#### SCIENTIFIC GAMES CORP

Form 4 March 07, 2006

## FORM 4

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Check this box if no longer STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF subject to **SECURITIES** Section 16. Form 4 or

Form 5 Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person \* Chambrello Michael R.

Symbol

SCIENTIFIC GAMES CORP [SGMS]

2. Issuer Name and Ticker or Trading

(Last) (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year) 03/03/2006

CORPORATION, 750 LEXINGTON AVENUE, 25TH **FLOOR** 

C/O SCIENTIFIC GAMES

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

NEW YORK, NY 10022

5. Relationship of Reporting Person(s) to

OMB

Number:

Expires:

response...

Estimated average

burden hours per

**OMB APPROVAL** 

3235-0287

January 31,

2005

0.5

Issuer

(Check all applicable)

Director 10% Owner X\_ Officer (give title Other (specify below)

President & COO

6. Individual or Joint/Group Filing(Check

Applicable Line)

\_X\_ Form filed by One Reporting Person Form filed by More than One Reporting

(City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed

(Month/Day/Year) Execution Date, if any

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 8) (Instr. 3, 4 and 5) 5. Amount of Securities Beneficially Owned Following Reported

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (I) (Instr. 4) (Instr. 4)

(A) Transaction(s) or (Instr. 3 and 4) Code V Amount (D) Price

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

Persons who respond to the collection of **SEC 1474** information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transactio Code (Instr. 8)	5. Number of orDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Am Underlying Sec (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	A N Sl
Employee Stock Option (right to buy)	\$ 27.01	03/03/2006		D(1)	()	500,000	<u>(1)</u>	07/01/2015	Common Stock	5
Restricted Stock Units ("RSU")	(2)	03/03/2006		A(2)	166,667		(2)	(2)	Common Stock	1

# **Reporting Owners**

Reporting Owner Name / Address

Director 10% Owner Officer Other

Chambrello Michael R. C/O SCIENTIFIC GAMES CORPORATION 750 LEXINGTON AVENUE, 25TH FLOOR NEW YORK, NY 10022

President & COO

## **Signatures**

/s/ Michael

Chambrello 03/06/2006

\*\*Signature of Reporting Date

Person

# **Explanation of Responses:**

- \* If the form is filed by more than one reporting person, see Instruction 4(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).
- The reporting person agreed to surrender one-half of the shares subject to a stock option granted to him on July 1, 2005 and to extend the vesting schedule for the remaining portion of such option from a three-year vesting period to a five-year vesting period. The option, which had been scheduled to vest in three equal annual installments beginning on July 1, 2006, will vest in five equal annual installments beginning on July 1, 2006.
- The reporting person received a grant of RSUs in connection with the aforesaid changes to his stock option award (see footnote 1 above) with one RSU awarded for every three surrendered option shares. Subject to satisfaction of certain performance criteria, the RSU award will vest in five equal annual installments (one-fifth of the total on each of December 31, 2006, July 1, 2007, July 1, 2008, July 1, 2009 and July 1, 2010). 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.

Reporting Owners 2