

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.

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

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

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
President & COO

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

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

NEW YORK, NY 10022

(City) (State) (Zip)

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 Ownership (Instr. 4)
				(A) or (D)	Amount	Price	
			Code	V			

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

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(9-02)

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. 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 Amount of Underlying Security (Instr. 3 and 4)
Employee Stock Option (right to buy)	\$ 27.01	03/03/2006		D ⁽¹⁾	500,000	⁽¹⁾ 07/01/2015	Common Stock
Restricted Stock Units ("RSU")	⁽²⁾	03/03/2006		A ⁽²⁾	166,667	⁽²⁾ ⁽²⁾	Common Stock

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. 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.