

McHugh Patrick J
Form 4
March 22, 2019

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 *
McHugh Patrick J

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)
03/20/2019

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

C/O SCIENTIFIC GAMES CORPORATION, 6601 BERMUDA 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 89119

(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 Indirect Ownership (Instr. 4)	
				(A) or (D)	Price			
				Code	V	Amount		
Common Stock	03/20/2019		M	10,788	A	\$ 0	10,788	D
Common Stock	03/20/2019		F	3,249	D	22.69	7,539	D
						<u>(1)</u>		

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

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SEC 1474 (9-02)

number.

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 Amount of Underlying Security (Instr. 3 and 4)	Amount or Number of Shares
					V	(A)	(D)	Date Exercisable		
Restricted Stock Units	(2)	03/20/2019		M		6,347	(2)	(2)	Common Stock	6,347
Restricted Stock Units	(3)	03/20/2019		M		2,836	(3)	(3)	Common Stock	2,836
Restricted Stock Units	(4)	03/20/2019		M		1,605	(4)	(4)	Common Stock	1,605
Restricted Stock Units	(5)	03/20/2019		A		9,181	(5)	(5)	Common Stock	9,181
Employee Stock Option (right to buy)	\$ 22.69	03/20/2019		A		16,587	(6)	03/20/2029	Common Stock	16,587
Employee Stock Option (right to buy)	\$ 22.69	03/20/2019		A		16,587	(7)	03/20/2029	Common Stock	16,587

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
McHugh Patrick J C/O SCIENTIFIC GAMES CORPORATION 6601 BERMUDA ROAD LAS VEGAS, NV 89119			EVP & Grp Chief Exec, Lottery	

Signatures

/s/ Su Shi, attorney-in-fact for Patrick J.
McHugh

03/22/2019

__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) Represents the satisfaction of tax withholding obligations upon the vesting of restricted stock units.

(2) Represents vesting of one-fourth of restricted stock units granted on June 21, 2016. The balance of the award is scheduled to vest on March 20, 2020 (6,347 shares). Each unit converts into a share of common stock on a one-for-one basis.

(3) Represents vesting of one-fourth of restricted stock units granted on March 9, 2017. The balance of the award is scheduled to vest on March 20, 2020 (2,835 shares) and March 20, 2021 (2,836 shares). Each unit converts into a share of common stock on a one-for-one basis.

(4) Represents vesting of one-fourth of restricted stock units granted on March 30, 2018. The balance of the award is scheduled to vest in three equal installments as to 1,606 shares on each of March 20, 2020, 2021 and 2022. Each unit converts into a share of common stock on a one-for-one basis.

(5) The restricted stock units are scheduled to vest beginning on March 20, 2020 (2,295 shares) and the balance in three installments on March 20, 2021 (2,295 shares), March 20, 2022 (2,295 shares) and March 20, 2023 (2,296 shares). Each unit converts into a share of common stock on a one-for-one basis.

(6) The stock options are scheduled to become exercisable as to 4,146 shares on March 20, 2020 and as to 4,147 shares on each of March 20, 2021, March 20, 2022 and March 20, 2023.

(7) The stock options are scheduled to become exercisable as to 4,146 shares on March 20, 2020 and as to 4,147 shares on each of March 20, 2021, March 20, 2022 and March 20, 2023 (each, a "Vesting Date"), subject to the Company's achievement of annual adjusted EBITDA growth of 10% or more compared to actual adjusted EBITDA for the calendar year ending December 31, 2018 (the "AEBITDA Goal"). If the AEBITDA Goal is met prior to the first Vesting Date, then all four annual installments will vest in accordance with the vesting schedule. If the AEBITDA 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 AEBITDA Goal and any remaining installments will vest in accordance with the vesting schedule. If the Compensation Committee of the Company determines that the AEBITDA Goal has not been achieved by the end of the 2022 fiscal year, 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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