

MULTIMEDIA GAMES HOLDING COMPANY, INC.
Form DEFA14A
October 14, 2014

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

Multimedia Games Holding Company, Inc.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
 - (4) Proposed maximum aggregate value of transaction:
 - (5) Total fee paid:
- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - (1) Amount Previously Paid:
 - (2) Form, Schedule or Registration Statement No.:
 - (3) Filing Party:
 - (4) Date Filed:

Filed by Multimedia Games Holding Company, Inc.

Pursuant to Rule 14a-12 under the Securities Exchange Act of 1934

Subject Company: Multimedia Games Holding Company, Inc.

Commission File No.: 000-28318

Important Information

The following includes a copy of a list of Frequently Asked Questions sent by Multimedia Games Holding Company, Inc. to its employees on October 13, 2014.

EMPLOYEE FAQS REGARDING THE MERGER OF MGAM AND GCA

MERGER-RELATED QUESTIONS

Why did we decide to merge with GCA?

MGAM's Board of Directors has a fiduciary responsibility to maximize the value of the company for our shareholders, which includes exploring opportunities available to the company. While MGAM's Board of Directors was not actively seeking a sale of the company, it received a proposal from GCA that the Board concluded, in light of recent changes and consolidation in our industry, as well as the premium implied by GCA's offer, represents the best value for our shareholders.

What happens now that we've signed the merger agreement?

Simply put, it is business as usual for Multimedia Games. We just concluded the biggest G2E show in the Company's history with more offerings, titles and excitement than ever before, and we will continue to focus on developing leading products and supporting our customers with the same level of commitment to excellence that they have come to expect from us.

When will the closing occur?

It is expected that later this year our shareholders will vote on the proposed transaction. If approved, the closing is expected to occur, following the receipt of required regulatory approvals, in the first quarter of calendar 2015, though it could occur earlier or later than the expected timeframe.

What should we expect between now and closing?

Again, it s business as usual for MGAM. Throughout the closing process management will keep you updated on any significant developments. If you have any questions during this time, please forward them to Julie Kirk. No question will be considered off limits, though there will be times when answers may not be readily available.

What should we expect after the closing?

The combined company will be much larger, with headquarters in Las Vegas and operations globally. Naturally, with headquarters remaining in Las Vegas there will be some changes. However, because GCA and MGAM have virtually no product overlap, the merger should present opportunities for our team members to further develop and grow. We expect that most initial post-closing changes will be minimal, as GCA has praised the MGAM workforce and announced that at least the manufacturing and game development operations will remain in Austin.

BONUS/STOCK/OPTION-RELATED QUESTIONS

How might our bonus compensation be impacted?

As mentioned above, it is still business as usual for MGAM, so we will begin fiscal 2015 with a similar structure for our company bonus plan that we have had in the past. We will learn more about GCA's compensation programs as we get closer to a closing.

What happens to vested and non-vested stock option and stock (RSU) grants?

All vested and non-vested options and RSUs granted prior to the date of the merger agreement (September 8, 2014) will accelerate and be paid out on or about the date of the closing. Any grants subsequent to the date of the merger agreement will be rolled over to GCA's plan. The formula for the equity rollover has not yet been determined.

If I have vested options and RSU grants that have not been exercised, may they be exercised and sold before the closing?

Normal trading rules apply. Please refer to MGAM's *Policy on Insider Trading and Communications with the Public* on SharePoint. Currently, we are in a black out period and no vested options or RSUs can be sold until the company enters an open trading window, which we anticipate will be on or about November 18, 2014. Please keep in mind that all trading windows are subject to change with corporate developments.

Can I buy GCA stock?

Yes.

EMPLOYEE-RELATED QUESTIONS

Will I become an employee of GCA?

Yes. Once the transaction closes, MGAM employees will become employees of GCA.

Will my benefits stay the same?

Your benefits will remain the same at least through all of 2015. GCA intends to put the combined company on the same benefits platform over time, so eventually you should expect some adjustments.

Will I have to relocate?

We do not anticipate any employees needing to relocate. However, this may change over time and would most likely only impact a handful of individuals.

Will I have to re-apply for my job after the merger?

No.

If I lose my job, will I get a severance?

If your job is eliminated as a result of this transaction, you will be given a severance package. These packages have not yet been quantified and we will not know what these look like until closer to the closing.

Will I lose credit for my years of service at MGAM?

You will not lose credit for your years of service at MGAM. However, as we integrate the companies and the employee base, we will be harmonizing the benefits across both companies. We do not know what the combined benefits package will look like and we do not know how years of service will be integrated into the benefits packages.

MISCELLANEOUS QUESTIONS

Will Multimedia Games, Inc. remain as the company name?

GCA may explore the opportunity to rebrand the combined organization, but as of now it is unknown whether the GCA and/or MGAM name brands will change.

What is the status of the Wild Basin lease?

Just last month, in consultation with GCA, Multimedia Games extended its lease of the Wild Basin headquarters by 6 ½ years. The lease also expands the space MGAM currently occupies and MGAM will add approximately 20,000 sq. ft. in Building A.

What happens to MGAM executives?

We know that there is some overlap at the executive level that will result in the elimination of certain executive roles. At this time, it is uncertain exactly which executives will be affected or how their roles may change. However, we do know that Ram Chary, the CEO of GCA, will continue as CEO of the combined organization.

FY15 Goals: when will we know what they are and who determines what they will be? Will they change after the merger?

As stated above, it is business as usual. We have drafted FY15 goals, and we will be proposing these goals and the bonus program to our Board this month. Once approved, we will communicate the goals and the program to employees. We don't know if or how these may change post-merger, but given the lack of overlap in our businesses, we anticipate that there will be no drastic change to these goals immediately after the merger.

Will our dress code change?

GCA's executive team values the culture, creativity, and innovative spirit of our company and has expressed an interest in not only preserving it but enhancing it.

Attached to this communication is important legal information.

Additional Information

This communication is being made in respect of the proposed transaction involving Global Cash Access Holdings, Inc. (GCA) and Multimedia Games Holding Company, Inc. (Multimedia Games). On September 30, 2014 Multimedia Games filed with the Securities and Exchange Commission (the SEC) a preliminary proxy statement in connection with the proposed transaction with GCA. The definitive proxy statement, once filed with the SEC, will be sent or given to the shareholders of Multimedia Games and will contain important information about the proposed transaction and related matters. Multimedia Games also intends to file with the SEC other documents regarding the proposed transaction. MULTIMEDIA GAMES SECURITY HOLDERS ARE URGED TO READ THE PROXY STATEMENT REGARDING THE PROPOSED TRANSACTION AND ANY OTHER RELEVANT DOCUMENTS CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. The proxy statement and other relevant materials (when they become available), and any other documents filed by Multimedia Games with the SEC, may be obtained free of charge at the SEC's website, at www.sec.gov. In addition, security holders of Multimedia Games will be able to obtain free copies of the proxy statement from Multimedia Games by contacting Investor Relations by mail at Attn: Investor Relations, Multimedia Games, 206 Wild Basin Road, Building B, Fourth Floor, Austin, TX 78746.

Participants in the Solicitation

GCA and Multimedia Games and their respective directors, executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies in connection with the proposed merger. Information about GCA's directors and executive officers is included in GCA's Annual Report on Form 10-K for the year ended December 31, 2013 filed with the SEC on March 11, 2014 and the proxy statement for GCA's 2014 annual meeting of stockholders, filed with the SEC on April 8, 2014. Information about Multimedia Games directors and executive officers is included in Multimedia Games' Annual Report on Form 10-K for the fiscal year ended September 30, 2013 filed with the SEC on November 14, 2013 and in the proxy statement for Multimedia Games' 2014 annual meeting of shareholders, filed with the SEC on January 10, 2014. Additional information regarding these persons and their interests in the merger will be included in the definitive proxy statement relating to the proposed merger when it is filed with the SEC. These documents can be obtained free of charge from the sources

indicated above.

Forward-Looking Statements

Throughout this document pertaining to the merger transaction between GCA and Multimedia Games, we make forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements may be typically identified by such words as may, will, should, would, expect, anticipate, plan, likely, believe, estimate, project, intend, and other similar words. Although we believe the expectations reflected in any forward-looking statements are reasonable, they involve known and unknown risks and uncertainties, are not guarantees of future performance, and actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements and any or all of our forward-looking statements may prove to be incorrect. Consequently, no forward-looking statements may be guaranteed and there can be no assurance that the actual results or developments anticipated by such forward looking statements will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, GCA or Multimedia Games or their respective businesses or operations. Factors which could cause our actual results to differ from those projected or contemplated in any such forward-looking statements include, but are not limited to, the following factors: (1) the risk that the conditions to the closing of the merger are not satisfied (including a failure of the shareholders of Multimedia Games to approve, on a timely basis or otherwise, the merger and the risk that regulatory approvals required for the merger are not obtained, on a timely basis or otherwise, or are obtained subject to conditions that are not anticipated); (2) litigation relating to the merger; (3) uncertainties as to the timing of the consummation of the merger and the ability of each of GCA and Multimedia Games to consummate the merger; (4) risks that the proposed transaction disrupts the current plans and operations of GCA and/or Multimedia Games; (5) the ability of GCA and Multimedia Games to retain and hire key personnel; (6) competitive responses to the proposed merger; (7) unexpected costs, charges or expenses resulting from the merger; (8) the failure by GCA to obtain the necessary debt financing arrangements set forth in the commitment letter received in connection with the merger; (9) potential adverse reactions or changes to business relationships resulting from the announcement or completion of the merger; and (10) legislative, regulatory and economic developments. The foregoing review of important factors that could cause actual events to differ from expectations should not be construed as exhaustive and should be read in conjunction with statements that are included herein and elsewhere, including the risk factors included in GCA's and Multimedia Games' most recent Annual Reports on Form 10-K, and GCA's and Multimedia Games' more recent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the U.S. Securities and Exchange Commission. GCA and Multimedia Games can give no assurance that the conditions to the Merger will be satisfied. Except as required by applicable law, neither GCA nor Multimedia Games undertake any obligation to revise or update any forward-looking statement, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise. GCA and Multimedia Games do not intend, and assume no obligation, to update any forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this communication.
