



# Compliance Committee Charter

## **I. Purpose**

The primary purpose of the Compliance Committee (the “Committee”) of the Board of Directors (the “Board”) of Scientific Games Corporation (the “Company”) is to assist the Board in overseeing the Company’s compliance program with respect to: (i) compliance with the laws and regulations applicable to the Company’s business, specifically including gaming laws; and (ii) compliance with Company’s Code of Conduct and related policies by employees, officers, directors and other agents and associates of the Company.

## **II. Membership**

The Committee shall be composed of three or more members of the Board, a majority (and in no event less than three) of whom have been determined by the Board to meet the independence requirements under the listing standards of The Nasdaq Stock Market, Inc. In addition, one member of the Committee will be knowledgeable of the provisions of the Nevada Gaming Control Act and the regulations of the Commission; provided that such member need not be a director or meet the independence requirements under the listing standards of The Nasdaq Stock Market, Inc. if he or she is not one of the Committee members contemplated by the first sentence of this paragraph. No member shall participate in any issue as to which that member has a direct personal, financial or business interest. The members and the Chairman of the Committee shall be appointed annually by the Board on recommendation of the Nominating and Corporate Governance Committee of the Board and shall serve at the pleasure of the Board until their successors shall be duly elected and qualified or until their earlier resignation or removal by the Board.

The Chief Compliance Officer is responsible for preparing information about the Compliance program that the Compliance Committee requests or needs to meet its oversight responsibilities. The General Counsel serves as counsel to the Committee at the Committee’s discretion, with such assistance from outside counsel as the General Counsel or Committee deem appropriate.

## **III. Meetings**

The Committee shall meet at least four times annually, or more frequently as the Committee may determine. Members of management and others may attend meetings at the invitation of the Committee.

The Chairman or, in the event of the absence of the Chairman from any meeting, another member of the Committee designated by vote of the members in attendance as such meeting,



will chair all meetings of the Committee. The Chairman shall set the agenda of items to be addressed by the Committee with input from other members of the Committee and in consultation with the Company's Chief Compliance Officer. The Chairman of the Committee shall report to the Board regularly regarding the Committee's activities and actions and any matter of material concern to the Company, including at the first Board meeting following any Committee meeting.

The Committee shall keep regular minutes of its meetings and report the same to the Board from time to time and upon request.

#### **IV. Duties and Responsibilities**

The duties and responsibilities of the Committee include:

1. Review the Code of Conduct and related policies applicable to employees, officers, directors and other agents and associates of the Company at least annually and make recommendations to the Board as appropriate.
2. Provide oversight as needed to ensure that the Compliance program effectively prevents and/or detects violations by Company employees, officers, directors and other agents and associates of the Company of law, regulation, Company policy, special conditions imposed on the Company by any licensing authorities, and the Code of Conduct.
3. Oversee the compliance review process to ensure that the vendors (including consultants) and customers that the Company does business with are entities/individuals: (1) who will cooperate with appropriate regulatory authorities; (2) who are "suitable" or "qualified" as those terms are used by applicable gaming authorities; and (3) whose role with the Company is not likely to result, in the judgment of the Board of Directors, in the failure of the Company to obtain, maintain, renew or qualify for a license, contract, franchise or other regulatory approval with respect to the operation or conduct of the business of the Company.
4. Review and evaluate, at least annually, the performance of the Committee, including compliance by the Committee with this Charter.
5. Review and assess, at least annually, the adequacy of this Charter and submit any proposed changes to the Board for approval.
6. Review resources assigned to the Compliance program to assess their adequacy relative to the program's effectiveness.
7. Receive such reports of relevant conduct, misconduct, and other issues as the Chief Compliance Officer deems appropriate to the Committee. The Chief Compliance Officer shall report to the Committee potential criminal acts and serious violations of the Code of Conduct committed by employees, officers, directors and other agents and associates of the Company, including vendors and customers, and all disciplinary actions and remedial measures involving compliance infractions as soon as practicable after he becomes aware of them and no later than the next scheduled meeting of the Committee.
8. Perform any other activities consistent with this Charter, and the Company's Bylaws and Articles of Incorporation, as the Committee may deem necessary or appropriate



for the fulfillment of its responsibilities under this Charter or as required by applicable law or regulation, or as may be determined by the Board.

9. Do every other act incidental to, arising out of or in connection with, or otherwise related to, the authority granted to the Committee hereby or the carrying out of the Committee's duties and responsibilities hereunder.

Notwithstanding any of the foregoing, the legal liability of any of the Committee members shall be no greater than that of other members of the Board.

## **V. Committee Resources and Advisors**

The Committee shall have the authority to retain, at the expense of the Company, such independent legal and other advisors as it shall deem necessary to carry out its duties, without Board or management approval.

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