SCIENTIFIC GAMES CORP
Form 4
March 07, 2006

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

STATEMENT OF CHANGES IN 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 Person *
Chambrello Michael R.

(Last) (First) (Middle)

C/O SCIENTIFIC GAMES CORPORATION, 750 LEXINGTON AVENUE, 25TH FLOOR

(Street)

NEW YORK, NY 10022

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
SCIENTIFIC GAMES CORP [SGMS]

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

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ 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 Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

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

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

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. Transaction Code (Instr. 8)		5. Number of Derivative 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 Sh
Employee Stock Option (right to buy)	$ 27.01	03/03/2006		D(1)			500,000	(1)	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	Relationships			
	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 Person	Date

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).

(1) 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.

(2) 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.
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