Kennedy James C Form 3 March 01, 2011

## FORM 3

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

OMB APPROVAL

OMB Number:

3235-0104

Expires:

response...

January 31, 2005

0.5

Estimated average burden hours per

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting 2. Date of Event Requiring 3. Issuer Name and Ticker or Trading Symbol Person \* Statement SCIENTIFIC GAMES CORP [SGMS] Kennedy James C (Month/Day/Year) 02/23/2011 (Last) (First) (Middle) 4. Relationship of Reporting 5. If Amendment, Date Original Person(s) to Issuer Filed(Month/Day/Year) C/O SCIENTIFIC GAMES (Check all applicable) CORPORATION, Â 1500 **BLUEGRASS LAKES** 10% Owner Director **PARKWAY** \_X\_\_ Officer Other (give title below) (specify below) (Street) 6. Individual or Joint/Group Chief Marketing Officer Filing(Check Applicable Line) \_X\_ Form filed by One Reporting Person ALPHARETTA, Â GAÂ 30004 Form filed by More than One Reporting Person (City) (State) (Zip) Table I - Non-Derivative Securities Beneficially Owned 4. Nature of Indirect Beneficial 1. Title of Security 2. Amount of Securities Beneficially Owned Ownership Ownership (Instr. 4) (Instr. 4) (Instr. 5) Form: Direct (D) or Indirect (Instr. 5) Â Class A Common Stock 15,722 D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security	2. Date Exercisable and	3. Title and Amount of	4.	5.	6. Nature of Indirect
(Instr. 4)	Expiration Date	Securities Underlying	Conversion	Ownership	Beneficial Ownership
	(Month/Day/Year)	Derivative Security	or Exercise	Form of	(Instr. 5)

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	Date Exercisable	Expiration Date	(Instr. 4) Title	Amount or Number of Shares	Price of Derivative Security	Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	
Employee Stock Option (right to buy)	(1)	12/07/2013	Common Stock	7,400	\$ 15.96	D	Â
Employee Stock Option (right to buy)	(2)	12/08/2014	Common Stock	6,000	\$ 23.15	D	Â
Employee Stock Option (right to buy)	(3)	12/14/2015	Common Stock	6,000	\$ 27.68	D	Â
Employee Stock Option (right to buy)	(4)	02/26/2017	Common Stock	10,619	\$ 33.94	D	Â
Employee Stock Option (right to buy)	(5)	02/25/2018	Common Stock	14,915	\$ 21.27	D	Â
Employee Stock Option (right to buy)	(6)	02/22/2019	Common Stock	18,325	\$ 12.21	D	Â
Employee Stock Option (right to buy)	(7)	02/21/2020	Common Stock	17,547	\$ 15.65	D	Â
Restricted Stock Units	(8)	(8)	Common Stock	5,547	\$ (8)	D	Â
Restricted Stock Units	(9)	(9)	Common Stock	3,703	\$ <u>(9)</u>	D	Â
Restricted Stock Units	(10)	(10)	Common Stock	5,160	\$ (10)	D	Â
Restricted Stock Units	(11)	(11)	Common Stock	16,000	\$ (11)	D	Â
Restricted Stock Units	(12)	(12)	Common Stock	6,710	\$ (12)	D	Â

## **Reporting Owners**

Reporting Owner Name / Address	Relationships				
. 9	Director	10% Owner	Officer	Other	
Kennedy James C C/O SCIENTIFIC GAMES CORPORATION 1500 BLUEGRASS LAKES PARKWAY ALPHARETTA, GA 30004	Â	Â	Chief Marketing Officer	Â	
Signatures					

/s/ Jack Sarno, attorney-in-fact for James C. Kennedy

\*\*Signature of Reporting Person

03/01/2011

Date

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## **Explanation of Responses:**

- \* If the form is filed by more than one reporting person, see Instruction 5(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The option, which was granted on December 8, 2003 and originally covered 37,000 shares, became exercisable as to one-fifth of the underlying shares on each of December 8, 2004, 2005, 2006, 2007 and 2008.
- The option, which was granted on December 9, 2004 and originally covered 15,000 shares, became exercisable as to one-fifth of the underlying shares on each of December 9, 2005, 2006, 2007, 2008 and 2009.
- (3) The option, which was granted on December 15, 2005 and originally covered 10,000 shares, became exercisable as to one-fifth of the underlying shares on each of December 15, 2006, 2007, 2008, 2009 and 2010.
- (4) The option became exercisable as to one-fifth of the underlying shares on each of February 27, 2008, 2009 and 2010 and becomes exercisable as to one-fifth of the underlying shares on each of February 27, 2011 and 2012.
- (5) The option became exercisable as to one-fifth of the underlying shares on each of February 26, 2009 and 2010 and becomes exercisable as to one-fifth of the underlying shares on each of February 26, 2011, 2012 and 2013.
- The option became exercisable as to one-fifth of the underlying shares on each of February 23, 2010 and 2011 and becomes exercisable as to one-fifth of the underlying shares on each of February 23, 2012, 2013 and 2014.
- (7) The option became exercisable as to one-fourth of the underlying shares on February 22, 2011 and becomes exercisable as to one-fourth of the underlying shares on each of February 22, 2012, 2013, and 2014.
- The reporting person was granted 13,867 restricted stock units on February 27, 2007, one-fifth of which vested on February 27, 2008 based upon satisfaction of certain performance criteria and one-fifth of which vested on each of February 27, 2009 and 2010. The balance of the award vests in two equal installments on February 27, 2011 and 2012. Each unit converts into a share of common stock on a one-for-one basis.
- (9) The reporting person was granted 6,171 restricted stock units on February 26, 2008, one-fifth of which vested on February 27, 2009 based upon satisfaction of certain performance criteria and one-fifth of which vested on each of February 26, 2010. The balance of the award vests in three equal installments on each of February 27, 2011, 2012 and 2013. Each unit converts into a share of common stock on a one-for-one basis.
- The reporting person was granted 8,600 restricted stock units on February 23, 2009, one-fifth of which vested on February 23, 2010 based upon satisfaction of certain performance criteria and one-fifth of which vested on February 23, 2011. The balance of the award vests in three equal installments on each of February 23, 2012, 2013 and 2014. Each unit converts into a share of common stock on a one-for-one basis.
- The reporting person was granted 20,000 restricted stock units on May 6, 2009, one-fifth of which vested on May 6, 2010. The balance (11) of the award vests in four equal installments on each of May 6, 2011, 2012, 2013 and 2014. Each unit converts into a share of common stock on a one-for-one basis.
- The reporting person was granted 8,946 restricted stock units on February 22, 2010, one-fourth of which vested on February 22, 2011 (12) based upon satisfaction of certain performance criteria. The balance of the award vests in three equal installments on each of February 22, 2012, 2013 and 2014. Each unit converts into a share of common stock on a one-for-one basis.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.