section 409A.

ARTICLE VIII
NON-COMPETITION AGREEMENT

8.1 Definitions. As used in this ARTICLE VIII, the following terms shall have the following meanings:

"***Business***" means (a) during the period of Executive's employment by the Company, the core products and services provided by the Company and its Affiliates during such period and other products and services that are functionally equivalent to the foregoing, and (b) during the portion of the Prohibited Period that begins on the termination of Executive's employment with the Company, the products and services provided by the Company and its Affiliates at the time of such termination of employment and other products and services that are functionally equivalent to the foregoing.

"***Competing Business***" means any business or Person that wholly or in any significant part engages in any business competing with the Business in the Restricted Area. In no event will the Company or any of its Affiliates be deemed a Competing Business.

"***Governmental Authority***" means any governmental, quasi-governmental, state, county, city or other political subdivision of the United States or any other country, or any agency, court or instrumentality, foreign or domestic, or statutory or regulatory body thereof.

"***Legal Requirement***" means any law, statute, code, ordinance, order, rule, regulation, judgment, decree, injunction, franchise, permit, certificate, license, authorization, or other directional requirement (including, without limitation, any of the foregoing that relates to environmental standards or controls, energy regulations and occupational, safety and health standards or controls including those arising under environmental laws) of any Governmental Authority.

"***Prohibited Period***" means the period during which Executive is employed by the Company hereunder and a period of two years following the termination of Executive's employment with the Company.

"***Restricted Area***" means the geographic area in which the Company or its Affiliates have operations at the time of Executive's termination of employment with the Company.

8.2 Non-Competition; Non-Solicitation. Executive and the Company agree to the non-competition and non-solicitation provisions of this ARTICLE VIII: (i) in consideration for the Confidential Information provided by the Company to Executive pursuant to ARTICLE V; (ii) as part of the consideration for the compensation and benefits to be paid to Executive hereunder; (iii) to protect the trade secrets and confidential information of the Company or its Affiliates disclosed or entrusted to Executive by the Company or its Affiliates or created or developed by Executive for the Company or its Affiliates, the business goodwill of the Company or its Affiliates developed through the efforts of Executive and/or the business opportunities disclosed or entrusted to Executive by the Company or its Affiliates; and (iv) as an additional incentive for the Company to enter into this Agreement.

(a)Subject to the exceptions set forth in Section 8.2(b), Executive expressly covenants and agrees that during the Prohibited Period (i) Executive will refrain from carrying on or engaging in, directly or indirectly, any Competing Business in the Restricted Area and (ii) Executive will not, directly or indirectly, own, manage, operate, join, become an employee, partner, owner or member of (or an independent contractor to), control or participate in or be connected with or loan money to, sell or lease equipment to or sell or lease real property to any business or Person that engages in a Competing Business in the Restricted Area.

(b)Notwithstanding the restrictions contained in Section 8.2(a), Executive may own an aggregate of not more than 2% of the outstanding stock of any class of any corporation engaged in a Competing Business, if such stock is listed on a national securities exchange or regularly traded in the over-the-counter market by a member of a national securities exchange, without violating the provisions of Section 8.2(a) or be an investor in a private equity or similar fund holding not more than 2% of funds for investment, *provided* that the Executive does not have the power, directly or indirectly, to control or direct the management or affairs of any such corporation or fund and is not involved in the management of such corporation. In addition, the restrictions contained in Section 8.2(a) shall not preclude Executive from being employed by a financial institution so long as Executive's principal duties at such institution are not directly and primarily related to the Business.

(c)Executive further expressly covenants and agrees that during the Prohibited Period, Executive will not (i) engage or employ, or solicit or contact with a view to the engagement or employment of, any Person who is an officer or employee of the Company or any of its Affiliates or (ii) canvass, solicit, approach or entice away or cause to be canvassed, solicited, approached or enticed away from the Company or any of its Affiliates any Person who or which is a customer of any of such Entities during the period during which Executive is employed by the Company. Notwithstanding the foregoing, the restrictions of clause (i) of this Section 8.2(c) shall not apply with respect to (A) an officer or employee whose employment has been involuntarily terminated by his or her employer (other than for cause), (B) an officer or employee who has voluntarily terminated employment with the Company and its Affiliates and who has not been employed by any of such Entities for at least one year, (C) an officer or employee who responds to a general solicitation that is not specifically directed at officers and employees of the Company or any of its Affiliates or (D) the Executive serving as a reference for any person upon request.

(d)Executive may seek the written consent of the Company, which may be withheld for good reason, to waive the provisions of this ARTICLE VIII on a case-by-case basis.

(e)The restrictions contained in Section 8.2 shall not apply to any product or services that the Company provided during Executive's employment but that the Company no longer provides at the Date of Termination.

8.3 **Relief**. Executive acknowledges that money damages would not be a sufficient remedy for any breach of this ARTICLE VIII by Executive, and the Company and/or its Affiliates shall be entitled to enforce the provisions of this ARTICLE VIII by immediately terminating payments then owing to Executive under Section 7.1(b)(i) through (iv) or otherwise upon the occurrence of any such breach and to obtain specific performance and injunctive relief as remedies for such breach or any threatened breach. Such remedies shall not be deemed the exclusive remedies for a breach of this ARTICLE VIII but shall be in addition to all remedies available at law or in equity, including the recovery of damages from Executive.

8.4 **Reasonableness; Enforcement**. Executive hereby represents to the Company that Executive has read and understands, and agrees to be bound by, the terms of this ARTICLE VIII. Executive and the Company understand and agree that the purpose of the provisions of this ARTICLE VIII is to protect the legitimate business interests and goodwill of the Company. Executive acknowledges that the limitations as to time, geographical area and scope of activity to be restrained as contained in this ARTICLE VIII are the result of arm's-length bargaining and are fair and reasonable and do not impose any greater restraint than is necessary to protect the legitimate business interests of the Company in light of (a) the nature and wide geographic scope of the operations of the Business, (b) Executive's level of control over and contact with the Business in all jurisdictions in which it is conducted, (c) the fact that the Business is conducted throughout the Restricted Area and (d) the amount of compensation and Confidential Information that Executive is receiving in connection with the performance of Executive's duties hereunder. It is the desire and intent of the parties that the provisions of this ARTICLE VIII be enforced to the fullest extent permitted under applicable Legal Requirements, whether now or hereafter in effect and therefore, to the extent permitted by applicable Legal Requirements, Executive and the Company hereby waive any provision of applicable Legal Requirements that would render any provision of this ARTICLE VIII invalid or unenforceable.

8.5 Reformation. The Company and Executive agree that the foregoing restrictions are reasonable under the circumstances and that any breach of the covenants contained in this ARTICLE VIII would cause irreparable injury to the Company and its Affiliates. Executive understands that the foregoing restrictions may limit Executive's ability to engage in certain businesses anywhere in the Restricted Area during the Prohibited Period, but acknowledges that Executive will receive sufficiently high remuneration and other benefits from the Company to justify such restriction. Further, Executive acknowledges that Executive's skills are such that Executive can be gainfully employed in non-competitive employment, and that the agreement not to compete will not prevent Executive from earning a living. Nevertheless, if any of the aforesaid restrictions are found by a court of competent jurisdiction to be unreasonable, or overly broad as to geographic area or time, or otherwise unenforceable, the parties intend for the restrictions herein set forth to be modified by the court making such determination so as to be reasonable and enforceable and, as so modified, to be fully enforced. By agreeing to this contractual modification prospectively at this time, the Company and Executive intend to make this provision enforceable under the law or laws of all applicable States, Provinces and other jurisdictions so that the entire agreement not to compete and this Agreement as prospectively modified shall remain in full force and effect and shall not be rendered void or illegal. Such modification shall not affect the payments made to Executive under this Agreement.

ARTICLE IX
DISPUTE RESOLUTION

9.1 Dispute Resolution. If any dispute arises out of this Agreement or out of or in connection with any equity compensation award made to Executive by the Company or any of its Affiliates, the complaining party shall provide the other party written notice of such dispute. The other party shall have 10 business days to resolve the dispute to the complaining party's satisfaction. If the dispute is not resolved by the end of such period, either disputing party may require the other to submit to non-binding mediation with the assistance of a neutral, unaffiliated mediator. If the parties encounter difficulty in agreeing upon a neutral unaffiliated mediator, they shall seek the assistance of the American Arbitration Association (" ***AAA***") in the selection process. If mediation is unsuccessful, or if mediation is not requested by a party, either party may by written notice demand arbitration of the dispute as set out below, and each party hereto expressly agrees to submit to, and be bound by, such arbitration.

(a)Unless the parties agree on the appointment of a single arbitrator, the dispute shall be referred to one arbitrator appointed by the AAA. The arbitrator will set the rules and timing of the arbitration, but will generally follow the employment rules of the AAA and this Agreement where same are applicable and shall provide for a reasoned opinion.

(b)The arbitration hearing will in no event take place more than 180 days after the appointment of the arbitrator.

(c)The mediation and the arbitration will take place in Houston, Texas unless otherwise agreed by the parties.

(d)The results of the arbitration and the decision of the arbitrator will be final and binding on the parties and each party agrees and acknowledges that these results shall be enforceable in a court of law.

(e)All costs and expenses of the mediation and arbitration shall be borne equally by the Company and Executive; *provided* that each party shall be responsible for his or its own attorney fees.

Executive and the Company explicitly recognize that no provision of this ARTICLE IX shall prevent the Company from taking any action to enforce its rights or to resolve any dispute relating to ARTICLE V or ARTICLE VIII in a court of law.

Any dispute over whether Cause exists shall be determined in accordance with this ARTICLE IX on a de novo basis based on the underlying facts without any deference given to the determination of the Board or any right of the Board to make "a reasonable and good faith determination".

ARTICLE X
MISCELLANEOUS

10.1 Notices. For purposes of this Agreement, notices and all other communications provided for herein shall be in writing and shall be deemed to have been duly given (a) when received if delivered personally, by courier, (b) on the date receipt is acknowledged if delivered by certified mail, postage prepaid, return receipt requested or (c) one day after transmission if sent by e-mail, with confirmation of transmission, as follows:

If to Executive, addressed to: Gary W. Ferrera
3 Tamarade Drive
Littleton, Co 80127
Email: garywferrera@gmail.com

if to the Company, addressed to: Cardtronics USA, Inc.
3250 Briarpark Drive, Suite 400
Houston, Texas 77042
Attention: General Counsel
Email: CATM_Legal@cardtronics.com

or to such other address as either party may furnish to the other in writing in accordance herewith, except that notices or changes of address shall be effective only upon receipt. If either party provides notice by e-mail, the party must also send notice by one of the other delivery methods listed in this Section 10.1, but failure to do so shall not invalidate the e-mail transmission.

10.2 Applicable Law; Submission to Jurisdiction.

(a)This Agreement is entered into under, and shall be governed for all purposes by, the laws of the State of Texas, without regard to conflicts of laws principles thereof.

(b)With respect to any claim or dispute related to or arising under this Agreement not otherwise subject to arbitration under the terms of this Agreement, the parties hereby consent to the exclusive jurisdiction, forum and venue of the state and federal courts located in the State of Texas.

10.3 Indemnification.

(a)Save and except for any Proceeding (as herein defined) brought by (i) Executive's former employer, including any Affiliate thereof (collectively " ***Former Employer***"), alleging that Executive's employment hereunder violates any agreement between Executive and such Former Employer, or (ii) Executive or his estate (other than to enforce Executive's rights to indemnification), if Executive is made a party, or is threatened to be made a party, to any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "***Proceeding***"), by reason of the fact that he is or was a director, officer or employee of the Company or is or was serving at the request of the Company as a director, officer, member, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether or not the basis of such Proceeding is Executive's alleged action in an official capacity while serving as a director, officer, member, employee or agent, Executive shall be indemnified and held harmless by the Company to the fullest extent legally permitted or authorized by the Company's certificate of incorporation or bylaws or resolutions of the board of directors of the Company and by the laws of the State of Delaware against all cost, expense, liability and loss (including, without limitation, attorney's fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by Executive in connection therewith, and such indemnification shall continue as to Executive even if he has ceased to be a director, member, employee or agent of the Company or other Entity and shall inure to the benefit of Executive's heirs, executors and administrators. In order to be entitled to the above described indemnification Executive must provide prompt written notice to the Company of such Proceeding and the Company (and its insurers) shall be entitled to defend such Proceeding and to enter into such settlement agreements that the Company and its insurers believe is reasonable and necessary so long as Executive is not required to admit any misconduct or liability, nor required to pay any portion of such settlement. To the extent that the Company fails to provide a defense for all claims raised in any Proceeding after receiving notice thereof, the Company to the fullest extent permitted by applicable law shall advance to Executive all reasonable costs and expenses incurred by him in connection with a Proceeding within 20 days after receipt by the Company of a written request for such advance. Such request shall include an undertaking by Executive to repay the amount of such advance if it shall ultimately be determined that he is not entitled to be indemnified against such costs and expenses. Notwithstanding anything in this Section 10.3 to the contrary, unless an earlier payment date is specified above, Executive shall be paid (or paid on Executive's behalf), in accordance with Treasury Regulation Section 1.409A-3(i)(1)(iv), all amounts to which Executive is entitled under this Section 10.3 promptly but no later than the end of the second calendar year following the calendar year in which the indemnifiable expense is incurred.

(b)Neither the failure of the Company (including its board of directors, independent legal counsel or stockholders) to have made a determination prior to the commencement of any Proceeding concerning payment of amounts claimed by Executive under Section 10.3(a) that indemnification of Executive is proper because he has met the applicable standard of conduct, nor determination by the Company (including its boards of directors, independent legal counsel or stockholders) that Executive has not met such applicable standard of conduct, shall create a presumption that Executive has not met the applicable standard of conduct.

(c)The Company will itself and will cause the Parent Company to, continue and maintain a directors and officers' liability insurance policy covering Executive to the extent the Company or the Parent Company provides such coverage for other of their directors and other executive officers during the term of Executive's employment with the Company and thereafter until the expiration of all applicable statutes of limitations.

(d)If the Company or the Parent Company enters into an indemnification agreement with any of its directors or executive officers, the Company (or, if the Parent Company, will cause the Parent Company) to the fullest extent permitted by applicable law will enter into an indemnification agreement with Executive on terms and conditions no less favorable than those set forth in any such indemnification agreement.

10.4 No Waiver. No failure by either party hereto at any time to provide notice of any breach by the other party of, or to require compliance with, any condition or provision of this Agreement shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

10.5 Severability. If a court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect.

10.6 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement.

10.7 Withholding of Taxes and Other Employee Deductions. Except as otherwise provided in this Agreement, the Company may withhold from any benefits and payments made pursuant to this Agreement all federal, foreign, state, city and other taxes and withholdings as may be required pursuant to any law or governmental regulation or ruling and all other customary deductions made with respect to the Company's employees generally.

10.8 Headings. The Section headings have been inserted for purposes of convenience and shall not be used for interpretive purposes.

10.9 Gender and Plurals. Wherever the context so requires, the masculine gender includes the feminine or neuter, and the singular number includes the plural and conversely.

10.10 No Mitigation / No Offset. Executive shall have no obligation to seek other employment to mitigate any severance or other payments due hereunder. Any amounts earned by Executive from other employment shall not offset amounts due hereunder.

10.11 Successors.

(a)This Agreement is personal to Executive and shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. The rights, benefits and obligations of Executive hereunder shall not be subject to voluntary or involuntary assignment, alienation or transfer, whether by operation of law or otherwise, without the prior written consent of the Company. In addition, any payment owed to Executive hereunder after the date of Executive's death shall be paid to Executive's estate.

(b)This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns, *provided* that the Agreement or the obligation hereunder may not be assigned except to a successor to all or substantially all of the assets of the Company or the Parent Company provided that an assumption thereof in writing is delivered to Executive. In addition to any obligations imposed by law upon any successor to the Company, the Company will require any successor (whether direct or indirect, by purchase, merger, consolidation, amalgamation, scheme of arrangement, exchange offer, operation of law or otherwise (including any purchase, merger, amalgamation, Change in Control or other Corporate Transaction involving the Company or any Subsidiary or Affiliate of the Company)), to all or substantially all of the Company's business and/or the Company's Assets, if applicable, to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place; or the Company will require any such successor to guarantee the obligations of the Company under this Agreement. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as provided above.

10.12 **Term**. Termination of Executive's employment under this Agreement shall not affect any right or obligation of any party which is accrued or vested prior to such termination. Without limiting the scope of the preceding sentence, the provisions of Articles I, V, VI, VII, VIII, IX and X shall survive any termination of the employment relationship and/or of this Agreement.

10.13 **Entire Agreement**. Except as provided in any signed written agreement contemporaneously or hereafter executed by the Company and Executive, this Agreement constitutes the entire agreement of the parties with regard to the subject matter hereof, and contains all the covenants, promises, representations, warranties and agreements between the parties with respect to employment of Executive by the Company. Without limiting the scope of the preceding sentence, all understandings and agreements preceding the date of execution of this Agreement and relating to the subject matter hereof are hereby null and void and of no further force and effect.

10.14 **Modification; Waiver**. Any modification to or waiver of this Agreement will be effective only if it is in writing and signed by the parties.

10.15 **Actions by the Board**. Any and all determinations or other actions required of the Board hereunder that relate specifically to Executive's employment by the Company or the terms and conditions of such employment shall be made by the members of the Board other than Executive if Executive is a member of the Board, and Executive shall not have any right to vote, participate or decide upon any such matter.

10.16 **Section 280G Modified Cutback**. Notwithstanding any other provision of this Agreement, if any payment, distribution or provision of a benefit by the Company or the Parent Company to or for the benefit of Executive, whether paid or payable, distributed or distributable or provided or to be provided pursuant to the terms of this Agreement or otherwise (a ***"Payment"***), (a) would be subject to the excise tax imposed by Section 4999 of the Code, or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest or penalties, are hereinafter collectively referred to as the ***"Excise Tax"***) and (b) the net after-tax amount of such Payments, after Executive has paid all taxes due thereon (including, without limitation, the Excise Tax), would be less than the net after-tax amount of all such Payments otherwise due to the Executive in the aggregate if such Payments were reduced to an amount equal to 2.99 times the Executive's "base amount" (as defined in Section 280G(b)(3) of the Code), then the aggregate amount of such Payments payable to the Executive shall be reduced to an amount that will equal 2.99 times the Executive's base amount. To the extent any Payments are required to be so reduced, the Payments due to the Executive shall be reduced in the following order, unless otherwise agreed and such agreement is in compliance with Section 409A of the Code: (i) Payments that are payable in cash, with amounts that are payable last reduced first; (ii) Payments due in respect of any equity or equity derivatives included at their full value under Section 280G of the Code (rather than their accelerated value); (iii) Payments due in respect of any equity or equity derivatives valued at accelerated value under Section 280G of the Code, with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24); and (iv) all other non-cash benefits. The determination of any reduction in Payments in accordance with this Section 10.17 shall be made by the Company's independent public accountants or another firm designated by the Company and acceptable to the Executive acting reasonably.

10.17 **Changes Due to Compliance with Applicable Law**. Executive understands that certain laws, as well as rules and regulations promulgated by the Securities and Exchange Commission (including without limitation under the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Sarbanes-Oxley Act of 2002) and/or by securities exchanges, do and will require the Company to recoup, and Executive to repay, incentive compensation payable hereunder under the circumstances set forth under such laws, rules and regulations. Such requirements will be set forth from time to time in policies adopted by the Company (so-called "clawback" policies) and Executive acknowledges receipt of the Company's current clawback policy. Executive acknowledges that amounts paid or payable pursuant to this Agreement as incentive compensation or otherwise by the Company shall be subject to clawback to the extent necessary to comply with such laws, rules, regulations and/or policy, which clawback may include forfeiture, repurchase and/or recoupment of amounts paid or payable hereunder, and Executive agrees to repay such amounts (whether or not still employed by the Company or any of its Affiliates), as required by such laws, rules, regulations or policy. Executive shall repay the Company in cash in immediately available funds within 60 days of demand for payment by the Company or as otherwise agreed by the Company in its sole discretion.

Any such clawback shall not provide Executive any termination rights or other rights to payment under this Agreement (including no right to terminate for Good Reason), nor constitute a breach or violation of this Agreement by the Company. The Executive hereby consents to any changes to the current policy that are adopted to comply with applicable law, rules or regulations (including by securities exchanges). Further, if determined necessary or appropriate by the Board, Executive agrees to enter into an amendment to this Agreement or a separate written agreement with the Company to comply with such laws, rules and regulations thereunder if required thereby or determined appropriate by the Board in its reasonable discretion.

10.18 Cooperation with Litigation. Notwithstanding this Agreement, Executive agrees to reasonably cooperate with Company by making Executive reasonably available, at the Company's reasonable request, to testify on behalf of the Company or any of its Affiliates in any action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and to assist the Company or any of its Affiliates in any such action, suit, or proceeding by providing information to and meeting and consulting with Company any of its Affiliates or any of their counsel or representatives upon reasonable request, provided that such cooperation and assistance shall not materially interfere with Executive's then current activities (to the extent the Executive is no longer employed by the Company) and shall be done in a manner to limit any interference with other activities and any required travel and that the Company agrees to reimburse Executive for all reasonable out of pocket expenses reasonably incurred in connection with such cooperation by Executive.

(Signature page follows)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

COMPANY:

CARDTRONICS USA, INC.

By: /s/ Steven A Rathgaber

Name: Steven A. Rathgaber

Title: Chief Executive Officer

EXECUTIVE:

/s/ Gary W. Ferrera

Name: Gary W. Ferrera

APPENDIX A

RELEASE AGREEMENT

This Release Agreement (this *"**Agreement**"*) constitutes the release referred to in that certain Employment Agreement (the *"**Employment Agreement**"*) dated as of [***Insert Date***], 2017, by and between Gary W. Ferrera (*"**Executive**"*) and Cardtronics USA, Inc., a Delaware corporation (the *"**Company**"*).

(a)For good and valuable consideration, including the Company's provision of certain payments and benefits to Executive in accordance with Section 7.1(b) of the Employment Agreement, Executive hereby releases, discharges and forever acquits the Company, Cardtronics plc, their Affiliates and subsidiaries and the past, present and future stockholders, members, partners, directors, managers, employees, agents, attorneys, heirs, legal representatives in their capacities as such, successors and assigns of the foregoing, in their personal and representative capacities (collectively, the *"**Company Parties**"*), from liability for, and hereby waives, any and all claims, damages, or causes of action of any kind for Executive's employment with any Company Party, the termination of such employment, and any other acts or omissions on or prior to the date of this Agreement including without limitation any alleged violation through the date of this Agreement of: (i) the Age Discrimination in Employment Act of 1967, as amended; (ii) Title VII of the Civil Rights Act of 1964, as amended; (iii) the Civil Rights Act of 1991; (iv) Section 1981 through 1988 of Title 42 of the United States Code, as amended; (v) the Employee Retirement Income Security Act of 1974, as amended; (vi) the Immigration Reform Control Act, as amended; (vii) the Americans with Disabilities Act of 1990, as amended; (viii) the Occupational Safety and Health Act, as amended; (ix) the Family and Medical Leave Act of 1993; (x) any state anti-discrimination law; (xi) any state wage and hour law; (xii) any other local, state or federal law, regulation or ordinance; (xiii) any public policy, contract, tort, or common law claim; (xiv) any allegation for costs, fees, or other expenses including attorneys' fees incurred in these matters; (xv) any and all rights, benefits or claims Executive may have under any employment contract, incentive compensation plan or stock option plan with any Company Party or to any ownership interest in any Company Party except as expressly provided in, or implied by the Employment Agreement and any stock option or other equity compensation agreement between Executive and the Company; and (xvi) any claim for compensation or benefits of any kind not expressly set forth in the Employment Agreement or any such stock option or other equity compensation agreement (collectively, the *"**Released Claims**"*). In no event shall the Released Claims include (a) any claim which arises after the date of this Agreement, (b) any claim to vested benefits under an employee benefit plan, (c) any claims pursuant to any restricted stock unit or other equity or equity-based award agreement between any Company Party and Executive, (d) any claims for contractual payments under the Employment Agreement, including without limitation any claim to indemnification under the Employment Agreement, or any indemnification agreement between any Company Party and Executive, or (e) any other rights to indemnification or to director and/or officer liability insurance. Notwithstanding this release of liability, nothing in this Agreement prevents Executive from filing any non-legally waivable claim (including a challenge to the validity of this Agreement) with the Equal Employment Opportunity Commission ("***EEOC***") or comparable state or local agency or participating in any investigation or proceeding conducted by the EEOC or comparable state or local agency; however, Executive understands and agrees that Executive is waiving any and all rights to recover any monetary or personal relief or recovery as a result of such EEOC, or comparable state or local agency proceeding or subsequent legal actions. This Agreement is not intended to indicate that any such claims exist or that, if they do exist, they are meritorious. Rather, Executive is simply agreeing that, in exchange for the consideration recited in the first sentence of this paragraph, any and all potential claims of this nature that Executive may have against the Company Parties as of the date of this Agreement, regardless of whether they actually exist, are expressly settled, compromised and waived. By signing this Agreement, Executive is bound by it. Anyone who succeeds to Executive's rights and responsibilities, such as heirs or the executor of Executive's estate, is also bound by this Agreement. This release also applies to any claims brought by any person or agency or class action under which Executive may have a right or benefit. **THIS RELEASE INCLUDES MATTERS ATTRIBUTABLE TO THE SOLE OR PARTIAL NEGLIGENCE (WHETHER GROSS OR SIMPLE) OR OTHER FAULT, INCLUDING STRICT LIABILITY, OF ANY OF THE COMPANY PARTIES.**

(b)Executive agrees not to bring or join, but may defend, any lawsuit against any of the Company Parties in any court relating to any of the Released Claims. Executive represents that Executive has not brought or joined any lawsuit or filed any charge or claim against any of the Company Parties in any court or before any government agency and has made no assignment of any rights Executive has asserted or may have against any of the Company Parties to any person or entity, in each case, with respect to any Released Claims.

(c)By executing and delivering this Agreement, Executive acknowledges that:

(i) Executive has carefully read this Agreement;

(ii) Executive has had at least 21 days to consider this Agreement before the execution and delivery hereof to the Company;

(iii) Executive has been and hereby is advised in writing that Executive may, at Executive's option, discuss this Agreement with an attorney of Executive's choice and that Executive has had adequate opportunity to do so; and

(iv) Executive fully understands the final and binding effect of this Agreement; the only promises made to Executive to sign this Agreement are those stated in the Employment Agreement and herein; and Executive is signing this Agreement voluntarily and of Executive's own free will, and that Executive understands and agrees to each of the terms of this Agreement.

Notwithstanding the initial effectiveness of this Agreement, Executive may revoke the delivery (and therefore the effectiveness) of this Agreement within the seven day period beginning on the date Executive delivers this Agreement to the Company (such seven day period being referred to herein as the *"**Release Revocation Period**"*). To be effective, such revocation must be in writing signed by Executive and must be delivered to the address of the Chief Executive Officer of the Company before 11:59 p.m., Houston, Texas time, on the last day of the Release Revocation Period. If an effective revocation is delivered in the foregoing manner and timeframe, this Agreement shall be of no force or effect and shall be null and void *ab initio*. No consideration shall be paid if this Agreement is revoked by Executive in the foregoing manner.

Executed on this _______day of _____________, _______.

____

____

STATE OF	________________________	§
		§
COUNTY OF	________________________	§

BEFORE ME, the undersigned authority personally appeared ___________________________, by me known or who produced valid identification as described below, who executed the foregoing instrument and acknowledged before me that he subscribed to such instrument on this ___________ day of ______________, ________.

NOTARY PUBLIC in and for the

State of ____________

My Commission Expires: ____________

Identification produced:

EXHIBIT A

FORM OF SIGN ON STOCK INCENTIVE AWARD AGREEMENT

(See attached)

EXHIBIT B

APPROVED OTHER INTERESTS

1. Consulting Agreement with DigitalGlobe, Inc. expiring on February 1, 2018
2. Service on the Board of Colorado Public Radio

Exhibit 10.6
Executed Version

SIXTH AMENDMENT TO
AMENDED AND RESTATED CREDIT AGREEMENT

THIS SIXTH AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment"), dated to be effective as of October 3, 2017 (the "Amendment Effective Date"), is entered into by and among **CARDTRONICS plc**, an English public limited company (the "Parent"), the other Obligors (as defined in the Credit Agreement defined below) party hereto, the Lenders (as defined below) party hereto and **JPMORGAN CHASE BANK, N.A.** ("JPMorgan"), as Administrative Agent for the Lenders (in such capacity, the "Administrative Agent").

PRELIMINARY STATEMENT

WHEREAS, the Parent, the other Obligors party thereto, the lenders party thereto (the "Lenders") and the Administrative Agent are parties to that certain Amended and Restated Credit Agreement dated as of April 24, 2014 (as amended, the "Credit Agreement"); and

WHEREAS, the Parent has now asked the Administrative Agent and the Lenders to amend certain provisions of the Credit Agreement; and

WHEREAS, the Administrative Agent and the Lenders are willing to do so subject to the terms and conditions set forth herein, provided that the Obligors ratify and confirm all of their respective obligations under the Credit Agreement and the other Loan Documents;

NOW, THEREFORE, in consideration of the premises and further valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1 . Defined Terms. Unless otherwise defined herein, capitalized terms used herein have the meanings assigned to them in the Credit Agreement.

2. Amendments to Credit Agreement.

(a) The Credit Agreement (exclusive of the Exhibits and Schedules thereto) is hereby amended to read in its entirety as set forth on Annex A attached hereto.

(b) The Schedules to the Credit Agreement are hereby amended to add a new Schedule 1.01 thereto in the form attached hereto as Schedule 1.01.

(c) Exhibit 2.03 and Exhibit 2.07 to the Credit Agreement are hereby amended to read in their entirety as set forth on Exhibit 2.03 and Exhibit 2.07 attached hereto, respectively.

3 . Conditions Precedent. This Amendment shall be effective as of the Amendment Effective Date upon satisfaction of the following conditions precedent:

(a) no Default or Event of Default shall exist;

(b) the Administrative Agent shall have received counterparts of this Amendment, duly executed by the Borrowers, the other Obligors party hereto and the Lenders; and

(c) the Administrative Agent shall have received all fees and other amounts due and payable on or prior to the date hereof, including the reasonable fees and expenses of legal counsel to the Administrative Agent.

4 . Ratification. Each Obligor hereby ratifies all of its Obligations under the Credit Agreement and each of the Loan Documents to which it is a party, and agrees and acknowledges that the Credit Agreement and each of the other Loan Documents to which it is a party are and shall continue to be in full force and effect as amended and modified by this Amendment. Nothing in this Amendment extinguishes, novates or releases any right, claim, lien, security interest or entitlement of any of the Lenders or the Administrative Agent created by or contained in any of such documents nor is any Obligor released from any covenant, warranty or obligation created by or contained herein or therein.

5 . Representations and Warranties. Each Obligor hereby represents and warrants to the Lenders and the Administrative Agent that (a) this Amendment has been duly executed and delivered on behalf of such Obligor, (b) this Amendment constitutes a valid and legally binding agreement enforceable against such Obligor in accordance with its terms, subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law, (c) the representations and warranties contained in the Credit Agreement and the other Loan Documents to which it is a party are true and correct on and as of the date hereof in all material respects as though made as of the date hereof, except for such representations and warranties as are by their express terms limited to a specific date, in which case such representations and warranties were true and correct in all material respects as of such specific date; provided that, in either case, to the extent any such representation and warranty is qualified by Material Adverse Effect or materiality qualifier, such representation and warranty is true and correct in all respects, (d) no Default or Event of Default exists under the Credit Agreement or under any other Loan Document or will result immediately upon giving effect to this Amendment and (e) the execution, delivery and performance of this Amendment has been duly authorized by such Obligor.

6 . Counterparts. This Amendment may be signed in any number of counterparts, which may be delivered in original, facsimile or electronic form each of which shall be construed as an original, but all of which together shall constitute one and the same instrument.

7. Governing Law. This Amendment shall be construed in accordance with and governed by the Law of the State of New York without regard to any choice-of-law provisions that would require the application of the law of another jurisdiction.

8. Amendment is a Loan Document; References to the Credit Agreement. This Amendment is a Loan Document, as defined in the Credit Agreement. All references in the

Credit Agreement to "this Agreement" mean the Credit Agreement as amended by this Amendment.

9 . Final Agreement of the Parties. THIS AMENDMENT, THE CREDIT AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized as of the date first above written.

BORROWERS:

CARDTRONICS PLC

By: /s/ Edward H. West
Name: Edward H. West
Title: Chief Financial Officer

CARDTRONICS HOLDINGS LIMITED

By: /s/ Edward H. West
Name: Edward H. West
Title: Director

CATM HOLDINGS LLC

By: /s/ Edward H. West
Name: Edward H. West
Title: Director and Chief Financial Officer

CARDTRONICS USA, INC.

By: /s/ Edward H. West
Name: Edward H. West
Title: Chief Financial Officer

CARDTRONICS EUROPE LIMITED

By: /s/ Jana Hile
Name: Jana Hile
Title: Director

[Continued on following page]

CARDTRONICS UK LIMITED

By: /s/ Jana Hile
Name: Jana Hile
Title: Director

CATM EUROPE HOLDINGS LIMITED

By: /s/ Jana Hile
Name: Jana Hile
Title: Director

CARDTRONICS AUSTRALASIA PTY LTD.

in accordance with section 127 of the *Corporations Act 2001 (Cth)* by a director and secretary/director:

By: /s/ Jana Hile
Name: Jana Hile
Title: Director

By: /s/ Matthew Thomas
Name: Matthew Thomas
Title: Director

CARDTRONICS CANADA HOLDINGS ULC

By: /s/ Patrick Moriarty
Name: Patrick Moriarty
Title: Chief Financial Officer

CREDIT FACILITY GUARANTORS:

CARDTRONICS, INC.

By: /s/ Edward H. West
Name: Edward H. West
Title: Chief Financial Officer

ATM NATIONAL, LLC

By: /s/ Edward H. West
Name: Edward H. West
Title: Chief Financial Officer

CATM NORTH AMERICA HOLDINGS LIMITED

By: /s/ Edward H. West
Name: Edward H. West
Title: Director

CATM AUSTRALASIA HOLDINGS LIMITED

By: /s/ Edward H. West
Name: Edward H. West
Title: Director

[Continued on following page]

CARDTRONICS CANADA LIMITED PARTNERSHIP

By: Cardtronics Canada Operations Inc., its General Partner

By: /s/ Patrick Moriarty
Name: Patrick Moriarty
Title: Chief Financial Officer

CARDTRONICS CANADA ATM PROCESSING PARTNERSHIP

By: Cardtronics Canada Operations Inc., its Managing Partner

By: /s/ Patrick Moriarty
Name: Patrick Moriarty
Title: Chief Financial Officer

SUNWIN SERVICES GROUP (2010) LTD.

By: /s/ Michael J. Pinder
Name: Michael J. Pinder
Title: Director

By: /s/ A. Dean Shaw
Name: A. Dean Shaw
Title: Director

CFC GUARANTORS:

CARDTRONICS HOLDINGS, LLC

By: /s/ Edward H. West
Name: Edward H. West
Title: Chief Financial Officer

CARDPOINT LIMITED

By: /s/ Jana Hile
Name: Jana Hile
Title: Director

ADMINISTRATIVE AGENT AND LENDER:

JPMORGAN CHASE BANK, N.A.

By: /s/ Daglas Panchal
Name: Daglas Panchal
Title: Executive Director

JPMORGAN CHASE BANK, N.A., TORONTO BRANCH

By: /s/ Deborah Booth
Name: Deborah Booth
Title: Executive Director

LENDER:

BANK OF AMERICA, N.A.

By: /s/ Adam Rose
Name: Adam Rose
Title: Senior Vice President

LENDER:

WELLS FARGO BANK, N.A.

By: /s/ Joanna Mitchell
Name: Joanna Mitchell
Title: Senior Vice President

LENDER:

COMPASS BANK

By: /s/ Collis Sanders
Name: Collis Sanders
Title: Executive Vice President

LENDER:

ZB, N.A. dba AMEGY BANK

By: /s/ Natalie Garza
Name: Natalie Garza
Title: Senior Vice President

LENDER:

CANADIAN IMPERIAL BANK OF COMMERCE

By: /s/ Andrew Roberts
Name: Andrew Roberts
Title: Authorized Signatory

By: /s/ Peter Holowach
Name: Peter Holowach
Title: Authorized Signatory

LENDER:

CAPITAL ONE, N.A.

By: /s/ Sallye Cielencki
Name: Sallye Cielencki
Title: SVP / Underwriter V

LENDER:

THE ROYAL BANK OF SCOTLAND PLC

By: /s/ Loreana Testa
Name: Loreana Testa
Title: Associate Director

LENDER:

SANTANDER BANK, N.A.

By: /s/ Andres Barbosa
Name: Andres Barbosa
Title: Executive Director

LENDER:

HSBC BANK USA, N.A.

By: /s/ Michael Bustios
Name: Michael Bustios
Title: Vice President, 20556

LENDER:

BARCLAYS BANK PLC

By: /s/ Gill Skala
Name: Gill Skala
Title: Director

LENDER:

THE BANK OF NOVA SCOTIA

By: /s/ Mauricio Saishio
Name: Mauricio Saishio
Title: Director

LENDER:

FROST BANK

By: /s/ Michelle Huth
Name: Michelle Huth
Title: Market President

SCHEDULE 1.01

NON-PRO RATA ALTERNATIVE CURRENCIES AND LENDERS

Currency	Available for Swingline Loans and Letters of Credit?	Lenders That Have Agreed to Fund Revolving Loans in Said Currency
Rand	Yes	JPMorgan Chase Bank, N.A. Bank of America, N.A. Wells Fargo Bank, N.A. Compass Bank ZB, N.A., dba Amegy Bank Capital One, N.A. The Royal Bank of Scotland plc Barclays Bank plc

EXHIBIT 2.03

FORM OF BORROWING REQUEST

[Administrative Agent in the case of a Borrowing in Dollars]

JPMorgan Chase Bank, N.A.
Loan and Agency Service Group
Yuvette Owens
10 South Dearborn, Floor 97
Chicago, IL 60603-2300
Telecopy No: 888-303-9732
Telephone No. (for confirmation): 312-385-7021
Email: jpm.agency.servicing.1@jpmchase.com

[Alternative Currency Agent in the case of a Borrowing in an Alternative Currency (other than Canadian Dollars)]

J.P. Morgan Europe Limited
25 Bank Street
Canary Wharf
London E14 5JP
Attn: Loans Agency
Telecopy No. 44 207 777 2360
Email: loan_and_agency_london@jpmorgan.com

[Alternative Currency Agent in the case of a Borrowing in Canadian Dollars)]

JPMorgan Chase Bank, N.A.
10 S. Dearborn, Floor L2
Chicago, IL 60603
Attention: Jessica Gallegos
Telephone Number: (312) 954-2097
Email: CLS.CAD.Chicago@jpmorgan.com

Re: Amended and Restated Credit Agreement (as amended, the "Credit Agreement") dated as of April 24, 2014, by and among Cardtronics plc, the other Obligors party thereto, the Lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent and J.P. Morgan Europe Limited, as Alternative Currency Agent for the Lenders

Ladies and Gentlemen:

Pursuant to the Credit Agreement, the undersigned Borrower hereby makes the requests indicated below:

(a) Amount of Borrowing: ______________

(b) Requested date of Borrowing: ___________________

(c) Type of Borrowing:

_________ ABR Borrowing;

_________ Canadian Prime Rate Borrowing;

_________ CDOR Borrowing;

_________ Eurocurrency Borrowing;

_________ BBSY Borrowing; or

_________ JIBAR Borrowing.

(d) Requested currency for Eurocurrency Borrowing: ______________

(e) Requested Interest Period for Eurocurrency Borrowing, CDOR Borrowing, BBSY Borrowing or JIBAR Borrowing:

____

(f) Location and number of account to which funds are to be disbursed:

____

____

The undersigned certifies that [s]he is authorized to execute this request on behalf of the undersigned Borrower. The undersigned Borrower represents and warrants that (i) it is entitled to receive the requested Borrowing under the terms and conditions of the Credit Agreement and that no Default or Event of Default shall exist or will occur as a result of the making of such requested Borrowing; and (ii) the representations and warranties of the Parent and the Restricted Subsidiaries set forth in the Credit Agreement or any other Loan Document shall be true and correct in all material respects on and as of the date of the requested Borrowing; provided, that to the extent such representations and warranties were made as of a specific date, the same were true and correct in all material respects as of such specific date; provided further, in either case, to the extent any such representation or warranty is qualified by Material Adverse Effect or materiality qualifier, such representation shall be true and correct in all respects.

Each capitalized term used but not defined herein shall have the meaning assigned to such term in the Credit Agreement.

Very truly yours,

[______________]

By: ______________________________

Name: ______________________________

Title: ______________________________

EXHIBIT 2.07

FORM OF INTEREST ELECTION REQUEST

[Administrative Agent in the case of a Borrowing in Dollars]

JPMorgan Chase Bank, N.A.
Loan and Agency Service Group
Yuvette Owens
10 South Dearborn, Floor 97
Chicago, IL 60603-2300
Telecopy No: 888-303-9732
Telephone No. (for confirmation): 312-385-7021
Email: jpm.agency.servicing.1@jpmchase.com

[Alternative Currency Agent in the case of a Borrowing in an Alternative Currency (other than Canadian Dollars)]

J.P. Morgan Europe Limited
25 Bank Street
Canary Wharf
London E14 5JP
Attn: Loans Agency
Telecopy No. 44 207 777 2360
Email: loan_and_agency_london@jpmorgan.com

[Alternative Currency Agent in the case of a Borrowing in Canadian Dollars)]

JPMorgan Chase Bank, N.A.
10 S. Dearborn, Floor L2
Chicago, IL 60603
Attention: Jessica Gallegos
Telephone Number: (312) 954-2097
Email: CLS.CAD.Chicago@jpmorgan.com

Re: Amended and Restated Credit Agreement (as amended, the "Credit Agreement") dated as of April 24, 2014, by and among Cardtronics plc, the other Obligors party thereto, the Lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent and J.P. Morgan Europe Limited, as Alternative Currency Agent for the Lenders

Ladies and Gentlemen:

Pursuant to the Credit Agreement, the undersigned Borrower hereby makes the requests indicated below:

(a) The Borrowing to which this Interest Election Request applies is as follows:

(a) Date of Borrowing:

(b) Type of Borrowing:

(c) Interest Period:

(d) Aggregate amount to be [converted] [continued]:

(b) The effective date of the election made pursuant to this Interest Election Request is ______________ .

(c) The Borrowing resulting from this Interest Election Request shall be [a] [an] ________________ Borrowing.

(d) The Interest Period applicable to the resulting Borrowing is _________________.

The undersigned certifies that [s]he is authorized to execute this request on behalf of the undersigned Borrower. The undersigned Borrower represents and warrants that (i) it is entitled to receive the requested Borrowing under the terms and conditions of the Credit Agreement and that no Default or Event of Default shall exist or will occur as a result of the making of such requested Borrowing; and (ii) the representations and warranties of the Parent and the Restricted Subsidiaries set forth in the Credit Agreement or any other Loan Document shall be true and correct in all material respects on and as of the date of the requested Borrowing; provided, that to the extent such representations and warranties were made as of a specific date, the same were true and correct in all material respects as of such specific date; provided further, in either case, to the extent any such representation or warranty is qualified by Material Adverse Effect or materiality qualifier, such representation shall be true and correct in all respects.

Each capitalized term used but not defined herein shall have the meaning assigned to such term in the Credit Agreement.

Very truly yours,

[______________]

By: ________________________________
Name: ________________________________
Title: ________________________________

Conformed Version Including
Sixth Amendment dated October 3, 2017

AMENDED AND RESTATED CREDIT AGREEMENT

dated as of

April 24, 2014

among

CARDTRONICS PLC

The Other Obligors Party Hereto,

The Lenders Party Hereto,

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent,

J.P. MORGAN EUROPE LIMITED,
as Alternative Currency Agent,

BANK OF AMERICA, N.A.,
as Syndication Agent

and

WELLS FARGO BANK, N.A.,
as Documentation Agent

****

J.P. MORGAN SECURITIES LLC,
MERRILL LYNCH, PIERCE, FENNER & SMITH, INCORPORATED
and
WELLS FARGO SECURITIES, LLC,
as Joint Bookrunners and Co-Lead Arrangers

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AMENDED AND RESTATED CREDIT AGREEMENT (this " Agreement") dated as of April 24, 2014 (the "Effective Date"), among Cardtronics plc, an English public limited company ("Parent"), the other Obligors party hereto, the Lenders party hereto, JPMorgan Chase Bank, N.A., as Administrative Agent, J.P. Morgan Europe Limited, as Alternative Currency Agent, Bank of America, N.A., as Syndication Agent and Wells Fargo Bank, N.A., as Documentation Agent.

PRELIMINARY STATEMENT:

WHEREAS, Cardtronics, Inc., a Delaware corporation (the "Company"), is party to that certain Credit Agreement dated July 15, 2010 (as amended, the "Existing Credit Agreement") among the Company, the Lenders party thereto, the Obligors party thereto, JPMorgan Chase Bank, N.A., as administrative agent for such lenders, and J.P. Morgan Europe Limited, as alternative currency agent; and

WHEREAS, the Company, the Obligors, the Administrative Agent, the Alternative Currency Agent and the Lenders mutually desire to amend and restate the Existing Credit Agreement in its entirety;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants set forth herein, the Company, the Obligors, the Administrative Agent, the Alternative Currency Agent and the Lenders agree that the Existing Credit Agreement is amended and restated in its entirety as follows:

ARTICLE I
Definitions

Section 1.01 Defined Terms.

As used in this Agreement, the following terms have the meanings specified below:

"ABR", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

"Addendum" means the applicable agreement attached hereto as part of Exhibit 1.1A.

"Additional Borrower" means any Person that becomes a Borrower pursuant to Section 5.10.

"Adjusted LIBO Rate" means (a) with respect to any Eurocurrency Borrowing denominated in Dollars for any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the next 1/100 of 1%) equal to (i) the LIBO Rate for such Interest Period multiplied by (ii) the Statutory Reserve Rate and (b) with respect to any Eurocurrency Borrowing denominated in an Alternative Currency for any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the next 1/100 of 1%) equal to the LIBO Rate for such Interest Period.

"Administrative Agent" means JPMorgan Chase Bank, N.A., in its capacity as administrative agent for the Lenders hereunder.

"Administrative Questionnaire" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"Affiliate" means, with respect to a specified Person at any date, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"Agreed Alternative Currency" means (a) Pounds Sterling, (b) Euros, (c) Canadian Dollars, (d) Australian Dollars and (e) a currency, in the case of any Loan, that is readily available in the amount required and freely convertible into Dollars in the London interbank market on the Quotation Day for such Loan and the date such Loan is to be advanced and, in the case of any Letter of Credit, in which the Issuing Lender has agreed to issue Letters of Credit, in each case, as such currency has been approved in writing (including by email) by the Administrative Agent and each Lender.

"Agreement" has the meaning set forth in the introductory paragraph hereof.

"Alternate Base Rate" means, for any day, a rate per annum equal to the highest of (a) the Prime Rate in effect on such day, (b) the FRBNY Rate in effect on such day plus ½ of 1% and (c) the Adjusted LIBO Rate for an interest period of one month plus 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate, the FRBNY Rate or the Adjusted LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the FRBNY Rate or the Adjusted LIBO Rate, respectively.

"Alternative Currency" means any Agreed Alternative Currency or any Non-Pro Rata Alternative Currency.

"Alternative Currency Agent" means J.P. Morgan Europe Limited in London, an Affiliate of the Administrative Agent, acting at the request of the Administrative Agent, together with any other Affiliate or branch of the Administrative Agent acting in such capacity.

"Anti-Corruption Laws" means all laws, rules and regulations of any jurisdiction applicable to the Parent or its Subsidiaries from time to time concerning or relating to bribery or corruption.

"Applicable Margin" means, on any day, the applicable per annum percentage set forth at the appropriate intersection in the table shown below, based on the Total Net Leverage Ratio for the most recently ended trailing four-quarter period with respect to which the Parent is required to have delivered the financial statements pursuant to Section 5.01 hereof (as such Total Net Leverage Ratio is calculated on Exhibit C of the Compliance Certificate delivered under Section 5.01(c) by the Parent in connection with such financial statement):

Level	Total Net Leverage Ratio	Applicable Margin for Eurocurrency, CDOR and BBSY Loans	Applicable Margin for JIBAR Loans	Applicable Margin for ABR and Canadian Prime Rate Loans
I	X ≥ 3.25	2.25%	2.50%	1.25%
II	3.25 > X ≥ 2.75	2.00%	2.25%	1.00%
III	2.75 > X ≥ 2.25	1.75%	2.00%	0.75%
IV	2.25 > X ≥ 1.75	1.50%	1.75%	0.50%
V	1.75 > X ≥ 1.25	1.25%	1.50%	0.25%
VI	1.25 > X	1.00%	1.25%	0.00%

Each change in the Applicable Margin shall take effect on each date on which such financial statements and Compliance Certificate are required to be delivered pursuant to Section 5.01, commencing with the date on which such financials statements and Compliance Certificate are required to be delivered for the four-quarter period ending June 30, 2014. Notwithstanding the foregoing, for the period from the Effective Date through the date the financial statements and Compliance Certificate are required to be delivered pursuant to Section 5.01 for the fiscal quarter ended June 30, 2014, the Applicable Margin shall be determined at Level III. In the event that any financial statement delivered pursuant to Section 5.01 is shown to be inaccurate when delivered (regardless of whether this Agreement or the Commitments are in effect when such inaccuracy is discovered), and such inaccuracy, if corrected, would have led to the application of a higher Applicable Margin for any period (an "Applicable Period") than the Applicable Margin applied for such Applicable Period, and only in such case, then the Parent shall immediately (i) deliver to the Administrative Agent corrected financial statements for such Applicable Period, (ii) determine the Applicable Margin for such Applicable Period based upon the corrected financial statements, and (iii) immediately pay to the Administrative Agent the accrued additional interest owing as a result of such increased Applicable Margin for such Applicable Period, which payment shall be promptly applied by the Administrative Agent in accordance with Section 2.17. This provision is in addition to the rights of the Administrative Agent and the Lenders with respect to Section 2.12(e) and their other respective rights under this Agreement. If the Parent fails to deliver the financial statements and corresponding Compliance Certificate to the Administrative Agent at the time required pursuant to Section 5.01, then effective as of the date such financial statements and corresponding Compliance Certificate were required to be delivered pursuant to Section 5.01, the Applicable Margin shall be determined at Level I and shall remain at such level until the date such financial statements and corresponding Compliance Certificate are so delivered by the Parent. In the event that any such financial statement, if corrected, would have led to the application of a lower Applicable Margin for the Applicable Period than the Applicable Margin applied for such Applicable Period, the Administrative Agent shall, at the request of the Parent, send out a single notice to the Lenders requesting refund to the Administrative Agent of any overpayment of interest relating thereto. The Administrative Agent shall promptly remit any amounts received to the Parent.

"Applicable Percentage" means, with respect to any Lender, the percentage of the total Commitments represented by such Lender's Commitment; provided that in the case of Section 2.20 when a Defaulting Lender shall exist, "Applicable Percentage" shall mean the percentage of the total Commitments (disregarding any Defaulting Lender's Commitment) represented by such

Lender's Commitment. If the Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Revolving Credit Exposure, giving effect to any Lender's status as a Defaulting Lender at the time of determination.

"Arrangers" means, collectively, J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith, Incorporated and Wells Fargo Securities, LLC.

"Asset Sale" means the sale, transfer, lease or disposition by the Parent or any Restricted Subsidiary of (a) any of the Equity Interest in any Restricted Subsidiary, (b) substantially all of the assets of any division, business unit or line of business of the Parent or any Restricted Subsidiary, or (c) any other assets (whether tangible or intangible) of the Parent or any Restricted Subsidiary including, without limitation, any accounts receivable.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 10.04), and accepted by the Administrative Agent (which acceptance may not be unreasonably withheld or delayed), in the form of Exhibit 1.1B or any other form approved by the Administrative Agent.

"ATM Equipment" means automated teller machines and related equipment.

"Australian Dollars" means the lawful currency of Australia.

"Availability Period" means the period from and including the Effective Date to but excluding the earlier of the Termination Date and the date of termination of all of the Commitments as set forth herein.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Bank Bill Swap Reference Rate" means, with respect to any Borrowing denominated in Australian Dollars for any Interest Period, (a) the applicable Screen Rate at or about 10:30 a.m. Sydney time on the Quotation Day or (b) if no Screen Rate is available for such Interest Period, the applicable Interpolated Rate as of such time on the Quotation Day, or if applicable pursuant to Section 2.13(a), the applicable Reference Bank Rate as of such time on the Quotation Day.

"Bank Products" means each and any of the following bank services provided to any Obligor by a Lender or any of its Affiliates: (a) commercial credit cards, (b) commercial checking accounts, (c) stored value cards and (d) treasury management services (including, without limitation, controlled disbursements, automated clearinghouse transactions, return items, overdraft and interstate depository network services); provided that Bank Products shall specifically exclude services and fees in respect of vault cash or cash for use in ATM Equipment.

"Bankruptcy Event" means, with respect to any Person, such Person becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business or assets appointed for it, including the Federal Deposit Insurance Corporation or any state or federal regulatory authority acting in such capacity, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment, provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person or any direct or indirect parent company thereof by a Governmental Authority or instrumentality thereof, provided, further, that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

"BBSY" when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Bank Bill Swap Reference Rate.

"Board" means the Board of Governors of the Federal Reserve System of the United States of America.

"Borrower Accession Agreement" means an agreement in the form of Exhibit 5.10.

"Borrowers" means the Parent, U.K. Holdco, U.S. Holdco, CATM USA, Cardtronics Europe, CATM UK, the Canadian Borrower, CATM Europe Holdings Limited, Cardtronics Australasia Pty Ptd. and any other Wholly-Owned Restricted Subsidiary that becomes a Borrower hereunder pursuant to Section 5.10(a), and "Borrower" means any one of them.

"Borrowing" means (a) Revolving Loans of the same Type, made, converted or continued on the same date and, in the case of Eurocurrency Loans, CDOR Loans, BBSY Loans and JIBAR Loans, as to which a single Interest Period is in effect or (b) a Swingline Loan.

"Borrowing Request" means a request by a Borrower for a Borrowing in accordance with Section 2.03 and substantially in the form attached hereto as Exhibit 2.03 or such other form reasonably acceptable to the Administrative Agent.

"Business Acquisition" means (a) an Investment by the Parent or any Restricted Subsidiary in any other Person pursuant to which such Person shall become a Subsidiary or shall be merged into or consolidated with the Parent or any Restricted Subsidiary or (b) an acquisition by the Parent or any Restricted Subsidiary of the property and assets of any Person (other than a Subsidiary) that constitutes substantially all of the assets of such Person or any division or other business unit of such Person.

"Business Day" means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City, New York or Houston, Texas are authorized or required by Law to remain closed; provided that (a) when used in connection with a Eurocurrency Loan, the term "Business Day" shall also exclude any day on which banks are not open for dealings in the applicable currency in the London interbank market or the principal financial center of the country in which payment or purchase of such currency, (b) when used in connection with a CDOR or Canadian Prime Rate Loan, the term "Business Day" shall also exclude any day on which commercial banks in Toronto are authorized or required by Law to remain closed, (c) when used in connection with a BBSY Borrowing, the term "Business Day" shall also exclude any day on which commercial banks in Sydney are authorized or required by Law to remain closed, (d) when used in connection with a JIBAR Borrowing, the term "Business Day" shall also exclude any day on which commercial banks in Johannesburg are authorized or required by Law to remain closed and (e) if the Borrowings which are the subject of a borrowing, draw, payment, reimbursement or rate selection are denominated in Euros, the term "Business Day" shall also exclude any day that is not a TARGET Day.

"Call Spread Counterparties" means one or more financial institutions selected by the Company.

"Canadian Borrower" means Cardtronics Canada Holdings ULC.

"Canadian Dealer Offered Rate" means, with respect to any Borrowing denominated in Canadian Dollars for any Interest Period, (a) the applicable Screen Rate at or about 10:00 a.m. Toronto time on the Quotation Day or (b) if no Screen Rate is available for such Interest Period, the applicable Interpolated Rate as of such time on the Quotation Day, or if applicable pursuant to Section 2.13(a), the rate quoted by the Administrative Agent as of such time on the Quotation Day, plus, in each case, 0.10% per annum.

"Canadian Dollars" means the lawful currency of Canada.

"Canadian Prime Rate" means, on any day, the rate determined by the Administrative Agent to be the higher of (a) the rate equal to the PRIMCAN Index rate that appears on the Bloomberg screen at 10:15 a.m. Toronto time on such day (or, in the event that the PRIMCAN Index is not published by Bloomberg, any other information services that publishes such index from time to time, as selected by the Administrative Agent in its reasonable discretion) and (ii) the average rate for 30 day Canadian Dollar bankers' acceptances that appears on the Reuters Screen CDOR Page (or, in the event such rate does not appear on such page or screen, on any successor or substitute page or screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time, as selected by the Administrative Agent in its reasonable discretion) at 10:15 a.m. Toronto time on such day, plus 1% per annum; provided, that if any of the above rates shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement. Any change in the Canadian Prime Rate due to a change in the PRIMCAN Index or the CDOR Rate shall be effective from and including the effective date of such change in the PRIMCAN Index or CDOR Rate, respectively.

"Capital Expenditures" means expenditures in respect of fixed or capital assets, including the capital portion of the lease payments made in respect of Capital Lease Obligations in each case which are required to be capitalized on a balance sheet prepared in accordance with GAAP, but excluding expenditures for the repair or replacement of any fixed or capital assets which were destroyed, damaged, lost or stolen, in whole or in part, to the extent financed by the proceeds of an insurance policy; provided that, in the case of any Restricted Subsidiary that is not a Wholly-

Owned Subsidiary, the amount of Capital Expenditures attributed to such Restricted Subsidiary shall be the Owned Percentage of the amount that would otherwise be included in the absence of this proviso.

"Capital Lease Obligations" of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

"Cardtronics Europe" means Cardtronics Europe Limited, a private company incorporated under English law.

"Cash Interest Expense" means, for any period, for the Parent and the Restricted Subsidiaries on a consolidated basis, all cash interest payments made during such period (including the portion of rents payable under Capital Lease Obligations allocable to interest); provided that, in the case of any Restricted Subsidiary that is not a Wholly-Owned Subsidiary, the amount of Cash Interest Expense attributed to such Restricted Subsidiary shall be the Owned Percentage of the amount that would otherwise be included in the absence of this proviso.

"CATM UK" means Cardtronics UK Limited, a private company incorporated under English law.

"CATM USA" means Cardtronics USA, Inc., a Delaware corporation.

"CDOR", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Canadian Dealer Offered Rate.

"CFC" means a "controlled foreign corporation" as defined in Section 957 of the Code.

"CFC Borrower" means (a) each Borrower that is a CFC, (b) any Borrower that is owned by a CFC and classified as a partnership or disregarded entity, in each case for U.S. federal income tax purposes and (c) each Additional Borrower that is described in clause (a) or (b) above and designated by the Borrower as a CFC Borrower pursuant to Section 5.10.

"CFC Guarantor" means each CFC Borrower and, subject to Sections 5.09(g) and 9.08, each Material Restricted Subsidiary that is a CFC Subsidiary and each other CFC Subsidiary that is required to be, or has otherwise become, a CFC Guarantor pursuant to Section 5.09.

"CFC Subsidiary" means any Subsidiary that is (a) a CFC, (b) a U.S. Subsidiary, owned directly by another U.S. Subsidiary, substantially all of the assets of which consist of Equity Interests in, or Indebtedness of, one or more CFCs or (c) owned directly or indirectly by a CFC.

"Change in Control" means (a) any Person or group (within the meaning of Rule 13d-5 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 as in effect on the date hereof) shall become the ultimate beneficial owner (as defined in Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 as in effect on the date hereof) of issued and outstanding Equity Interests of the Parent representing more than 50% of the aggregate voting power in elections for directors of the Parent on a fully diluted basis; or (b) a majority of the members of the board of directors of the Parent shall cease to be either (i) Persons who were members of the board of directors on the Third Amendment Effective Date or (ii) Persons who became members of such board of directors after the Third Amendment Effective Date and whose election or nomination was approved by a vote or consent of the majority of the members of the board of directors that are either described in clause (i) above or who were elected under this clause (ii).

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any Law, (b) any change in any Law or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of Law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, regulations, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Class", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Revolving Loans or Swingline Loans.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Collateral" means all of the property described in the Security Documents serving as security for the Loans.

"Commitment" means, with respect to each Lender, the commitment of such Lender to make Revolving Loans and to acquire participations in Letters of Credit and Swingline Loans hereunder, expressed as an amount representing the maximum aggregate amount of such Lender's Revolving Credit Exposure hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.08 and (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 2.19 or Section 10.04. The initial amount of each Lender's Commitment is set forth on Schedule 2.01, or in the Assignment and Assumption or other documentation contemplated hereby pursuant to which such Lender shall have assumed its Commitment, as applicable. As of the Fifth Amendment Effective Date, the aggregate amount of the Lenders' Commitments is $400,000,000.

"Commitment Fee Rate" means, on any day, the applicable per annum percentage set forth at the appropriate intersection in the table shown below, based on the Total Net Leverage Ratio for the most recently ended trailing four-quarter period with respect to which the Parent is required to have delivered the financial statements pursuant to Section 5.01 hereof (as such Total Net Leverage Ratio is calculated on Exhibit C of the Compliance Certificate delivered under Section 5.01(c) by the Parent in connection with such financial statement):

Level	Total Net Leverage Ratio	Commitment Fee Rate
I	X ≥ 3.25	0.40%
II	3.25 > X ≥ 2.75	0.35%
III	2.75 > X ≥ 2.25	0.30%
IV	2.25 > X ≥ 1.75	0.25%
V	1.75 > X ≥ 1.25	0.20%
VI	1.25 > X	0.20%

Each change in the Commitment Fee Rate shall take effect on each date on which such financial statements and Compliance Certificate are required to be delivered pursuant to Section 5.01, commencing with the date on which such financials statements and Compliance Certificate are required to be delivered for the four-quarter period ending June 30, 2014. Notwithstanding the foregoing, for the period from the Effective Date through the date the financial statements and Compliance Certificate are required to be delivered pursuant to Section 5.01 for the fiscal quarter ended June 30, 2014, the Commitment Fee Rate shall be determined at Level III. In the event any financial statement delivered pursuant to Section 5.01 is shown to be inaccurate when delivered (regardless of whether this Agreement or the Commitments are in effect when such inaccuracy is discovered), and such inaccuracy, if corrected, would have led to a higher Commitment Fee Rate for any period (an "Applicable Commitment Fee Period") than the Commitment Fee Rate applied for such Applicable Commitment Fee Period, and only in such case, then the Parent shall immediately (i) deliver to the Administrative Agent corrected financial statements for such Applicable Commitment Fee Period, (ii) determine the Commitment Fee Rate for such Applicable Commitment Fee Period based on the corrected financial statements, and (iii) immediately pay to the Administrative Agent the additional accrued commitment fees owing as a result of such increased Commitment Fee Rate for such Applicable Commitment Fee Period, which payment shall be promptly applied in accordance with Section 2.11. This provision is in addition to the rights of the Administrative Agent and Lenders with respect to Section 2.12(e) and their other respective rights under this Agreement. If the Parent fails to deliver the financial statements and corresponding Compliance Certificate to the Administrative Agent at the time required pursuant to Section 5.01, then effective as of the date such financial statements and corresponding Compliance Certificate were required to be delivered pursuant to Section 5.01, the Commitment Fee Rate shall be determined at Level I and shall remain at such level until the date such financial statements and corresponding Compliance Certificate are so delivered by the Parent. In the event that any such financial statement, if corrected, would have led to the application of a lower Commitment Fee Rate for the Applicable Commitment Fee Period than the Commitment Fee Rate applied for such Applicable Commitment Fee Period, the Administrative Agent shall, at the request of the Parent, send out a single notice to the Lenders requesting refund to the Administrative Agent of any overpayment of commitment fees relating thereto. The Administrative Agent shall promptly remit any amounts received to the Parent.

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"Company" has the meaning given in the preamble hereto.

"Compliance Certificate" has the meaning assigned to such term in Section 5.01(c).

"Computation Date" has the meaning assigned to such term in Section 1.05.

"Connection Income Taxes" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Consolidated Adjusted EBITDA" means, for any period, for the Parent and the Restricted Subsidiaries on a consolidated basis, an amount equal to Consolidated Net Income for such period, plus (a) the following to the extent deducted in calculating such Consolidated Net Income: (i) Consolidated Interest Expense for such period, (ii) the provision for Federal, state, local and foreign income taxes payable during such period, (iii) depreciation, accretion and amortization expense and (iv) other extraordinary, non-cash and non-recurring cash expenses reducing such Consolidated Net Income, provided that any such non-recurring cash expenses shall not exceed $15,000,000 in any fiscal year, and minus (b) to the extent included in calculating such Consolidated Net Income, all non-cash items increasing Consolidated Net Income for such period; provided that, in the case of any Restricted Subsidiary that is not a Wholly-Owned Subsidiary, the amount included in the calculation of Consolidated Adjusted EBITDA in respect of any such items or components thereof shall be the Owned Percentage of the amount that would otherwise be included in the absence of this proviso.

"Consolidated Adjusted Pro Forma EBITDA" means, for any period, for the Parent and the Restricted Subsidiaries on a consolidated basis, Consolidated Adjusted EBITDA for such period, adjusted to include the Consolidated Adjusted EBITDA attributable to Business Acquisitions made in accordance with Section 6.11 during such period as if such Business Acquisition occurred on the first day of such period, including adjustments attributable to such Business Acquisitions so long as such adjustments (a) have been certified by a Financial Officer as having been prepared in good faith based upon reasonable assumptions, (b) are expected to occur within ninety (90) days of the date such Business Acquisition is consummated, (c) are permitted or required under Regulation S-X of the SEC and (d) do not exceed $15,000,000 in the aggregate in any twelve month period.

"Consolidated Funded Indebtedness" means, as of the date of determination, for the Parent and the Restricted Subsidiaries on a consolidated basis, all Indebtedness evidenced by a note, bond, debenture or similar items with regularly scheduled interest payments and a maturity date; provided that, in the case of any Restricted Subsidiary that is not a Wholly-Owned Subsidiary, the amount of Indebtedness attributed to such Restricted Subsidiary shall be the Owned Percentage of the amount that would otherwise be included in the absence of this proviso, unless the Parent or any Restricted Subsidiary that is a Wholly-Owned Subsidiary guaranties a greater percentage than the Owned Percentage, in which case the amount included in respect of such Indebtedness shall be the percentage so guarantied. For all purposes hereof, the term "Consolidated Funded Indebtedness" shall exclude any operating lease that must be recognized on the balance sheet of such Person as a lease liability and right-of-use asset in accordance with the Financial Accounting Standards Board Update No. 2016-02, dated February 2016 (Leases (Topic 842)), which adopts Accounting Standards Codification 842.

"Consolidated Interest Expense" means, for any Person, determined on a consolidated basis, the sum of all interest on Indebtedness paid or payable (including the portion of rents payable under Capital Lease Obligations allocable to interest) plus all original issue discounts and other interest expense associated with Indebtedness amortized or required to be amortized in accordance with GAAP.

"Consolidated Net Income" means, for any period, for the Parent and the Restricted Subsidiaries on a consolidated basis, the net income or loss of the Parent and the Restricted Subsidiaries for such period determined in accordance with GAAP.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Convertible Senior Notes" means the Company's 1.00% Convertible Senior Notes in the principal amount of $287,500,000 due 2020.

"Credit Facility Guarantor" means each Borrower, subject to Sections 5.09(g) and 9.08, each Material Restricted Subsidiary, and each other Subsidiary that is required to be, or has otherwise become, a Credit Facility Guarantor pursuant to Section 5.09; provided, however, that a Credit Facility Guarantor shall not include any such Person to the extent such Person is a CFC Subsidiary.

"Credit Party" means the Administrative Agent, the Alternative Currency Agent, the Issuing Lender, the Swingline Lender or any other Lender.

"Default" means any event or condition that constitutes an Event of Default or that upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

"Default Rate" means (a) with respect to principal payments on the Loans, the rate otherwise applicable to such Loans plus 2%, and (b) with respect to all other amounts, the rate otherwise applicable to ABR Loans plus 2%.

"Defaulting Lender" means, subject to Section 2.20(b), any Lender that (a) has failed within two Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans, (ii) fund any portion of its participations in Letters of Credit or Swingline Loans or (iii) pay over to any Credit Party any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent and the Parent in writing that such failure is the result of such Lender's determination that a condition precedent to funding specifically identified (and including the particular default, if any) has not been satisfied, (b) has notified the Parent or any Credit Party in writing, or has made a public statement to the effect, that it does not intend to comply with any of its funding obligations under this Agreement (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent specifically identified and including the particular default, if any, to funding a Loan under this Agreement cannot be satisfied), (c) has failed, within three Business Days after written request by a Credit Party or the Parent, to confirm in writing to the Administrative Agent and the Parent that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Parent), or (d) has, or has a direct or indirect parent company that has, become the subject of (i) a Bankruptcy Event or (ii) a Bail-In Action. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.20(b)) upon delivery of written notice of such determination to the Parent and each Credit Party.

"Dollars" or "$" refers to lawful money of the United States of America.

"DTTP Filing" means a HM Revenue & Customs' Form DTTP2, duly completed and filed by each U.K. Borrower within the applicable time limit, which contains the scheme reference number and jurisdiction of tax residence provided by the Lender either (i) in writing to the U.K. Borrowers and the Administrative Agent at the Third Amendment Effective Date, or (ii) if the Lender is not a party to this Agreement at the Third Amendment Effective Date, to the U.K. Borrowers and the Administrative Agent in the Assignment and Assumption of such Lender or such other documentation contemplated hereby pursuant to which such Lender shall have become a party hereto.

"EEA Financial Institution" means (a) any institution established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Effective Date" has the meaning given in the preamble hereto.

"EMU" means the economic and monetary union in accordance with the Treaty of Rome 1957, as amended by the Single European Act 1986, the Maastricht Treaty of 1992 and the Amsterdam Treaty of 1998.

"Environmental Laws" means all Laws issued or promulgated by any Governmental Authority, relating in any way to the protection of the environment, preservation or reclamation of natural resources or the management, release or threatened release of any Hazardous Material or to health and safety matters.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Parent or any Restricted Subsidiary directly or indirectly resulting from or based upon (a) violation of any applicable Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials performed in violation of applicable Environmental Laws, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Equity Interests" means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

"Equivalent Amount" means, on any day, (a) with respect to any amount in Dollars, such amount and (b) with respect to any amount in an Alternative Currency, the equivalent in Dollars of such amount as determined by the Administrative Agent, based on the rate at which such Alternative Currency may be exchanged into Dollars, as set forth at approximately 11:00 a.m., London time, on such date on the Reuters World Currency Page for such Alternative Currency. In the event that such rate does not appear on any Reuters World Currency Page, the Equivalent Amount with respect to such Alternative Currency shall be determined by reference to such other publicly available service for displaying exchange rates as may be reasonably selected by the Administrative Agent or, after consultation with the Parent, in the event no such service is selected, such Equivalent Amount shall instead be calculated on the basis of the arithmetical mean of the buy and sell spot rates of exchange on the Administrative Agent for such Alternative Currency on the London market at 11:00 a.m., London time, on such date for the purchase of Dollars with such Alternative Currency, for delivery two Business Days later; provided, that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Administrative Agent, after consultation with the Parent, may use any reasonable method it deems appropriate to determine such rate, and such determination shall be conclusive absent manifest error.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that, together with the Company, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414(b), (c), (m) or (o) of the Code.

"ERISA Event" means (a) any "reportable event", as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30-day notice period is waived); (b) the existence with respect to any Plan of an "accumulated funding deficiency" (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived; (c) the filing pursuant to Section 412(d) of the Code or Section 303(d) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by the Company or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Company or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Company or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (g) the receipt by the Company or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Company or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation published by the Loan Market Association (or any successor Person), as in effect from time to time.

"Euro" and "Euros" mean the currency of the participating member states of the EMU.

"Eurocurrency", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted LIBO Rate.

"Event of Default" has the meaning assigned to such term in Section 7.01.

"Excluded Swap Obligation" means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the guarantee of such Guarantor of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the guarantee of such Guarantor or the grant of such security interest becomes effective with respect to such Swap Obligation. If a Swap Obligation arising under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such guarantee or security interest is or becomes illegal.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized or resident under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Parent under Section 2.18(b)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.16, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 2.16(g), (h) or (i), as applicable, (d) any U.S. federal withholding Taxes imposed under FATCA, and (e) any U.K. Excluded Withholding Taxes.

"Existing Credit Agreement" has the meaning given in the preamble hereto.

"Existing Indebtedness" means Indebtedness existing on the Third Amendment Effective Date and set forth in Schedule 6.01.

"Existing Letters of Credit" shall mean the letters of credit set forth on Schedule 2.05.

"Existing Senior Notes" means the Company's 8.25% Senior Subordinated Notes due 2018.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b)(1) of the Code, any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to such intergovernmental agreement.

"Federal Funds Effective Rate" means, for any day, the rate calculated by the FRBNY based on such day's federal funds transactions by depositary institutions (as determined in such manner as the FRBNY shall set forth on its public website from time to time) and published on the next succeeding Business Day by the FRBNY as the federal funds effective rate.

"Fee Letter" means the letter agreement dated March 20, 2014, by and among the Company, the Administrative Agent and the other parties thereto pertaining to certain fees payable in connection with this Agreement.

"Fifth Amendment Effective Date" means April 4, 2017.

"Financial Officer" means the chief financial officer, principal accounting officer, treasurer or controller of the Parent.

"Finco Entities" means CATM Luxembourg I S.à. r.l., a Luxembourg limited liability company, its Subsidiaries and any other Subsidiary created, formed or acquired, in each case, so long as such Finco Entity's only assets consist of (i) intercompany Indebtedness owed to it and any payments thereon, (ii) any other assets reasonably necessary for the operation of its business that are insignificant in value and (iii) Equity Interests in Subsidiaries, and it does not engage in any business other than the ownership of such assets and activities reasonably related thereto.

"Fixed Charge Coverage Ratio" means, as of the end of each fiscal quarter, the ratio of (a) the sum of (i) Consolidated Adjusted Pro Forma EBITDA for the four quarter period then ended, minus (ii) Capital Expenditures of the Parent and the Restricted Subsidiaries for such period, minus (iii) cash Taxes paid by the Parent and the Restricted Subsidiaries during such period, to (b) Cash Interest Expense.

"Foreign Lender" means (a) with respect to any Borrower that is a U.S. Person, a Lender that is not a U.S. Person, and (b) with respect to any Borrower that is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which such Borrower is resident for tax purposes.

"FRBNY" means the Federal Reserve Bank of New York.

"FRBNY Rate" means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term "FRBNY Rate" means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Fronting Exposure" means, at any time there is a Defaulting Lender, (a) with respect to the Issuing Lender, such Defaulting Lender's Applicable Percentage of the outstanding LC Exposure with respect to Letters of Credit issued by the Issuing Lender other than LC Exposure as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or cash collateralized in accordance with the terms of Section 2.05(j), and (b) with respect to any Swingline Lender, such Defaulting Lender's Applicable Percentage of outstanding Swingline Loans made by such Swingline Lender other than Swingline Loans as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders.

"GAAP" means generally accepted accounting principles in the United States of America.

"Governmental Approval" means (a) any authorization, consent, approval, license, waiver, or exemption, by or with or (b) any required filing or registration by or with, or any other action or deemed action by or on behalf of, any Governmental Authority.

"Governmental Authority" means the government of the United States of America or any other nation or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"guarantee" of or by any Person (the "guarantor") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness; provided, that the term guarantee shall not include endorsements for collection or deposit in the ordinary course of business.

"Guarantee Termination" has the meaning assigned to such term in Section 5.09(g).

"Guarantees" means the guarantees issued pursuant to this Agreement as contained in Article IX hereof.

"Guarantors" means the Credit Facility Guarantors and the CFC Guarantors.

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature to the extent any of the foregoing are present in quantities or concentrations prohibited under the Environmental Laws but does not include normal quantities of any material present or used in the ordinary course of business, including, without limitation, materials such as substances and materials used in the operation or maintenance of ATM Equipment, office or cleaning supplies, typical building and maintenance materials and employee and invitee vehicles and vehicle fuels.

"HMRC DT Treaty Passport scheme" means the HM Revenue and Customs Double Taxation Treaty Passport Scheme.

"Immaterial Subsidiary" means any Subsidiary that is not a Material Subsidiary.

"Increasing Lender" has the meaning assigned to such term in Section 2.19.

"Indebtedness" of any Person means, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person upon which interest charges are customarily paid, (d) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (e) all obligations of such Person in respect of the deferred purchase price of property or services, (f) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (g) all guarantees by such Person of Indebtedness of others, (h) the principal portion of all Capital Lease Obligations of such Person, (i) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty and (j) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor; provided that, in the case of any Restricted Subsidiary that is not a Wholly-Owned Subsidiary, the amount of Indebtedness attributed to such Restricted Subsidiary shall be the Owned Percentage of the amount that would otherwise be included in the absence of this proviso, unless the Parent or any Restricted Subsidiary that is a Wholly-Owned Subsidiary guaranties a greater percentage than the Owned Percentage, in which case the amount included in respect of such Indebtedness shall be the percentage so guarantied. For all purposes hereof, the term "Indebtedness" shall exclude any operating lease that must be recognized on the balance sheet of such Person as a lease liability and right-of-use asset in accordance with the Financial Accounting Standards Board Update No. 2016-02, dated February 2016 (Leases (Topic 842)), which adopts Accounting Standards Codification 842.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Obligor under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Interest Election Request" means a request by a Borrower to convert or continue a Revolving Borrowing in accordance with Section 2.07 and substantially in the form attached hereto as Exhibit 2.07 or such other form reasonably acceptable to the Administrative Agent.

"Interest Payment Date" means (a) with respect to any Canadian Prime Rate Loan or ABR Loan (in each case, other than a Swingline Loan), the last day of each March, June, September and December, (b) with respect to any Eurocurrency Loan, CDOR Loan, BBSY Loan or JIBAR Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Eurocurrency Borrowing, CDOR Borrowing, BBSY Borrowing or JIBAR Borrowing with an Interest Period of more than three months' duration, each day prior to the last day of such Interest Period that occurs at intervals of three months' duration after the first day of such Interest Period and (c) with respect to any Swingline Loan, the day that such Loan is required to be repaid pursuant to Section 2.09.

"Interest Period" means with respect to any Eurocurrency, CDOR, BBSY or JIBAR Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, two, three or six months (or, with the consent of each relevant Lender, twelve months) thereafter, as the relevant Borrower may elect; provided, that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day and (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

"Interpolated Rate" means, at any time, for any Interest Period, the rate per annum (rounded to the same number of decimal places as the applicable Screen Rate) determined by the Alternative Currency Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the applicable Screen Rate for the longest period (for which the applicable rate is available for the applicable currency) that is shorter than the relevant Interest Period and (b) the Screen Rate for the shortest period (for which such rate is available for the applicable currency) that exceeds the relevant Interest Period, in each case, on the Quotation Day for such Interest Period, in each case, at such time. When determining the rate for a period that is less than the shortest period for which the relevant rate applicable to Loans in an Alternative Currency is available, the applicable rate for purposes of clause (a) above shall be deemed to be the overnight screen rate where "overnight screen rate" means, in relation to any currency, the overnight rate for such currency determined by the Alternative Currency Agent from such service as the Alternative Currency Agent may select.

"Investment" means any investment in any Person, whether by means of a purchase of Equity Interests or debt securities, capital contribution, loan, time deposit or other similar investments (but not including any demand deposit).

"IRS" means the United States Internal Revenue Service.

"Issuing Lender" means JPMorgan Chase Bank, N.A., in its capacity as the issuer of Letters of Credit hereunder, and its successors in such capacity as provided in Section 2.05(i), and JPMorgan Chase Bank, N.A., in its capacity as issuer of the Existing Letters of Credit. The Issuing Lender may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of the Issuing Lender, in which case the term "Issuing Lender" shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate.

"JIBAR", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Johannesburg Interbank Agreed Rate.

"Johannesburg Interbank Agreed Rate" means, with respect to any Borrowing denominated in Rand for any Interest Period, (a) the applicable Screen Rate at or about 11:00 a.m. Johannesburg time on the Quotation Day or (b) if no Screen Rate is available for such Interest Period, the applicable Interpolated Rate as of such time on the Quotation Day, or if applicable pursuant to Section 2.13(a), the applicable Reference Bank Rate as of such time on the Quotation Day.

"Law" means all laws, statutes, treaties, ordinances, codes, acts, rules, regulations and Orders of all Governmental Authorities, whether now or hereafter in effect.

"LC Disbursement" means a payment made by the Issuing Lender pursuant to a Letter of Credit.

"LC Exposure" means, at any time, the Equivalent Amount of the sum of (a) the aggregate undrawn amount of all outstanding Letters of Credit at such time plus (b) the aggregate amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Borrowers or converted into a Loan pursuant to Section 2.05(e) at such time. The LC Exposure of any Lender at any time shall be its Applicable Percentage of the total LC Exposure at such time.

"Lender Swap Agreement" means any Swap Agreement between the Parent or any Restricted Subsidiary and any Lender or any Affiliate of any Lender which is in existence on the Effective Date or which is entered into while such Person is a Lender or an Affiliate of a Lender even if such Person ceases to be a Lender or an Affiliate of a Lender after entering into such Swap Agreement.

"Lenders" means the Persons listed on Schedule 2.01 as Lenders and any other Person that shall have become a Lender hereto pursuant to an Assignment and Assumption or other documentation contemplated hereby, but in any event, excluding any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption or other documentation contemplated hereby. Unless the context otherwise requires, the term "Lenders" includes the Swingline Lender.

"Letter of Credit" means any letter of credit issued pursuant to this Agreement.

"LIBO Rate" means, with respect to any Eurocurrency Borrowing for any applicable currency and for any Interest Period, (a) the applicable Screen Rate as of approximately 11:00 a.m., London time, on the Quotation Day, or (b) if no Screen Rate is available for such currency or for such Interest Period, the applicable Interpolated Rate as of such time on the Quotation Day or, if applicable pursuant to the terms of Section 2.13(a), the applicable Reference Bank Rate as of such time on the Quotation Day.

"LIBO Screen Rate" means the London interbank offered rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate) for a period equal in length to such Interest Period as displayed on page LIBOR01 of the Reuters screen that displays such rate (or, in the event such rate does not appear on a Reuters page or screen, any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion; provided that if the LIBO Screen Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Lien" means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, charge or security interest in, on or of such asset to secure or provide for the payment of any obligation of any Person, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

"Loan Documents" means this Agreement, any Notes, any applications for Letters of Credit and reimbursement agreements relating thereto, the Security Documents and the Fee Letter.

"Loans" means the loans made by the Lenders pursuant to this Agreement.

"Local Time" means (a) with respect to a Loan, Borrowing or Letter of Credit denominated in Dollars, Houston, Texas time, (b) with respect to a Loan, Borrowing or Letter of Credit denominated in Canadian Dollars, Toronto time, (c) with respect to a Loan, Borrowing or Letter of Credit denominated in Australian Dollars, Sydney time, (d) with respect to a Loan, Borrowing or Letter of Credit denominated in Rand, Johannesburg time and (e) with respect to a Loan, Borrowing or Letter of Credit denominated in any other Alternative Currency, London time.

"Majority Lenders" means, at any time, Lenders having Revolving Credit Exposures and unused Commitments representing more than 50.0% of the sum of the total Revolving Credit Exposures and unused Commitments at such time. The Revolving Credit Exposure and unused

Commitment of any Defaulting Lender shall be disregarded in determining the Majority Lenders at any time.

"Material Adverse Effect" means a circumstance or condition affecting the business, assets, operations, properties or financial condition of the Parent and the Restricted Subsidiaries, taken as a whole, that would, individually or in the aggregate, materially adversely affect (a) the ability of the Obligors, taken as a whole, to pay the Obligations under the Loan Documents or (b) the rights and remedies of the Administrative Agent and the Lenders under the Loan Documents.

"Material Indebtedness" means Indebtedness, or obligations in respect of one or more Swap Agreements, of any one or more of the Parent and the Restricted Subsidiaries in an aggregate principal amount exceeding $20,000,000 (or the equivalent amount thereof in any foreign currency). For purposes of determining Material Indebtedness, the "principal amount" of the obligations of the Parent or any Restricted Subsidiary in respect of any Swap Agreement at any time shall be the Swap Termination Value.

"Material Restricted Subsidiary" means each Material Subsidiary that is a Restricted Subsidiary.

"Material Subsidiary" means a Wholly-Owned Subsidiary that either generates 5% or more of the consolidated gross revenues of the Parent and its Subsidiaries on a consolidated basis or holds assets that constitute 5% or more of all assets of the Parent and its Subsidiaries on a consolidated basis; provided that none of the Finco Entities will be deemed to be a Material Subsidiary.

"Moody's" means Moody's Investors Service, Inc.

"Multiemployer Plan" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"New Lender" has the meaning assigned such term in Section 2.19.

"New Lender Agreement" means a New Lender Agreement entered into by a New Lender in accordance with Section 2.19 and accepted by the Administrative Agent in the form of Exhibit 1.1C, or any other form approved by Administrative Agent.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Non-Pro Rata Alternative Currency" means (a) Rand and (b) a currency, in the case of any Loan, that is readily available in the amount required and freely convertible into Dollars in the London interbank market on the Quotation Day for such Loan and the date such Loan is to be advanced and, in the case of any Letter of Credit, in which the Issuing Lender has agreed to issue Letters of Credit, in each case, as such currency has been approved in writing (including by email) by the Administrative Agent and the Majority Lenders; provided that, for purposes of Swingline Loans and Letters of Credit, such currency must be approved by all of the Lenders. Schedule 1.01 sets forth, as of the Sixth Amendment Effective Date, the currencies that are Non-Pro Rata Alternative Currencies, whether each such currency is available for Swingline Loans and Letters of Credit hereunder and the Lenders that have agreed to fund Revolving Loans in such currencies. After the Sixth Amendment Effective Date, upon the approval of any other currency as a Non-Pro Rata Alternative Currency or the addition of any new Lenders hereto pursuant to Section 2.19 or 10.04(b), Schedule 1.01 shall be deemed to have been amended to (i) add such new Non-Pro Rata Alternative Currency thereto, (ii) state whether such new Non-Pro Rata Alternative Currency is available for Swingline Loans and Letters of Credit and (iii) reflect the identity of the Lenders that have agreed to fund Revolving Loans in such new Non-Pro Rata Alternative Currency or the then existing Non-Pro Rata Alternative Currencies, as the case may be.

"Note" means a promissory note executed and delivered pursuant to Section 2.09(d).

"Obligations" means, without duplication, (a) all principal, interest (including post-petition interest), fees, reimbursements, indemnifications, and other amounts now or hereafter owed by the Borrowers or any of the Guarantors to the Lenders, the Swingline Lender, the Issuing Lender, the Alternative Currency Agent or the Administrative Agent under this Agreement and the Loan Documents, including, such obligations with respect to Letters of Credit, and any increases, extensions, and rearrangements of those obligations under any amendments, supplements, and other modifications of the documents and agreements creating those obligations, (b) all obligations in respect of any Lender Swap Agreement and (c) all obligations in respect of Bank Products; provided that the Obligations shall specifically exclude the Excluded Swap Obligations.

"Obligors" means, collectively, the Borrowers and the Guarantors.

"Order" means an order, writ, judgment, award, injunction, decree, ruling or decision of any Governmental Authority or arbitrator, to the extent the Parent or applicable Restricted Subsidiary has submitted a claim to, or is bound by the decision of, binding arbitration.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.18(b)).

"Overnight Alternative Currency Rate" means, for any amount payable in an Alternative Currency, the rate of interest per annum as determined by the Alternative Currency Agent at which overnight or weekend deposits in the relevant currency (or if such amount due remains unpaid for more than three (3) Business Days, then for such other period of time as the Alternative Currency Agent may reasonably determine) for delivery in immediately available and freely transferable funds would be offered by the Alternative Currency Agent to major banks in the interbank market upon request of such major banks for the relevant currency as determined above and in an amount comparable to the unpaid principal amount of the related Loan or LC Disbursement, plus any taxes, levies, imposts, duties, deductions, charges or withholdings imposed upon, or charged to, the Alternative Currency Agent by any relevant correspondent bank in respect of such amount in such relevant currency.

"Overnight Bank Funding Rate" means, for any day, the rate comprised of both overnight federal funds and overnight eurodollar borrowings by U.S.-managed banking offices of depository institutions (as such composite rate shall be determined by the FRBNY as set forth on its public website from time to time) and published on the next succeeding Business Day by the FRBNY as an overnight bank funding rate.

"Overnight Foreign Currency Rate" means the rate of interest per annum (rounded upwards, if necessary, to the next 1/16th of 1%) at which overnight deposits in the applicable Alternative Currency (as the case may be) in an amount approximately equal to the amount with respect to which such rate is being determined would be offered for such day by a branch or affiliate of the Alternative Currency Agent in the London interbank market for such currency to major banks in the London interbank market.

"Owned Percentage" means, in the case of any Restricted Subsidiary that is not a Wholly-Owned Subsidiary, the percentage of Equity Interests therein owned directly or indirectly by the Parent or any Restricted Subsidiary.

"Parent" has the meaning given in the preamble hereto.

"Participant" has the meaning set forth in Section 10.04.

"Participant Register" has the meaning set forth in Section 10.04.

"PBGC" means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

"Permitted Bond Hedge Transaction(s)" means the bond hedge or capped call options purchased by the Company from the Call Spread Counterparties to hedge the Company's payment and/or delivery obligations due upon conversion of the Convertible Senior Notes.

"Permitted Encumbrances" means:

(a) Liens imposed by law for Taxes that are not yet due or are being contested in compliance with Section 5.04;

(b) carriers', warehousemen's, mechanics', materialmen's, repairmen's, landlord's and other like Liens imposed by law or by contract provided such contract does not grant Liens in any property other than such property covered by Liens imposed by operation of law, arising in the ordinary course of business and securing obligations that are not overdue by more than 30 days or are being contested in compliance with Section 5.04;

(c) Liens arising in the ordinary course of business associated with workers' compensation, unemployment insurance and other social security laws or regulations;

(d) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(e) Liens of financial institutions on accounts or deposits maintained therein to the extent arising by operation of law or within the documentation establishing said account to the extent same secure charges, fees and expenses owing or potentially owing to said institution;

(f) judgment liens in respect of judgments that do not constitute an Event of Default under clause (k) of Section 7.01; and

(g) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of the Parent or any Restricted Subsidiary.

"Permitted Indebtedness" means Indebtedness that the Obligors and their respective Restrictive Subsidiaries are permitted to create, incur, assume or permit to exist pursuant to Section 6.01.

"Permitted Investments" means:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within one year from the date of acquisition thereof;

(b) investments in commercial paper maturing within 270 days from the date of acquisition thereof and issued by any Lender, any Affiliate of a Lender or any commercial banking institution or corporation rated at least P-1 by Moody's or A-1 by S&P;

(c) investments in certificates of deposit, banker's acceptances and time deposits maturing within 270 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any Lender or any other commercial bank organized under the laws of the United States of America or any State thereof that has a combined capital and surplus and undivided profits of not less than $500,000,000;

(d) fully collateralized repurchase agreements for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (c) above;

(e) money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated AAA by S&P and Aaa by Moody's or which hold investments substantially of the type described in clauses (a) through (d) above, and (iii) have portfolio assets of at least $2,000,000,000; and

(f) any Permitted Bond Hedge Transaction(s).

"Permitted Liens" means Liens that the Obligors and their respective Restricted Subsidiaries are permitted to create, incur, assume or permit to exist pursuant to Section 6.02.

"Permitted Warrant Transaction(s)" means one or more net share or cash settled warrants sold by the Company to the Call Spread Counterparties, concurrently with the purchase by the Company of the Permitted Bond Hedge Transactions, to offset the cost to the Company of the Permitted Bond Hedge Transactions.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Company or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Pounds Sterling" means the lawful money of the United Kingdom.

"Prime Rate" means the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, N.A. as its prime rate in effect at its office in New York City, New York; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

"Qualified ECP Guarantor" has the meaning set forth in Section 9.10.

"Quotation Day" means, in relation to any period for which an interest rate is to be determined:

(a) (if the relevant currency is Dollars) two Business Days before the first day of that period;

(b) (if the relevant currency is Pounds Sterling, Canadian Dollars or Australian Dollars) the first day of that period;

(c) (if the relevant currency is Euro) two (2) TARGET Days before the first day of that period; or

(d) (if the relevant currency is any other Alternative Currency) two (2) Business Days before the first day of that period,

unless market practice differs in the relevant interbank market for any currency, in which case the Quotation Day for that currency will be determined by the Administrative Agent in accordance with market practice in the relevant interbank market (and if quotations would normally be given by leading banks in the relevant interbank market on more than one day, the Quotation Day will be the last of those days).

"Rand" means the lawful currency of the Republic of South Africa.

"Ratification Agreement" means that certain document executed by certain of the Obligors as of the Effective Date that ratifies the Security Agreement.

"Recipient" means (a) the Administrative Agent, (b) the Alternative Currency Agent, (c) any Lender and (d) the Issuing Lender, as applicable.

"Reference Bank Rate" means the arithmetic mean of the rates (rounded upwards to four decimal places) supplied to the Administrative Agent at its request by the Reference Banks (as the case may be) as of the applicable time on the Quotation Day for Loans in the applicable currency and the applicable Interest Period (a) in relation to the LIBO Rate, as the rate quoted by the relevant Reference Bank to leading banks in the London interbank market for the offering of deposits in the applicable currency and for a period comparable to the applicable Interest Period, (b) in relation to the Bank Bill Swap Reference Rate, as the buying rate quoted by the relevant Reference Bank for bills of exchange accepted by leading Australian banks which have a term equivalent to the applicable Interest Period and (c) in relation to the Johannesburg Interbank Agreed Rate, as the rate quoted by the relevant Reference Bank to leading banks in the Johannesburg interbank market for the offering of deposits in Rand and for a period comparable to the applicable Interest Period.

"Reference Banks" means such banks as may be appointed by the Administrative Agent in consultation with the Parent. No Lender shall be obligated to be a Reference Bank without its consent.

"Register" has the meaning set forth in Section 10.04.

"Related Parties" means, with respect to any specified Person, such Person's Affiliates and the respective directors, officers, employees, agents and advisors of such Person and such Person's Affiliates.

"Response" means (a) "response" as such term is defined in CERCLA, 42 U.S.C. §9601(24), and (b) all other actions required by any Governmental Authority or voluntarily undertaken to (i) clean up, remove, treat, abate, or in any other way address any Hazardous Material in the environment; (ii) prevent the release or threatened release of any Hazardous Material; or (iii) perform studies and investigations in connection with, or as a precondition to, clause (i) or (ii) above.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in the Parent or any Restricted Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests in the Parent or any Restricted Subsidiary or any option, warrant or other right to acquire any such Equity Interests in the Parent or any Restricted Subsidiary; provided that the term "Restricted Payment" shall not include any dividend or distribution payable solely in Equity Interests of such Person or warrants, options or other rights to purchase such Equity Interests so long as such warrants, options or other rights do not have mandatory repayment or redemption rights.

"Restricted Subsidiary" means any Subsidiary that is not an Unrestricted Subsidiary.

"Revolving Credit Exposure" means, with respect to any Lender at any time, the sum of the Equivalent Amount of the outstanding principal amount of such Lender's Revolving Loans and its LC Exposure and Swingline Exposure at such time.

"Revolving Loan" means a Loan made pursuant to Section 2.01.

"S&P" means Standard & Poor's Rating Services, a division of the McGraw Hill Companies, Inc.

"Sanctioned Country" means, at any time, a country, region or territory which is, or whose government is, the subject or target of any Sanctions (at the Third Amendment Effective Date, Crimea, Cuba, Iran, North Korea, Sudan and Syria).

"Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of The Treasury, the U.S. Department of State, or by the United Nations Security Council, the European Union, any EU member state or Her Majesty's Treasury of the United Kingdom, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person controlled by any such Person.

"Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or (b) the United Nations Security Council, the European Union, any EU member state or Her Majesty's Treasury of the United Kingdom.

"Screen Rate" means (a) in respect of the LIBO Rate for any currency and for any Interest Period, (i) in the case of Dollars, the LIBO Screen Rate and (ii) in the case of any other Alternative Currency, the London interbank offered rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate) appearing on Reuters Screen LIBOR02 Page for such currency for such Interest Period (or, in each such case under this clause (a), on any successor or substitute page on such screen or service that displays such rate, or on the appropriate page of such other information service that publishes such rate as shall be selected by the Administrative Agent from time to time in its reasonable discretion), (b) in respect of the Canadian Dealer Offered Rate, the average rate for bankers acceptances with a tenor equal in length to such Interest Period as displayed on CDOR page of the Reuters screen (or on any successor or substitute page on such screen or service that displays such rate, or on the appropriate page of such other information service that publishes such rate as shall be selected by the Alternative Currency Agent from time to time in its reasonable discretion), (c) in respect of the Bank Bill Swap Reference Rate, the Australian Bank Bill Swap Reference Rate (Bid) administered by ASX Benchmarks Pty Limited (or any other Person that takes over the administration of that rate) displayed on page BBSY of the Thomson Reuters Screen (or any replacement Thomson

Reuters page which displays that rate) for a term equivalent to such Interest Period and (d) in respect of the Johannesburg Interbank Agreed Rate, the Johannesburg interbank agreed rate, polled and published by the South African Futures Exchange (a division of the JSE Limited) for deposits in ZAR for the relevant Interest Period which appears on the Reuters Screen SAFEY Page at the applicable time (or, if the agreed page is replaced or service ceases to be available, such other page or service displaying such rate selected by the Alternative Currency Agent); provided, that if any Screen Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Security Agreement" shall mean the Security and Pledge Agreement executed in connection with the Existing Credit Agreement, dated July 15, 2010, among certain of the Obligors and the Administrative Agent, as amended, modified, supplemented or restated from time to time.

"Security Documents" means the Security Agreement, the Ratification Agreements, each Addendum, and each other security document or pledge agreement delivered in accordance with applicable local or foreign law to grant a valid, perfected security interest in any property, and all UCC or other financing statements or instruments of perfection required by this Agreement, any security agreement or mortgage to be filed with respect to the security interests in property and fixtures created pursuant to the Security Agreement or any mortgage and any other document or instrument utilized to pledge as collateral for the Obligations any property of whatever kind or nature.

"Senior Note Indenture" means the Indentures relating to the Existing Senior Notes, including all supplements, amendments or modifications thereto permitted hereunder.

"Senior Secured Net Leverage Ratio" means, as of the end of any fiscal quarter, the ratio of (a) the sum of (i) Consolidated Funded Indebtedness as of such date minus (ii) unsecured Indebtedness minus (iii) Unencumbered Balance Sheet Cash as of such date to (b) Consolidated Adjusted Pro Forma EBITDA for the four quarter period then ended.

"Sixth Amendment Effective Date" means October 3, 2017.

"Statutory Reserve Rate" means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentage (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Administrative Agent is subject with respect to the Adjusted LIBO Rate, for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board). Such reserve percentage shall include those imposed pursuant to such Regulation D. Eurocurrency Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"Subsidiary" means, with respect to any Person (the "parent") at any date, any corporation, limited liability company, partnership, association or other entity of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held (whether directly or indirectly). Unless otherwise indicated, "Subsidiary" means a Subsidiary of the Parent.

"Swap Agreement" means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that, no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Parent and its Subsidiaries shall be a Swap Agreement.

"Swap Obligation" means, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act.

"Swap Termination Value" means, in respect of one or more Swap Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Agreements, (a) for any date on or after the date such Swap Agreements have been closed out and termination value(s) determined in accordance therewith, such termination value(s) and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Agreements, as determined by the counterparties to such Swap Agreements.

"Swingline Exposure" means, at any time, the Equivalent Amount of the aggregate principal amount of all Swingline Loans outstanding at such time. The Swingline Exposure of any Lender at any time shall be the sum of (a) its Applicable Percentage of the total Swingline Exposure at such time related to Swingline Loans other than any Swingline Loans made by such Lender in its capacity as the Swingline Lender and (b) if such Lender shall be the Swingline Lender, the Equivalent Amount of the aggregate principal amount of all Swingline Loans made by such Lender outstanding at such time (to the extent the other Lenders shall not have funded their participations in Swingline Loans).

"Swingline Lender" means JPMorgan Chase Bank, N.A. (including its branches and affiliates), in its capacity as lender of Swingline Loans hereunder.

"Swingline Loan" means a Loan made pursuant to Section 2.04.

"Swingline Rate" means (a) for Swingline Loans in Dollars, a rate per annum equal to the Alternate Base Rate plus the Applicable ABR Margin, (b) for Swingline Loans in Canadian Dollars, the Canadian Prime Rate plus the Applicable Margin for Canadian Prime Rate Loans, and (c) for Swingline Loans in any other Alternative Currencies, the Overnight Foreign Currency Rate plus the Applicable Margin, or, if in the determination of the Swingline Lender, there is not an Overnight Foreign Currency Rate applicable to the currency in which such Swingline Loans are denominated, such other rate as may be designated by the Swingline Lender (in consultation with the Parent) plus the Applicable Margin.

“TARGET Day” means any day on which the Trans-European Automatic Real-time Gross Settlement Express Transfer payment system is open for the settlement of payments in Euros.

“Tax Credit” means a credit against, relief or remission for, or refund or repayment of any Tax.

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Termination Date” means the fifth (5th) anniversary of the Third Amendment Effective Date.

“Third Amendment Effective Date” means July 1, 2016.

“Total Net Leverage Ratio” means, as of the date of determination, the ratio of (a) Consolidated Funded Indebtedness as of such date minus Unencumbered Balance Sheet Cash as of such date to (b) Consolidated Adjusted Pro Forma EBITDA for the most recently completed four quarter period.

“Transactions” means the execution, delivery and performance by the Obligors of this Agreement and the other Loan Documents, the borrowing of Loans, the use of the proceeds thereof and the issuance of Letters of Credit hereunder.

“Type”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted LIBO Rate, the Alternate Base Rate, the Canadian Dealer Offered Rate, the Canadian Prime Rate, the Bank Bill Swap Reference Rate or the Johannesburg Interbank Agreed Rate.

“U.K.” and “United Kingdom” each means the United Kingdom of Great Britain and Northern Ireland.

“U.K. Borrower” means any Borrower that is organized under the laws of the United Kingdom or otherwise a tax resident in the United Kingdom.

“U.K. Excluded Withholding Taxes” means any deduction or withholding for or on account of any U.K. Tax from a payment under any Loan where:

(a) the payment could have been made to the relevant Lender without any deduction or withholding if the Lender had been a U.K. Qualifying Lender, but on that date that Lender is not or has ceased to be a U.K. Qualifying Lender other than as a result of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or treaty or any published practice or published concession of any relevant taxing authority; or

(b) the relevant Lender is a U.K. Treaty Lender and the Obligor making the payment is able to demonstrate that the payment could have been made to the Lender without the U.K. Tax deduction had that Lender complied with its obligations under Section 2.16(g) or (h) (as applicable).

"U.K. Holdco" means Cardtronics Holdings Limited, a private company incorporated under English law.

"U.K. Qualifying Lender" means a Lender which is beneficially entitled to interest payable to that Lender in respect of an advance under a Loan Document and is:

(a) a Lender:

(i) which is a bank (as defined for the purpose of section 879 of the UK Income Tax Act 2007) making an advance under a Loan Document and is within the charge to United Kingdom corporation tax as respects any payments of interest made in respect of that advance or would be within such charge as respects such payments apart from section 18A of the UK Corporation Tax Act 2009; or

(ii) in respect of an advance made under a Loan Document by a Person that was a bank (as defined for the purpose of section 879 of the U.K. Income Tax Act 2007) at the time that that advance was made and within the charge to United Kingdom corporation tax as respects any payments of interest made in respect of that advance; or

(b) a U.K. Treaty Lender.

"U.K. Tax" means any Tax imposed under the laws of the U.K. or by any political subdivision, instrumentality or governmental agency in the U.K. having taxing authority.

"U.K. Treaty Lender" means a Lender which:

(a) is treated as a resident of a U.K. Treaty State for the purposes of the relevant U.K. Treaty;

(b) does not carry on a business in the United Kingdom through a permanent establishment with which that Lender's participation in the Loan is effectively connected; and

(c) meets all other conditions in the relevant U.K. Treaty for full exemption from Tax imposed by the U.K. on interest, except that for this purpose it shall be assumed that the following are satisfied:

(i) any condition which relates (expressly or by implication) to there not being a special relationship between the U.K. Borrower and a Lender or between both of them and another person, or to the amounts or terms of any Loan; and

(ii) any necessary procedural formalities.

"U.K. Treaty State" means a jurisdiction having a double taxation agreement (a "U.K. Treaty") with the United Kingdom which makes provision for full exemption from Tax imposed by the United Kingdom on interest.

"U.S. Borrower" means any Borrower that is a U.S. Subsidiary.

"Unencumbered Balance Sheet Cash" means, as of the last day of the most recently ended fiscal quarter, the balance of unencumbered balance sheet cash (excluding any vault cash or cash for use in ATM Equipment) of the Obligors in excess of $15,000,000 for the quarter of determination.

"Unrestricted Subsidiary" means (a) any Subsidiary that at the time of determination shall have been designated as an Unrestricted Subsidiary by the Parent in the manner provided below (and shall not have been subsequently designated or deemed to have been designated as a Restricted Subsidiary) and (b) any Subsidiary of an Unrestricted Subsidiary. Subject to Section 5.09(b), the Parent may from time to time designate any Subsidiary (other than any Borrower and a Subsidiary that, immediately after such designation, shall hold any Indebtedness or Equity Interest in any Borrower or any Restricted Subsidiary) as an Unrestricted Subsidiary, and may designate any Unrestricted Subsidiary as a Restricted Subsidiary, so long as, immediately after giving effect to such designation, no Default shall have occurred and be continuing. Any designation by the Parent pursuant to this definition shall be made in an officer's certificate delivered to the Administrative Agent and containing a certification that such designation is in compliance with the terms of this definition.

"U.S. Holdco" means CATM Holdings LLC, a Delaware limited liability company.

"U.S. Person" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Code.

"U.S. Subsidiary" means any Subsidiary that is organized under the laws of the United States, any state thereof or the District of Columbia, other than a CFC Subsidiary.

"U.S. Tax Compliance Certificate" has the meaning assigned to such term in Section 2.16(g)(ii)(B)(iii).

"Wholly-Owned Subsidiary" means any Subsidiary of which all of the outstanding Equity Interests (other than directors' qualifying shares mandated by applicable law), on a fully diluted basis, are owned by the Parent or one or more of the Wholly-Owned Subsidiaries or by the Parent and one or more of the Wholly-Owned Subsidiaries.

"Withdrawal Liability" means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

"Withholding Agent" means any Obligor and the Administrative Agent.

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

Section 1.02 Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Class (e.g., a "Revolving Loan") or by Type (e.g., a "Eurocurrency Loan") or by Class and Type (e.g., a "Eurocurrency Revolving Loan"). Borrowings also may be classified and referred to by Class (e.g., a "Revolving Borrowing") or by Type (e.g., a "Eurocurrency Borrowing") or by Class and Type (e.g., a "Eurocurrency Revolving Borrowing").

Section 1.03 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and permitted assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement and (e) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

Section 1.04 Accounting Terms; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if the Parent notifies the Administrative Agent that the Parent requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Parent that the Majority Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. References to quarters and months with respect to compliance with financial covenants and financial reporting obligations of the Parent shall be fiscal quarters and fiscal months, except where otherwise indicated.

Section 1.05 Determination of Equivalent Amounts. The Administrative Agent will determine the Equivalent Amount of

(a)each Borrowing as of the date two (2) Business Days prior to the date of such Borrowing and, if applicable, the date of conversion or continuation of any Borrowing;

(b) the LC Exposure as of the date of each request for the issuance, amendment, renewal or extension of any Letter of Credit; and (c)all outstanding Loans and the LC Exposure on and as of the last Business Day of each calendar quarter and, during the continuation of an Event of Default, on any other Business Day elected by the Administrative Agent in its discretion or upon instruction by the Majority Lenders.

Each day upon or as of which the Administrative Agent determines Equivalent Amounts as described in the preceding clauses (a), (b) or (c) is herein described as a Computation Date with respect to each Borrowing, Letter of Credit or LC Exposure for which an Equivalent Amount is determined on or as of such date.

Section 1.06 Additional Alternative Currencies.

(a)If, pursuant to clause (e) of the definition of Agreed Alternative Currency, the Administrative Agent and each Lender consent to the addition of a requested currency as an Agreed Alternative Currency, the Administrative Agent shall notify the Parent and (i) the Administrative Agent and each Lender may amend the definition of LIBO Rate to the extent necessary to add the applicable interest rate for such currency and (ii) to the extent the definition of LIBO Rate reflects the appropriate interest rate for such currency or has been amended to reflect the appropriate interest rate for such currency, such currency shall thereupon be deemed for all purposes to be an Alternative Currency for the purposes of any Eurocurrency Borrowings hereunder.

(b)If, pursuant to clause (b) of the definition of Non-Pro Rata Alternative Currency, the Administrative Agent and the Majority Lenders consent to the addition of a requested currency as a Non-Pro Rata Alternative Currency, the Administrative Agent shall notify the Parent and (i) the Administrative Agent and such Lenders may amend the definition of LIBO Rate to the extent necessary to add the applicable interest rate for such currency and (ii) to the extent the definition of LIBO Rate reflects the appropriate interest rate for such currency or has been amended to reflect the appropriate interest rate for such currency, such currency shall thereupon be deemed for all purposes to be an Alternative Currency for the purposes of any Eurocurrency Borrowings hereunder.

ARTICLE II
The Credits

Section 2.01 Commitments. Subject to the terms and conditions set forth herein, each Lender agrees to make Revolving Loans in Dollars or Alternative Currencies to the Borrowers from time to time during the Availability Period in an aggregate principal amount that will not result in such Lender's Revolving Credit Exposure exceeding such Lender's Commitment, subject to Sections 1.05 and 2.10; provided that (a) Revolving Loans in Canadian Dollars shall be made only to the Canadian Borrower or a U.S. Borrower and (b) with respect to Revolving Loans in a Non-Pro Rata Alternative Currency, only the Lenders that are designated on Schedule 1.01 as having agreed to fund Revolving Loans in such Non-Pro Rata Alternative Currency shall participate in making such

Revolving Loans, notwithstanding that this results in such Lenders having amounts owing by the Borrowers on a non-pro rata basis. Following the advance of Revolving Loans in a Non-Pro Rata

Alternative Currency, the provisions of Section 2.02(e) shall apply to subsequent Revolving Loans in Dollars and Agreed Alternative Currencies, to the extent provided therein. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow, prepay and reborrow Revolving Loans.

Section 2.02 Loans and Borrowings

(a)Each Revolving Loan shall be made as part of a Borrowing consisting of Revolving Loans made by the Lenders ratably in accordance with their respective Commitments. The failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; provided that the Commitments of the Lenders are several and no Lender shall be responsible for any other Lender's failure to make Loans as required.

(b)Subject to Section 2.13, (a) each Revolving Borrowing requested in Dollars shall be comprised entirely of ABR Loans or Eurocurrency Loans as the relevant Borrower may request in accordance herewith, (b) each Revolving Borrowing requested in Canadian Dollars shall be comprised entirely of Canadian Prime Rate Loans or CDOR Loans as the relevant Borrower may request in accordance herewith, (c) each Revolving Borrowing requested in Australian Dollars shall be comprised entirely of BBSY Loans, (d) each Revolving Borrowing requested in Rand shall be comprised entirely of JIBAR Loans and (e) each Revolving Borrowing requested in any other Alternative Currency shall be comprised entirely of Eurocurrency Loans. Each Swingline Loan (a) denominated in Dollars shall be an ABR Loan, (b) denominated in Canadian Dollars shall be a Canadian Prime Rate Loan and (c) denominated in any other Alternative Currency shall bear interest based upon the applicable Swingline Rate. Each Lender may make any Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of the relevant Borrower to repay such Loan in accordance with the terms of this Agreement.

(c)At the commencement of each Interest Period for any Eurocurrency Borrowing denominated in Dollars, such Borrowing shall be in an aggregate amount that is an integral multiple of $100,000 and not less than $1,000,000. At the commencement of each Interest Period for any Eurocurrency Borrowing denominated in an Alternative Currency, any CDOR Borrowing, any BBSY Borrowing or any JIBAR Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of the Equivalent Amount of $100,000 in the relevant currency and not less than the Equivalent Amount of $1,000,000 in the relevant currency; provided that a Eurocurrency Borrowing, BBSY Borrowing or JIBAR Borrowing may be in an aggregate amount that is equal to (i) that which is required to repay a Swingline Loan in the same Alternative Currency or (ii) that which is required to finance the reimbursement of an LC Disbursement in the same Alternative Currency as contemplated by Section 2.05(e). At the time that each ABR Revolving Borrowing or Canadian Prime Rate Revolving Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of the Equivalent Amount of $500,000; provided that an ABR Revolving Borrowing or a Canadian Prime Rate Borrowing may be in an aggregate amount that is equal to (i) the entire unused balance of the total Commitments, (ii) that

which is required to repay a Swingline Loan in the same currency, or (iii) that which is required to finance the reimbursement of an LC Disbursement in the same currency as contemplated by Section 2.05(e). Borrowings of more than one Type and Class may be outstanding at the same time; provided that there shall not at any time be more than a total of 25 Revolving Borrowings (other than ABR Revolving Borrowings and Canadian Prime Rate Revolving Borrowings) outstanding.

(d)Notwithstanding any other provision of this Agreement, no Borrower shall be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Termination Date.

(e)If a Revolving Borrowing is made in a Non-Pro Rata Alternative Currency, as contemplated by Section 2.01, subsequent Revolving Loans requested in Dollars and Agreed Alternative Currencies shall be advanced first by Lenders that did not fund such Revolving Loans included in such earlier Borrowing until such time as the amount owing to each of the Lenders in respect of the outstanding Revolving Loans is equal to its Applicable Percentage of the aggregate Commitments. Thereafter, such Revolving Loans will be advanced by the Lenders in accordance with their respective Applicable Percentages of the aggregate Commitments.

Section 2.03 Requests for Borrowings. To request a Revolving Loan, the relevant Borrower shall provide notice of such request by telephone in the case of a Borrowing in Dollars and in writing (including by email) in the case of a Borrowing in an Alternative Currency (a) in the case of a CDOR Borrowing or a Eurocurrency Borrowing in Dollars, to the Administrative Agent not later than 12:00 p.m., Local Time, three (3) Business Days before the date of the proposed Borrowing, (b) in the case of a Eurocurrency Borrowing in an Alternative Currency, to the Alternative Currency Agent not later than 12:00 p.m., Local Time, three (3) Business Days before the date of the proposed Borrowing, (c) in the case of a BBSY Borrowing, to the Alternative Currency Agent not later than 12:00 p.m., Local Time, three (3) Business Days before the date of the proposed Borrowing, (d) in the case of a JIBAR Borrowing, to the Alternative Currency Agent not later than 12:00 p.m., Local Time, four (4) Business Days before the date of the proposed Borrowing, (e) in the case of an ABR Borrowing, to the Administrative Agent not later than 12:00 p.m., Local Time, on the date of the proposed Borrowing and (f) in the case of a Canadian Prime Rate Borrowing, to the Alternative Currency Agent not later than 12:00 p.m., Local Time, one (1) Business Day before the date of the proposed Borrowing. Each such telephonic Borrowing Request shall be irrevocable and shall be confirmed promptly by hand delivery or telecopy to the Administrative Agent of a written Borrowing Request signed by the relevant Borrower. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.02:

(i) the aggregate amount of the requested Borrowing;

(ii) the date of such Borrowing, which shall be a Business Day;

(iii) whether such Borrowing is to be an ABR Borrowing, a Eurocurrency Borrowing, a CDOR Borrowing, a Canadian Prime Rate Borrowing, a BBSY Borrowing or a JIBAR Borrowing, as applicable;

(iv) in the case of a Eurocurrency Borrowing, a CDOR Borrowing, a BBSY Borrowing or a JIBAR Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period"; and

(v) the location and number of the relevant Borrower's account to which funds are to be disbursed.

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be (A) in the case of a Borrowing denominated in Dollars, an ABR Borrowing, (B) in the case of a Borrowing denominated in Canadian Dollars, a Canadian Prime Rate Borrowing, (C) in the case of a Borrowing denominated in Australian Dollars, a BBSY Borrowing, (D) in the case of a Borrowing denominated in Rand, a JIBAR Borrowing and (E) in the case of a Borrowing denominated in any other Alternative Currency, a Eurocurrency Borrowing. If no Interest Period is specified with respect to any requested Eurocurrency Borrowing, CDOR Borrowing, BBSY Borrowing or JIBAR Borrowing, then the relevant Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each applicable Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

Section 2.04 Swingline Loans.

(a)Subject to the terms and conditions set forth herein, the Swingline Lender agrees to make Swingline Loans in Dollars or any Alternative Currency to the Borrowers from time to time during the Availability Period in an aggregate principal amount at any time outstanding that will not result in (i) the Swingline Exposure exceeding $50,000,000 or (ii) the Swingline Lender's Revolving Credit Exposure exceeding its Commitment, in each case, subject to Sections 1.05 and 2.10; provided that (A) Swingline Loans in Canadian Dollars shall be made only to the Canadian Borrower or a U.S. Borrower and (B) the Swingline Lender shall not be required to make a Swingline Loan to refinance an outstanding Swingline Loan. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow, prepay and reborrow Swingline Loans. Each Swingline Loan shall be in an amount that is not less than $100,000 or the Equivalent Amount in an Alternative Currency.

(b)To request a Swingline Loan, the relevant Borrower shall notify the Administrative Agent of such request by telephone (confirmed by telecopy), not later than (i) 3:00 p.m., Local Time, on the day of a proposed Swingline Loan in Dollars, (ii) 12:00 p.m., Local Time, on the day of a proposed Swingline Loan in Canadian Dollars or (iii) 11:00 a.m., Local Time, on the day of a proposed Swingline Loan in an Alternative Currency. Each such notice shall be irrevocable and shall specify the requested date (which shall be a Business Day), the amount of the requested Swingline Loan and the requested Alternative Currency, if such Swingline Loan is to be made in an Alternative Currency. The Administrative Agent will promptly advise the Swingline Lender of any such notice received from a Borrower. The Swingline Lender shall make each Swingline Loan available to the relevant Borrower to such account or accounts of such Borrower designated by it in its Borrowing Request (or, in the case of a Swingline Loan made to finance the reimbursement of an LC Disbursement as provided in Section 2.05(e), by remittance to the Issuing Lender) by (i) 3:30 p.m., Local Time, on the requested date of any Swingline Loan in Dollars or Canadian Dollars or (ii) 2:00 p.m., Local Time, on the requested date of any Swingline Loan in any other Alternative Currency.

(c)The Swingline Lender may by written notice given to the Administrative Agent not later than 10:00 a.m., Local Time, on any Business Day require the Lenders to acquire participations on such Business Day in all or a portion of the Swingline Loans outstanding. Such notice shall specify the aggregate amount of Swingline Loans in which the Lenders will participate. Promptly upon receipt of such notice, the Administrative Agent will give notice thereof to each Lender, specifying in such notice such Lender's Applicable Percentage of such Swingline Loan or Loans. Each Lender hereby absolutely and unconditionally agrees, upon receipt of notice as provided above, to pay to the Administrative Agent, for the account of the Swingline Lender, such Lender's Applicable Percentage of such Swingline Loan or Loans. Such payments by the Lenders shall be made in the same currency as such Swingline Loan or Loans. Each Lender acknowledges and agrees that its obligation to acquire participations in Swingline Loans pursuant to this paragraph is absolute and unconditional and shall not be affected by any circumstance whatsoever, including the occurrence and continuance of a Default or an Event of Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. Each Lender shall comply with its obligation under this paragraph by wire transfer of immediately available funds, in the same manner as provided in Section 2.06 with respect to Loans made by such Lender (and Section 2.06 shall apply, *mutatis mutandis*, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the Swingline Lender the amounts so received by it from the Lenders. The Administrative Agent shall notify the applicable Borrowers of any participations in any Swingline Loan acquired pursuant to this paragraph, and thereafter payments in respect of such Swingline Loan shall be made to the Administrative Agent and not to the Swingline Lender. Any amounts received by the Swingline Lender from any Borrower (or other party on behalf of any Borrower) in respect of a Swingline Loan after receipt by the Swingline Lender of the proceeds of a sale of participations therein shall be promptly remitted to the Administrative Agent; any such amounts received by the Administrative Agent shall be promptly remitted by the Administrative Agent to the Lenders that shall have made their payments pursuant to this paragraph and to the Swingline Lender, as their interests may appear; provided that any such payment so remitted shall be repaid by the Swingline Lender or to the Administrative Agent, as applicable, if and to the extent such payment is required to be refunded to such Borrower for any reason. The purchase of participations in a Swingline Loan pursuant to this paragraph shall not relieve the Borrowers of any default in the payment thereof.

Section 2.05 Letters of Credit.

(a) General. Subject to the terms and conditions set forth herein, (i) each Borrower may request the issuance of Letters of Credit in Dollars or any Alternative Currency (other than Canadian Dollars) and (ii) the Canadian Borrower and each U.S. Borrower may request the issuance of Letters of Credit in Canadian Dollars, in each case, for its own account or the account of any of its Subsidiaries, in a form reasonably acceptable to the Administrative Agent and the Issuing Lender and at any time and from time to time during the Availability Period. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by any Borrower to, or entered into by any Borrower with, the Issuing Lender relating to any Letter of Credit, the terms and conditions of this Agreement shall control.

(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions. To request the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit), the relevant Borrower shall hand deliver or telecopy (or transmit by electronic communication, if arrangements for doing so have been approved by the Issuing Lender) to the Administrative Agent and the Issuing Lender at least three Business Days (or such shorter period acceptable to the Issuing Lender) in advance of the requested date of issuance, amendment, renewal or extension, a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying the date of issuance, amendment, renewal or extension (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) of this Section), the amount of such Letter of Credit, the name and address of the beneficiary thereof, the requested Alternative Currency, if such Letter of Credit is to be issued in an Alternative Currency, and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit. If requested by the Issuing Lender, the relevant Borrower also shall submit a letter of credit application on the standard form of the Issuing Lender in connection with any request for a Letter of Credit. A Letter of Credit shall be issued, amended, renewed or extended only if (and upon issuance, amendment, renewal or extension of each Letter of Credit the relevant Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension (i) the LC Exposure shall not exceed $30,000,000 and (ii) the total Revolving Credit Exposures shall not exceed the total Commitments, in each case, subject to Sections 1.05 and 2.10.

(c) Expiration Date. Each Letter of Credit shall expire at or prior to the close of business on the earlier of (i) the date one year after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, one year after such renewal or extension) and (ii) the date that is five Business Days prior to the Termination Date; provided, however, that any Letter of Credit with a one-year tenor may provide for the renewal thereof for additional one-year periods (which shall in no event extend beyond the date referred to in clause (ii) above).

(d) Participations. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the Issuing Lender, or the Lenders, the Issuing Lender hereby grants to each Lender, and each Lender hereby acquires from the Issuing Lender, a participation in such Letter of Credit equal to such Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the Issuing Lender, such Lender's Applicable Percentage of each LC Disbursement made by the Issuing Lender and not reimbursed by the relevant Borrower on the date due as provided in paragraph (e) of this Section, or of any reimbursement payment required to be refunded to the relevant Borrower for any reason. Such payments shall be made in the same currency in which such Letter of Credit was issued. Each Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be

affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or an Event of Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) Reimbursement. If the Issuing Lender shall make any LC Disbursement in respect of a Letter of Credit for the relevant Borrower's own account or the account of any of its Subsidiaries, such Borrower shall reimburse such LC Disbursement by paying to the

Administrative Agent an amount equal to, and in the same currency as, such LC Disbursement not later than (i) in the case of an LC Disbursement in Dollars or Canadian Dollars, 12:00 noon, Local Time, on the date that such LC Disbursement is made, if such Borrower shall have received notice of such LC Disbursement prior to 9:00 a.m., Local Time, on such date, or, if such notice has not been received by such Borrower prior to such time on such date, then not later than 12:00 noon, Local Time, on the Business Day immediately following the day that such Borrower receives such notice or (ii) in the case of an LC Disbursement in any other Alternative Currency, not later than 1:00 p.m., Local Time, on the Business Day immediately following the day that such Borrower received such notice; provided that, (A) in the case of an LC Disbursement in Dollars or Canadian Dollars, if such LC Disbursement is not less than the Equivalent Amount of $100,000, such Borrower may, subject to the conditions to borrowing set forth herein, request, in accordance with Section 2.03 or 2.04, that such payment be financed with an ABR Revolving Borrowing or a Canadian Prime Rate Revolving Borrowing, as applicable, or a Swingline Loan in the amount of such payment and, to the extent so financed, such Borrower's obligation to make such payment shall be discharged and replaced by the resulting Revolving Borrowing or Swingline Loan and (B) in the case of an LC Disbursement in an Alternative Currency, if such LC Disbursement is not less than the Equivalent Amount of $100,000, such Borrower may, subject to the conditions to borrowing set forth herein, request, in accordance with Section 2.03 or 2.04, that such payment be financed with a Revolving Borrowing or Swingline Loan in the same currency in the amount of such payment and, to the extent so financed, such Borrower's obligation to make such payment shall be discharged and replaced by the resulting Revolving Borrowing or Swingline Loan. If the relevant Borrower fails to make such payment when due, the Administrative Agent shall notify each Lender of the applicable LC Disbursement, the payment then due from the relevant Borrower in respect thereof and such Lender's Applicable Percentage thereof. Promptly following receipt of such notice, each Lender shall pay to the Administrative Agent its Applicable Percentage of the payment then due from the relevant Borrower in the same manner as provided in Section 2.06 with respect to Loans made by such Lender (and Section 2.06 shall apply, *mutatis mutandis*, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the Issuing Lender the amounts so received by it from the Lenders. Such payments by the Lenders shall be made in the currency of the applicable LC Disbursement. Promptly following receipt by the Administrative Agent of any payment from the relevant Borrower pursuant to this paragraph, the Administrative Agent shall distribute such payment to the Issuing Lender or, to the extent that Lenders have made payments pursuant to this paragraph to reimburse the Issuing Lender, then to such Lenders and the Issuing Lender as their interests may appear. Any payment made by a Lender pursuant to this paragraph to reimburse the Issuing Lender for any LC Disbursement (other than the funding of Revolving Borrowing or a Swingline Loan as contemplated above) shall not constitute a Loan and shall not relieve the relevant Borrower of its obligation to reimburse such LC Disbursement.

(f) Obligations Absolute. Each Borrower's obligation to reimburse LC Disbursements as provided in paragraph (e) of this Section shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by the Issuing Lender under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, such Borrower's obligations hereunder. Neither the Administrative Agent, the Lenders, the Issuing Lender, nor any of their Related Parties, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the Issuing Lender; provided that the foregoing shall not be construed to excuse the Issuing Lender from liability to a Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by each Borrower to the extent permitted by applicable Law) suffered by such Borrower or any of its Subsidiaries that are caused by (a) the Issuing Lender's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof, or (b) the Issuing Lender's gross negligence, willful misconduct or bad faith. The parties hereto expressly agree that, in the absence of gross negligence, willful misconduct or bad faith on the part of the Issuing Lender (as finally determined by a court of competent jurisdiction), the Issuing Lender shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof (except with respect to gross negligence, willful misconduct and bad faith in which case the immediately prior sentence will apply), the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, the Issuing Lender may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. The Issuing Lender shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. The Issuing Lender shall promptly notify the Administrative Agent and the relevant Borrower by telephone (confirmed by telecopy) of such demand for payment and whether the Issuing Lender has made or will make an LC Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the relevant Borrower of its obligation to reimburse the Issuing Lender and the Lenders with respect to any such LC Disbursement.

(h) Interim Interest. If the Issuing Lender shall make any LC Disbursement, then, unless the relevant Borrower shall reimburse such LC Disbursement in full on the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the relevant Borrower reimburses such LC Disbursement, at the rate per annum then applicable to ABR Revolving Loans in the case of an LC Disbursement in Dollars and at the rate per annum then applicable to Revolving Loans in the relevant currency in the case of an LC Disbursement in an Alternative Currency; provided that, if the relevant Borrower fails to reimburse such LC Disbursement when due pursuant to paragraph (d) of this Section, then Section 2.12(e) shall apply. Interest accrued pursuant to this paragraph shall be for the account of the Issuing Lender except that interest accrued on and after the date of payment by any Lender pursuant to paragraph (e) of this Section to reimburse the Issuing Lender shall be for the account of such Lender to the extent of such payment.

(i) Replacement of the Issuing Lender. The Issuing Lender may be replaced at any time by written agreement among the Borrowers, the Administrative Agent, the replaced Issuing Lender and the successor Issuing Lender. The Administrative Agent shall notify the Lenders of any such replacement of the Issuing Lender. At the time any such replacement shall become effective, the Parent shall pay, or shall cause to be paid, all unpaid fees accrued for the account of the replaced Issuing Lender pursuant to Section 2.11(b). From and after the effective date of any such replacement, (i) the successor Issuing Lender shall have all the rights and obligations of the Issuing Lender under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuing Lender" shall be deemed to refer to such successor or to any previous Issuing Lender or to such successor and all previous Issuing Lenders, as the context shall require. After the replacement of an Issuing Lender hereunder, the replaced Issuing Lender shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Lender under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.

(j) Cash Collateralization. If any Event of Default shall occur and be continuing, on the Business Day that the Parent receives notice from the Administrative Agent, the Majority Lenders (or, if the maturity of the Loans has been accelerated, the Lenders with LC Exposure representing greater than 50% of the total LC Exposure demanding the deposit of cash collateral pursuant to this paragraph), the Borrowers shall deposit in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Lenders, an amount in cash equal to, and in the same currencies as, the aggregate undrawn amount of all Letters of Credit as of such date and the aggregate amount of all LC Disbursements in respect of Letters of Credit that have not been reimbursed by or on behalf of the Borrowers or converted into a Loan pursuant to Section 2.05(e) as of such date and, in each case, any accrued and unpaid interest thereon; provided that the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to any Borrower described in clause (h) or (i) of Section 7.01. Such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the obligations of the Borrowers under this Agreement. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and discretion of the Administrative Agent (but, if so made, shall be limited to overnight bank loans or investments generally comparable to those described in clauses (a) through (e) of Permitted Investments) and at the Borrowers' risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse the Issuing Lender for LC Disbursements for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrowers for the LC Exposure at such time or, subject to the consent of Lenders with LC Exposure representing greater than 50% of the total LC Exposure, be applied to satisfy other obligations of the Borrowers under this Agreement. If the Borrowers are required to provide an amount of cash collateral hereunder, such amount (to the extent not applied as aforesaid) shall be returned to the Borrowers within three Business Days after all Events of Default have been cured or waived.

(k) Existing Letters of Credit. The Existing Letters of Credit shall be Letters of Credit hereunder for all purposes.

(l) Letters of Credit Issued for Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary of a Borrower, such Borrower shall be obligated to reimburse the Issuing Lender hereunder for any and all drawings under such Letter of Credit. Each Borrower hereby acknowledges that the issuance of Letters of Credit for the account of any of its Subsidiaries inures to the benefit of such Borrower, and that such Borrower's business derives substantial benefits from the business of such Subsidiaries.

Section 2.06 Funding of Borrowings.

(a)Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds (i) in the case of Loans in Dollars or Canadian Dollars, by 2:00 p.m., Local Time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders and (ii) in the case of Loans in any other Alternative Currency, by 2:00 p.m., Local Time, to the account of the Alternative Currency Agent most recently designated by it for such purpose by notice to the Lenders; provided that Swingline Loans shall be made as provided in Section 2.04. The Administrative Agent will make such Loans available to the relevant Borrower by promptly crediting the amounts so received, in like funds, to such account or accounts of such Borrower designated by it in the applicable Borrowing Request; provided that Revolving Borrowings or Swingline Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.05(e) shall be remitted by the Administrative Agent to the Issuing Lender.

(b)Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section and may, in reliance upon such assumption, make available to the relevant Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the applicable Borrower severally agree to pay to the Administrative Agent forthwith on demand such

corresponding amount with interest thereon plus any customary charges paid by the Alternative Currency Agent to its correspondent bank, for each day from and including the date such amount is made available to such Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation (including without limitation the Overnight Alternative Currency Rate in the case of Loans denominated in an Alternative Currency) or (ii) in the case of such Borrower, the interest rate applicable to such Borrowing. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing.

Section 2.07 Interest Elections.

(a)Each Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a Eurocurrency Borrowing, a CDOR Borrowing, a BBSY Borrowing or a JIBAR Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the relevant Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Eurocurrency Borrowing, a CDOR Borrowing, a BBSY Borrowing or a JIBAR Borrowing, may elect Interest Periods therefor, all as provided in this Section. The relevant Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing. This Section shall not apply to Swingline Borrowings, which may not be converted or continued.

(b)To make an election pursuant to this Section, the relevant Borrower shall notify the Administrative Agent or the Alternative Currency Agent, as applicable, of such election by telephone in the case of the Administrative Agent and in writing in the case of the Alternative Currency Agent by the time that a Borrowing Request would be required under Section 2.03 if such Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such telephonic Interest Election Request shall be irrevocable and shall be confirmed promptly by hand delivery or telecopy to the Administrative Agent or the Alternative Currency Agent, as applicable, of a written Interest Election Request signed by the relevant Borrower.

(c)Each telephonic and written Interest Election Request shall specify the following information in compliance with Section 2.02:

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing, a Canadian Prime Rate Borrowing, a Eurocurrency Borrowing, a CDOR Borrowing, a BBSY Borrowing or a JIBAR Borrowing; and

(iv) if the resulting Borrowing is a Eurocurrency Borrowing, CDOR Borrowing, BBSY Borrowing or JIBAR Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Eurocurrency Borrowing, CDOR Borrowing, BBSY Borrowing or JIBAR Borrowing but does not specify an Interest Period, then the relevant Borrower shall be deemed to have selected an Interest Period of one month's duration.

(d)Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each affected Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(e)If the relevant Borrower fails to deliver a timely Interest Election Request with respect to a Eurocurrency Borrowing, a CDOR Borrowing, a BBSY Borrowing or a JIBAR Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall (i) in the case of a Eurocurrency Borrowing denominated in Dollars, be converted to an ABR Borrowing, (ii) in the case of a CDOR Borrowing, be converted to a Canadian Prime Rate Borrowing and (iii) in the case of a Borrowing denominated in any other Alternative Currency, automatically continue as a Eurocurrency Borrowing, a CDOR Borrowing, a BBSY Borrowing or a JIBAR Borrowing, as the case may be, with an interest period of one month. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Majority Lenders, so notifies the Parent, then, so long as an Event of Default is continuing (i) no outstanding Borrowing in Dollars may be converted to or continued as a Eurocurrency Borrowing, (ii) unless repaid, each Eurocurrency Borrowing in Dollars shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto, (iii) no outstanding Borrowing in Canadian Dollars may be converted to or continued as a CDOR Borrowing and (iv) unless repaid, each CDOR Borrowing shall be converted to a Canadian Prime Rate Borrowing at the end of the Interest Period applicable thereto.

Section 2.08 Termination and Reduction of Commitments.

(a)Unless previously terminated, the Commitments shall terminate on the Termination Date.

(b)The Parent may at any time terminate or from time to time reduce the Commitments; provided that (i) each reduction of the Commitments shall be in an amount that is an integral multiple of \$100,000 and not less than \$1,000,000 and (ii) the Parent shall not terminate or reduce the Commitments if, after giving effect to any concurrent prepayment of the Loans in accordance with Section 2.10, the total Revolving Credit Exposures would exceed the total Commitments.

(c)The Parent shall notify the Administrative Agent of any election to terminate or reduce the Commitments under paragraph (b) of this Section at least three Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Parent pursuant to this Section shall be irrevocable. Any termination or reduction of the Commitments shall be permanent. Each reduction of the Commitments shall be made ratably among the Lenders in accordance with their respective Commitments.

Section 2.09 **Repayment of Loans; Evidence of Debt**. Each Borrower hereby unconditionally promises to pay (i) to the Administrative Agent for the account of each Lender the then unpaid principal amount of each Revolving Loan made to such Borrower on the Termination Date, and (ii) to the Swingline Lender the then unpaid principal amount of each Swingline Loan made to such Borrower on the Termination Date; provided that on each date that a Revolving Borrowing is made, the Borrowers shall repay all Swingline Loans then outstanding that are denominated in the same currency as such Revolving Borrowing and the proceeds of such Revolving Borrowing shall be applied by the Administrative Agent to repay such outstanding Swingline Loans.

(a)Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of each Borrower to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(b)The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the Class, Type and currency thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrowers to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender’s share thereof.

(c)The entries made in the accounts maintained pursuant to paragraph (a) or (b) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrowers to repay the Loans in accordance with the terms of this Agreement, and provided further, that to the extent there is any inconsistency between the accounts maintained pursuant to paragraph (a) or (b) of this Section and the entries in the Register maintained by the Administrative Agent pursuant to Section 10.04(b)(iv), the entries in the Register shall control.

(d)Any Lender may request that Loans made by it be evidenced by a promissory note. In such event, the applicable Borrowers shall prepare, execute and deliver to such Lender a promissory note payable to such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and in a form approved by the Administrative Agent. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 10.04) be represented by one or more promissory notes in such form payable to the payee named therein.

Section 2.10 Prepayment of Loans.

(a)Each Borrower shall have the right at any time and from time to time to prepay any Borrowing selected by it in whole or in part, subject to prior notice in accordance with this paragraph. The relevant Borrower shall notify the Administrative Agent (and, in the case of prepayment of a Swingline Loan, the Swingline Lender) by telephone (confirmed by telecopy) of any prepayment hereunder (i) in the case of prepayment of a Eurocurrency Borrowing in Dollars or a CDOR Borrowing, not later than 11:00 a.m., Local Time, three (3) Business Days before the date of prepayment, (ii) in the case of prepayment of an ABR Revolving Borrowing or a Canadian Prime Rate Borrowing, not later than 11:00 a.m., Local Time, on the date of prepayment, (iii) in the case of prepayment of a Swingline Loan in Dollars or Canadian Dollars, not later than 12:00 noon, Local Time, on the date of prepayment, (iv) in the case of prepayment of a JIBAR Borrowing, not later than 11:00 a.m., Local Time, four (4) Business Days before the date of such payment and shall provide written notice thereof to the Alternative Currency Agent at the same time or (v) in the case of prepayment of a Borrowing in any other Alternative Currency, not later than 11:00 a.m., Local Time, three (3) Business Days before the date of prepayment and shall provide written notice thereof to the Alternative Currency Agent at the same time. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid. Promptly following receipt of any such notice relating to a Borrowing (other than a Swingline Loan), the Administrative Agent shall advise the appropriate Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type as provided in Section 2.02. Each prepayment of a Revolving Borrowing shall be applied to reduce pro rata all Loans comprising the designated Borrowing being prepaid. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.12 and any amounts required to be paid under Section 2.15.

(b)If at any time, (i) other than as a result of fluctuations in currency exchange rates, the Revolving Credit Exposures (calculated in accordance with Section 1.05 as of the most recent Computation Date) exceed the total Commitments, or (ii) solely as a result of fluctuations in currency exchange rates, the Revolving Credit Exposures (calculated in accordance with Section 1.05 as of the most recent Computation Date) exceed 105% of the total Commitments, the Borrowers shall in each case, within three (3) Business Days after the relevant Computation Date, repay Borrowings or cash collateralize LC Exposure in an account with the Administrative Agent, as applicable, in an aggregate principal amount sufficient to eliminate such excess condition.

Section 2.11 Fees.

(a)The Parent shall pay, or shall cause to be paid, to the Administrative Agent for the account of each Lender a commitment fee, which shall accrue at the Commitment Fee Rate on the daily amount of the unused Commitment of such Lender during the period from and including the Effective Date to but excluding the date on which the Commitments terminate. Accrued commitment fees shall be payable in arrears on the last day of March, June, September and December of each year during the Availability Period and on the date on which the Commitments terminate, commencing on the first such date to occur after the date hereof. All commitment fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day). For purposes of calculating the unused Commitment of each Lender, Swingline Loans made by or deemed made or attributable to such Lender shall not count as usage.

(b)The Parent shall pay, or shall cause to be paid, (i) to the Administrative Agent for the account of each Lender a participation fee with respect to its participations in Letters of Credit, which fee shall accrue at the same Applicable Margin used to determine the interest rate applicable to Eurocurrency Loans on the average daily amount of such Lender's LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date on which such Lender's Commitment terminates and the date on which it ceases to have any LC Exposure and (ii) to the Issuing Lender a fronting fee, which shall accrue at the rate of 0.125% per annum on the average daily amount of the LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date of termination of the Commitments and the date on which there ceases to be any LC Exposure, but in no event less than $500, as well as the Issuing Lender's standard fees with respect to the issuance, amendment, renewal or extension of any Letter of Credit or processing of drawings thereunder. Participation fees and fronting fees accrued through and including the last day of March, June, September and December of each year during the Availability Period shall be payable on the third Business Day following such last day of such months, commencing on the first such date to occur after the Effective Date; provided that all such fees shall be payable on the date on which the Commitments terminate and any such fees accruing after the date on which the Commitments terminate shall be payable on demand. Any other fees payable to the Issuing Lender pursuant to this paragraph shall be payable within 10 days after demand. All participation fees and fronting fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(c)The Parent shall pay, or shall cause to be paid, to the Administrative Agent, for its own account, fees payable in the amounts and at the times specified in the Fee Letter, or otherwise separately agreed upon, between the Parent and the Administrative Agent.

(d)All fees payable hereunder shall be paid on the dates due, in immediately available funds, to the Administrative Agent (or to the Issuing Lender in the case of fees payable to it) for distribution, in the case of commitment fees and participation fees, to the Lenders. Fees paid shall not be refundable under any circumstances.

Section 2.12 Interest.

(a)The Loans comprising each ABR Revolving Borrowing shall bear interest at the Alternate Base Rate plus the Applicable Margin. The Loans comprising each Canadian Prime

Rate Revolving Borrowing shall bear interest at the Canadian Prime Rate plus the Applicable Margin.

(b)The Loans comprising each Eurocurrency Borrowing shall bear interest at the Adjusted LIBO Rate for the Interest Period in effect for such Borrowing plus the Applicable Margin. The Loans comprising each CDOR Borrowing shall bear interest at the Canadian Dealer Offered Rate for the Interest Period in effect for such Borrowing plus the Applicable Margin. The Loans comprising each BBSY Borrowing shall bear interest at the Bank Bill Swap Reference Rate for the Interest Period in effect for such Borrowing plus the Applicable Margin. The Loans comprising each JIBAR Borrowing shall bear interest at the Johannesburg Interbank Agreed Rate for the Interest Period in effect for such Borrowing plus the Applicable Margin.

(c)Each Swingline Loan shall bear interest at a rate per annum equal to the Swingline Rate.

(d)Reserved.

(e)Notwithstanding the foregoing, if any principal of or interest on any Loan or any fee or other amount payable by any Borrower hereunder is not paid when due, such overdue amount shall bear interest at the Default Rate.

(f)Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan and, in the case of Revolving Loans, upon termination of the Commitments; provided that (i) interest accrued pursuant to paragraph (e) of this Section shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Loan or Canadian Prime Rate Loan prior to the end of the Availability Period), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any Eurocurrency Loan, CDOR Loan, BBSY Loan or JIBAR Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(g)All interest hereunder shall be computed on the basis of a year of 360 days, except that (i) interest on Borrowings denominated in Pounds Sterling, Canadian Dollars and Australian Dollars and (ii) interest computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate, in each case, shall be computed on the basis of a year of 365 days (or, except in the case of Borrowings denominated in Pounds Sterling, 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate, Adjusted LIBO Rate, Canadian Prime Rate, Canadian Dealer Offered Rate, Eurocurrency Rate, Bank Bill Swap Reference Rate, Johannesburg Interbank Agreed Rate or LIBO Rate shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

Section 2.13 Market Disruption; Alternate Rate of Interest.

(a) Market Disruption. If, at the time the Administrative Agent or Alternative Currency Agent shall seek to determine the relevant Screen Rate on the Quotation Day for any Interest Period, the applicable Screen Rate shall not be available for such Interest Period and/or for the applicable currency for any reason and the Administrative Agent or Alternative Currency Agent shall determine that it is not possible to determine the Interpolated Rate (which conclusion shall be conclusive and binding absent manifest error), then (i) the LIBO Rate, the Bank Bill Swap Reference Rate or the Johannesburg Interbank Agreed Rate, as the case may be, for such Interest Period for the relevant currency shall be the Reference Bank Rate and (ii) the Canadian Dealer Offered Rate for such Interest Period shall be the rate quoted by the Administrative Agent as of the applicable time on the Quotation Day; provided that if the Reference Bank Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement; provided, further, that if less than two Reference Banks shall supply a rate to the Administrative Agent or the Alternative Currency Agent, as the case may be, for purposes of determining the LIBO Rate, the Bank Bill Swap Reference Rate or the Johannesburg Interbank Agreed Rate, as the case may be, for such Borrowing, (A) if the Borrowing shall be requested in Dollars, then such Borrowing shall be made as an ABR Borrowing, (B) if the Borrowing shall be requested in Canadian Dollars, then such Borrowing shall be made as a Canadian Prime Rate Borrowing and (C) if such Borrowing shall be requested in any other currency, the request for such Borrowing shall be ineffective.

(b) Alternate Rate of Interest. If prior to the commencement of any Interest Period for a Eurocurrency Borrowing, a CDOR Borrowing, a BBSY Borrowing or a JIBAR Borrowing:

(i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate, the LIBO Rate, the Canadian Dealer Offered Rate, the Bank Bill Swap Reference Rate or the Johannesburg Interbank Agreed Rate, as applicable, for such Interest Period (including, for the avoidance of doubt, pursuant to Section 2.13(a)); or

(ii) the Administrative Agent is advised by the Majority Lenders that the Adjusted LIBO Rate, the LIBO Rate, the Canadian Dealer Offered Rate, the Bank Bill Swap Reference Rate or the Johannesburg Interbank Agreed Rate, as applicable, for such Interest Period will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Loans included in such Borrowing for such Interest Period;

then the Administrative Agent shall give notice thereof to the Parent and the Lenders by telephone or telecopy as promptly as practicable thereafter and, until the Administrative Agent notifies the Parent and the Lenders that the circumstances giving rise to such notice no longer exist, (A) no outstanding Borrowing of Dollars or Canadian Dollars shall be converted to or continued as a Eurocurrency Borrowing or CDOR Borrowing, as applicable, and any Interest Election Request requesting such conversion or continuation shall be ineffective, (B) no outstanding Eurocurrency Borrowing in any Alternative Currency, BBSY Borrowing or JIBAR Borrowing shall be continued and any Interest Election Request requesting such continuation shall be ineffective, (C) if any Borrowing Request requests a Eurocurrency Borrowing in Dollars, such Borrowing shall be made as an ABR Borrowing, (D) if any Borrowing Request requests a CDOR Borrowing, such Borrowing shall be made as a Canadian Prime Rate Borrowing and (E) if any Borrowing Request requests a Eurocurrency Borrowing in an Alternative Currency, a BBSY Borrowing or a JIBAR Borrowing, such request shall be ineffective; provided that if the circumstances giving rise to such notice affect less than all Types of Borrowings, then the other Types of Borrowings shall be permitted.

Section 2.14 Increased Costs.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Adjusted LIBO Rate) or the Issuing Lender;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (e) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or the Issuing Lender or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, converting to, continuing or maintaining any Loan or of maintaining its obligation to make any such Loan, or to increase the cost to such Lender, Issuing Lender or such other Recipient of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender, Issuing Lender or other Recipient hereunder (whether of principal, interest or any other amount) then, upon request of such Lender, Issuing Lender or other Recipient, the Parent will pay, or will cause to be paid, to such Lender, Issuing Lender or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, Issuing Lender or other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or Issuing Lender determines that any Change in Law affecting such Lender or Issuing Lender or any lending office of such Lender or such Lender’s or Issuing Lender’s holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on such Lender’s or Issuing Lender’s capital or on the capital of such Lender’s or Issuing Lender’s holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit or Swingline Loans held by, such Lender, or the Letters of Credit issued by the Issuing Lender, to a level below that which such Lender or Issuing Lender or such Lender’s or Issuing Lender’s holding company could have achieved but for such Change in Law (taking into consideration such Lender’s or Issuing Lender’s policies and the policies of such Lender’s or Issuing Lender’s holding company with respect to capital adequacy), then from time to time the Parent will pay, or will cause to be paid, to such Lender or Issuing Lender, as the case may be, such additional amount or amounts as will compensate such Lender or Issuing Lender or such Lender’s or Issuing Lender’s holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender or the Issuing Lender setting forth the amount or amounts necessary to compensate such Lender or the Issuing Lender or its respective holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Parent and shall be conclusive absent manifest error. The Parent shall pay, or shall cause to be paid, to such Lender or the Issuing Lender, as the case may be, the amount shown as due on any such certificate within ten (10) Business Days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or Issuing Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or Issuing Lender's right to demand such compensation; provided that the Parent shall not be required to compensate, or cause to be compensated, a Lender or Issuing Lender pursuant to this Section for any increased costs incurred or reductions suffered more than 180 days prior to the date that such Lender or Issuing Lender, as the case may be, notifies the Parent of the Change in Law giving rise to such increased costs or reductions, and of such Lender's or Issuing Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180 day period referred to above shall be extended to include the period of retroactive effect thereof); provided further that no Lender shall seek compensation from the Parent unless such Lender is actively seeking compensation from other similarly situated borrowers as well.

Section 2.15 Break Funding Payments. In the event of (a) the payment by an Obligor of any principal of any Eurocurrency Loan, CDOR Loan, BBSY Loan or JIBAR Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any Eurocurrency Loan, CDOR Loan, BBSY Loan or JIBAR Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, or continue any Eurocurrency Loan, CDOR Loan, BBSY Loan or JIBAR Loan on the date specified in any notice delivered pursuant hereto, or (d) the assignment of any Eurocurrency Loan, CDOR Loan, BBSY Loan or JIBAR Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Parent pursuant to Section 2.18, then, in any such event, the Parent shall compensate, or cause to be compensated, each Lender for the loss, cost and expense attributable to such event (but excluding any anticipated lost profits). Such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest that would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted LIBO Rate, the Canadian Dealer Offered Rate. the Bank Bill Swap Reference Rate or the Johannesburg Interbank Agreed Rate, as applicable, that would have been applicable to such Loan for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (ii) the amount of interest that would accrue on such principal amount for such period at the interest rate that such Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the interbank market for such currency, or for Canadian deposits of a comparable amount and period to such CDOR Loan from other banks in the Canadian bankers' acceptable market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Parent and shall be conclusive absent manifest error. The Parent shall pay, or shall cause to be paid, to such Lender the amount shown as due on any such certificate within ten (10) Business Days after receipt thereof.

Section 2.16 Taxes.

(a) Defined Terms. For purposes of this Section 2.16, the term "Lender" includes the Issuing Lender and the term "applicable law" includes FATCA.

(b) Payments Free of Taxes. Any and all payments by or on account of any obligation of any Obligor under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Obligor shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings of Indemnified Taxes applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(c) Payment of Other Taxes by the Obligors. The applicable Obligor shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(d) Indemnification by the Obligors. Each Obligor shall indemnify each Recipient, within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient with respect to a payment by such Obligor, or required to be withheld or deducted from a payment by such Obligor to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. Notwithstanding the preceding sentence, the Obligors shall not be required to indemnify a Recipient pursuant to this Section 2.16(d) for any Indemnified Taxes unless such Recipient (or the Administrative Agent on such Recipient's behalf) notifies the Parent of the indemnification claim for such Indemnified Taxes no later than 180 days after the earlier of (i) the date on which the relevant Governmental Authority makes written demand upon such Recipient for payment of such Indemnified Taxes, and (ii) the date on which such Recipient has made payment of such Indemnified Taxes to the relevant Governmental Authority (except that, if the Indemnified Taxes imposed or asserted giving rise to such claims are retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof). A certificate as to the amount of such payment or liability delivered to the Parent by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error. For the avoidance of doubt, no Obligor shall be required to indemnify any Person under this Section 2.16(d) in respect of any Indemnified Taxes for which the applicable Recipient has already been compensated by way of an increased payment under Section 2.16(b).

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Obligor has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Obligors to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.04(c) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) Evidence of Payments. As soon as practicable after any payment of Taxes by any Obligor to a Governmental Authority pursuant to this Section 2.16, such Obligor shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(g) Status of Lenders. (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall notify the Parent and the Administrative Agent of such exemption or reduction and shall deliver to the Parent and the Administrative Agent, at the time or times reasonably requested by the Parent or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Parent or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Parent or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Parent or the Administrative Agent as will enable the Parent or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than the documentation required to be provided by a Lender in accordance with Section 2.16(h) or such other documentation set forth in Section 2.16(g)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(A) any Lender that is a U.S. Person shall deliver to the Parent and the Administrative Agent on or prior to the date on which such Lender becomes a

Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Parent or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Parent and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Parent or the Administrative Agent), whichever of the following is applicable:

(i) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN or IRS Form W-8BEN-E (or applicable successor form) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or IRS Form W-8BEN-E (or applicable successor form) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(ii) executed originals of IRS Form W-8ECI;

(iii) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit 2.16-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of any Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN or IRS Form W-8BEN-E (or applicable successor form); or

(iv) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or IRS Form W-8BEN-E (or applicable successor form), a U.S. Tax Compliance Certificate substantially in the form of Exhibit 2.16-2 or Exhibit 2.16-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit 2.16-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Parent and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Parent or the Administrative Agent), executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Parent or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Recipient under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Recipient were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Recipient shall deliver to the Parent and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Parent or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Parent or the Administrative Agent as may be necessary for the Parent and the Administrative Agent to comply with their obligations under FATCA and to determine that such Recipient has complied with such Recipient's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(iii) Each Lender shall, at the Third Amendment Effective Date or, if it becomes a party to this Agreement after the Third Amendment Effective Date, in the Assignment and Assumption or other documentation contemplated hereby, which it executes on becoming a party, indicate which of the following categories it falls in:

(A) not a U.K. Qualifying Lender;

(B) a U.K. Qualifying Lender (other than a U.K. Treaty Lender); or

(C) a U.K. Treaty Lender.

If a Lender fails to indicate its status in accordance with this Section 2.16(g)(iii), then such Lender shall be treated for the purposes of this Agreement (including by the U.K. Borrowers) as if it is not a U.K. Qualifying Lender until such time as it notifies the Administrative Agent which category applies (and the Administrative Agent, upon receipt of such notification, shall inform the U.K. Borrowers). For the avoidance of doubt, an Assignment and Assumption or such other documentation shall not be invalidated by any failure of a Lender to comply with this Section 2.16(g)(iii).

Each Recipient agrees that if any form or certification it previously delivered pursuant to this Section 2.16(g) expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Parent and the Administrative Agent in writing of its legal inability to do so.

(h) Additional United Kingdom Withholding Tax Matters.

(i) Subject to (ii) below, each Lender and each U.K. Borrower shall cooperate in completing any procedural formalities necessary for the U.K. Borrowers to obtain authorization to make such payment without withholding or deduction for Taxes imposed under the laws of the United Kingdom.

(ii) (A) A Lender on the Third Amendment Effective Date that (x) holds a passport under the HMRC DT Treaty Passport scheme and (y) wishes such scheme to apply to this Agreement, shall provide its scheme reference number and its jurisdiction of tax residence to the U.K. Borrowers and the Administrative Agent in writing on the Third Amendment Effective Date; and

(B) a Lender that becomes a Lender hereunder after the Third Amendment Effective Date that (x) holds a passport under the HMRC DT Treaty Passport scheme and (y) wishes such scheme to apply to this Agreement, shall provide its scheme reference number and its jurisdiction of tax residence to the U.K. Borrowers and the Administrative Agent in the Assignment and Assumption, and

(C) upon satisfying either clause (A) or (B) above, such Lender shall have satisfied its obligation under paragraph (h)(i) above.

(iii) If a Lender has confirmed its scheme reference number and its jurisdiction of tax residence in accordance with paragraph (h)(ii) above, each U.K. Borrower shall make a DTTP Filing with respect to such Lender within thirty (30) Business Days following the Third Amendment Effective Date or (if applicable) the date of the Assignment and Assumption or, if later, thirty (30) Business Days before the last interest payment is due to such Lender, and shall promptly provide such Lender with a copy of such filing; provided that, if:

(A) any U.K. Borrower has not made a DTTP Filing in respect of such Lender; or

(B) any U.K. Borrower has made a DTTP Filing in respect of such Lender but (1) such DTTP Filing has been rejected by HM Revenue & Customs; or (2) HM Revenue & Customs has not given such U.K. Borrower authority to make payments to such Lender without a deduction for tax within 60 days of the date of such DTTP Filing;

and in each case, such U.K. Borrower has notified that Lender in writing of either (1) or (2) above, then such Lender and such U.K. Borrower shall cooperate in completing any additional procedural formalities necessary for such U.K. Borrower to obtain authorization to make that payment without withholding or deduction for Taxes imposed under the laws of the United Kingdom.

(iv) If a Lender has not confirmed its scheme reference number and jurisdiction of tax residence in accordance with paragraph (h)(ii) above, no U.K. Borrower shall make a DTTP Filing or file any other form relating to the HMRC DT Treaty Passport scheme in respect of that Lender's Commitment or its participation in any Loan unless the Lender otherwise agrees.

(v) Each Lender which had given confirmation to the U.K. Borrowers that it was a U.K. Treaty Lender but determines in its sole discretion that it is ceases to be a U.K. Treaty Lender shall promptly notify the U.K. Borrowers and the Administrative Agent of such change in status.

(i) Administrative Agent Documentation. On or before the Third Amendment Effective Date, JPMorgan Chase Bank, N.A. shall (and any successor or replacement Administrative Agent shall on or before the date on which it becomes the Administrative Agent hereunder) deliver to the Borrower two duly executed originals of either (i) IRS Form W-9 or (ii) IRS Form W-8ECI (with respect to any payments to be received on its own behalf) and IRS Form W-8IMY (for all other payments), establishing that the Borrowers can make payments to the Administrative Agent without deduction or withholding of any Taxes imposed by the United States, including Taxes imposed under FATCA.

(j) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a Tax Credit as to which it has been indemnified pursuant to this Section 2.16 (including by the payment of additional amounts pursuant to this Section 2.16), it shall pay to the indemnifying party an amount equal to such Tax Credit (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such Tax Credit), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such Tax Credit). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (i) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such Tax Credit to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (i), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (i) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such Tax Credit had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(k) FATCA Grandfathering . For purposes of determining withholding Taxes imposed under FATCA, from and after the Third Amendment Effective Date, the Borrowers and the Administrative Agent shall treat (and the Lenders hereby authorize the Administrative Agent to treat) this Agreement as not qualifying as a "grandfathered obligation" within the meaning of Treasury Regulation Section 1.1471-2(b)(2)(i).

(l) Survival. Each party's obligations under this Section 2.16 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

Section 2.17 Payments; Generally; Pro Rata Treatment; Sharing of Set-offs.

(a)Each Borrower shall make each payment required to be made by it hereunder on Loans or Letters of Credit made to or on account of such Borrower denominated in Dollars or Canadian Dollars (whether of principal, interest, fees or reimbursement of LC Disbursements in Dollars, or of amounts payable under Section 2.14, 2.15 or 2.16, or otherwise) prior to 2:00 p.m., Houston, Texas time, on the date when due in Dollars or Canadian Dollars, respectively, in immediately available funds, without set-off or counterclaim. Each Borrower shall make each payment required to be made by it hereunder on Loans or Letters of Credit made to or on account of such Borrower denominated in any other Alternative Currency (whether of principal, interest, fees or reimbursements of LC Disbursements in such Alternative Currency, or of amounts payable under Section 2.14, 2.15 or 2.16, or otherwise) prior to 2:00 p.m., Local Time, on the date when due in the applicable Alternative Currency, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All payments in Dollars shall be made to the Administrative Agent at its offices at 712 Main Street, Houston, Texas, except payments to be made directly to the Issuing Lender or Swingline Lender as expressly provided herein and except that payments pursuant to Sections 2.14, 2.15, 2.16 and 10.03 shall be made directly to the Persons entitled thereto. All payments in Alternative Currencies shall be made to the Alternative Currency Agent at the place designated by the Alternative Currency Agent in its notice therefor, except payments to be made directly to the Issuing Lender or Swingline Lender as expressly provided herein and except that payments pursuant to Sections 2.14, 2.15, 2.16 and 10.03 shall be made directly to the Persons entitled thereto. The Administrative Agent or the Alternative Currency Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension.

(b)If at any time insufficient funds are received by and available to the Administrative Agent or the Alternative Currency Agent to pay fully all amounts of principal, unreimbursed LC Disbursements, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal and unreimbursed LC Disbursements then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and unreimbursed LC Disbursements then due to such parties.

(c)If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or participations in LC Disbursements or Swingline Loans resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and participations in LC Disbursements and Swingline Loans and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans and participations in LC Disbursements and Swingline Loans of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and participations in LC Disbursements and Swingline Loans; provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by any Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in LC Disbursements to any assignee or participant, other than to the Parent or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply). Each Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Borrower in the amount of such participation.

(d)Unless the Administrative Agent shall have received notice from the relevant Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the Issuing Lender hereunder that such Borrower will not make such payment, the Administrative Agent may assume that such Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the applicable Lenders or the Issuing Lender, as the case may be, the amount due. In such event, if such Borrower has not in fact made such payment, then each of the applicable Lenders or the Issuing Lender, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or the Issuing Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation (including without limitation the Overnight Alternative Currency Rate in the case of Loans denominated in Alternative Currencies).

(e)If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.04(c), 2.05(d) or (e), 2.06(b) or 2.17(d) or 10.03(c), then the Administrative Agent may, in its discretion and notwithstanding any contrary provision hereof, (i) apply any amounts thereafter received by the Administrative Agent for the account of such Lender for the benefit of the Administrative Agent, the Swingline Lender or the Issuing Lender to satisfy such Lender's obligations under such Section until all such unsatisfied obligations are fully paid, and/or (ii) hold any such amounts in a segregated account as cash collateral for, and application to, any future funding obligations of such Lender under any such Section; in the case of each of (i) and (ii) above, in any order as determined by the Administrative Agent in its discretion.

Section 2.18 Mitigation Obligations; Replacement of Lenders.

(a)If any Lender requests compensation under Section 2.14, or if any Obligor is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.16, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.14 or 2.16, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Parent shall pay, or cause to be paid, all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b)If any Lender requests compensation under Section 2.14, or if any Obligor is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.16, or if any Lender becomes a Defaulting Lender, or any Lender suspends its obligation to fund Eurocurrency Loans, CDOR Loans, BBSY Loans or JIBAR Loans pursuant to Section 2.13, or any Lender refuses to consent to an amendment, modification or waiver of this Agreement that requires consent of 100% of the Lenders pursuant to Section 10.02, or if any Lender delivers a notice of illegality pursuant to Section 2.21, then the Parent may, at its sole expense, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 10.04), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (i) the Parent shall have received the prior written consent of the Administrative Agent, the Issuing Lender and the Swingline Lender, in each case, to the extent such consent would be required for an assignment pursuant to Section 10.04(b), which consent shall not be unreasonably withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in LC Disbursements and Swingline Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrowers (in the case of all other amounts) and (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.14 or payments required to be made pursuant to Section 2.16, such assignment is expected to result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Parent to require such assignment and delegation cease to apply.

Section 2.19 Increase of Commitments. Provided there exists no Event of Default, the Parent may, during the period commencing on the Fifth Amendment Effective Date to and including the date that is six months prior to the Termination Date, by written notice to the Administrative Agent executed by the Borrowers and one or more financial institutions (any such financial institution referred to in this Section being called an "Increasing Lender"), which may include any Lender, cause the Commitments to be extended by the Increasing Lender (or cause the Commitments of the Increasing Lenders to be increased, as the case may be) in an amount for each Increasing Lender set forth in such notice; provided, that (i) each extension of new Commitments or increase in existing Commitments pursuant to this paragraph shall result in the aggregate Commitments being increased by no less than $25,000,000, (ii) no extension of new Commitments or increase in existing Commitments, in each case, pursuant to this paragraph may result in the aggregate Commitments exceeding $500,000,000, (iii) each Increasing Lender, if not already a Lender hereunder (any such Increasing Lender, a "New Lender"), shall be subject to the consent of the Administrative Agent, the Issuing Lender and the Swingline Lender, in each case, to the extent such consent would be required for an assignment to such New Lender pursuant to Section 10.04(b), which consent shall not be unreasonably withheld, (iv) each Lender shall become a party to this Agreement by completing and delivering to the Administrative Agent a duly executed New Lender Agreement and (v) in no event shall any existing Lender be required to increase its Commitment. New Commitments and increases in Commitments shall become effective on the date specified in the applicable notices delivered pursuant to this paragraph. Upon the effectiveness of any New Lender Agreement to which any New Lender is a party, (i) such New Lender shall thereafter be deemed to be a party to this Agreement and shall be entitled to all rights, benefits and privileges accorded a Lender hereunder and subject to all obligations of a Lender hereunder, (ii) Schedule 1.01 shall be deemed to have been amended to reflect the Non-Pro Rata Alternative Currencies (if any) in which such New Lender has agreed to fund Revolving Loans and (iii) Schedule 2.01 shall be deemed to have been amended to reflect the Commitment of such New Lender as provided in such New Lender Agreement. Upon the effectiveness of any increase pursuant to this Section 2.19 in a Commitment of a Lender already a party hereto, Schedule 2.01 shall be deemed to have been amended to reflect such increased Commitment of such Lender. Notwithstanding the foregoing, no increase in the Commitments (or in the Commitment of any Lender) shall become effective under this Section 2.19 unless, on the date of such increase, the Administrative Agent shall have received a certificate, dated as of the effective date of such increase and executed by a Financial Officer, to the effect that the conditions set forth in paragraphs (a), (b) and (d) of Section 4.02 shall be satisfied (with all references in such paragraphs to a Borrowing being deemed to be references to such increase and attaching resolutions of the Borrowers approving such increase). Following any extension of a new Commitment or increase of a Lender's Commitment pursuant to this paragraph, any Loans outstanding prior to the effectiveness of such increase or extension shall continue to be outstanding until the ends of the respective Interests Periods applicable thereto, and shall then be repaid and, if the relevant Borrowers shall so elect, refinanced with new Loans made pursuant to Section 2.01 ratably in accordance with the Commitments in effect following such extension or increase.

Section 2.20 Defaulting Lenders.

(a) Defaulting Lender Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Majority Lenders.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 2.17 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Issuing Lender or Swingline Lender hereunder; *third*, to cash collateralize the Issuing Lender's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.05(j); *fourth*, as the Parent may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and the Parent, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) cash collateralize the Issuing Lenders' future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 2.05(j); *sixth*, to the payment of any amounts owing to the Lenders, the Issuing Lenders or Swingline Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender, the Issuing Lenders or Swingline Lenders against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *seventh*, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrowers as a result of any judgment of a court of competent jurisdiction obtained by the Borrowers against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or LC Disbursements in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and LC Disbursements owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or LC Disbursements owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in LC Exposure and Swingline Loans are held by the Lenders pro rata in accordance with the Commitments without giving effect to Section 2.20(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 2.20(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. (A) No Defaulting Lender shall be entitled to receive any Commitment Fee for any period during which that Lender is a Defaulting Lender (and the Parent shall not be required to pay or cause to be paid any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) Each Defaulting Lender shall be entitled to receive participation fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Applicable Percentage of the stated amount of Letters of Credit for which it has provided cash collateral pursuant to Section 2.05(j).

(C) With respect to any participation fee not required to be paid to any Defaulting Lender pursuant to clause (A) or (B) above, the Parent shall (x) pay, or cause to be paid, to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in LC Exposure or Swingline Loans that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay, or cause to be paid, to each Issuing Lender and Swingline Lender, as applicable, the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such Issuing Lender's or Swingline Lender's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay or cause to be paid the remaining amount of any such fee.

(iv) Reallocation of Participations to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in LC Exposure and Swingline Loans shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Applicable Percentages (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that (A) the conditions set forth in Section 4.02 are satisfied at the time of such reallocation (and, unless the Parent shall have otherwise notified the Administrative Agent at such time, the Parent shall be deemed to have represented and warranted that such conditions are satisfied at such time), and (B) such reallocation does not cause (1) the Revolving Credit Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment, or (2) the Revolving Credit Exposure of any Non-Defaulting Lender denominated in Alternative Currencies to exceed such Non-Defaulting Lender's Commitment in Alternative Currencies, in each case, calculated at the time of such reallocation. Subject to Section 10.17, no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v) Cash Collateral, Repayment of Swingline Loans. If the reallocation described in clause (iv) above cannot, or can only partially, be effected, the Borrowers shall, without prejudice to any right or remedy available to it hereunder or under law, (x) first, prepay Swingline Loans in an amount equal to the Swingline Lender's Fronting Exposure and (y) second, cash collateralize the Issuing Lender's Fronting Exposure in accordance with the procedures set forth in Section 2.05(j).

(b) Defaulting Lender Cure. If the Parent, the Administrative Agent and each Swingline Lender and Issuing Lender agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit and Swingline Loans to be held pro rata by the Lenders in accordance with the Commitments (without giving effect to Section 2.20(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Parent while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(c) New Swingline Loans/Letters of Credit. So long as any Lender is a Defaulting Lender, (i) the Swingline Lender shall not be required to fund any Swingline Loans unless it is satisfied that it will have no Fronting Exposure after giving effect to such Swingline Loan and (ii) the Issuing Lender shall not be required to issue, extend, renew or increase any Letter of Credit unless it is satisfied that it will have no Fronting Exposure after giving effect thereto.

Section 2.21 Illegality. If, in any applicable jurisdiction, the Administrative Agent, the Issuing Lender or any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for the Administrative Agent, the Issuing Lender or any Lender to (a) perform any of its obligations hereunder or under any other Loan Document, (b) to fund or maintain its participation in any Loan or (c) issue, make, maintain, fund or charge interest or fees with respect to any Loan or Letter of Credit to any Borrower that is organized under the laws of a jurisdiction other than the United States, a state thereof or the District of Columbia, such Person shall promptly notify the Administrative Agent, then, upon the Administrative Agent notifying the Parent, and until such notice by such Person is revoked, any obligation of such Person to issue, make, maintain, fund or charge interest or fees with respect to any such Loan or Letter of Credit shall be suspended, and to the extent required by applicable Law, cancelled. Upon receipt of such notice, the Parent shall, or shall cause the applicable Borrower to, (i) repay that Person's participation in the Loans or other applicable Obligations on the last day of the Interest Period for each Loan or other Obligation occurring after the Administrative Agent has notified the Parent or, if earlier, the date specified by such Person in the notice delivered to the Administrative Agent (being no earlier than the last day of any applicable grace period permitted by applicable Law), (ii) to the extent applicable to the Issuing Lender, cash collateralize that portion of the LC Exposure comprised of the aggregate undrawn amount of Letters of Credit to the extent not otherwise cash collateralized and (iii) take all reasonable actions requested by such Person to mitigate or avoid such illegality.

Section 2.22 Judgment Currency. If, for the purposes of obtaining a judgment in any court, it is necessary to convert a sum due hereunder or any other Loan Document from one currency into another currency, the rate of exchange used for such conversion shall be the rate of exchange at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding the date on which final judgment is given. The obligation of each Obligor in respect of any such sum due from it to the Administrative Agent or any Lender hereunder or under the other Loan Documents shall, notwithstanding any judgment in a currency (the "Judgment Currency") other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the "Agreement Currency"), be discharged only to the extent that on the next Business Day following receipt by the Administrative Agent or such Lender, as the case may be, of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent or such Lender, as the case may be, may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent or such Lender from any Obligor in the Agreement Currency, such Obligor agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or such Lender, as the case may be, against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent or such Lender in such currency, the Administrative Agent or such Lender, as the case may be, agrees to return the amount of any excess to such Obligor (or to any other Person who may be entitled thereto under applicable Law).

ARTICLE III
Representations and Warranties

The Parent, for itself and for each Restricted Subsidiary, and each Guarantor, for itself, represent and warrant to the Lenders that:

Section 3.01 Organization. Each of the Parent and the Restricted Subsidiaries on the date this representation is made or deemed to be made (a) to the extent applicable, is duly organized, validly existing and in good standing under the Laws of the jurisdiction of its organization, (b) has the requisite power and authority to conduct its business in each jurisdiction as it is presently being conducted, and (c) to the extent applicable, is duly qualified or licensed to conduct business and is in good standing in each such jurisdiction. As of the Third Amendment Effective Date, there are no jurisdictions in which the Parent's or any Restricted Subsidiary's failure to be qualified or be in good standing, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect. As of the Third Amendment Effective Date, no proceeding to dissolve any Obligor is pending or, to the Parent's knowledge, threatened.

Section 3.02 Authority Relative to this Agreement. Each of the Obligors has the power and authority to execute and deliver this Agreement and the other Loan Documents to which it is a party and to perform its obligations hereunder and thereunder. The Transactions have been duly authorized by all necessary corporate, partnership or limited liability company action on the part of each Obligor that is a party thereto. This

Agreement and the other Loan Documents have been duly and validly executed and delivered by each Obligor party thereto and constitute the legal, valid and binding obligations of such Obligor, enforceable against such Obligor in accordance with their respective terms, subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights and remedies generally and to the effect of general principles of equity (regardless of whether enforcement is considered in a proceeding at Law or in equity).

Section 3.03 No Violation. The Transactions will not:

(a)result in a breach of the articles or certificate of incorporation, bylaws, partnership agreement or limited liability company agreement of the Parent or any Restricted Subsidiary or any resolution currently in effect adopted by the Board of Directors, shareholders, partners, members or managers of the Parent or any Restricted Subsidiary;

(b)result in the imposition of any Lien on any of the Equity Interests of the Parent or any Restricted Subsidiary or any of their respective assets other than the Liens created under the Loan Documents;

(c)result in, or constitute an event that, with the passage of time or giving of notice or both, would be, a breach, violation or default (or give rise to any right of termination, cancellation, prepayment or acceleration) under (i) any agreement evidencing Indebtedness or any other material agreement to which the Parent or any Restricted Subsidiary is a party or by which its properties or assets may be bound or (ii) any Governmental Approval held by, or relating to the business of, the Parent or any Restricted Subsidiary;

(d)require the Parent or any Restricted Subsidiary to obtain any consent, waiver, approval, exemption, authorization or other action of, or make any filing with or give any notice to, any Person except (i) such as have been obtained or made and are in full force and effect, (ii) filings necessary to perfect or assign Liens created under the Loan Documents, (iii) filings required under applicable securities Laws, (iv) such as are required regardless of whether this Agreement is entered into by the Parent or any Restricted Subsidiary, or (v) those which, if not made or obtained, could not reasonably be expected to have a Material Adverse Effect; or

(e)violate any Law or Order applicable to the Parent or any Restricted Subsidiary or by which their respective properties or assets may be bound.

Section 3.04 Financial Statements. The Company has previously furnished to the Administrative Agent the audited consolidated balance sheets of the Company and its Subsidiaries as of December 31, 2013, and the related consolidated statements of operation, cash flows and changes in shareholders' equity for the fiscal year then ended, the notes accompanying such financial statements, and the report of KPMG LLP. Such financial statements fairly present in all material respects the financial condition of the Company and its Subsidiaries as of their respective dates and the results of operations and cash flows of the Company and its Subsidiaries for the periods ended on such dates in accordance with GAAP for the periods covered thereby, subject, in the case of interim financial

statements, to normal year-end adjustments, reclassifications and absence of footnotes. Since December 31, 2013, there has been no change that could reasonably be expected to have a Material Adverse Effect.

Section 3.05 No Undisclosed Liabilities. Except as disclosed to the Administrative Agent and each Lender in accordance with Section 5.02(b), neither the Parent nor any Restricted Subsidiary has any material liabilities or obligations of any nature (whether absolute, accrued, contingent or otherwise) except for (a) liabilities or obligations referred to, reflected or reserved against in the financial statements most recently delivered pursuant to Section 4.01(g) or Section 5.01, as applicable, (b) current liabilities incurred in the ordinary course of business since the date of such financial statements, (c) liabilities or obligations that are not required to be included in financial statements prepared in accordance with GAAP, (d) liabilities or obligations arising under

Governmental Approvals or contracts to which the Parent or any Restricted Subsidiary is a party or otherwise subject, and (e) other Permitted Indebtedness.

Section 3.06 Litigation. Except as disclosed to the Administrative Agent and each Lender in accordance with Section 5.02(c), the Company's or the Parent's, as applicable, most recent form 10-K and form 10-Q filed with the SEC describe each action, suit or proceeding pending before any Governmental Authority or arbitration panel, or to the knowledge of the Parent or any Restricted Subsidiary, threatened, (a) involving the Transactions, or (b) against the Parent or any Restricted Subsidiary regarding the business or assets owned or used by the Parent or any Restricted Subsidiary that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 3.07 Compliance with Law. Each of the Parent and the Restricted Subsidiaries is in compliance with each Law that is or was applicable to it or to the conduct or operation of its business or the ownership or use of any of its assets except where the failure to be in compliance, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect; and, as of the Third Amendment Effective Date, neither the Parent nor any Restricted Subsidiary has received any notice of, nor does any of them have knowledge of, the assertion by any Governmental Authority or other Person of any such violation.

Section 3.08 Properties. Each of the Parent and the Restricted Subsidiaries owns (with good and defensible title in the case of real property, subject only to the matters permitted by the following sentence), or have valid leasehold interests in, all the properties and assets (whether real, personal, or mixed and whether tangible or intangible) material to its business, except for minor irregularities or deficiencies in title that, individually or in the aggregate, do not interfere with its ability to conduct its business as currently conducted. All such properties and assets are free and clear of all Liens except Permitted Liens and are not, in the case of real property, subject to any rights of way, building use restrictions, exceptions, variances, reservations, or limitations of any nature which would materially interfere with an Obligor's ability to conduct its business as currently conducted.

The properties of the Parent and the Restricted Subsidiaries, taken as a whole, as to tangible, personal property, are in good operating order, condition and repair (ordinary wear and tear excepted).

Section 3.09 Intellectual Property.

(a)As of the Third Amendment Effective Date, none of the patents, patent applications, trademarks (whether registered or not), trademark applications, trade names, service marks, and copyrights owned by the Parent or any Restricted Subsidiary (the " Intellectual Property") has been declared invalid or is the subject of a pending or, to the knowledge of the Parent or any Restricted Subsidiary, threatened action for cancellation or a declaration of invalidity, and there is no pending judicial proceeding involving any claim, and neither the Parent nor any Restricted Subsidiary has received any written notice or claim of any infringement, misuse or misappropriation by the Parent or any Restricted Subsidiary of any patent, trademark, trade name, copyright, license or similar intellectual property right owned by any third party, except as described in Schedule 3.09.

(b)To the knowledge of the Parent and the Restricted Subsidiaries, the conduct by the Parent and the Restricted Subsidiaries of their respective businesses as presently conducted does not conflict with, infringe on, or otherwise violate any copyright, trade secret, or patent rights of any Person except where such conflict, infringement or violation could not reasonably be expected to have a Material Adverse Effect.

Section 3.10 **Taxes**. The Parent and the Restricted Subsidiaries have filed all Federal, state and other tax returns and reports required to be filed, and have paid all Federal, state and other Taxes imposed upon them or their properties, income or assets otherwise due and payable, except (a) where the failure to file such tax returns or pay such Taxes could not be reasonably expected to have a Material Adverse Effect or (b) to the extent such Taxes are being actively contested by the Parent or any Restricted Subsidiary in good faith and by appropriate proceedings; provided that such reserves or other appropriate provisions, if any, as shall be required in conformity with GAAP shall have been made or provided therefor.

Section 3.11 **Environmental Compliance**.

(a)Neither the Parent nor any Restricted Subsidiary is in violation of any Environmental Law or is subject to any Environmental Liability, except to the extent such violation or such liability, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect;

(b)neither the Parent nor any Restricted Subsidiary has received any written notice of any claim with respect to any Environmental Liability which claims are currently outstanding or know of any basis for any Environmental Liability, except to the extent such liability, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect;

(c)neither the Parent nor any Restricted Subsidiary has arranged for the disposal of Hazardous Material at a site listed for investigation or clean-up by any Governmental Authority or in violation of any Environmental Law except to the extent such disposal, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect;

(d)there is no proceeding pending against the Parent or any Restricted Subsidiary by any Governmental Authority with respect to the presence of any Hazardous Material on or release of any Hazardous Material from any real property owned or operated at any time by the Parent or any Restricted Subsidiary or otherwise used in connection with their respective businesses, except to the extent that if such proceeding were determined adversely to the Parent or any Restricted Subsidiary, such determination, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect;

(e)neither the Parent nor any Restricted Subsidiary has knowledge that any Hazardous Material has been or is currently being generated, processed, stored or released (or is subject to a threatened release) from, on or under any real property owned or operated by the Parent or any Restricted Subsidiary, or otherwise used in connection with their respective businesses in a quantity or concentration that would require remedial action under any Environmental Law if reported to or discovered by the relevant Governmental Authority except to the extent such remedial action, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect; and (f)to the knowledge of the Parent and the Restricted Subsidiaries, there is no underground storage tank located at any real property owned or operated by the Parent or any Restricted Subsidiary, except to the extent that the presence of such tank, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

Section 3.12 Labor Matters. As of the Third Amendment Effective Date, there are no strikes, lockouts or slowdowns against the Parent or any Restricted Subsidiary pending or, to the knowledge of the Parent or any Restricted Subsidiary, threatened. The hours worked by and payments made to employees of the Parent and the Restricted Subsidiaries have not been in violation of the Fair Labor Standards Act or any other Law dealing with such matters except to the extent such violation, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. All payments due from the Parent or any Restricted Subsidiary, or for which any claim may be made against any of them, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability on the books of the Parent or any Restricted Subsidiary except to the extent that the nonpayment of such, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. The consummation of the Transactions to occur on the Effective Date and the borrowing of Loans, use of proceeds thereof and issuance of Letters of Credit hereunder after the Effective Date will not give rise to any right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which the Parent or any Restricted Subsidiary is bound.

Section 3.13 Investment Company Status. Neither the Parent nor any Restricted Subsidiary is an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940, as amended.

Section 3.14 Insurance. Insurance maintained in accordance with Section 5.05 is in full force and effect.

Section 3.15 Solvency. Immediately after the consummation of the Transactions to occur on the Third Amendment Effective Date, and immediately following the making of each Loan and after giving effect to the application of the proceeds of each Loan, (a) the fair value of the assets of the Parent and the Restricted Subsidiaries on a going concern basis and on a consolidated basis, is greater than the total amount of debts and other liabilities of the Parent and the Restricted Subsidiaries, on a consolidated basis; (b) the present fair saleable value of the assets of the Parent and the Restricted Subsidiaries on a going concern basis and on a consolidated basis is not less than the amount that could reasonably be expected to be required to pay the probable liability of their debts and other liabilities, on a consolidated basis, as they become absolute and matured; (c) the Parent and the Restricted Subsidiaries, on a consolidated basis, are able to pay their debts and liabilities as they become absolute and mature; and (d) the Parent and the Restricted Subsidiaries are not engaged in, and are not about to be engaged in, business or a transaction for which the Parent's and the Restricted Subsidiaries' assets, on a consolidated basis, would constitute unreasonably small capital. For purposes of this Section 3.15, (a) "fair value" shall mean the amount at which the assets of an entity would change hands between a willing buyer and a willing seller, within a commercially reasonable period of time, each having knowledge of the relevant facts, neither being under any compulsion to act, with equity to both; and (b) "present fair saleable value" shall mean the amount that may be realized within a reasonable time, considered to be six months to one year, either through collection or sale at the regular market value, conceiving the latter as the amount which could be obtained for such properties within such period by a capable and diligent businessman from an interested buyer who is willing to purchase under ordinary selling conditions.

Section 3.16 **ERISA**. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect.

Section 3.17 **Disclosure**. None of the other reports, financial statements, certificates or other information furnished by or on behalf of the Parent and the Restricted Subsidiaries to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, with respect to projected financial information and forward-looking statements, the Parent represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

Section 3.18 **Margin Stock**. No part of any Borrowing or any Swingline Loan shall be used at any time, to purchase or carry margin stock (within the meaning of Regulation U) in violation of Regulation U or to extend credit to others for the purpose of purchasing or carrying any margin stock in violation of Regulation U. Neither the Parent nor any Restricted Subsidiary is engaged principally, or as one of its important activities, in the business of extending credit for the purposes of purchasing or carrying any such margin stock. No part of the proceeds of any Borrowing will be used for any purpose which violates, or which is inconsistent with, any regulations promulgated by the Board.

Section 3.19 **Anti-Corruption Laws and Sanctions**. The Parent has implemented and maintains in effect policies and procedures designed to ensure compliance by the Parent, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and the Parent, its Subsidiaries and their respective officers and employees and, to the knowledge of the Parent, its directors and agents (acting in such agent's capacity as agent for the Obligors), are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the Parent, any Subsidiary or any of their respective directors, officers or employees, or (b) to the knowledge of Parent, any agent of the Parent or any Subsidiary acting in its capacity as agent for the Obligors in connection with the credit facility established hereby, is a Sanctioned Person. No Borrowing or Letter of Credit, use of proceeds or other transaction contemplated by this Agreement will violate Anti-Corruption Laws or applicable Sanctions.

ARTICLE IV
Conditions

Section 4.01 **Effective Date**. The effectiveness of this Agreement is subject to the conditions precedent that each of the following conditions is satisfied (or waived in accordance with Section 10.02):

(a)The Administrative Agent (or its counsel) shall have received from each party hereto either (i) a counterpart of this Agreement signed on behalf of such party or (ii) written evidence satisfactory to the Administrative Agent (which may include telecopy or other electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.

(b)The Administrative Agent shall have received the Ratification Agreement executed by the parties thereto.

(c)The Administrative Agent shall have received such documents and certificates as the Administrative Agent or its counsel may reasonably request relating to the organization, existence and good standing, to the extent applicable, of each Obligor and each Restricted Subsidiary, the authorization of the Transactions to occur on the Effective Date, the authority of each natural Person executing any of the Loan Documents on behalf of any Obligor and any other legal matters relating to the Obligors, this Agreement or the Transactions to occur on the Effective Date, all in form and substance reasonably satisfactory to the Administrative Agent.

(d)Each Lender requesting a promissory note evidencing Loans made by such Lender shall have received from the Borrower a promissory note payable to such Lender in a form approved by the Administrative Agent in its reasonable discretion.

(e)The Lenders, the Administrative Agent and the Arrangers shall have received all fees and other amounts due and payable on or prior to the Effective Date, including reimbursement or payment of all out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder.

(f)The Administrative Agent shall have received a certificate from the Borrower confirming receipt of all material governmental and third party approvals, if any, necessary in connection with the financing contemplated hereby.

(g)The Lenders shall have received audited consolidated financial statements of the Borrower for the fiscal year ended December 31, 2013.

(h)The Administrative Agent shall have received a favorable written opinion (addressed to the Administrative Agent and the Lenders and dated the Effective Date) of Vinson & Elkins LLP, counsel for the Borrower, in form and substance reasonably satisfactory to the Administrative Agent.

(i)The Administrative Agent shall have received reports of UCC, tax and judgment Lien searches conducted by a reputable search firm with respect to each of the Borrower and the Restricted Subsidiaries from their respective jurisdiction of formation and such reports shall not disclose any Liens other than Permitted Liens.

(j)To the extent not previously delivered pursuant to the Existing Credit Agreement, all membership and stock certificates of each Subsidiary of the Borrower described on Annex 3 to the Security Agreement shall have been delivered to Administrative Agent together with related stock and membership powers executed in blank by the Borrower.

(k)The Administrative Agent shall have received evidence of insurance coverage of the Borrower and the Restricted Subsidiaries, which coverage shall be consistent with the requirements set forth in Section 5.05 and shall name the Administrative Agent as an additional insured and as a loss payee on the liability and casualty insurance policies.

(l)The Administrative Agent and the Lenders shall have received all documentation and other information reasonably requested by them under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act, and their respective internal policies.

Section 4.02 Each Credit Event. The obligation of each Lender to make a Loan on the occasion of any Borrowing, and of the Issuing Lender to issue, amend, renew or extend any Letter of Credit, is subject to the satisfaction of the following conditions:

(a)The representations and warranties of the Parent and the Restricted Subsidiaries set forth in this Agreement or any other Loan Document shall be deemed to have been made as a part of said request for each Borrowing and shall be true and correct in all material respects on and as of the date of such Borrowing or the date of issuance, amendment, renewal or extension of such Letter of Credit, as applicable; provided, that to the extent such representations and warranties were made as of a specific date, the same shall be required to have been true and correct in all material respects as of such specific date; provided further, in either case, to the extent any such representation or warranty is qualified by Material Adverse Effect or materiality qualifier, such representation or warranty shall be true and correct in all respects.

(b)No Material Adverse Effect shall have occurred;

(c)The Administrative Agent shall have received a Borrowing Request as required by Section 2.03 or the Administrative Agent and the Issuing Lender shall have received a request for the issuance of a Letter of Credit as required by Section 2.05(b); and

(d)At the time of and immediately after giving effect to such Borrowing or the issuance, amendment, renewal or extension of such Letter of Credit, as applicable, no Default or Event of Default shall have occurred and be continuing.

Each Borrowing and each issuance, amendment, renewal or extension of a Letter of Credit shall be deemed to constitute a representation and warranty by the Parent on the date thereof as to the matters specified in paragraphs (a), (b), and (d) of this Section 4.02.

ARTICLE V
Affirmative Covenants

Until the Commitments have expired or been terminated and the principal of and interest on each Loan and all fees payable hereunder shall have been paid in full and all Letters of Credit shall have expired or terminated and all LC Disbursements shall have been reimbursed, the Parent, for itself and each Restricted Subsidiary, and each Guarantor, for itself, covenant and agree with the Lenders that:

Section 5.01 Financial Statements. The Parent will furnish to the Administrative Agent and each Lender:

(a)within 90 days after the end of each fiscal year of the Parent, the audited consolidated balance sheet and related statements of operations, shareholders' equity and cash flows as of the end of and for such year of the Parent, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by independent public accountants of recognized national standing (without a "going concern" or like qualification, or exception as to the scope of such audit by reason of any limitation which is imposed by the Parent) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Parent and its Subsidiaries on a consolidated basis in accordance with GAAP;

(b)within 45 days after the end of the first three fiscal quarters of each fiscal year of the Parent, the consolidated balance sheet and related statements of operations, shareholders' equity and cash flows as of the end of and for such fiscal quarter and the then elapsed portion of the fiscal year for the Parent, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by a Financial Officer as presenting fairly in all material respects the financial condition and results of operations of the Parent and its Subsidiaries on a consolidated basis in accordance with GAAP, subject to normal year-end adjustments, reclassifications and the absence of footnotes;

(c)concurrently with any delivery of financial statements under clause (a) or (b) above, a certificate of a Financial Officer substantially in the form attached hereto as Exhibit 5.01(c) ("Compliance Certificate") and (i) certifying that the representations and warranties of the Parent and the Restricted Subsidiaries contained in Article III and the Security Documents were true and correct in all material respects when made, and are repeated at and as of the date of such Compliance Certificate and are true and correct in all material respects at and as of such date, except for such representations and warranties as are by their express terms limited to a specific date, (ii) certifying that, since the later of the Effective Date or the most recent Compliance Certificate, no change has occurred in the business, financial condition or results of operations of the Parent or any Restricted Subsidiary which could reasonably be expected to have a Material Adverse Effect, (iii) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (iv) setting forth reasonably detailed calculations demonstrating compliance with Sections 6.16, 6.17 and 6.18, (v) certifying compliance with Section 5.09(b) and (c), (vi) containing any notification by the Parent of the elimination of the effect of any change in GAAP in accordance with Section 1.04, (vii) setting forth a comparison of the Consolidated Adjusted Pro Forma EBITDA as shown on most recent Compliance Certificate to the Consolidated Adjusted EBITDA for the same period, and (viii) including a reasonably detailed description of any adjustments attributable to Business Acquisitions as described in the definition of Consolidated Adjusted Pro Forma EBITDA which are included by the Parent in its calculation of Consolidated Adjusted Pro Forma EBITDA for the period covered by such Compliance Certificate;

(d)promptly upon receipt of any written complaint, order, citation, notice or other written communication from any Person with respect to, or upon the Parent or any of its Subsidiaries obtaining knowledge of, (i) the existence or alleged existence of a violation of any applicable Environmental Law or any Environmental Liability in connection with any property now or previously owned, leased or operated by the Parent or any Restricted Subsidiary, (ii) any release of Hazardous Materials on such property or any part thereof in a quantity that is reportable under any applicable Environmental Law, and (iii) any pending or threatened proceeding for the termination, suspension or non-renewal of any permit required under any applicable Environmental Law, in each case under clause (i), (ii) or (iii) above, in which there is a reasonable likelihood of an adverse decision or determination that could reasonably be expected to result in a Material Adverse Effect, a certificate of a Financial Officer, setting forth the details of such matter and the actions, if any, that the Parent or such Restricted Subsidiary is required or proposes to take;

(e)promptly following any request therefor, such other information regarding the operations, business affairs and financial condition of the Parent or any Restricted Subsidiary, or

compliance with the terms of this Agreement, as the Administrative Agent or any Lender may reasonably request;

(f)promptly following any request therefor, such information evidencing any adjustments attributable to Business Acquisitions as described in the definition of Consolidated Adjusted Pro Forma EBITDA and included in a Compliance Certificate delivered pursuant to clause (c) above;

(g)within 90 days after the end of each fiscal year, copies of certificates evidencing or other evidence of all material insurance coverage maintained by the Parent and the Restricted Subsidiaries; and

(h)within 90 days after the end of each fiscal year, an annual budget of the Parent and the Restricted Subsidiaries for the following fiscal year.

Documents required to be delivered pursuant to Section 5.01(a) and (b) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Parent posts such documents, or provides a link thereto on the Parent's website on the Internet; or (ii) on which such documents are posted on the Parent's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent). Notwithstanding anything contained herein, in every instance the Parent shall be required to provide paper or electronic copies of the Compliance Certificates required by Section 5.01(c) to the Administrative Agent. Except for such Compliance Certificates, the Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Parent with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

Section 5.02 Notices of Material Events. The Parent will furnish to the Administrative Agent and each Lender promptly and, in any event, within five Business Days after acquiring knowledge thereof, written notice of the following:

(a)the occurrence of any Event of Default and the action that the Parent or any Restricted Subsidiary is taking or proposes to take with respect thereto;

(b)the incurrence of any material liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) by the Parent or any Restricted Subsidiary, other than such liabilities and obligations referenced in clauses (i) through (v) of Section 3.05;

(c)the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting the Parent or any Restricted Subsidiary or any Affiliate thereof that, if adversely determined, could reasonably be expected to result in a Material Adverse Effect or that in any manner questions the validity of the Loan Documents; and

(d)the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in unfunded liability of any Obligor resulting in a Material Adverse Effect.

Each notice delivered under this Section shall be accompanied by a statement of a Financial Officer setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

Section 5.03 Existence; Conduct of Business. Each Obligor shall and shall cause each Restricted Subsidiary to do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and the rights, licenses, permits, privileges and franchises material to the conduct of its business except to the extent failure to maintain or preserve could not reasonably be expected to have a Material Adverse Effect; provided that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under Section 6.03 or any other transaction permitted under this Agreement.

Section 5.04 Payment of Obligations. Each Obligor shall and shall cause each Restricted Subsidiary to pay its obligations, including liabilities for Taxes before the same shall become delinquent or in default, except (a) past due Taxes for which no fine, penalty, interest, late charge or loss has been assessed, (b) where the validity or amount thereof is being contested in good faith by appropriate proceedings, and such Obligor or Restricted Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (c) where the failure to make payment could not reasonably be expected to result in a Material Adverse Effect.

Section 5.05 Maintenance of Properties; Insurance. Each Obligor shall and shall cause each Restricted Subsidiary to (a) keep and maintain all property material to the conduct of the business of the Obligors and the Restricted Subsidiaries, taken as a whole, in good working order and condition, ordinary wear and tear excepted, and (b) subject to Section 5.14, maintain, with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations.

Section 5.06 Books and Records; Inspection Rights. Each Obligor shall and shall cause each Restricted Subsidiary to keep proper, complete and consistent books of record that are true and correct in all material respects with respect to such Person's operations, affairs, and financial condition. Each Obligor shall and shall cause each Restricted Subsidiary to permit any representatives designated by the Administrative Agent, upon reasonable prior notice, to visit and inspect its properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times and as often as reasonably requested (provided that in the absence of an Event of Default, the representatives of the Administrative Agent shall not visit or inspect such properties more often than once per calendar year), subject in each case, to any restrictions or confidentiality agreements existing in favor of third parties.

Section 5.07 **Compliance with Laws**. Each Obligor shall and shall cause each Restricted Subsidiary to comply with all Laws (excluding Laws referenced in Sections 5.10 and 5.12, which compliance shall be governed by such Sections) and Orders applicable to it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The Parent will maintain in effect and enforce policies and procedures designed to ensure compliance by the Parent, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

Section 5.08 **Use of Proceeds and Letters of Credit**. The proceeds of the Loans and Letters of Credit will be used only to (a) pay the fees, expenses and other transaction costs of the Transactions and (b) fund working capital needs and general corporate purposes of the Parent and the Restricted Subsidiaries, including the making of Business Acquisitions and other acquisitions of property. No part of the proceeds of any Loan will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations T, U and X. No Borrower will request any Borrowing or Letter of Credit, and no Borrower shall use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Borrowing or Letter of Credit (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (b) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or (c) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

Section 5.09 **Additional Guarantors; Termination of Guarantees**.

(a)The Parent at all times shall cause (i) all Material Restricted Subsidiaries to be Credit Facility Guarantors, other than any Material Restricted Subsidiary that is a CFC Subsidiary, and (ii) all Material Restricted Subsidiaries that are CFC Subsidiaries to be CFC Guarantors.

(b)If as of the end of any fiscal quarter, (i) the aggregate consolidated revenues generated by the Unrestricted Subsidiaries exceed ten percent (10%) of the aggregate total consolidated revenue of the Parent and all of its Subsidiaries for the most recently ended period of four (4) fiscal quarters or (ii) the book value of the aggregate consolidated assets held by the Unrestricted Subsidiaries exceeds ten percent (10%) of the book value of the aggregate total consolidated assets of the Parent and all of its Subsidiaries for the most recently ended period of four (4) fiscal quarters, the Parent shall promptly cause one or more of said Unrestricted Subsidiaries to be designated as a Restricted Subsidiary, such that, after giving effect to such designation, both the aggregate consolidated revenues and the book value of the aggregate consolidated assets of all Unrestricted Subsidiaries are less than ten percent (10%) of the total consolidated revenue and total book value of the consolidated assets of the Parent and all of its Subsidiaries. In addition, to the extent that such new Restricted Subsidiary is a Material Subsidiary, the Parent shall (i) cause such new Restricted Subsidiary to become a Credit Facility Guarantor (in the case of any Restricted Subsidiary that is not a CFC Subsidiary) or a CFC Guarantor (in the case of any Restricted Subsidiary that is a CFC Subsidiary) by executing the applicable Addendum and (ii) deliver to the Administrative Agent such documents relating to such new Restricted Subsidiary as the Administrative Agent shall reasonably request.

(c)If as of the end of any fiscal quarter, (i) the aggregate consolidated revenues generated by Immaterial Subsidiaries (other than the Finco Entities) that are not Guarantors exceed fifteen percent (15%) of the aggregate total consolidated revenue of the Parent and all of its Subsidiaries for the most recently ended period of four (4) fiscal quarters or (ii) the book value of the aggregate consolidated assets held by the Immaterial Subsidiaries (other than the Finco Entities) that are not Guarantors exceeds fifteen percent (15%) of the book value of the aggregate total consolidated assets of the Parent and all of its Subsidiaries for the most recently ended period of four (4) fiscal quarters, the Parent shall promptly cause one or more of said Immaterial Subsidiaries (other than the Finco Entities) to become a Credit Facility Guarantor (in the case of any Immaterial Subsidiary that is not a CFC Subsidiary) or a CFC Guarantor (in the case of any Immaterial Subsidiary that is a CFC Subsidiary) by executing the applicable Addendum, such that, after giving effect to such Addendum, both the aggregate consolidated revenues and the book value of the aggregate consolidated assets of all Immaterial Subsidiaries (other than the Finco Entities) that are not Guarantors are less than fifteen percent (15%) of the total consolidated revenue and total book value of the consolidated assets of the Parent and all of its Subsidiaries. Any such Immaterial Subsidiary that becomes a Guarantor shall also be designated as a Restricted Subsidiary, to the extent not already a Restricted Subsidiary. The Parent shall deliver to the Administrative Agent such documents relating to such Immaterial Subsidiary as the Administrative Agent shall reasonably request.

(d)Within 30 days after the Parent acquires or creates a new Subsidiary (other than a Finco Entity), the Parent shall notify the Administrative Agent and shall provide the constituent documents for such new Subsidiary, and to the extent that such Subsidiary is a Material Restricted Subsidiary or to the extent such Subsidiary would otherwise be required to be a Guarantor under clause (b) or (c) above, the Parent shall (i) cause such new Subsidiary to become a Credit Facility Guarantor (in the case of any new Subsidiary that is not a CFC Subsidiary) or a CFC Guarantor (in the case of any new Subsidiary that is a CFC Subsidiary) by executing the applicable Addendum and (ii) deliver to the Administrative Agent such documents relating to such new Subsidiary as the Administrative Agent shall reasonably request.

(e)Within 30 days after the occurrence of any event that results in a Subsidiary ceasing to be a CFC Subsidiary, to the extent such Subsidiary is a Material Restricted Subsidiary or to the extent such Subsidiary would otherwise be required to be a Guarantor under clause (b) or (c) above, the Parent shall (i) cause such Subsidiary to become a Credit Facility Guarantor by executing the applicable Addendum and (ii) deliver such documents relating to such Subsidiary as the Administrative Agent shall reasonably request.

(f)At any time, the Parent may, in its sole discretion, elect to cause one or more Restricted Subsidiaries that are not then Guarantors to become Guarantors by notifying the

Administrative Agent of such election, designating that such Restricted Subsidiary will be a CFC Guarantor (if applicable) and causing such Restricted Subsidiary to execute an Addendum and deliver such Addendum to the Administrative Agent together with such other documents relating to such new Guarantor as the Administrative Agent shall reasonably request.

(g)At any time, the Parent may elect to terminate any Guarantee by any Guarantor (a " Guarantee Termination"); provided that (i) no such Guarantee Termination shall be given or take effect with respect to any Subsidiary that is at the time a Borrower or Material Restricted Subsidiary and (ii) such Guarantee Termination shall only become effective on the date that is ten days after receipt by the Administrative Agent of a certificate of a Financial Officer certifying that (A) the Parent will be in pro forma compliance with Sections 5.09(b) and (c) and (B) no Default or Event of Default shall have occurred, in each case, at the time of and after giving effect to such Guarantee Termination. Upon the effectiveness of any Guarantee Termination, (i) such Guarantor shall be released from its obligations as a Guarantor hereunder, (ii) all Liens granted by such Guarantor to secure its Guarantee shall automatically be terminated and released and (iii) the Administrative Agent will, at the expense of the Parent, execute and deliver such documents as are reasonably necessary to evidence said releases and terminations.

Section 5.10 Additional Borrowers; Removal of Borrowers.

(a)(i) If after the Third Amendment Effective Date, the Parent desires another Wholly-Owned Restricted Subsidiary to become a Borrower hereunder, the Parent shall (A) provide at least ten Business Days' prior written notice to the Administrative Agent, which notice shall specify, if applicable, whether such Subsidiary shall be a CFC Borrower hereunder; (B) deliver to the Administrative Agent a Borrower Accession Agreement duly executed by all parties thereto; (C) satisfy all of the conditions with respect thereto set forth in this Section 5.10(a) in form and substance reasonably satisfactory to the Administrative Agent; (D) deliver satisfactory documentation and other information reasonably requested by the Administrative Agent or the Lenders under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act, and their respective internal policies; and (E) in the case of a proposed Additional Borrower that is organized under the laws of a jurisdiction other than the United States (or any state thereof or the District of Columbia) or the United Kingdom, obtain the consent of each Lender that such Additional Borrower is acceptable as a Borrower hereunder.

(ii) Each Subsidiary's addition as a Borrower shall also be subject to satisfaction of the following conditions: (A) the Administrative Agent shall have received (1) a certificate signed by a duly authorized officer of such Subsidiary, dated the date of such Borrower Accession Agreement certifying that (x) the representations and warranties contained in each Loan Document are true and correct in all material respects on and as of such date (or in all respects if already qualified by Material Adverse Effect or materiality), before and after giving effect to such Subsidiary becoming an Additional Borrower and as though made on and as of such date (except to the extent such representations and warranties related solely to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects (or in all respects if already qualified by Material Adverse Effect or materiality)) and (y) no Default or Event of Default has occurred and is continuing as of such date or would occur as a result of such Subsidiary becoming an Additional Borrower; and (2) such supporting resolutions, incumbency certificates, legal opinions and other documents or information pertaining to the Additional Borrower as the Administrative Agent (or any Lender acting through the Administrative Agent) may reasonably require, all in form and substance reasonably satisfactory to the Administrative Agent and (B) in the case of a proposed Additional Borrower that is organized under the laws of a jurisdiction other than the United States (or any state thereof or the District of Columbia), (1) each Lender shall have met to such Lender's satisfaction all applicable regulatory, licensing and internal policy requirements and shall be legally permitted to make loans to such Additional Borrower and (2) no Lender shall be subject to any administrative or operational issues as a result of lending to such Additional Borrower, unless such Lender, in its sole discretion, waives the condition set forth in this clause (2).

(iii) No Subsidiary's addition as an Additional Borrower shall become effective unless and until all applicable conditions set forth above in paragraphs (i) and (ii) have been satisfied in the reasonable discretion of the Administrative Agent. Upon the effective date of such Subsidiary's addition as an Additional Borrower, such Subsidiary shall be deemed to be a Borrower and, if applicable, a CFC Borrower, as specified in the Parent's notice delivered pursuant to paragraph (i) above, hereunder. The Administrative Agent shall promptly notify each Lender upon each Additional Borrower's addition as a Borrower hereunder and shall, upon request by any Lender, provide such Lender with a copy of the executed Borrower Accession Agreement. With respect to the accession of any Additional Borrower, each Lender shall be responsible for making a determination as to whether it is capable of making advances to such Additional Borrower without the incurrence of withholding Taxes, provided that such Additional Borrower and its tax advisors shall cooperate in all reasonable respects with the Administrative Agent and such Lender in connection with any analysis necessary for such Lender to make such determination and such Additional Borrower shall bear all costs and expenses incurred in connection with such determination.

(b)So long as no Default or Event of Default has occurred and is then continuing or would result therefrom, the Parent may remove any Subsidiary as a Borrower under this Agreement by providing written notice of such removal to the Administrative Agent which shall promptly give the Lenders notice of such removal; provided that (i) in the event Loans are outstanding to such Subsidiary, (A) such Loans shall be repaid in full in accordance with the terms hereof or (B) the Parent shall designate in such notice the existing Borrower or Borrowers to which such Loans will be assigned and such Loans shall be assigned to said Borrower or Borrowers prior to or contemporaneously with the removal of such Subsidiary as a Borrower pursuant to an agreement reasonably satisfactory to the Administrative Agent and (ii) in the event outstanding Letters of Credit are issued for the account of such Subsidiary (or any of its Subsidiaries), the related LC Exposure shall be cash collateralized in an account with the Administrative Agent. After receipt of such written notice by the Administrative Agent and, if applicable, the conditions set forth in clauses (i) and (ii) of the foregoing sentence, such Subsidiary shall cease to be a Borrower hereunder, but shall continue to be a Guarantor hereunder to the extent provided in Section 5.09. Once removed pursuant to this Section 5.10(b), such Subsidiary shall have no right to borrow under this Agreement unless the Parent provides notice as required pursuant to Section

5.10(a) of the request again to add such Subsidiary as an Additional Borrower hereunder and such Subsidiary complies with the conditions set forth in Section 5.10(a) to become an Additional Borrower hereunder.

Section 5.11 Compliance with ERISA. In addition to and without limiting the generality of Section 5.07, each Obligor shall and shall cause each Restricted Subsidiary to (a) comply in all material respects with all applicable provisions of ERISA and the regulations and published interpretations thereunder with respect to all employee benefit plans (as defined in ERISA) except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, (b) not take any action or fail to take action the result of which could be (i) a liability to the PBGC (other than liability for PBGC premiums) or (ii) a past due liability to any Multiemployer Plan, except to the extent such liability could not reasonably be expected to result in a Material Adverse Effect, (c) not participate in any prohibited transaction that could result in any civil penalty under ERISA or any tax under the Code, except to the extent such penalty or tax could not reasonably be expected to result in a Material Adverse Effect, (d) operate each employee benefit plan in such a manner that could not reasonably be expected to result in the incurrence of any material tax liability under Section 4980B of the Code or any liability to any qualified beneficiary as defined in Section 4980B of the Code except to the extent such tax liability or liability to any qualified beneficiary could not reasonably be expected to have a Material Adverse Effect and (e) furnish to the Administrative Agent upon the Administrative Agent's request such additional information about any employee benefit plan as may be reasonably requested by the Administrative Agent.

Section 5.12 Compliance With Agreements. Each Obligor shall and shall cause each Restricted Subsidiary to comply in all respects with each material contract or agreement to which it is a party, except where the failure to so comply could not reasonably be expected to result in a Material Adverse Effect; provided that such Obligor or Restricted Subsidiary may contest any such contract or agreement or any portion thereof in good faith through applicable proceedings so long as adequate reserves are maintained in accordance with GAAP.

Section 5.13 Compliance with Environmental Laws; Environmental Reports. Each Obligor shall and shall cause each Restricted Subsidiary to (a) comply with all Environmental Laws applicable to its operations and real property except to the extent that the failure to comply could not reasonably be expected to result in a Material Adverse Effect; (b) obtain and renew all Governmental Approvals required under Environmental Laws applicable to its operations and real property except to the extent that the failure to obtain or renew such approvals could not reasonably be expected to result in a Material Adverse Effect; and (c) conduct any Response in accordance with Environmental Laws except to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect; provided that neither such Obligor nor any Restricted Subsidiary shall be required to undertake any Response to the extent that its obligation to do so is being contested in good faith and by proper proceedings and appropriate reserves are being maintained with respect to such circumstances in accordance with GAAP.

Section 5.14 Maintain Business. Each Obligor shall and shall cause each Restricted Subsidiary to continue to engage in all material respects primarily in the business or businesses being conducted on the Third Amendment Effective Date and other businesses reasonably related or ancillary thereto as determined by the board of directors of the Parent.

Section 5.15 Further Assurances. Each Obligor shall and shall cause each Restricted Subsidiary to execute, acknowledge and deliver, at its own cost and expense, all such further acts, documents and assurances as may from time to time be reasonably necessary or as the Majority Lenders may from time to time reasonably request in order to carry out the intent and purposes of the Loan Documents, including all such actions to establish, preserve, protect and (to the extent required under the Security Documents or as otherwise provided in this Agreement) perfect the estate, right, title and interest of the Lenders, or the Administrative Agent for the benefit of the Lenders, to the Collateral (including Collateral acquired after the date hereof).

ARTICLE VI
Negative Covenants

Until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees payable hereunder shall have been paid in full and all Letters of Credit have expired or terminated and all LC Disbursements shall have been reimbursed, the Parent, for itself and each Restricted Subsidiary, and each Guarantor, for itself, covenant and agree with the Administrative Agent and the Lenders that:

Section 6.01 Indebtedness. None of the Obligors or any Restricted Subsidiary will create, incur, assume or permit to exist any Indebtedness, except:

(a)Indebtedness created hereunder or under any of the Loan Documents;

(b)Existing Indebtedness and any Indebtedness incurred in connection with the refinancing thereof, so long as (i) the principal amount of such Indebtedness does not increase, (ii) such Indebtedness does not have a maturity date shorter than six (6) months following the Termination Date and (iii) such Indebtedness has covenants, taken as a whole, that are no more restrictive than the terms of the Loan Documents in any material respects;

(c)Indebtedness incurred to finance the acquisition, construction or improvement of any assets, including Capital Lease Obligations, and any Indebtedness assumed in connection with the acquisition of any such assets or secured by a Lien on any such assets prior to the acquisition thereof, and extensions, renewals and replacements of any of such Indebtedness that do not increase the outstanding principal amount thereof; provided that the aggregate principal amount of Indebtedness outstanding under this clause (c) shall not exceed $50,000,000 at any time;

(d)Indebtedness (i) owed by an Obligor to any other Obligor, (ii) owed by a Restricted Subsidiary that is not an Obligor to any other Restricted Subsidiary that is not an Obligor, (iii) owed by an Obligor to any Restricted Subsidiary that is not an Obligor or (iv) owed by a Restricted Subsidiary that is not an Obligor to any Obligor; provided that the aggregate amount of Indebtedness outstanding pursuant to this clause (iv) shall not exceed $75,000,000, at any time, when combined with amounts outstanding under Section 6.05(e), without duplication;

(e)Indebtedness of any Restricted Subsidiary in existence on the date on which such Restricted Subsidiary is acquired directly or indirectly by the Parent (but not incurred or created in connection with such acquisition); provided (i) neither the Parent nor any other Restricted Subsidiary has any obligation with respect to such Indebtedness, (ii) none of the properties of the Parent or any other Restricted Subsidiary is bound with respect to such Indebtedness and (iii) the aggregate principal amount of all Indebtedness outstanding under this clause (e) shall not exceed $10,000,000 at any time;

(f)Indebtedness in respect of endorsements of negotiable instruments for collection in the ordinary course of business;

(g)Indebtedness associated with accounts payable incurred in the ordinary course of business that are not more than ninety (90) days past due or which are being actively contested by the Parent or the applicable Restricted Subsidiary in good faith and by appropriate action and for which adequate reserves have been maintained in accordance with GAAP;

(h)Indebtedness constituting Investments permitted by clauses (f) and (h) of Section 6.05;

(i)Indebtedness incurred pursuant to Swap Agreements permitted by Section 6.06;

(j)other Indebtedness in an aggregate amount not to exceed $50,000,000 outstanding at any time;

(k)guarantees of Indebtedness permitted by clauses (c), (i) and (j) of this Section; and

(l)other unsecured Indebtedness so long as the Total Net Leverage Ratio at the time of incurrence of such Indebtedness, and after giving pro forma effect thereto, is less than 3.5 to 1.0; provided, the proceeds of any such newly incurred Indebtedness shall not be included in the calculation of the Total Net Leverage Ratio for purposes of determining pro forma compliance with such ratio (it being understood that this proviso shall not exclude Unencumbered Balance Sheet Cash that is not attributable to such newly incurred Indebtedness).

Section 6.02 Liens. None of the Obligors or any Restricted Subsidiary will create, incur, assume or permit to exist any Lien on any property or asset now owned or hereafter acquired by it, or assign or sell any income or revenues (including accounts receivable) or rights in respect of any thereof, except:

(a)Permitted Encumbrances;

(b)Liens created by the Security Documents;

(c)Liens on any property or assets of the Parent or any Restricted Subsidiary existing on the Third Amendment Effective Date and set forth in Schedule 6.02; provided that (i) such Lien shall not apply to any property or asset of the Parent or any Restricted Subsidiary other than such property or asset to which such Lien applies on the Third Amendment Effective Date and (ii) such Lien shall secure only those obligations which it secures on the Third Amendment Effective Date and extensions, renewals and replacements thereof in accordance with Section 6.01;

(d)Liens on assets acquired, constructed or improved by the Parent or any Restricted Subsidiary; provided that (i) such Liens secure Indebtedness permitted by clause (c) of Section 6.01, (ii) such Liens and the Indebtedness secured thereby are incurred prior to or within 90 days after such acquisition or the completion of such construction or improvement, (iii) the Indebtedness secured thereby does not exceed 100% of the cost of acquiring, constructing or improving such assets and (iv) such Liens shall not apply to any other property or assets of the Parent or any Restricted Subsidiary other than the proceeds of, and insurance proceeds related to, such assets;

(e)Liens on assets of any Restricted Subsidiary in existence on the date such Restricted Subsidiary is acquired by the Parent (but not created in connection with such acquisition) securing Indebtedness permitted under Section 6.01(e); provided that (i) such Lien shall not apply to any property of asset of the Parent or any other Restricted Subsidiary and (ii) such Lien shall secure only those obligations which it secures on the date of such acquisition; and

(f)Liens on cash securing obligations of the Parent or any Restricted Subsidiary to providers of vault services with respect to such cash.

Section 6.03 Fundamental Changes. None of the Obligors or any Restricted Subsidiary will merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or liquidate or dissolve, except that, if at the time thereof and immediately after giving effect thereto no Default or Event of Default shall have occurred and be continuing and, if such transaction involves a Borrower, such Borrower shall survive such transaction or the surviving entity shall become a Borrower in accordance with Section 5.10(a):

(a)any Restricted Subsidiary may merge into or consolidate with a Borrower;

(b)any Restricted Subsidiary that is a Wholly-Owned Subsidiary may merge into or consolidate with any other Restricted Subsidiary that is a Wholly-Owned Subsidiary; provided that if such transaction involves an Obligor, the Obligor survives such transaction (or the surviving entity becomes an Obligor in accordance with Section 5.09 or Section 5.10(a), as applicable);

(c)any Restricted Subsidiary may merge into or consolidate with any other Person so long as either (i) such Restricted Subsidiary is the surviving entity of such merger or consolidation or (ii) if such Restricted Subsidiary is not the surviving entity, the surviving entity and/or the Parent, as applicable, complies with the provisions of Section 5.09(d) within thirty (30) days of such merger or consolidation;

(d)any Obligor or any Restricted Subsidiary that is not an Obligor may change its jurisdiction of organization so long as, in the case of an Obligor, it complies with Section 6.12 hereof;

(e)any Restricted Subsidiary that is not an Obligor may liquidate or dissolve if the Parent determines in good faith that such liquidation or dissolution is in the best interests of the Parent and could not be reasonably expected to result in a Material Adverse Effect; and

(f)any Unrestricted Subsidiary may merge into or consolidate with any Obligor or any Restricted Subsidiary that is not an Obligor so long as (i) such Obligor or such Restricted Subsidiary that is not an Obligor is the surviving entity of such merger or consolidation and (ii) the Parent provides an officer's certificate to the Administrative Agent, executed by a Financial Officer, certifying that, after giving effect to such merger or consolidation, the Parent is in pro forma compliance with Sections 6.16, 6.17 and 6.18.

Section 6.04 Asset Sales. None of the Obligors or any Restricted Subsidiary will make any Asset Sale except, if at the time thereof and immediately after giving effect thereto, with respect to clause (a), no Default or Event of Default shall have occurred and be continuing:

(a)the Parent or any Restricted Subsidiary may make any Asset Sale, including sale-leaseback transactions, if (i) the consideration therefor is not less than the fair market value of the related asset and (ii) after giving effect thereto, the aggregate book value of the assets disposed of in all Asset Sales (other than Asset Sales permitted under the other clauses of this Section 6.04) during the term of this Agreement would not exceed twenty-five percent (25%) of the book value of the total assets of the Parent and its Subsidiaries on a consolidated basis as of the time such Asset Sale is consummated, which amount shall be diminished by the aggregate book value of all prior Asset Sales made during the term of this Agreement pursuant to this clause (a);

(b)(i) any Obligor may sell, transfer, lease or otherwise dispose of its assets to another Obligor, and (ii) any Restricted Subsidiary that is not an Obligor may sell, transfer, lease or otherwise dispose of its assets to any Obligor or any other Restricted Subsidiary;

(c)sales, exchanges and transfers consisting of Investments permitted by Section 6.05;

(d)sales, exchanges and transfers of inventory in the ordinary course of business;

(e)sales, exchanges and transfers of equipment and other property which is replaced by equipment or property of at least comparable value and use or which is discontinued, obsolete, worn out or no longer used or useful to such Person's business, all in the ordinary course of business;

(f)sales, exchanges and transfers of chattel paper to third parties pursuant to arm's-length transaction for fair value in the ordinary course of business;

(g)leases entered into by any Obligor with any Restricted Subsidiary that is not an Obligor to lease assets to such Restricted Subsidiary that is not an Obligor so long as (i) the fair market value of the assets leased under this clause (g) shall not exceed $80,000,000 at any time and (ii) such leases are at prices and on terms and conditions not less favorable to such Obligor than could be obtained on an arm's-length basis from unrelated third parties; and

(h)leases or financing contracts entered into with third parties to lease or finance such third parties' purchase of ATM Equipment.

Section 6.05 Investments. None of the Obligors or any Restricted Subsidiary will make an Investment in any other Person, except:

(a)Permitted Investments;

(b)Business Acquisitions permitted by Section 6.11;

(c)Investments existing as of the Third Amendment Effective Date and listed on Schedule 6.05;

(d)Investments by an Obligor in another Obligor;

(e)Investments by any Obligor in any Restricted Subsidiary that is not an Obligor; provided that the aggregate amount of Investments (valued as of the date the applicable Investment was made) outstanding pursuant to this clause (e) shall not exceed $75,000,000 at any time when combined with amounts outstanding under Section 6.01(d)(iv), without duplication;

(f)Investments arising out of loans and advances for expenses, travel per diem and similar items in the ordinary course of business to directors, officers and employees in an aggregate amount not to exceed $2,000,000 at any time;

(g)shares of stock, obligations or other securities received in the settlement of claims arising in the ordinary course of business;

(h)Investments by any Restricted Subsidiary that is not an Obligor in (i) any Obligor or (ii) any other Restricted Subsidiary that is not an Obligor;

(i)Investments not otherwise permitted under this Section 6.05 in an aggregate amount not to exceed $30,000,000 at any time;

(j)Guarantees permitted by Section 6.01; and

(k)Investments by any Obligor in any Finco Entity; provided that, substantially contemporaneously with such Investment, substantially all of the proceeds of such Investment are loaned, transferred, distributed to, or invested in, one or more Obligors.

Section 6.06 Swap Agreements. None of the Obligors nor any Restricted Subsidiary will enter into any Swap Agreement, except (a) Swap Agreements entered into to hedge or manage the interest rate exposure associated with vault cash procurement, any debt securities, debt facilities or leases (existed or forecasted) of the Parent or any Restricted Subsidiary, (b) any Permitted Bond Hedge Transaction(s), (c) any Permitted Warrant Transaction(s), (d) Swap Agreements for foreign exchange or currency exchange management or (e) Swap Agreements to hedge or manage any exposure that the Parent or any Restricted Subsidiary may have to counterparties under other Swap Agreements such that, in each case, such Swap Agreements are entered into in the ordinary course of business and the combination of such Swap Agreements, taken as a whole, is for risk management purposes and not speculative.

Section 6.07 Restricted Payments. None of the Obligors nor any Restricted Subsidiary will declare or make, or agree to pay or make, any Restricted Payment, except:

(a)(i) Restricted Payments by the Parent in any amount so long as at the time of such Restricted Payment, and after giving pro forma effect thereto, (A) no Event of Default exists and (B) the Total Net Leverage Ratio is less than 3.0 to 1.0 and (ii) Restricted Payments by the Parent up to an aggregate amount of $30,000,000 in any fiscal year if at the time of such Restricted Payment, and after giving pro forma effect thereto, (A) no Event of Default exists and (B) the Total Net Leverage Ratio is greater than 3.0 to 1.0, but less than 4.0 to 1.0;

(b)dividends or distributions on Equity Interests of Restricted Subsidiaries ratably with respect to such Equity Interests;

(c)payments of dividends and distributions made with shares or units of capital stock of the Parent;

(d)redemptions of capital stock of employees, directors or officers of the Parent or any of its Subsidiaries so long as (i) the amount of such redemption, when combined with all other redemptions made under this clause (d) in the same calendar year, does not exceed $20,000,000 and (ii) the Parent demonstrates pro forma compliance with Sections 6.16, 6.17 and 6.18;

(e)the payment by or on behalf of the Company of the purchase price for any Permitted Bond Hedge Transaction(s);

(f)the receipt of cash and/shares of common stock of the Parent upon exercise and settlement or termination of any Permitted Bond Hedge Transaction(s);

(g)the payment and/or delivery of cash or common stock of the Parent, as the case may be, by or on behalf of the Company upon exercise and settlement, termination or redemption of any Permitted Warrant Transaction(s);

(h)the payment and/or delivery of cash or common stock of the Parent, as the case may be, by or on behalf of the Company in satisfaction of the Company’s obligations in respect of the Convertible Senior Notes whether upon conversion of such securities, upon a fundamental change (or similar event, however so defined by the terms of such securities), upon repurchase of such securities, at maturity of such securities or otherwise; provided that neither the Parent nor the Company shall satisfy such obligations with the payment of cash unless, at the time of such payment and after giving pro forma effect thereto, (i) no Event of Default shall exist and (ii) if the pro forma Total Net Leverage Ratio is greater than 3.0 to 1.0, the sum of Unencumbered Balance Sheet Cash and unused Commitments shall be at least $75,000,000; and

(i)Restricted Payments (other than those contemplated by Section 6.07(b)) made to any Obligor or made by any Restricted Subsidiary that is not an Obligor to any other Restricted Subsidiary that is not an Obligor.

Section 6.08 Prepayments of Indebtedness. The Obligors will not voluntarily prepay or redeem any Indebtedness, except:

(a)prepayments of Indebtedness created under the Loan Documents in accordance with this Agreement;

(b)refinancings of Permitted Indebtedness to the extent such refinancing is permitted by Section 6.01 of this Agreement;

(c)the payment of secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness to the extent such sale or transfer is permitted by this Agreement;

(d)voluntary prepayments and redemptions made with shares of capital stock of the Parent and proceeds of offerings of capital stock of the Parent;

(e)voluntary prepayments and redemptions constituting calls, tenders or open market purchases of the Existing Senior Notes with an aggregate par value not to exceed $200,000,000;

(f)voluntary prepayments of Indebtedness permitted by Section 6.01(d); and

(g)voluntary prepayments and redemptions, other than those made under the other clauses of this Section, so long as at the time of such prepayment or redemption and after giving pro forma effect thereto, no Event of Default shall exist and the Senior Secured Net Leverage Ratio shall not exceed 2.0 to 1.0.

For the avoidance of doubt, neither of the payment of cash nor the delivery of common stock by or on behalf of the Company or the Parent, as the case may be, upon conversion of the Convertible Senior Notes shall be prohibited by this Section 6.08, so long as, in the case of the payment of cash, the applicable conditions set forth in Section 6.07(h) are satisfied.

Section 6.09 Transactions with Affiliates. None of the Obligors nor any Restricted Subsidiary will sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with any of its Affiliates, except (a) at prices and on terms and conditions not less favorable to such Obligor or such Restricted Subsidiary than could be obtained on an arm's-length basis from unrelated third parties, (b) any Restricted Payment permitted by Section 6.07, (c) any transaction between or among Obligors, (d) any transaction between or among Restricted Subsidiaries that are not Obligors and (e) Investments permitted by Section 6.05.

Section 6.10 Restrictive Agreements. None of the Obligors nor any Restricted Subsidiary will, directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon (a) the ability of any Obligor or any Restricted Subsidiary to create, incur or permit to exist any Lien securing the Obligations under the Loan Documents upon any of its property or assets, (b) the ability of any Guarantor or any Restricted Subsidiary to pay dividends or other distributions with respect to any shares of its capital stock, (c) the ability of any Obligor or any Restricted Subsidiary to make or repay loans or advances to any Obligor or (d) the ability of any Obligor to guarantee the Obligations; provided that (i) the foregoing shall not apply to restrictions and conditions imposed by Law or by this Agreement, (ii) the foregoing shall not apply to restrictions and conditions existing on the Third Amendment Effective Date and identified on Schedule 6.10 (but shall apply to any extension or renewal of, or any amendment or modification expanding the scope of, any such restriction or condition), (iii) the foregoing shall not apply to customary restrictions and conditions contained in agreements relating to the sale of a Subsidiary pending such sale, provided such restrictions and conditions apply only to the Subsidiary that is to be sold and such sale is permitted hereunder, (iv) clause (a) of the foregoing shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Agreement, including, without limitation, secured Indebtedness permitted by Section 6.01(e), provided that such restrictions or conditions apply only to the property or assets securing such Indebtedness and (v) clause (a) of the foregoing shall not apply to customary provisions in leases and other contracts restricting the assignment thereof or encumbrances on the property that is the subject thereof.

Section 6.11 Business Acquisitions. None of the Obligors nor any Restricted Subsidiary will make any Business Acquisitions except that an Obligor or any Restricted Subsidiary shall be permitted to make Business Acquisitions provided that (a) no Event of Default shall exist before or immediately after giving effect to such Business Acquisition, (b) if the Total Net Leverage Ratio at the time of such Business Acquisition, and after giving pro forma effect thereto, is equal to or greater than 3.50 to 1.0, the Excess Business Acquisition Consideration (as hereinafter defined) shall not exceed $100,000,000, (c) the Parent shall be in pro forma compliance with Sections 6.16, 6.17 and 6.18 and (d) if the cash consideration for such Business Acquisition is equal to or greater than $50,000,000 (or the equivalent amount thereof in any foreign currency), the Parent shall have given the Administrative Agent at least ten (10) days prior written notice of such Business Acquisition together with an officer's certificate executed by a Financial Officer, certifying as to compliance with the requirements of this Section and containing calculations demonstrating compliance with clauses (b), to the extent applicable, and (c) of this Section, together with such other information in respect of the proposed Business Acquisition as may be reasonably requested by the Administrative Agent; provided that the proceeds received by an Obligor from unrelated third parties pursuant to Asset Sales permitted under Section 6.04 which Asset Sales consist of substantially all of the assets of any division, business unit or line of business of the Parent or any Restricted Subsidiary shall be netted against the Excess Business Acquisition Consideration for purposes of the calculations under clause (b) above. The consummation of each Business Acquisition shall be deemed to be a representation and warranty by the Parent that all conditions thereto have been satisfied and that same is permitted under the terms of this Agreement, which representation and warranty shall be deemed to be a representation and warranty for all purposes hereunder. For purposes of this Section 6.11, the term "Excess Business Acquisition Consideration" shall mean, during the period commencing on the Third Amendment Effective Date through the termination of this Agreement, the aggregate amount of that portion of the consideration (excluding any Equity Interests) for each Business Acquisition that causes the Total Net Leverage Ratio at the time of such Business Acquisition, and after giving pro forma effect thereto, to be equal to or greater than 3.50 to 1.0. For the avoidance of doubt, the portion of such consideration that can be incurred without causing the pro forma Total Net Leverage Ratio to be equal to or greater than 3.50 to 1.0 shall not be included in the calculation of Excess Business Acquisition Consideration.

Section 6.12 Constitutive Documents. None of the Obligors nor any Restricted Subsidiary will amend its charter or by-laws or other constitutive documents in any manner which could reasonably be expected to have a Material Adverse Effect on the rights of the Lenders under this Agreement or their ability to enforce the same; provided, however, the Obligors or any Restricted Subsidiary shall be permitted after the date hereof to amend its constitutive documents for the purpose of (a) changing its jurisdiction of organization within the same country so long as the Administrative Agent is given thirty (30) Business Days prior written notice of such change and (b) effecting any transaction permitted under the terms of this Agreement.

Section 6.13 Capital Expenditures. None of the Obligors nor any Restricted Subsidiary will make any Capital Expenditures; provided that an Obligor or any Restricted Subsidiary shall be permitted to make Capital Expenditures so long as at the time of, and after giving pro forma effect to, such Capital Expenditure, the Parent is in compliance with Section 6.18.

Section 6.14 Amendment of Existing Indebtedness. The Obligors will not amend any term of any document evidencing Existing Indebtedness, if (a) the effect thereof would be to shorten the maturity or average life thereof or increase the amount of any payment of principal thereof or increase the rate or shorten any period for payment of interest thereon or (b) such action would add any covenant or event of default which is more onerous in any material respect than those contained therein on the Third Amendment Effective Date, provided that the foregoing shall not prohibit (i) the execution of supplemental indentures associated with the incurrence of additional Existing Senior Notes to the extent permitted by Section 6.01 or (ii) the execution of supplemental indentures to add guarantors if required by the terms of the Senior Note Indenture provided the relevant Borrower and such Person comply with Section 5.09.

Section 6.15 Changes in Fiscal Year. The Parent shall not change the end of its fiscal year to a date other than December 31 of each year.

Section 6.16 Senior Secured Net Leverage Ratio. The Parent shall not, as of the last day of any fiscal quarter, permit the Senior Secured Net Leverage Ratio to exceed 2.25 to 1.0.

Section 6.17 <u>Total Net Leverage Ratio</u>. The Parent shall not, as of the last day of any fiscal quarter, permit the Total Net Leverage Ratio to exceed 4.0 to 1.0.

Section 6.18 <u>Fixed Charge Coverage Ratio</u>. The Parent shall not, as of the last day of any fiscal quarter, permit the Fixed Charge Coverage Ratio to be less than 1.50 to 1.0.

ARTICLE VII
Events of Default and Remedies

Section 7.01 <u>Events of Default</u>. If any of the following events ("Events of Default") shall occur:

(a)any Borrower shall fail to pay any principal of any Loan or any reimbursement obligation in respect of any LC Disbursement when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(b)any Borrower shall fail to pay any interest on any Loan or any fee or other amount (other than an amount referred to in clause (a) of this Section 7.01) payable under this Agreement or the other Loan Documents which amount has been invoiced, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five Business Days;

(c)any representation or warranty made or deemed made by or on behalf of any Borrower or any Restricted Subsidiary in or in connection with this Agreement, any Loan Document or any amendment or modification hereof or waiver hereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with this Agreement or any amendment or modification hereof or waiver hereunder, shall prove to have been incorrect when made or deemed made in any material respect;

(d)any Borrower or any Restricted Subsidiary shall fail to observe or perform any covenant, condition or agreement contained in Section 5.02, 5.03 (with respect to any Borrower's existence), 5.08 or in Article VI;

(e)any Borrower or any Restricted Subsidiary shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in clauses (a), (b) or (d) of this Article) or in any other Loan Document, and such failure shall continue unremedied for a period of 30 days following the earlier of (i) the date on which such failure first became known to any Financial Officer or (ii) notice of such failure from the Administrative Agent;

(f)any Borrower or any Restricted Subsidiary shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five Business Days;

(g)any event or condition occurs (i) that results in any Material Indebtedness becoming due prior to its scheduled maturity or (ii) that requires the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; provided that this clause (g) shall not apply to (A) secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness, (B) the occurrence of a fundamental change (or similar event, however so defined) as such term is defined in the Convertible Senior Notes or the exercise of any put right in connection with such fundamental change by holders of the Convertible Senior Notes, (C) the occurrence of any event or condition that permits the conversion, whether into cash, shares of Parent common stock, or a combination thereof, of the Convertible Senior Notes and (D) any conversion, whether into cash (subject to Section 6.07(h)), shares of Parent common stock, or a combination thereof, of the Convertible Senior Notes by the holders thereof;

(h)an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of any Borrower or any Restricted Subsidiary or their debts, or of a substantial part of their assets, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or any Restricted Subsidiary or for a substantial part of any of their assets, and, in any such case, such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(i)any Borrower or any Restricted Subsidiary shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (h) of this Section 7.01, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or any Restricted Subsidiary or for a substantial part of any of their assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;

(j)any Borrower or any Restricted Subsidiary shall become unable, admit in writing its inability, or fail generally to pay its debts as they become due;

(k)one or more judgments for the payment of money that is not covered by insurance in an aggregate amount in excess of $20,000,000 (or the equivalent amount thereof in any foreign currency) shall be rendered against any Borrower or any Restricted Subsidiary or any combination thereof and the same shall remain undischarged or unstayed for a period of 60 consecutive days during which execution shall not be effectively stayed, or any attachment or levy shall be entered upon any assets of such Borrower or such Restricted Subsidiary to enforce any such judgment;

(l)an ERISA Event shall have occurred that, when taken together with all other ERISA Events that have occurred and are continuing, could reasonably be expected to result in a Material Adverse Effect;

(m)a proceeding shall be commenced by any Borrower or any Restricted Subsidiary seeking to establish the invalidity or unenforceability of any Loan Document (exclusive of questions of interpretation thereof), or any Obligor shall repudiate or deny that it has any liability or obligation for the payment of principal or interest or other obligations purported to be created under any Loan Document;

(n)any Lien created by any of the Security Documents shall at any time fail to constitute a valid and (to the extent required by the Security Documents or as otherwise permitted under this Agreement) perfected Lien on any material portion of the Collateral purported to be subject thereto, securing the obligations purported to be secured thereby, with the priority required by the Loan Documents, or any Obligor shall so assert in writing, in each case other than as a result of action or inaction of the Administrative Agent or any Lender; or

(o)a Change in Control occurs;

then, and in every such event (other than an event with respect to any Borrower described in clause (h) or (i) of this Section 7.01), and at any time thereafter during the continuance of such event, the Administrative Agent may, and at the request of the Majority Lenders shall, by notice to the Parent, take any or all of the following actions, at the same or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, (ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other Obligations of the Borrowers accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower; and in case of any event with respect to any Borrower described in clause (h) or (i) of this Section 7.01, the Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other Obligations of the Borrowers accrued hereunder, shall automatically become due and payable, without presentment, demand, protest notice of acceleration or the intent to accelerate or any other notice of any kind, all of which are hereby waived by each Borrower, (iii) increase the rate charged on all Loans to the Default Rate (after the acceleration thereof), and (iv) exercise any or all of the remedies available to it under any of the Loan Documents, at Law or in equity (including, without limitation, conducting a foreclosure sale of any of the Collateral).

Section 7.02 Cash Collateral. In addition to the remedies contained in Section 7.01, upon the occurrence and continuance of any Event of Default, each Borrower shall pay to the Administrative Agent in such amounts and at such times as contemplated by Section 2.05(j).

ARTICLE VIII
The Administrative Agent

Each of the Lenders and the Issuing Lender hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof, together with such actions and powers as are reasonably incidental thereto.

The Lender serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and such bank and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with the Parent or other Affiliate thereof as if it were not the Administrative Agent hereunder.

The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, (a) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or an Event of Default has occurred and is continuing, (b) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby that the Administrative Agent is required to exercise in writing as directed by the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.02), and (c) except as expressly set forth herein, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Parent or any of its Subsidiaries that is communicated to or obtained by the Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.02) or in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default or Event of Default unless and until written notice thereof is given to the Administrative Agent by the Parent or a Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement, (ii) the contents of any certificate, report or other document delivered hereunder or in connection herewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrowers), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

The Administrative Agent may perform any and all its duties and exercise its rights and powers by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

Subject to the appointment and acceptance of a successor Administrative Agent as provided in this paragraph, the Administrative Agent may resign at any time by notifying the Lenders, the Issuing Lender and the Parent. Upon any such resignation, the Majority Lenders shall have the right, with the approval of Parent, which shall not be unreasonably withheld, conditioned or delayed, and shall not be required during the existence of an Event of Default, to appoint a successor. If no successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders and the Issuing Lender, appoint a successor Administrative Agent which shall be a bank with an office in Houston, Texas, or an Affiliate of any such bank. Upon the acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. The fees payable by or on behalf of the Parent to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Parent and such successor. After the Administrative Agent's resignation hereunder, the provisions of this Article and Section 10.03 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as Administrative Agent.

Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any related agreement or any document furnished hereunder or thereunder.

ARTICLE IX
Guarantee

Section 9.01 The Guarantee.

(a)Each Credit Facility Guarantor hereby jointly and severally with each other Credit Facility Guarantor unconditionally and irrevocably guarantees the full and punctual payment when due (whether at stated maturity, upon acceleration or otherwise) of the principal of and interest on each Loan, and the full and punctual payment of all other Obligations. Upon failure by any Borrower, any Guarantor or any Restricted Subsidiary to pay punctually any Obligations, each Credit Facility Guarantor shall forthwith on demand pay the amount not so paid at the place and in the manner specified in this Agreement, the other Loan Documents or such other documents evidencing the Obligations. This Guarantee is a guaranty of payment and not of collection. Neither the Lenders nor any other Person to whom such Obligations are owed shall be required to exhaust any right or remedy or take any action against the Borrowers, the Guarantors or any other Person or any Collateral. Each Credit Facility Guarantor agrees that, as between the Credit Facility Guarantors and the Lenders and any other Person to whom such Obligations are owed, such Obligations may be declared to be due and payable for the purposes of this Guarantee notwithstanding any stay, injunction or other prohibition which may prevent, delay or vitiate any declaration as regards any Borrower and that in the event of a declaration or attempted declaration, such Obligations shall immediately become due and payable by each Credit Facility Guarantor for the purposes of this Guaranty.

(b)Each CFC Guarantor hereby jointly and severally with each other CFC Guarantor unconditionally and irrevocably guarantees the full and punctual payment when due (whether at stated maturity, upon acceleration or otherwise) of the principal of and interest on each Loan made to a CFC Borrower, and the full and punctual payment of all other Obligations of any CFC Borrower, any other CFC Guarantor and any other Restricted Subsidiary that is a CFC Subsidiary; provided that no CFC Subsidiary shall guarantee any Obligations of any Person that is (i) a U.S. Person or (ii) owned by a U.S. Person and classified as a partnership or disregarded entity, in each case for U.S. federal income tax purposes. Upon failure by any CFC Borrower, any CFC Guarantor or any Restricted Subsidiary that is a CFC Subsidiary to pay punctually any such Obligations, each CFC Guarantor shall forthwith on demand pay the amount not so paid at the place and in the manner specified in this Agreement, the other Loan Documents or such other documents evidencing the Obligations; provided that no CFC Subsidiary shall be required to pay any Obligations of any Person that is (i) a U.S. Person or (ii) owned by a U.S. Person and classified as a partnership or disregarded entity, in each case for U.S. federal income tax purposes. This Guarantee is a guaranty of payment and not of collection. Neither the Lenders nor any other Person to whom such Obligations are owed shall be required to exhaust any right or remedy or take any action against the CFC Borrowers, the Guarantors or any other Person or any Collateral. Each CFC Guarantor agrees that, as between the CFC Guarantors and the Lenders and any other Person to whom such Obligations are owed, such Obligations may be declared to be due and payable for the purposes of this Guarantee notwithstanding any stay, injunction or other prohibition which may prevent, delay or vitiate any declaration as regards any CFC Borrower and that in the event of a declaration or attempted declaration, such Obligations shall immediately become due and payable by each CFC Guarantor for the purposes of this Guarantee; provided that no CFC Subsidiary shall be required to pay any Obligations of any Person that is (i) a U.S. Person or (ii) owned by a U.S. Person and classified as a partnership or disregarded entity, in each case for U.S. federal income tax purposes.

Section 9.02 Guaranty Unconditional. The obligations of each Guarantor hereunder shall be unconditional and absolute and, without limiting the generality of the foregoing, shall not be released, discharged or otherwise affected by:

(a)any extension, renewal, settlement, compromise, waiver or release in respect of any Obligations, by operation of law or otherwise other than the full payment thereof;

(b)any modification, amendment or waiver of or supplement to the Loan Documents, any Lender Swap Agreements or any other document evidencing the Obligations;

(c)any release, impairment, non-perfection or invalidity of any direct or indirect security for any Obligations;

(d)any change in the corporate existence, structure or ownership of any Borrower or any other Guarantor or any Restricted Subsidiary, or any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Borrower, any other Guarantor, any Restricted Subsidiary or their respective assets or any resulting release or discharge of any Obligation;

(e)the existence of any claim, set-off or other rights which the Guarantor may have at any time against any Borrower, any other Guarantor, any Restricted Subsidiary, the Administrative Agent, any Lender or any other Person, whether in connection herewith or any unrelated transactions, provided that nothing herein shall prevent the assertion of any such claim by separate suit or compulsory counterclaim;

(f)any invalidity or unenforceability relating to or against any Borrower, any other Guarantor or any Restricted Subsidiary for any reason of the Loan Documents, any Lender Swap Agreement, any other document evidencing the Obligations or any provision of applicable law or regulation purporting to prohibit the payment by any Borrower or any other Guarantor or any Restricted Subsidiary of the principal of or interest on any Loan or any other amount payable by any Borrower or any other Guarantor or any Restricted Subsidiary in respect of the Obligations; or

(g)any other act or omission to act or delay of any kind by any Borrower, any other Guarantor, any Restricted Subsidiary, the Administrative Agent, any Lender or any other Person or any other circumstance whatsoever that might, but for the provisions of this paragraph, constitute a legal or equitable discharge of the Guarantor's obligations hereunder.

Furthermore, notwithstanding that a Borrower may not be obligated to the Administrative Agent and/or the Lenders for interest and/or attorneys' fees and expenses on, or in connection with, any Obligations from and after the Petition Date (as hereinafter defined) as a result of the provisions of the federal bankruptcy law or otherwise, Obligations for which the Guarantors shall
be obligated shall include interest accruing on the Obligations at the Default Rate from and after the date on which any Borrower files for protection under the federal bankruptcy laws or from and after the date on which an involuntary proceeding is filed against any Borrower under the federal bankruptcy laws (herein collectively referred to as the "Petition Date") and all reasonable attorneys' fees and expenses incurred by the Administrative Agent, the Lenders and each other Person to whom the Obligations are owed from and after the Petition Date in connection with the Obligations.

Section 9.03 Discharge Only upon Payment in Full; Reinstatement In Certain Circumstances. Each Guarantor's obligations hereunder shall remain in full force and effect until (a) all Obligations shall have been paid in full (other than indemnity obligations which survive but are not yet due and payable), (b) all Commitments shall have expired or been terminated and (c) the LC Exposure has been reduced to zero or fully cash collateralized as provided in this Agreement, except, in each case, to the extent any Subsidiary has been released from its obligations as a Guarantor hereunder pursuant to Section 5.09(g) or Section 9.08. If at any time any payment of the principal of or interest on any Loan or any other amount payable by the Obligors under the Loan Documents or otherwise in respect of the Obligations is rescinded or must be otherwise restored or returned upon the insolvency, bankruptcy or reorganization of any Obligor or otherwise, each Guarantor's obligations hereunder with respect to such payment shall be reinstated at such time as though such payment had been due but not made at such time. **The Credit Facility Guarantors jointly and severally agree to indemnify each Lender and the CFC Guarantors jointly and severally agree to indemnify each Lender with respect to payments of Obligations of the CFC Borrowers and CFC Guarantors, in each case, on demand for all reasonable costs and expenses (including reasonable fees of counsel) incurred by such Lender in connection**

with such rescission or restoration, including any such costs and expenses incurred in defending against any claim alleging that such payment constituted a preference, fraudulent transfer or similar payment under any bankruptcy, insolvency or similar law, other than any costs or expenses resulting from the bad faith, gross negligence or willful misconduct of such Lender; provided that no CFC Guarantor shall be required to pay any Obligations of, or any costs or expenses related to, any Person that is (i) a U.S. Person or (ii) owned by a U.S. Person and classified as a partnership or disregarded entity, in each case for U.S. federal income tax purposes.

Section 9.04 Waiver by Each Guarantor. Each Guarantor irrevocably waives acceptance hereof, diligence, presentment, demand, protest notice of acceleration or the intent to accelerate and any other notice not provided for in this Article other than to the extent expressly provided for in favor of the Guarantors in any of the Loan Documents, as well as any requirement that at any time any action be taken by any Person against any Borrower or any other Guarantor or any other Person.

Section 9.05 Subrogation. Each Guarantor shall be subrogated to all rights of the Lenders, the Administrative Agent and the holders of the Loans and other Obligations against the Borrowers in respect of any amounts

paid by such Guarantor pursuant to the provisions of this Article IX; provided that such Guarantor shall not be entitled to enforce or to receive any payments arising out of or based upon such right of subrogation until (a) all Obligations shall have been paid in full (other than indemnity obligations which survive but are not yet due and payable), (b) all Commitments shall have expired or been terminated and (c) the LC Exposure has been reduced to zero or fully cash collateralized as provided in this Agreement, except, in each case, to the extent any Subsidiary has been released from its obligations as a Guarantor hereunder pursuant to Section 5.09(g) or Section 9.08. If any amount is paid to any Guarantor on account of subrogation rights under this Guaranty at any time when the conditions set forth in clauses (a), (b) and (c) of the foregoing sentence have not been satisfied, the amount shall be held in trust for the benefit of the Lenders and the other Persons to whom the Obligations are owed and shall be promptly paid to the Administrative Agent to be credited and applied to the Obligations, whether matured or unmatured or absolute or contingent, in accordance with the terms of this Agreement.

Section 9.06 Stay of Acceleration.

(a)If acceleration of the time for payment of any amount payable by any Obligor under the Loan Documents is stayed upon insolvency, bankruptcy or reorganization of any Borrower, all such amounts otherwise subject to acceleration under the terms of this Agreement shall nonetheless be payable by each Credit Facility Guarantor hereunder forthwith on demand by the Administrative Agent made at the request of the requisite proportion of the Lenders specified in Article X of this Agreement.

(b)If acceleration of the time for payment of any amount payable by any CFC Borrower or any other CFC Guarantor under the Loan Documents is stayed upon insolvency, bankruptcy or reorganization of any CFC Borrower, all such amounts otherwise subject to acceleration under the terms of this Agreement shall nonetheless be payable by each CFC

Guarantor hereunder forthwith on demand by the Administrative Agent made at the request of the requisite proportion of the Lenders specified in Article X of this Agreement.

Section 9.07 Limit of Liability. The obligations of each Guarantor hereunder shall be limited to an aggregate amount equal to the largest amount that would not render its obligations hereunder subject to avoidance under Section 548 of the United States Bankruptcy Code or any comparable provisions of any applicable state law.

Section 9.08 Release upon Sale. Upon any sale of any Guarantor permitted by this Agreement, (a) such Guarantor shall be released from its obligations as a Guarantor hereunder, (b) all Liens granted by such Guarantor to secure its Guarantee shall automatically be terminated and released and (c) the Administrative Agent will, at the expense of the Parent, execute and deliver such documents as are reasonably necessary to evidence said releases and terminations, following written request from the Parent and receipt by the Administrative Agent of a certificate from a Financial Officer certifying that no Default or Event of Default exists.

Section 9.09 Benefit to Guarantor. Each Guarantor acknowledges that the Loans and other extensions of credit made to the Borrowers may be, in part, re-loaned to, or used for the benefit of, such Guarantor and its Affiliates, that each Guarantor, because of the utilization of the proceeds of the Loans and such other extensions of credit, will receive a direct benefit from the Loans and such other extensions of credit and that, without the Loans and such other extensions of credit, such Guarantor would not be able to continue its operations and carry on its business as presently conducted.

Section 9.10 Keepwell. Each Qualified ECP Guarantor (as hereinafter defined) hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Obligor to honor all of its obligations under the Guarantees in respect of Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section 9.10 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 9.10, or otherwise under the Guarantees, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section shall remain in full force and effect until termination of the Guarantees as described in Section 9.03 hereof. Each Qualified ECP Guarantor intends that this Section 9.10 constitute, and this Section 9.10 shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Obligor for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act. As used herein, "Qualified ECP Guarantor" means, in respect of any Swap Obligation, each Obligor that has total assets exceeding $10,000,000 at the time the relevant guarantee or grant of the relevant security interest becomes effective with respect to such Swap Obligation or such other Person as constitutes an "eligible contract participant" under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another Person to qualify as an "eligible contract participant" at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act. Notwithstanding the foregoing, no CFC Subsidiary shall be required to provide such funds or other support under this Section 9.10 with respect to obligations of any Person that is (i) a U.S. Person or (ii) owned by a U.S. Person and classified as a partnership or disregarded entity, in each case for U.S. federal income tax purposes.

ARTICLE X
Miscellaneous

Section 10.01 Notices.

(a)Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, as follows:

(i) if to the Parent or any other Obligor, to:

3250 Briarpark Drive, Suite 400
Houston, Texas 77042
Attention: Doug Naeve
Telecopy No.: (832) 308-4750
Telephone No. (for confirmation): (832) 308-4210

and

Trident Place
First Floor, Building 4
Mosquito Way
Hatfield, Hertfordshire AL10 9UL.
Attention: Jana Hile
Telecopy No.:
Telephone No. (for confirmation): +441707248803

with a copy to:

Baker & McKenzie LLP
700 Louisiana, Suite 3000
Houston, Texas 77002
Attention: William D. Davis, II
Telecopy No.: (713) 427-5078
Telephone No. (for confirmation): (713) 427-5099

and

3250 Briarpark Drive, Suite 400
Houston, Texas 77042
Attention: General Counsel
Telecopy No.: (832) 308-4001
Telephone No. (for confirmation): (832) 308-4484

(ii) if to the Administrative Agent, to

JPMorgan Chase Bank, N.A.

Loan and Agency Service Group
Pastell Jenkins
10 South Dearborn, Floor L2
Chicago, IL 60603-2300
Telecopy No: (877) 379-7755
Telephone No. (for confirmation): 312-732-2568
Email: jpm.agency.servicing.1@jpmchase.com

with a copy to:

Andrews Kurth LLP
600 Travis, Suite 4200
Houston, Texas 77002
Attention: Callie Parker
Telecopy No.: (713) 238-7272
Telephone No. (for confirmation): (713) 220-3914

(iii) if to the Alternative Currency Agent (in the case of a Borrowing in an Alternative Currency (other than Canadian Dollars), to

J.P. Morgan Europe Limited
25 Bank Street
Canary Wharf
London E14 5JP
Attn: Loans Agency
Telecopy No. 44 207 777 2360
Email: loan_and_agency_london@jpmorgan.com

(iv) if to the Alternative Currency Agent (in the case of a Borrowing in Canadian Dollars), to:

JPMorgan Chase Bank, N.A.
10 S. Dearborn, Floor L2
Chicago, IL 60603
Attention: Jessica Gallegos
Telephone Number: (312) 954-2097
Email: CLS.CAD.Chicago@jpmorgan.com

(v) if to the Issuing Lender (in the case of Letters of Credit denominated in Dollars or an Alternative Currency (other than Canadian Dollars), to

JPMorgan Chase Bank, N.A.
Loan and Agency Service Group
Sudeep Kalakkar
Sarjapur Outer Ring Road, Vathur Hobli, Floor 04
Bangalore, 560 087, India
Telephone No. (for confirmation): 91-80-66766154 ext 66154

Email: Chicago.lc.agency.closing.team@jpmchase.com

(vi) if to the Issuing Lender (in the case of Letters of Credit denominated in Canadian Dollars), to

JPMorgan Chase Bank, N.A., Toronto Branch
Suite 4500, TD Bank Tower
66 Wellington Street West
Toronto, ON M5K 1E7
Attention: Jennifer McLaughlin
Telephone No.: 416-981-2324
Telecopy No.: 416-981-2375
Email: jennifer.i.mclaughlin@jpmorgan.com

(vii) if to the Swingline Lender, to

JPMorgan Chase Bank, N.A.
Loan and Agency Service Group
Pastell Jenkins
10 South Dearborn, Floor L2
Chicago, IL 60603-2300
Telecopy No: (877) 379-7755
Telephone No. (for confirmation): 312-732-2568
Email: jpm.agency.servicing.1@jpmchase.com

with a copy to the Alternative Currency Agent, in the case of a Swingline Loan in an Alternative Currency.

(viii) if to any other Lender, to it at its address (or telecopy number) set forth in its Administrative Questionnaire.

(b)Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article II unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Parent may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

(c)Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

Section 10.02 Waivers; Amendments.

(a)No failure or delay by the Administrative Agent, the Issuing Lender or any Lender in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the Issuing Lender and the Lenders hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by any Obligor therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent, any Lender or the Issuing Lender may have had notice or knowledge of such Default at the time.

(b)Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrowers and the Majority Lenders or by the Borrowers and the Administrative Agent with the consent of the Majority Lenders; provided that no such agreement shall (i) increase any Commitment of any Lender without the written consent of such Lender, (ii) reduce the principal amount of any Loan or LC Disbursement or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender directly affected thereby, (iii) postpone the scheduled date of payment of the principal amount of any Loan or LC Disbursement, or any interest thereon, or any fees payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender directly affected thereby, (iv) change Section 2.17(b) or (c) in a manner that would alter the pro rata sharing of payments required thereby, without the written consent of each Lender, (v) change any provisions of Section 2.20 or the definition of "Defaulting Lender", without the written consent of the Administrative Agent, the Issuing Lender and the Swingline Lender (in addition to the Majority Lenders), (vi) change any of the provisions of this Section 10.02(b) or the definition of "Majority Lenders" or any other provision hereof specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender, (vii) release all or a material portion of the Collateral without the written consent of each Lender, provided, that nothing herein shall prohibit the Administrative Agent from releasing any Collateral, or require the consent of the other Lenders for such release, in respect of items sold, leased, transferred or otherwise disposed of to the extent such transaction is permitted hereunder, or (viii) release all or substantially all of the Guarantees (other than in connection with any transactions permitted by this Agreement) without the written consent of each Lender; provided further that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent, the Alternative Currency Agent, the Issuing Lender or the Swingline Lender hereunder without the prior written consent of the Administrative Agent, the Alternative Currency Agent, the Issuing Lender or the Swingline Lender, as the case may be.

Section 10.03 Expenses; Indemnity; Damage Waiver.

(a)The Parent shall pay, or shall cause to be paid, (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel and consultants for the Administrative Agent, in connection with the syndication of the credit facilities provided for herein, due diligence undertaken by the Administrative Agent with respect to the financing contemplated by this Agreement, the preparation and administration of this Agreement

or any amendments, modifications or waivers of the provisions hereof (whether or not the Transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out-of-pocket expenses incurred by the Issuing Lender in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all reasonable out-of-pocket expenses incurred by the
Administrative Agent, the Issuing Lender or any Lender for fees, charges and disbursements of one primary law firm as counsel, local counsel as needed and consultants for the Administrative Agent, the Issuing Lender or any Lender and all other reasonable out-of-pocket expenses of the Administrative Agent, the Issuing Lender or any Lender, in connection with the enforcement or protection of its rights in connection with this Agreement during the existence of a Default or an Event of Default (whether or not any waiver or forbearance has been granted in respect thereof), including its rights under this Section, or in connection with the Loans made or Letters of Credit issued hereunder, including all such reasonable out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) **THE PARENT SHALL INDEMNIFY THE ADMINISTRATIVE AGENT, THE ISSUING LENDER, AND EACH LENDER, AND EACH RELATED PARTY OF ANY OF THE FOREGOING PERSONS (EACH SUCH PERSON BEING CALLED AN "<u>INDEMNITEE</u>") AGAINST, AND HOLD EACH INDEMNITEE HARMLESS FROM, ANY AND ALL LOSSES, CLAIMS, DAMAGES, LIABILITIES AND RELATED EXPENSES, INCLUDING THE FEES, CHARGES AND DISBURSEMENTS OF ANY COUNSEL FOR ANY INDEMNITEE, INCURRED BY OR ASSERTED AGAINST ANY INDEMNITEE ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF (I) THE EXECUTION OR DELIVERY OF THIS AGREEMENT OR ANY AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY, THE PERFORMANCE BY THE PARTIES HERETO OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER OR ANY OTHER TRANSACTIONS CONTEMPLATED HEREBY, (II) ANY LOAN OR LETTER OF CREDIT OR THE USE OF THE PROCEEDS THEREFROM (INCLUDING ANY REFUSAL BY THE ISSUING LENDER TO HONOR A DEMAND FOR PAYMENT UNDER A LETTER OF CREDIT IF THE DOCUMENTS PRESENTED IN CONNECTION WITH SUCH DEMAND DO NOT STRICTLY COMPLY WITH THE TERMS OF SUCH LETTER OF CREDIT), (III) ANY ACTUAL OR ALLEGED PRESENCE OR RELEASE OF HAZARDOUS MATERIALS ON OR FROM ANY PROPERTY OWNED OR OPERATED BY THE PARENT OR ANY OF ITS SUBSIDIARIES, OR ANY ENVIRONMENTAL LIABILITY RELATED IN ANY WAY TO THE PARENT OR ANY OF ITS SUBSIDIARIES, OR (IV) ANY ACTUAL CLAIM, LITIGATION, INVESTIGATION OR PROCEEDING RELATING TO ANY OF THE FOREGOING, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY AND REGARDLESS OF WHETHER ANY INDEMNITEE IS A PARTY THERETO AND REGARDLESS OF WHETHER SUCH CLAIM, LITIGATION, INVESTIGATION OR PROCEEDING IS BROUGHT BY THE PARENT OR ANY GUARANTOR, THEIR RESPECTIVE EQUITY HOLDERS, THEIR RESPECTIVE AFFILIATES, THEIR RESPECTIVE CREDITORS OR ANY OTHER PERSON; <u>AND WHETHER OR NOT CAUSED BY THE ORDINARY, SOLE OR CONTRIBUTORY NEGLIGENCE OF ANY INDEMNITEE</u>, <u>PROVIDED</u> <u>FURTHER</u> THAT SUCH INDEMNITY SHALL NOT, AS TO ANY INDEMNITEE, BE AVAILABLE TO THE EXTENT THAT SUCH LOSSES, CLAIMS, DAMAGES, LIABILITIES OR RELATED EXPENSES RESULTED FROM**

THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH INDEMNITEE. THIS SECTION 10.03(b) SHALL NOT APPLY WITH RESPECT TO TAXES OTHER THAN ANY TAXES THAT REPRESENT LOSSES, CLAIMS, DAMAGES, ETC. ARISING FROM ANY NON-TAX CLAIM.

(c)To the extent that the Parent fails to pay, or fails to cause to be paid, any amount required to be paid by it to the Administrative Agent, the Issuing Lender or the Swingline Lender under paragraph (a) or (b) of this Section, each Lender severally agrees to pay to the Administrative Agent, the Issuing Lender or the Swingline Lender, as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent, the Issuing Lender or the Swingline Lender in its capacity as such. For purposes hereof, a Lender's "pro rata share" shall be determined based upon its share of the sum of the total Revolving Credit Exposure and unused Commitments at the time.

(d)To the extent permitted by applicable Law, no party hereto shall assert, and each party hereto hereby waives, any claim against any other party, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof.

(e)All amounts due under this Section shall be payable no later than ten (10) Business Days from written demand therefor.

Section 10.04 Successors and Assigns.

(a)The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of the Issuing Lender that issues any Letter of Credit), except that (i) except as expressly set forth in Section 5.10(b), no Borrower may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by any Borrower without such consent shall be null and void), and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 10.04. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of the Issuing Lender that issues any Letter of Credit), Participants (to the extent provided in paragraph (c) of this Section) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Issuing Lender and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b)(i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Parent, provided that no consent of the Parent shall be required for an assignment to an Affiliate of a Lender or if any Event of Default has occurred and is continuing; provided further that the Parent shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five Business Days after having received written notice thereof; and

(B) the Administrative Agent, the Issuing Lender and the Swingline Lender;

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000 and after giving effect to such assignment, the assigning Lender Commitment or Loans shall not be less than \$5,000,000 unless each of the Parent and the Administrative Agent otherwise consent or unless the assignment is of 100% of the assigning Lender's Commitment and Loans, provided that no such consent of the Parent shall be required if an Event of Default under clause (a), (b), (h) or (i) of Section 7.01 has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500;

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent (1) an Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may include material non-public information about the Parent or Guarantors and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with such assignee's compliance procedures and applicable law, including Federal and state securities laws and (2) notice of the Non-Pro Rata Alternative Currencies (if any) in which such assignee has agreed to fund Revolving Loans;

(E) prior to any assignment to an assignee that is not a Lender, the Lender making such an assignment shall first offer the assignment to the other Lenders who shall have five (5) Business Days to purchase the assignment on the same terms as are proposed to such non-Lender assignee; and

(F) no such assignment shall be made to (i) a natural Person (or a holding company, investment vehicle or trust for, or owned or operated for the primary benefit of, a natural Person), (ii) the Parent or any of the Parent's Affiliates or Subsidiaries or (iii) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (iii).

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section, from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.14, 2.15, 2.16 and 10.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 10.04 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section.

(iv) The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Parent, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount (and stated interest) of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, and the Borrowers, the Administrative Agent, the Issuing Lender and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Parent, the Issuing Lender and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c)(i) Any Lender may, without the consent of, or notice to, the Administrative Agent, the Issuing Lender or the Swingline Lender, sell participations to one or more banks or other entities (a " Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); provided that (A) such participations must be approved by the Parent so long as no Event of Default has occurred and is continuing, such approval not to be unreasonably withheld, (B) such Lender's obligations under this Agreement shall remain unchanged, (C) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (D) such Lender shall notify the Administrative Agent in writing immediately upon any such participation, and (E) the Borrowers, the Administrative Agent, the Issuing Lender and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 10.02(b) that affects such Participant. Subject to paragraph (c)(ii) of this Section, the Parent agrees that each Participant shall be entitled to the benefits of Sections 2.14, 2.15 and 2.16 (subject to the requirements and limitations therein, including the requirements under Sections 2.16(g) and (h) (it being understood that the documentation required under Section 2.16(g) shall be delivered to the participating Lender) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.17(c) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.14 or 2.16 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 2.16 unless the Parent is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Parent, to comply with Section 2.16(g) as though it were a Lender.

(iii) Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Parent, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(d)Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

Section 10.05 Survival. All covenants, agreements, representations and warranties made by the Borrowers and each Guarantor herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, the Issuing Lender or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not expired or terminated. The provisions of Sections 2.14, 2.15, 2.16 and 10.03 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the Transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any provision hereof.

Section 10.06 Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts and may be delivered in original or facsimile form (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 10.07 Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 10.08 Right of Setoff. Each Lender and each of its Affiliates is hereby authorized at any time that an Event of Default shall have occurred and is continuing, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations at any time owing by such Lender or Affiliate to or for the credit or the account of the Borrowers or any Guarantor against the obligations of the Borrowers and each Guarantor now or hereafter existing under this Agreement held by such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement and although such obligations may be unmatured. Notwithstanding the foregoing, no Lender or Affiliate thereof shall set off or apply any deposits of a CFC Subsidiary or any other obligations at any time owing by such Lender or Affiliate to or for the credit of such CFC Subsidiary on account of any or all of the obligations of any Person that is (i) a U.S. Person or (ii) owned by a U.S. Person and classified as a partnership or disregarded entity, in each case for U.S. federal income tax purposes. The rights of each Lender under this Section are in addition to other rights and remedies (including other rights of setoff) which such Lender may have.

Section 10.09 Governing Law; Jurisdiction; Consent to Service of Process.

(a)This Agreement and the Loan Documents shall be construed in accordance with and governed by the Law of the State of New York without regard to any choice-of-law provisions that would require the application of the Law of another jurisdiction provided, to the extent any of the Security Documents recite that they are governed by the Law of another jurisdiction, or any action or event taken thereunder (such as foreclosure of any Collateral) requires application of or compliance with the Law of another jurisdiction, such provisions and concepts shall be controlling.

(b)Each of the Borrowers and the Guarantors hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Supreme Courts of the State of New York sitting in New York City and of the United States District Court sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State Court or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final, non-appealable judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Administrative Agent, the Issuing Lender or any Lender may otherwise have to bring any action or proceeding relating to this Agreement against the Borrowers or Guarantors or their properties in the courts of any jurisdiction.

(c)Each of the Borrowers and the Guarantors hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d)Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 10.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 10.10 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS

AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 10.11 Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 10.12 Confidentiality. Each of the Administrative Agent, the Issuing Lender and the Lenders agrees to maintain the confidentiality of the Information (as defined below) and use such Information solely in connection with the consideration, administration, documentation, implementation, syndication or negotiation of the Transactions, except that Information may be disclosed (a) to its Related Parties who need to know the Information in order to consider, administer, document, implement, syndicate or negotiate the terms of the Transactions (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority, (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement, or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to any Obligor and its obligations under the Loan Documents, (g) with the consent of the Parent or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section by any party hereto or (ii) becomes available to the Administrative Agent, the Issuing Lender or any Lender on a nonconfidential basis from a source other than the Parent, any of its Subsidiaries or any of its Affiliates. Notwithstanding the foregoing, none of the Lenders, the Administrative Agent or the Alternative Currency Agent shall (i) use the Information in connection with the performance by the Administrative Agent of services for other companies or (ii) furnish any Information to other companies. For the purposes of this Section, "Information" means all information received from the Borrowers relating to the Borrowers or their business, other than any such information that is available to the Administrative Agent, the Issuing Lender or any Lender on a non-confidential basis prior to disclosure by the Borrowers, any of their respective Subsidiaries, any of its Affiliates or any Related Party of the foregoing. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. If the Administrative Agent, the Issuing Lender or any Lender is requested or required, by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process, to disclose any or all of the Information, the Administrative Agent, the Issuing Lender or such Lender will provide the Parent with prompt notice of such event (to the extent that such notice does not contravene any applicable law or similar regulation) so that the Parent may seek a protective order or other appropriate remedy or waive compliance with the applicable provisions of this Agreement by the Administrative Agent, the Issuing Lender or such Lender. If the Parent determines to seek such protective order or other remedy, the Administrative Agent, the Issuing Lender or such Lender will cooperate with the Borrower in seeking such protective order or other remedy. **NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, nothing in this Agreement shall (a) restrict the Administrative Agent, the Issuing Lender or any Lender from providing information to any bank regulatory authority or any other regulatory or governmental authority, including the Board and its supervisory staff; (b) require or permit the Administrative Agent, the Issuing Lender or any Lender to disclose to the Parent that any information will be or was provided to the Board or any of its supervisory staff; or (c) require or permit the Administrative Agent, the Issuing Lender or any Lender to inform the Parent of a current or upcoming Board examination or any nonpublic Board supervisory initiative or action**.

Section 10.13 Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan or reimbursement obligation, together with all fees, charges and other amounts that are treated as interest on such Loan or reimbursement obligation under applicable law (collectively the "Charges"), shall exceed the maximum lawful rate (the "Maximum Rate") that may be contracted for, charged, taken, received or reserved by the Lender holding such Loan or reimbursement obligation in accordance with applicable law, the rate of interest payable in respect of such Loan or reimbursement obligation hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan or reimbursement obligation but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans, reimbursement obligations or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender.

Section 10.14 USA Patriot Act. Each Lender hereby notifies each Obligor that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107 56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies each Obligor, which information includes the name and address of the Obligor and other information that will allow such Lender to identify the Obligor in accordance with the Act.

Section 10.15 Amendment and Restatement. Upon the Effective Date, the Existing Credit Agreement shall be amended, restated and superseded in its entirety by this Agreement. The parties hereto acknowledge and agree that (a) this Agreement, any notes and the other Loan Documents executed and delivered herewith do not constitute a novation or termination of the "Obligations" as defined in the Existing Credit Agreement as in effect prior to the Effective Date and (b) such "Obligations" are in all respects continuing only with the terms thereof being modified as provided in this Agreement.

Section 10.16 **Limitation of Liability of CFC Subsidiaries**. Notwithstanding anything to the contrary in this Agreement or any other Loan Document, it is the express intent of the parties under this Agreement that (a) no CFC Subsidiary shall be treated as a pledgor or guarantor with respect to the Loans or any other Obligations of any Person that is (i) a U.S. Person or (ii) owned by a U.S. Person and classified as a partnership or disregarded entity, in each case for U.S. federal income tax purposes for any purpose (including for purposes of Code Section 956(d) and Treasury Regulation Section 1.956-2(c)) and (b) (i) no assets of any CFC Subsidiary and (ii) no amounts paid or payable by or on behalf of any CFC Subsidiary (whether through payment, credit, setoff, or otherwise), in each case, shall be used (or deemed to be used) to satisfy any Loans or other Obligations of any Person that is (i) a U.S. Person or (ii) owned by a U.S. Person and classified as a partnership or disregarded entity, in each case for U.S. federal income tax purposes, and the provisions of this Agreement shall be interpreted in a manner consistent with that intent. Notwithstanding anything to the contrary herein or under any Loan Documents, no CFC Subsidiary shall have any liability whatsoever in respect of any Obligations of any Person that is (i) a U.S. Person or (ii) owned by a U.S. Person and classified as a partnership or disregarded entity, in each case for U.S. federal income tax purposes.

Section 10.17 **Acknowledgement and Consent to Bail-In of EEA Financial Institutions**. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a)the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b)the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion powers of any EEA Resolution Authority.

[END OF TEXT]

Exhibit 12.1

CARDTRONICS PLC AND SUBSIDIARIES
RATIOS OF EARNINGS TO FIXED CHARGES

	Year ended December 31,				
	2017	**2016**	**2015**	**2014**	**2013**
EARNINGS:					
(Loss) income before income taxes and cumulative effect of accounting changes [a]	$ (154,642)	$ 114,613	$ 106,422	$ 65,314	$ 65,834
Fixed charges (as outlined below)	52,735	33,858	35,473	37,024	25,463
Total (losses) earnings, as defined	$ (101,907)	$ 148,471	$ 141,895	$ 102,338	$ 91,297
FIXED CHARGES:					
Interest charges [b]	$ 47,610	$ 28,889	$ 30,814	$ 33,812	$ 23,086
Interest component of rental expense	5,125	4,969	4,659	3,212	2,377
Total fixed charges, as defined	$ 52,735	$ 33,858	$ 35,473	$ 37,024	$ 25,463
Ratio of (losses) earnings to fixed charges [c]	—	4.39 x	4.00 x	2.76 x	3.59 x
Amount of earnings insufficient to cover fixed charges	(154,642)	—	—	—	—

(a) Amount represents (Loss) income before income taxes as reported in the Company's Consolidated Statements of Operations plus Net loss attributable to noncontrolling interests.

(b) Includes the amortization of deferred financing costs and note discount.

(c) For the year ended December 31, 2017, earnings before fixed charges, as defined, were inadequate to cover fixed charges by $155 million.

Exhibit 21.1

Subsidiaries of Cardtronics plc

Subsidiaries are not shown in the list below if, considered in the aggregate as a single subsidiary, they would not constitute a significant subsidiary.

Entity	Jurisdiction of Organization
Cardtronics Canada Holdings Inc.	Canada
Cardtronics Canada Limited Partnership	Canada
Cardtronics Holdings, LLC	Delaware
Cardtronics USA, Inc.	Delaware
Cardtronics, Inc.	Delaware
CATM Holdings, LLC	Delaware
Cardpoint Limited	United Kingdom
Cardtronics Holdings Limited	United Kingdom
Cardtronics UK Limited	United Kingdom
CATM Europe Holdings Limited	United Kingdom
CATM Australasia Holdings Limited	United Kingdom
Cardtronics North America Holdings Limited	United Kingdom

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Cardtronics plc:

We consent to the incorporation by reference in the registration statements on Form S-8 (Nos. 333-149245, 333-168804 and 333-149244) and Form S-3 (333-187229) of Cardtronics plc Company of our reports dated February 28, 2018, with respect to the consolidated balance sheets of Cardtronics plc as of December 31, 2017 and 2016, and the related consolidated statements of operations, comprehensive (loss) income, shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2017, and the related notes (collectively, the "consolidated financial statements"), and the effectiveness of internal control over financial reporting as of December 31, 2017, which reports appear in the December 31, 2017 annual report on Form 10-K of Cardtronics plc.

Our report dated February 28, 2018, on the effectiveness of internal control over financial reporting as of December 31, 2017, contains an explanatory paragraph that states that management excluded from its assessment the internal control over financial reporting of DirectCash Payments Inc. ("DCPayments") and Spark ATM Systems Pty Ltd. ("Spark"), which were acquired during 2017 and whose total assets constituted 26% of consolidated total assets (of which 19% represents goodwill and intangible assets included within the scope of the assessment) and total revenues constituted 18% of consolidated total revenue as of and for the year ended December 31, 2017. Our audit of internal control over financial reporting of Cardtronics, Inc. also excluded an evaluation of the internal control over financial reporting of DCPayments and Spark.

/s/ KPMG LLP

Houston, Texas
February 28, 2018

Exhibit 31.1

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER OF CARDTRONICS PLC
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A) OF THE
SECURITIES EXCHANGE ACT OF 1934, AS AMENDED,
AS ADOPTED PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002**

I, Edward H. West, certify that:

1. I have reviewed this Annual Report on Form 10-K for the fiscal year ended December 31, 2017 (this "report") of Cardtronics plc;

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; and

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.

Date: February 28, 2018

/s/ Edward H. West
Edward H. West
Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER AND CHIEF OPERATIONS OFFICER OF CARDTRONICS PLC PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Gary W. Ferrera, certify that:

1. I have reviewed this Annual Report on Form 10-K for the fiscal year ended December 31, 2017 (this "report") of Cardtronics plc;

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; and

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.

Date: February 28, 2018

/s/ Gary W. Ferrera
Gary W. Ferrera
Chief Financial Officer

Exhibit 32.1

**CERTIFICATION OF
CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Cardtronics plc (“Cardtronics”) for the period ended December 31, 2017 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned each hereby certifies, pursuant to 18 U.S.C. §1350 as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to his knowledge:

The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Cardtronics.

Date: February 28, 2018

/s/ Edward H. West
Edward H. West
Chief Executive Officer

Date: February 28, 2018

/s/ Gary W. Ferrera
Gary W. Ferrera
Chief Financial Officer