

Potts Larry
Form 4
August 18, 2011

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 *
Potts Larry

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)
08/16/2011

____ Director
 Officer (give title below) _____ Other (specify below)
VP & Chief Compliance Officer

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 | | |
| | | | | Code | V | | Price |

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

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SEC 1474
(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 Securities (Instr. 3 and 4) | | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|---|-----------------|--------------|----------------------------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Option (right to buy) | \$ 16.94 | 08/16/2011 | | D | | 50,000 | | <u>(1)</u> | 09/06/2014 | Common Stock | 50,000 |
| Restricted Stock Units | <u>(1)</u> | 08/16/2011 | | A | | 5,760 | | <u>(1)</u> | <u>(1)</u> | Common Stock | 5,760 |
| Employee Stock Option (right to buy) | \$ 23.15 | 08/16/2011 | | D | | 21,000 | | <u>(2)</u> | 12/08/2014 | Common Stock | 21,000 |
| Restricted Stock Units | <u>(2)</u> | 08/16/2011 | | A | | 1,350 | | <u>(2)</u> | <u>(2)</u> | Common Stock | 1,350 |
| Employee Stock Option (right to buy) | \$ 27.68 | 08/16/2011 | | D | | 10,000 | | <u>(3)</u> | 12/14/2015 | Common Stock | 10,000 |
| Restricted Stock Units | <u>(3)</u> | 08/16/2011 | | A | | 669 | | <u>(3)</u> | <u>(3)</u> | Common Stock | 669 |
| Employee Stock Option (right to buy) | \$ 33.94 | 08/16/2011 | | D | | 17,178 | | <u>(4)</u> | 02/26/2017 | Common Stock | 17,178 |
| Restricted Stock Units | <u>(4)</u> | 08/16/2011 | | A | | 1,321 | | <u>(4)</u> | <u>(4)</u> | Common Stock | 1,321 |
| Employee Stock Option (right to | \$ 21.27 | 08/16/2011 | | D | | 24,128 | | <u>(5)</u> | 02/25/2018 | Common Stock | 24,128 |

| | | | | | | | | | |
|--------------------------------------|----------|------------|---|--------|-----|------------|--------------|--------|--|
| buy) | | | | | | | | | |
| Restricted Stock Units | (5) | 08/16/2011 | A | 4,805 | (5) | (5) | Common Stock | 4,805 | |
| Employee Stock Option (right to buy) | \$ 12.21 | 08/16/2011 | D | 31,136 | (6) | 02/22/2019 | Common Stock | 31,136 | |
| Restricted Stock Units | (6) | 08/16/2011 | A | 13,247 | (6) | (6) | Common Stock | 13,247 | |
| Employee Stock Option (right to buy) | \$ 15.65 | 08/16/2011 | D | 27,951 | (7) | 02/21/2020 | Common Stock | 27,951 | |
| Restricted Stock Units | (7) | 08/16/2011 | A | 10,351 | (7) | (7) | Common Stock | 10,351 | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Potts Larry C/O SCIENTIFIC GAMES CORPORATION 750 LEXINGTON AVENUE, 25TH FLOOR NEW YORK, NY 10022 | | | VP & Chief Compliance Officer | |

Signatures

/s/ Jack Sarno, attorney-in-fact for Larry A. Potts 08/18/2011

__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) On August 16, 2011, the issuer canceled, pursuant to the issuer's option exchange program, an option granted to the reporting person on September 7, 2004 (such canceled option provided for vesting in five equal installments beginning on September 7, 2005). In exchange for the option, the reporting person received 5,760 restricted stock units, all of which are scheduled to vest on August 16, 2012. Each unit converts into a share of common stock on a one-for-one basis.

(2) On August 16, 2011, the issuer canceled, pursuant to the issuer's option exchange program, an option granted to the reporting person on December 9, 2004 (such canceled option provided for vesting in five equal installments beginning on December 9, 2005). In exchange for the option, the reporting person received 1,350 restricted stock units, all of which are scheduled to vest on August 16, 2012. Each unit converts into a share of common stock on a one-for-one basis.

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- (3) On August 16, 2011, the issuer canceled, pursuant to the issuer's option exchange program, an option granted to the reporting person on December 15, 2005 (such canceled option provided for vesting in five equal installments beginning on December 15, 2006). In exchange for the option, the reporting person received 669 of restricted stock units, all of which are scheduled to vest on August 16, 2012. Each unit converts into a share of common stock on a one-for-one basis.
- (4) On August 16, 2011, the issuer canceled, pursuant to the issuer's option exchange program, an option granted to the reporting person on February 27, 2007 (such canceled option provided for vesting in five equal installments beginning on February 27, 2008). In exchange for the option, the reporting person received 1,321 restricted stock units, all of which are scheduled to vest on August 16, 2012. Each unit converts into a share of common stock on a one-for-one basis.
- (5) On August 16, 2011, the issuer canceled, pursuant to the issuer's option exchange program, an option granted to the reporting person on February 26, 2008 (such canceled option provided for vesting in five equal installments beginning on February 26, 2009). In exchange for the option, the reporting person received 4,805 restricted stock units, 3,844 of which are scheduled to vest on August 16, 2012 and 961 of which are scheduled to vest on February 26, 2013. Each unit converts into a share of common stock on a one-for-one basis.
- (6) On August 16, 2011, the issuer canceled, pursuant to the issuer's option exchange program, an option granted to the reporting person on February 23, 2009 (such canceled option provided for vesting in five equal installments beginning on February 23, 2010). In exchange for the option, the reporting person received 13,247 restricted stock units, 7,948 of which are scheduled to vest on August 16, 2012, 2,649 of which are scheduled to vest on February 23, 2013 and 2,650 of which are scheduled to vest on February 23, 2014. Each unit converts into a share of common stock on a one-for-one basis.
- (7) On August 16, 2011, the issuer canceled, pursuant to the issuer's option exchange program, an option granted to the reporting person on February 22, 2010 (such canceled option provided for vesting in four equal installments beginning on February 22, 2011). In exchange for the option, the reporting person received 10,351 restricted stock units, 5,175 of which are scheduled to vest on August 16, 2012, 2,588 of which are scheduled to vest on February 22, 2013 and 2,588 of which are scheduled to vest on February 22, 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.

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