

SCIENTIFIC GAMES CORP
 Form 4
 March 13, 2017

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 *
 Kennedy James C

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)
 03/09/2017

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 EVP & Grp Chief Exec Lottery

C/O SCIENTIFIC GAMES CORPORATION, 6650 S. EL CAMINO ROAD

(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

LAS VEGAS, NV 89118

(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)	Code V Amount (D) 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
Restricted Stock Units	<u>(1)</u>	03/09/2017		A	13,985	<u>(1)</u>	<u>(1)</u>	Common Stock	13,985
Employee Stock Option (right to buy)	\$ 21.6	03/09/2017		A	27,637	<u>(2)</u>	03/08/2027	Common Stock	27,637
Employee Stock Option (right to buy)	\$ 21.6	03/09/2017		A	27,637	<u>(3)</u>	03/08/2027	Common Stock	27,637

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kennedy James C C/O SCIENTIFIC GAMES CORPORATION 6650 S. EL CAMINO ROAD LAS VEGAS, NV 89118			EVP & Grp Chief Exec Lottery	

Signatures

/s/ McLaurin Files, attorney-in-fact for James C. Kennedy
 03/13/2017
 **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 restricted stock units are scheduled to vest in four equal annual installments beginning on March 20, 2018. Each unit converts into a share of common stock on a one-for-one basis.
- (2) The stock options are scheduled to become exercisable in four equal annual installments beginning on March 20, 2018.
- (3) The stock options are scheduled to become exercisable in four equal annual installments beginning on March 20, 2018 (each, a "Vesting Date"), subject to the Company's 60-trading day average closing price meeting or exceeding \$28.08 (the "Performance Goal") prior to

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March 20, 2021. If the Performance Goal is met prior to the first Vesting Date, then all four annual installments will vest in accordance with the vesting schedule. If the Performance Goal is met subsequent to the first Vesting Date, each annual installment relating to a Vesting Date that has already occurred will automatically vest upon achievement of the Performance Goal and any remaining installments will vest in accordance with the vesting schedule. If the Performance Goal is not met by March 20, 2021, all stock options are forfeited.

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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