

TOWNSEND FRANCES F
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 *
TOWNSEND FRANCES F

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 10% Owner
 Officer (give title below) Other (specify below)

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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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)	\$ 14.37	08/16/2011		D	10,000	<u>(1)</u> 04/21/2020	Common Stock 10,000
Restricted Stock Units	<u>(1)</u>	08/16/2011		A	2,064	<u>(1)</u> <u>(1)</u>	Common Stock 2,064

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
TOWNSEND FRANCES F C/O SCIENTIFIC GAMES CORPORATION 750 LEXINGTON AVENUE, 25TH FLOOR NEW YORK, NY 10022	X			

Signatures

/s/ Jack Sarno, attorney-in-fact for Frances F. Townsend
 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 April 22, 2010 (such canceled option provided for vesting in four equal installments beginning on April 22, 2011). In exchange for the option, the reporting person received 2,064 restricted stock units, 1,032 of which are scheduled to vest on August 16, 2012, 516 of which are scheduled to vest on April 22, 2013 and 516 of which are scheduled to vest on April 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. 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.