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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2020

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 001-36906

INTERNATIONAL GAME TECHNOLOGY PLC

(Exact name of Registrant as specified in its charter)

England and Wales
(Jurisdiction of incorporation or organization)

66 Seymour Street, 2nd Floor
London W1H 5BT
United Kingdom
(Address of principal executive offices)

Christopher Spears
Senior Vice President and General Counsel
Telephone: (401) 392-1000 Fax: (401) 392-4812
E-mail: Christopher.Spears@IGT.com
IGT Center, 10 Memorial Boulevard, Providence, RI 02903
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Ordinary Shares, nominal value $0.10	IGT	New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

204,856,564 ordinary shares, nominal value $0.10 per share

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

x Yes o No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Act of 1934.

o Yes x No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

x Yes o No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

x Yes o No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	x	Accelerated filer	o
Non-accelerated filer	o	Emerging growth company	o

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. x

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP	x	International Financial Reporting Standards as issued by the International Accounting Standards Board	o	Other	o

If “Other” has been checked in response to the previous question indicate by check mark which financial statement item the registrant has elected to follow.

o Item 17 or o Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes x No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

o Yes o No

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PRESENTATION OF FINANCIAL AND CERTAIN OTHER INFORMATION

International Game Technology PLC (the "Parent"), together with its consolidated subsidiaries, is a global leader in gaming. In this annual report on Form 20-F, unless otherwise specified or the context otherwise indicates, all references to "IGT PLC" and the "Company" refer to the business and operations of the Parent and its consolidated subsidiaries.

This annual report on Form 20-F includes the consolidated financial statements of the Company for the years ended December 31, 2020, 2019, and 2018 (the "Consolidated Financial Statements") prepared in accordance with United States Generally Accepted Accounting Principles as issued by the Financial Accounting Standards Board.

The financial information is presented in U.S. dollars. All references to "U.S. dollars," "U.S. dollar," "U.S. $," "USD," and "$" refer to the currency of the United States of America. All references to "euro," "EUR," and "€" refer to the currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended.

The language of this annual report on Form 20-F is English. Certain legislative references and technical terms have been cited in their original language so that the correct technical meaning may be ascribed to them under applicable law.

Glossary of Certain Terms and Abbreviations

The glossary is used to define common terms and abbreviations that appear throughout the annual report on Form 20-F. Other, less common, terms and phrases are defined in the sections in which they appear, as they may either be Company or industry-specific. Additionally, definitions in "Item 18. Financial Statements" stand alone and are independently defined in that section.

Abbreviation/Term	Definition
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
B2B	business-to-business
B2C	business-to-consumer
BEAT	base-erosion and anti-abuse tax
Brexit	the vote by the United Kingdom to leave the European Union and the terms of such departure
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Company	the Parent together with its consolidated subsidiaries
De Agostini	De Agostini S.p.A.
EBITDA	earnings before interest, taxes, depreciation and amortization
E.U.	European Union
GAAP	United States Generally Accepted Accounting Principles
GDPR	E.U. General Data Protection Regulation
GILTI	global intangible low-taxed income
iGaming	digital (interactive) gaming
IGT PLC	the Parent together with its consolidated subsidiaries
Lottomatica	Lottomatica Holding S.r.l.
Loyalty Plan	the terms and conditions related to the Special Voting Shares
Loyalty Register	the register of ordinary shares for which holders thereof have validly elected to exercise the related Special Voting Shares
NYSE	New York Stock Exchange
Parent	International Game Technology PLC
R&D	research and development
SEC	United States Securities and Exchange Commission
Special Voting Shares	the special voting shares in the Parent, worth U.S.$0.000001 each and carrying 0.9995 votes
Tax Act	the Tax Cuts and Jobs Act of 2017
U.K.	United Kingdom
U.S.	United States of America
Wire Act	U.S. Interstate Wire Act of 1961

FORWARD-LOOKING STATEMENTS

This annual report on Form 20-F includes forward-looking statements (including within the meaning of the Private Securities Litigation Reform Act of 1995) concerning the Company and other matters. These statements may discuss goals, intentions, and expectations as to future plans, trends, events, dividends, results of operations, or financial condition, or otherwise, based on current beliefs of the management of the Company as well as assumptions made by, and information currently available to, such management. Forward-looking statements may be accompanied by words such as “aim,” “anticipate,” “believe,” “plan,” “could,” “would,” “should,” “shall,” “continue,” “estimate,” “expect,” “forecast,” “future,” “guidance,” “intend,” “may,” “will,” “possible,” “potential,” “predict,” “project,” or the negative or other variations of them. These forward-looking statements speak only as of the date on which such statements are made and are subject to various risks and uncertainties, many of which are outside the Company’s control. Should one or more of these risks or uncertainties materialize, or should any of the underlying assumptions prove incorrect, actual results may differ materially from those predicted in the forward-looking statements and from past results, performance, or achievements. Therefore, you should not place undue reliance on such statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include (but are not limited to):

- the possibility that the Parent will be unable to pay dividends to shareholders or that the amount of such dividends may be less than anticipated;
- the length, duration and severity of the COVID-19 pandemic, including any resurgence of the pandemic, and the response of governments, including government-mandated property closures and travel restrictions;
- the effect of the COVID-19 pandemic on our operations or the operations of our customers and suppliers;
- the possibility that the Company may not achieve its anticipated financial results in one or more future periods;
- reductions in customer spending;
- a slowdown in customer payments and changes in customer demand for products and services as a result of changing economic conditions or otherwise;
- unanticipated changes relating to competitive factors in the industries in which the Company operates;
- the Company’s ability to hire and retain key personnel;
- the Company’s ability to attract new customers and retain existing customers in the manner anticipated;
- reliance on and integration of information technology systems;
- changes in legislation, governmental regulations, or the enforcement thereof that could affect the Company;
- enforcement of an interpretation of the Wire Act in such a manner as to prohibit or limit activities in which the Company and its customers are engaged;
- the uncertainty of impacts from Brexit, including legal, regulatory and trade implications;
- the expected financial impact and timing of the divestiture of the Company’s Italian B2C gaming machine, sports betting, and digital gaming businesses, whether and when the required regulatory approvals for the divestiture will be obtained, the possibility that closing conditions for the divestiture may not be satisfied or waived, and whether the strategic benefits of the divestiture can be achieved;
- international, national, or local economic, social, or political conditions that could adversely affect the Company or its customers;
- conditions in the credit markets;
- risks associated with assumptions the Company makes in connection with its critical accounting estimates;
- the resolution of pending and potential future legal, regulatory, or tax proceedings and investigations; and
- the Company’s international operations, which are subject to the risks of currency fluctuations and foreign exchange controls.

The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties that affect the Company’s business, including those described in “Item 3. Key Information—D. Risk Factors” and other documents filed by the Parent from time to time with the SEC. Except as required under applicable law, the Company does not assume any obligation to update these forward-looking statements. Nothing in this annual report is intended, or is to be construed, as a profit forecast or to be interpreted to mean that earnings per share of the Parent for the current or any future financial years will necessarily match or exceed the historical published earnings per share of the Parent, as applicable. All forward-looking statements contained in this annual report on Form 20-F are qualified in their entirety by this cautionary statement.

PART I

Item 1. Identity of Directors, Senior Management and Advisors

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

A. *Selected Financial Data*

Not applicable.

Selected Financial Data has been eliminated as a result of new SEC rules issued on November 19, 2020 which are effective February 10, 2021. Registrants are required to comply with the amended rules for their first fiscal year ending on or after April 9, 2021; however, registrants may provide disclosure consistent with the final amendments any time after the effective date. IGT has elected to apply the amended rules within this Form 20-F.

B. *Capitalization and Indebtedness*

Not applicable.

C. *Reasons for the Offer and Use of Proceeds*

Not applicable.

D. *Risk Factors*

The following risks should be considered in conjunction with “Item 5. Operating and Financial Review and Prospects”, the Consolidated Financial Statements, including the notes thereto, included in this annual report, and the other risks described in the Safe Harbor Statement set forth in Item 5.F. These risks may affect the Company's operating results and, individually or in the aggregate, could cause its actual results to differ materially from past and anticipated future results. The following discussion of risks may contain forward-looking statements which are intended to be covered by the Safe Harbor Statement. Except as may be required by law, the Company undertakes no obligation to publicly update forward-looking statements, whether as a result of new information, future events, or otherwise. The Company invites you to consult any further related disclosures made by the Parent from time to time in materials filed with or furnished to the SEC.

Risks related to the Company's Business and Industry

The Company has a concentrated customer base in certain business segments, and the loss of any of its larger customers (or lower sales from any of these customers) could lead to significantly lower revenue

A substantial portion of the Company’s revenues is derived from exclusive licenses awarded to the Company by Agenzia delle Dogane e Dei Monopoli ("ADM"), the governmental authority responsible for regulating and supervising gaming in Italy. For the year ended December 31, 2020, approximately 11% of total consolidated revenues was earned for service provided for the operation of the Italian Gioco del Lotto game (the "Lotto License") and approximately 8% for service provided for the operation of Scratch & Win instant ticket game.

The Company expects that a significant portion of its revenues and profits will continue to depend upon the licenses awarded to the Company by ADM. Licenses may be terminated prior to their expiration dates upon the occurrence of certain events of default affecting the Company, or if such licenses are deemed to be against the public interest, or terminated or annulled if successfully challenged by competitors. The law providing the extension of the license for instant tickets in Italy has been challenged from two operators (Sisal and Stanleybet) and the European Court of Justice ("ECJ") has been asked to express an opinion on the compatibility of that law within the E.U. law principles. In addition, the conditions for any new license will be established by law and included in the rules of the new license. Any material reduction in the Company’s revenues from these licenses, including as a result of an annulment, early termination, or non-renewal of these licenses following their expiration, could have a material adverse effect on the Company’s results of operations, business, financial condition, or prospects.

In addition, recurring revenues from the Company's top 10 customers outside of Italy accounted for approximately 25% of its total consolidated revenues for the year ended December 31, 2020. If the Company were to lose any of these larger customers, or if these larger customers experience lower sales and consequently reduced revenues, which are primarily service revenues, there could be a material adverse effect on the Company's results of operations, business, financial condition, or prospects.

The Company's operations are dependent upon its continued ability to retain and extend its existing contracts and win new contracts

The Company derives a substantial portion of its revenues from its portfolio of long-term contracts in the Global Lottery segment (equal to approximately 56% of its total consolidated revenues for the year ended December 31, 2020), awarded through competitive procurement processes. In addition, the Company's U.S. lottery contracts typically permit a lottery authority to terminate the contract at any time for material, uncured breaches and for other specified reasons out of the Company's control, such as the failure by a state legislature to approve the required budget appropriations, and many of these contracts in the U.S. permit the lottery authority to terminate the contract at will with limited notice and do not specify the compensation to which the Company would be entitled were such termination to occur.

In the event that the Company is unable or unwilling to perform certain lottery contracts, such contracts permit the lottery authority a right to use the Company's system-related equipment and software necessary for the performance of the contract until the expiration or earlier termination of the contract.

The termination of or failure to renew or extend one or more of the Company's lottery contracts, or the renewal or extension of one or more of the Company's lottery contracts on materially altered terms, could have a material adverse effect on the Company's results of operations, business, financial condition, or prospects.

The outbreak of the novel coronavirus COVID-19 ("COVID-19") has had and will likely continue to have an adverse effect on the Company's business, operations, financial condition and operating results

In January 2020, an outbreak of a new strain of coronavirus, COVID-19, was identified and has spread around the world, including in the Company's core markets of the United States and Italy. The World Health Organization declared the outbreak to be a pandemic on March 11, 2020. The global spread of COVID-19 has been, and continues to be, complex and rapidly evolving, with governments, public institutions and other organizations imposing or recommending, and businesses and individuals implementing, restrictions on various activities or other actions to combat its spread, such as restrictions and bans on travel or transportation, stay-at-home directives, limitations on the size of gatherings, closures of work facilities, schools, public buildings and businesses, cancellation of events, including sporting events, concerts, conferences and meetings, and quarantines and lock-downs. The pandemic and its consequences, including the closure of almost all casinos and gaming halls globally in the second quarter of 2020, dramatically reduced demand for gaming products and services, which has had a negative impact on all aspects of the Company's business. While many casinos and gaming halls have since reopened, some remain closed, and there can be no assurance that the Company will not be further affected by future shutdowns. The extent and duration of the COVID-19 pandemic and its impact on the Company's future financial and operational performance remains uncertain, and will depend on future developments, including the duration and spread, and any recurrence of the pandemic, and related actions taken by U.S. and international governments, state and local officials to prevent and contain disease spread, all of which are uncertain and cannot be predicted. Furthermore, the Company's suppliers may experience adverse effects of the pandemic, including but not limited to bankruptcy or insolvency, which could impact the Company's supply chain and its ability to operate at the same level as prior to the COVID-19 crisis.

The current, and uncertain future, impact of the COVID-19 outbreak is expected to continue to impact the Company's results, operations, outlooks, plans, goals, growth, reputation, cash flows, and liquidity.

Adverse changes in discretionary consumer spending and behavior, including as a result of the COVID-19 pandemic or other similar health epidemics, may adversely affect the Company's business

Socio-political and economic factors that impact consumer confidence may result in decreased discretionary spending by consumers and have a negative effect on the Company's business. Unfavorable changes in social, political and economic conditions and economic uncertainties, as well as decreased discretionary spending by consumers, may adversely impact customers, suppliers and business partners in a variety of ways.

The revenue generated by the Company's business relies on players' discretionary income and their level of gaming activity. Economic factors resulting in a reduction of such discretionary income could result in fewer lottery ticket sales and fewer patrons visiting casinos or engaging in online or digital gaming. A decline in discretionary income over an extended period could cause some of the Company's customers to close casinos or other gaming operations, which would adversely affect the

Company's business. A decline in casino visits may also have an adverse impact on the businesses of casino customers and their ability to purchase or lease products and services.

The COVID-19 pandemic, and public perception thereof, has contributed to consumer unease and decreased discretionary spending and consumer travel, which have had, and will continue to have, a negative effect on the Company. Other future health epidemics or contagious disease outbreaks could do the same. The Company cannot predict the ultimate effects that the outbreak of COVID-19, any resulting unfavorable social, political, and economic conditions and decrease in discretionary spending or travel would have on the Company, as they would be expected to impact the Company's customers, suppliers, and business partners in varied ways in different communities. In the Company's lottery, machine gaming, and digital businesses, revenue is largely driven by players' disposable incomes and level of gaming activity and lottery purchases. The outbreak of COVID-19 has led to economic and financial uncertainty for many consumers and has reduced, and may continue to reduce, the disposable incomes of players across all of the Company's business units. Further, the COVID-19 pandemic, and the perception of risk of infection may affect consumer behavior as people may feel uncomfortable traveling or being in crowded environments such as casinos and gaming halls while the virus remains a threat. This may result in fewer patrons visiting casinos and gaming halls and fewer players purchasing lottery and sports betting products, and lower amounts spent per casino visit or lottery purchase, or reduced spend on sports betting and other online gambling activities, which may negatively impact the results of operations, cash flows, and financial condition of the Company's casino customers, their ability to purchase or lease the Company's products and services and therefore the Company's machine gaming business revenue, revenues to lotteries and, therefore, the Company's lottery business revenue, and revenues to the Company's online casino and sports book partners and, therefore, the Company's sports betting and digital business revenue.

The outbreak of COVID-19 and the resulting unfavorable economic conditions have also impacted and could continue to impact, the ability of the Company's customers to make timely payments. These unfavorable conditions have caused, and could continue to or may cause, some of the Company's customers to close casinos, gaming halls and/or lottery operations, decrease spending on marketing of or purchases of products or declare bankruptcy, which would adversely affect the Company's business. The recent outbreak also resulted in significant volatility in both the credit and equity markets, negatively impacting general economic conditions. The difficulty or inability of the Company's customers to generate or obtain adequate levels of capital to finance their ongoing operations may reduce their ability to purchase the Company's products and services. In the Company's lottery business, difficult economic conditions may contribute to reductions in spending on marketing by customers and, in certain instances, less favorable terms under contracts, as many of the Company's customers face budget shortfalls and seek to cut costs. In the Company's sports betting business, the suspension or cancellation of the majority of sporting events has and could continue to negatively impact the financial condition of the Company's sports book customers, their ability to purchase development and other services, their risk of payment default, or their spending levels as they seek to reduce costs, each of which could negatively impact the Company's sports betting business revenue.

Slow growth or declines in the replacement of gaming machines, slow growth of new gaming jurisdictions or slow addition of casinos and gaming halls in existing jurisdictions, including as a result of COVID-19, may have an adverse impact on the Company

Demand for the Company's machine gaming products and services is driven by the replacement of existing gaming machines in existing casinos and gaming halls, the establishment of new jurisdictions, the opening of additional casinos and gaming halls in existing jurisdictions, and the expansion of existing casinos and gaming halls. Slow growth or declines in the replacement cycle of gaming machines resulting from the COVID-19 pandemic have reduced and may continue to reduce the demand for the Company's products and negatively impact the Company's results of operations, cash flows, and financial condition. In 2020, the Company's machine gaming revenue was adversely affected by casino closures and fewer casino openings and expansions.

The opening of new casinos and gaming halls, expansion of existing casinos and gaming halls, and replacement of existing gaming machines in existing casinos and gaming halls fluctuate with demand, economic conditions, regulatory approvals, and the availability of financing and have been negatively affected by the recent COVID-19 pandemic. In addition, the expansion of gaming into new jurisdictions can be a protracted process. Any of these factors could delay, restrict, or prohibit the expansion of the Company's business and negatively impact the Company's results of operations, cash flows, and financial condition.

The Company is subject to substantial penalties for failure to perform

The Company's Italian licenses, lottery contracts in the U.S. and in other jurisdictions, and other service contracts often require performance bonds or letters of credit to secure its performance under such contracts and require the Company to pay substantial monetary liquidated damages in the event of non-performance by the Company.

At December 31, 2020, the Company had outstanding performance bonds and letters of credit in an aggregate amount of approximately $1.7 billion. These instruments present a potential for expense for the Company and divert financial resources from other uses. Claims on performance bonds, drawings on letters of credit, and payment of liquidated damages could

individually or in the aggregate have a material adverse effect on the Company's results of operations, business, financial condition, or prospects.

Slow growth or declines in the lottery and gaming markets could lead to lower revenues for the Company

The Company's future success will depend, in part, on the success of the lottery industry and the gaming industry in attracting and retaining new players in the face of such increased competition in the entertainment and gaming markets, as well as the Company's own success in developing innovative services, products and distribution methods/systems to achieve this goal. In addition, there is a risk that new products and services may replace existing products and services and the Company's customers might acquire or develop competencies that reduce their dependencies on the Company's product and services. The replacement of old products and services with new products and services may offset the overall growth of sales of the Company. A failure by the Company to achieve these goals could have a material adverse effect on the Company's results of operations, business, financial condition, or prospects.

Brexit has created uncertainty that could impact the Company's operations, business, financial condition, or prospects

The U.K. exited the E.U. on January 31, 2020, which commenced a transition period through December 31, 2020, during which the U.K. continued to apply E.U. laws and regulations and the trading relationship between the U.K. and the E.U. remained the same. In December 2020, the U.K. and E.U. announced they had entered into a post-Brexit deal on certain aspects of trade and other strategic and political issues. Because the Company maintains significant operations in the E.U., the terms of the December 2020 post-Brexit deal could subject the Company to increased risk. The Company is in the process of evaluating the impact of the December 2020 post-Brexit deal on its business, future operations, operating results and cash flows. The Company continues to monitor Brexit and its potential impacts on the Company's results of operations, business, financial condition, or prospects.

The Company's success depends in large part on its ability to develop and manage frequent introductions of innovative products and the ability to respond to technological changes

The Company must continually introduce and successfully market new games and technologies to remain competitive and effectively stimulate customer demand. The process of developing new products is inherently complex and uncertain. It requires accurate anticipation of changing customer needs and end-user preferences as well as emerging technological trends. If the Company's competitors develop new game content and technologically innovative products and the Company fails to keep pace, its business could be adversely affected. In addition, if the Company fails to accurately anticipate customer needs and end-user preferences through the development of new products and technologies, the Company could lose business to its competitors, which would adversely affect its results of operations, business, financial condition, or prospects. The Company intends to continue investing resources in research and development. There is no assurance that its investments in research and development will guarantee successful products. The Company invests heavily in product development in various disciplines: platform hardware, platform software, digital services, content (game) design and casino software systems. Because the Company's newer products are generally more technologically sophisticated than those it has produced in the past, the Company must continually refine its design, development, and delivery capabilities across all channels to ensure product innovation. If the Company cannot efficiently adapt its processes and infrastructure to meet the needs of its product innovations, its results of operations, business, financial condition, or prospects could be negatively impacted.

If the Company is unable to protect its intellectual property or prevent its unauthorized use by third parties, its ability to compete in the market may be harmed

The Company protects its intellectual property to ensure that its competitors do not use such intellectual property. However, intellectual property laws in the U.S., Italy, and in other jurisdictions may afford differing and limited protection, may not permit the Company to gain or maintain a competitive advantage, and may not prevent its competitors from duplicating its products, designing around its patented products, or gaining access to its proprietary information and technology.

The Company may not be able to prevent the unauthorized disclosure or use of its technical knowledge or trade secrets. For example, there can be no assurance that consultants, vendors, partners, former employees, or current employees will not breach their obligations regarding non-disclosure and restrictions on use. In addition, anyone could seek to challenge, invalidate, circumvent, or render unenforceable any of the Company's patents. The Company cannot provide assurance that any pending or future patent applications it holds will result in an issued patent, or that, if patents are issued, they would necessarily provide meaningful protection against competitors and competitive technologies or adequately protect the Company's then-current technologies. The Company may not be able to detect the unauthorized use of its intellectual property, prevent breaches of its cybersecurity efforts, or take appropriate steps to enforce its intellectual property rights effectively. In addition, certain contractual provisions, including restrictions on use, copying, transfer, and disclosure of software, may be unenforceable under the laws of certain jurisdictions.

The Company's success may depend in part on its ability to obtain trademark protection for the names or symbols under which it markets its products and to obtain copyright protection and patent protection of its technologies and game innovations. The Company may not be able to build and maintain goodwill in its trademarks or obtain trademark or patent protection, and there can be no assurance that any trademark, copyright, or issued patent will provide competitive advantages for the Company or that the Company's intellectual property will not be successfully challenged or circumvented by competitors.

The Company intends to enforce its intellectual property rights, and from time to time may initiate claims against third parties that it believes are infringing its intellectual property rights. Litigation brought to protect and enforce the Company's intellectual property rights could be costly, time-consuming, and distracting to management, could fail to obtain the results sought, and could have a material adverse effect on the Company's results of operations, business, financial condition, or prospects.

If the Company is unable to license intellectual property from third parties, its ability to compete in the market may be harmed

The Company licenses intellectual property rights from third parties. If such third parties do not properly maintain or enforce the intellectual property rights underlying such licenses, or if such licenses are terminated or expire without being renewed, the Company could lose the right to use the licensed intellectual property, which could adversely affect its competitive position or its ability to commercialize certain of its technologies, products, or services.

In addition, some of the Company's most popular games and features are based on trademarks, patents and other intellectual property licensed from third parties. The Company's future success may depend upon its ability to obtain, retain and/or expand licenses for popular intellectual property rights with reasonable terms in a competitive market. If the Company cannot renew and/or expand existing licenses, it may be required to discontinue or limit its use of the games or gaming machines that use the licensed technology or bear the licensed marks, which could have a material adverse effect on the Company's results of operations, business, financial condition, or prospects.

Third party intellectual property infringement claims against the Company could limit its ability to compete effectively

The Company cannot provide assurance that its products do not infringe the intellectual property rights of third parties. Infringement and other intellectual property claims and proceedings brought against the Company, whether successful or not, are costly, time-consuming and distracting to management, and could harm the Company's reputation. In addition, intellectual property claims and proceedings could require the Company to do one or more of the following: (1) cease selling or using any of its products that allegedly incorporate the infringed intellectual property, (2) pay substantial damages, (3) obtain a license from the third-party owner, which license may not be available on reasonable terms, if at all, (4) rebrand or rename its products, and (5) redesign its products to avoid infringing the intellectual property rights of third parties, which may not be possible and, if possible, could be costly, time-consuming, or result in a less effective product. A successful claim against the Company could have a material adverse effect on its results of operations, business, financial condition, or prospects.

The Company's business may be adversely affected by lower cost of entry into the gaming industry

As a result of developments in digital and internet gaming, the cost of entry to the gaming market has decreased significantly. This results in a highly competitive environment. Digital and internet gaming have emerged as substantial methods of competition from existing competitors and, increasingly, new competitors as a result of the lower cost of entry. The increased competition may result in increased pricing pressures on a number of the Company's products and services, and may impact the Company's results and financial position.

Divestitures, including the sale of the Company's Italian B2C gaming machine, sports betting, and digital gaming businesses, may materially adversely affect the Company's financial condition, results of operations or cash flows.

On December 7, 2020, the Parent announced that it had entered into a definitive agreement to sell its Italian B2C gaming machine, sports betting, and digital gaming businesses to Gamenet Group S.p.A. Divestitures involve risks, including difficulties in the separation of operations, services, products and personnel, the diversion of management's attention from other business concerns, the disruption of business, the potential loss of key employees and the retention of uncertain contingent liabilities related to the divested business. The Company may not be successful in managing these or any other significant risks that it encounters in divesting the Italian B2C gaming machine, sports betting, and digital gaming businesses, or any other divestiture the Company may undertake in the future, and any such divestiture could materially and adversely affect the Company's business, financial condition, results of operations and cash flows, and may also result in a diversion of management attention, operational difficulties and losses. Further, there can be no assurance whether and when the required regulatory approvals for the divestiture of the Italian B2C gaming machine, sports betting, and digital gaming businesses will be

obtained, whether and when the closing conditions will be satisfied or waived, and whether the strategic benefits and expected financial impact of the divestiture will be achieved.

The Company's inability to successfully complete and integrate future acquisitions could limit its future growth or otherwise be disruptive to its ongoing business

From time to time, the Company expects it will pursue acquisitions in support of its strategic goals. There can be no assurance that acquisition opportunities will be available on acceptable terms or at all or that the Company will be able to obtain necessary financing or regulatory approvals to complete potential acquisitions. The Company's ability to succeed in implementing its strategy will depend to some degree upon the ability of its management to identify, complete and successfully integrate commercially viable acquisitions. Acquisition transactions may disrupt the Company's ongoing business and distract management from other responsibilities. Further, the Company may incur unexpected costs, or fail to realize expected benefits from such acquisitions. In connection with any such acquisitions, the Company could face significant challenges in managing and integrating its expanded or combined operations, including acquired assets, operations, and personnel.

The Company faces reputational risks related to the use of social media

The Company frequently uses social media platforms as marketing tools. These platforms provide the Company, as well as individuals, with access to a broad audience of consumers and other interested persons. Negative commentary regarding the Company or the products it sells may be posted on social media platforms and similar devices at any time and may be adverse to the Company's reputation or business. Further, as laws and regulations rapidly evolve to govern the use of social media, the failure by the Company, its employees or third parties acting at the Company's direction to abide by applicable laws and regulations in the use of these platforms and devices could adversely impact the Company's business, financial condition, and results of operations or subject it to fines or other penalties.

Legal and Compliance Risks

Changing enforcement of the Wire Act may negatively impact the Company's operations, business, financial condition, or prospects

On January 14, 2019, the U.S. Department of Justice (the "DOJ") published an opinion (the "2019 Opinion") reversing its previously-issued opinion (the "2011 Opinion") that the Wire Act, which prohibits several types of wager-related communications over a "wire communications facility," was applicable only to sports betting. The 2019 Opinion interprets the Wire Act as applying to other forms of gambling that cross state lines, though the precise scope of the 2019 Opinion is unclear, and the DOJ has not yet addressed how it plans to enforce the Wire Act in light of the 2019 Opinion. Further, the New Hampshire Lottery Commission and certain private parties have commenced litigation in federal district court in New Hampshire challenging the 2019 Opinion. In response to this and other lawsuits, the DOJ issued a memorandum in April 2019 acknowledging that the 2019 Opinion did not consider whether the Wire Act applies to State lotteries and their vendors, and the DOJ is now considering this issue. In connection with such acknowledgment, the DOJ also extended the non-prosecution period for State lotteries and their vendors indefinitely while they consider the question. If the DOJ concludes that the Wire Act does apply to State lotteries and/or their vendors, they would extend the non-prosecution period for an additional period of 90 days after the DOJ publicly announces such position.

On June 3, 2019, the U.S. District Court for the District of New Hampshire ruled in favor of the plaintiffs and opined that the Wire Act applies only to sports betting and related activities (the "NH Decision"). The NH Decision also set aside the 2019 Opinion leaving the 2011 Opinion as the DOJ's only stated opinion on the subject. In response to the NH Decision, the DOJ extended the forbearance period to December 31, 2019; such forbearance period was further extended through December 1, 2020. The Lottery Forbearance remains unchanged. On August 16, 2019, the DOJ filed a Notice of Appeal with respect to the NH Decision. On January 20, 2021, the United States Court of Appeals for the First Circuit affirmed in part the NH Decision (the "First Circuit Decision"). The First Circuit Decision also vacated the portion of the NH Decision that set aside the 2019 Opinion. It is unclear whether the DOJ will appeal the First Circuit Decision to the Supreme Court of the United States, when the DOJ will conclude its consideration of whether the Wire Act applies to State lotteries and their vendors, or whether other courts would come to the same conclusions set forth in the NH Decision and the First Circuit Decision. The Company's management is evaluating the First Circuit Decision, the 2019 Opinion, the possibilities of further DOJ appeal and their implications to the Company, its customers, and the industries in which the Company operates. If the Wire Act is broadly interpreted and enforced to prohibit activities in which the Company and its customers are engaged, the Company could be subject to investigations, criminal and civil penalties, sanctions and/or other remedial measures and/or the Company may be required to substantially change the way it conducts its business, any of which could have a material adverse effect on the Company's results of operations, business, financial condition, or prospects.

The Company faces risks related to the extensive and complex governmental regulation applicable to its operations

The Company's activities are subject to extensive and complex governmental regulation, including restrictions on advertising, increases in or differing interpretations by authorities on taxation, limitations on the use of cash, and anti-money laundering compliance procedures. These regulatory requirements are constantly evolving and may vary from jurisdiction to jurisdiction. In particular, the Italian government has recently banned gaming advertising and significantly raised gaming taxes. Any changes in the legal or regulatory framework or other changes, such as increases in the taxation of sports betting or gaming, changes in the compensation paid to licensees, or increases in the number of licenses, authorizations, or licenses awarded to the Company's competitors, could materially affect its profitability.

In addition, in the U.S. and in many international jurisdictions where the Company currently operates or seeks to do business, lotteries, sports betting, and gaming are not permitted unless expressly authorized by law. The successful implementation of the Company's growth strategy and its business could be materially adversely affected if jurisdictions that do not currently authorize lotteries, sports betting, or gaming do not approve such activities or if those jurisdictions that currently authorize lotteries, sports betting, or gaming do not continue to permit such activities.

Investigations by governmental and licensing entities can result in adverse findings or negative publicity

From time to time, the Company is subject to extensive background investigations, and other investigations of various types are conducted by governmental and licensing authorities with respect to applicable gaming regulations. These regulations and investigations vary from time to time and from jurisdiction to jurisdiction where the Company operates. Because the Company's reputation for integrity is an important factor in its business dealings with lottery and other governmental agencies, a governmental allegation or a finding of improper conduct by or attributable to the Company in any manner, the prolonged investigation of these matters by governmental or regulatory authorities, and/or the adverse publicity resulting therefrom could have a material adverse effect on the Company's results of operations, business, financial condition, or prospects, including its ability to retain existing contracts or to obtain new or renewed contracts, both in the subject jurisdiction and elsewhere.

Failure to comply with data privacy laws, including the GDPR could result in significant penalties

The GDPR came into effect on May 25, 2018, expanding the rules on using personal data and increasing the risks of processing personal data compared to prior legislation and introducing new obligations on data controllers and rights for data subjects, including, among others:

- accountability and transparency requirements, which will require data controllers to demonstrate and record compliance with the GDPR and to provide more detailed information to data subjects regarding processing;
- enhanced data consent requirements, which includes "explicit" consent in relation to the processing of sensitive data;
- obligations to consider data privacy as any new products or services are developed and limit the amount of information collected, processed, and stored as well as its accessibility;
- constraints on using data to profile data subjects;
- providing data subjects with personal data in a usable format on request and erasing personal data in certain circumstances; and
- reporting of breaches without undue delay (72 hours where feasible).

Other jurisdictions in which the Company operates have implemented, or are considering implementing, data privacy laws similar to the GDPR. Several of the Parent's subsidiaries, particularly those in Italy, deal with a significant amount of employee and customer personal data. There is a risk that the Company's policies and procedures for compliance with data privacy laws, including the GDPR will not be implemented correctly or that individuals within the Company will not be fully compliant with the new procedures. Failure to comply with data privacy laws may have serious financial consequences to the Company. For example, failure to comply with the GDPR may lead to fines for data breaches of up to the maximum of either €20 million or 4% of worldwide annual revenue, and the Company could face significant administrative sanctions and reputational damage that could have a material adverse effect on the Company's results of operations, business, financial condition, or prospects.

The Company is exposed to significant risks in relation to compliance with anti-corruption laws and regulations and economic sanction programs

Doing business on a worldwide basis requires the Company to comply with the laws and regulations of various jurisdictions. In particular, the Company's operations are subject to anti-corruption laws and regulations, such as the U.S. Foreign Corrupt Practices Act of 1977, the U.K. Bribery Act of 2010 and other anti-corruption laws that apply in countries where the Company operates. Other laws and regulations applicable to the Company control trade by imposing economic sanctions on countries and persons and creating customs requirements and currency exchange regulations. The Company's continued global expansion,

including in countries which lack a developed legal system or have high levels of corruption, increases the risk of actual or alleged violations of such laws.

The Company cannot predict the nature, scope or effect of future regulatory requirements to which its operations might be subject or the manner in which such laws might be administered or interpreted.

There can be no assurance that the policies and procedures the Company has implemented have been or will be followed at all times or will effectively detect and prevent violations of these laws by one or more of the Company's directors, officers, employees, consultants, agents, joint-venture partners or other third-party partners. As a result, the Company could be subject to investigations, criminal and civil penalties, sanctions and/or other remedial measures that in turn could have a material adverse effect on its business, results of operations and financial condition.

Negative perceptions and publicity surrounding the gaming industry could lead to increased gaming regulation

The popularity and acceptance of gaming is influenced by prevailing social attitudes toward gaming, and changes in social attitudes toward gaming could result in reduced acceptance of gaming as a leisure activity. Further, from time to time, the gaming industry is exposed to negative publicity related to gaming behavior, gaming by minors, the presence of gaming machines in too many locations, risks related to digital gaming and alleged association with money laundering. Publicity regarding problem gaming and other concerns with the gaming industry, even if not directly connected to the Company, could adversely impact its business, results of operations, and financial condition. For example, if the perception develops that the gaming industry is failing to address such concerns adequately, the resulting political pressure may result in the industry becoming subject to increased regulation and restrictions on operations. Such an increase in regulation could adversely impact the Company's results of operations, business, financial condition, or prospects.

Changes to U.S. and foreign tax laws could adversely affect the Company

The Company is subject to tax laws in the U.S. and several foreign tax jurisdictions and judgment is required in determining the Company’s global provision for income taxes. While the Company believes its tax positions are consistent with the tax laws in the jurisdictions in which it conducts business, it is possible that these positions may be overturned by tax authorities, which may have a significant impact on the Company’s global provision for income taxes.

Furthermore, changes in tax laws or regulations may be proposed or enacted that could significantly affect the Company’s overall tax expense. For example, on December 22, 2017, the U.S. government enacted comprehensive tax legislation through the Tax Act, which significantly changed the U.S. corporate income tax system and has had a meaningful impact on the Company’s provision for income taxes. The Tax Act made broad changes to the U.S. federal income tax code, including reducing the federal corporate income tax rate from 35% to 21%, imposing limitations on the Company’s ability to deduct interest expense for tax purposes, creating a new minimum tax on GILTI, and creating BEAT, among many other complex provisions.

In addition, tax authorities are increasingly scrutinizing the tax positions of companies. Many countries in the E.U., as well as a number of other countries and organizations such as the Organization for Economic Cooperation and Development, are actively considering changes to existing tax laws that, if enacted, could increase the Company’s tax obligations in countries where it does business. If U.S. or other foreign tax authorities change applicable tax laws, the Company’s overall taxes could increase, and its results of operations, business, financial condition, or prospects may be adversely affected.

The Company may be subject to an unfavorable outcome with respect to pending regulatory, tax, or other legal proceedings, which could result in substantial monetary damages or other harm to the Company

The Company is involved in a number of legal, regulatory, tax, and arbitration proceedings including claims by and against it as well as injunctions by third parties arising out of the ordinary course of its business and is subject to investigations and compliance inquiries related to its ongoing operations. It is difficult to estimate accurately the outcome of any proceeding. As such, the amounts of the Company’s provision for litigation risks could vary significantly from the amounts the Company may be asked to pay or ultimately pay in any such proceeding. In addition, unfavorable resolution of or significant delay in adjudicating such proceedings could require the Company to pay substantial monetary damages or penalties and/or incur costs that may exceed any provision for litigation risks or, under certain circumstances, cause the termination or revocation of the relevant license or authorization and thereby have a material adverse effect on the Company’s results of operations, business, financial condition, or prospects.

Operational Risks

Failure to attract, retain and motivate personnel may adversely affect the Company's ability to compete

The Company's ability to attract and retain key management, product development, finance, marketing, and research and development personnel, and its ability to attract and maintain a diverse workforce, is directly linked to the Company's continued success. Particularly in the lottery and gaming industries, the market for qualified executives and highly-skilled technical workers is intensely competitive, and the loss of key employees or an inability to hire a sufficient number of technical staff could limit the Company's ability to develop successful products and could cause delays in getting new products to market.

The Company's business prospects and future success rely heavily upon the integrity of its employees, directors and agents

The Company strives to set exacting standards of personal integrity for its employees and directors and its reputation in this regard is an important factor in its business dealings with lottery, gaming, and other governmental agencies. For this reason, an allegation or a finding of improper conduct on the Company's part, or on the part of one or more of its current or former employees, directors or agents, or the failure to detect fraudulent activity by employees in a timely manner, could have a material adverse effect upon the Company's results of operations, business, financial condition, or prospects, including its ability to retain or renew existing contracts or obtain new contracts.

For example, in October 2020, the Italian Tax Police announced that it is investigating alleged misconduct by a small number of the Company's former employees. The alleged misconduct involved unauthorized access to the Company's lottery system in Italy in order to identify and redeem winning scratch-off lottery tickets. The Company is fully cooperating with the Italian Tax Police in order to facilitate its investigation into the alleged misconduct and has taken proactive steps to ensure the integrity of the Company's games and to protect the interests of the Company's customers. The Company has also taken measures to review its operational systems and processes designed to prevent fraudulent activities and remains focused on ensuring its business is conducted at the highest levels of integrity. Nevertheless, the investigation (including any adverse impact on the perceived integrity and security of the Company's products and systems) could have a material adverse effect upon the Company's results of operations, business, financial condition, or prospects, including its ability to retain or renew existing contracts or obtain new contracts.

The success of the Company's business is dependent on customers' confidence in the integrity of the Company's products and systems

The real and perceived integrity and security of the Company's products and systems are critical to its ability to attract customers and players. In the event of an actual or alleged defect in a Company product or unauthorized access of a Company system, the Company's existing and prospective customers may lose confidence in the integrity and security of the Company's products and systems. Such a failure could have a material adverse effect upon the Company's results of operations, business, financial condition or prospects, including its ability to attract new customers and retain its existing customers.

The Company faces supply chain risks that, if not properly managed, could adversely affect its financial results

The Company purchases most of the parts, components, and subassemblies necessary for its lottery terminals and electronic gaming machines from outside sources. The Company outsources all the manufacturing and assembly of certain lottery terminals and portions of other products to third-party vendors. The Company's operating results could be adversely affected if one or more of its manufacturing and assembly outsourcing vendors fails to meet production schedules. The Company's management believes that if a supply contract with one of these vendors were to be terminated or breached, it may take time to replace such vendor under some circumstances and any replacement parts, components, or subassemblies may be more expensive, which could reduce the Company's margins. Depending on a number of factors, including the Company's available inventory of replacement parts, components or subassemblies, the time it takes to replace a vendor may result in a delay for a customer. Generally, if the Company fails to meet its delivery schedules under its contracts, it may be subject to substantial penalties or liquidated damages, or contract termination, which in turn could adversely affect the Company's results of operations, business, financial condition, or prospects.

The Company and its operations are subject to cyber-attacks and cyber-security risks which may have an adverse effect on its business and results of operations and result in increasing costs to minimize these risks

The Company's business involves the storage and transmission of confidential business and personal information, and theft and security breaches may expose the Company to a risk of loss of, or improper use and disclosure of, such information, which may result in significant litigation expenses and liability exposure. Cyber-attacks on businesses are becoming more frequent, and increasingly more difficult to anticipate and prevent due to their rapidly evolving nature. The Company has experienced and continues to experience cyber-attacks of varying degrees and phishing attacks on a regular basis. To date, the Company has not

suffered any material losses as a result of such attacks. The Company's internal policies and procedures may not be able to prevent or detect every cyber-attack or reduce all negative effects they may cause. In addition, the Company's insurance policies may not be sufficient to mitigate all potential negative effects of a cyber-attack.

Any systems failure or compromise of the Company's security that results in the release of confidential business or personal information could seriously harm the Company's reputation and have a material adverse effect on the Company's results of operations, business, financial condition, or prospects.

The Company's security measures may also be breached due to employee error, malfeasance, system errors or vulnerabilities, including vulnerabilities of the Company's subcontractors, vendors, suppliers, or otherwise. Such breach could result in significant reputational, legal, and financial liability, and may potentially have a material adverse effect upon the Company's business, results of operations and financial condition. Because the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently, become more sophisticated, and often are not recognized until launched against a target, the Company may be unable to anticipate these techniques or to implement adequate preventative measures. Additionally, cyber-attacks could also compromise trade secrets and other sensitive information and result in such information being disclosed to others and becoming less valuable, which could have a material adverse effect upon the Company's results of operations, business, financial condition, or prospects.

The Company may face decreased operational efficiency and productivity due to measures taken to reduce the impact of the COVID-19 pandemic

The outbreak of COVID-19 has caused, and may continue to cause us and certain of the Company's suppliers, to implement temporary measures mandating employees to work from home and collaborate remotely where possible. The Company has taken measures to monitor and reduce the impact of the outbreak on its operations, including establishing a cross-functional global crisis management team, protocols for responding when employees are infected, and enhanced cleaning procedures at all sites, but it cannot assure these will be sufficient to mitigate the risks faced by the Company and its partners' work forces. The Company has also taken measures to reduce operating costs and ensure liquidity given the uncertain impact of COVID-19 on revenue, deferred non-critical capital expenditures, has implemented a number of employee-related actions, and may in the future implement further actions. However, the Company may still experience lower work efficiency and productivity, which may adversely affect its service quality, and its business operations could be disrupted if any of the Company's employees are suspected of infection, since this may cause its employees to be quarantined and/or its offices to be temporarily shut down. The Company will continue to incur costs for its operations, and its revenues during this period are difficult to predict. As a result of the above developments, the Company's business, results of operations, cash flows, and financial condition have been and will likely continue to be adversely affected by the COVID-19 outbreak. Furthermore, the COVID-19 pandemic has changed the way the Company connects with customers, as most in-person trade shows and conferences have been canceled, requiring sales teams and executives to meet with customers virtually. If the Company is unable to effectively adapt to these new methods of connecting with customers, or if these new methods prove to be less effective than the Company's traditional methods of operation, it could have a material adverse effect on the Company's results of operations, cash flows and financial condition.

The extent to which the COVID-19 outbreak impacts the Company's results of operations, cash flows, and financial condition will depend on future developments, which are highly uncertain and unpredictable, including new information which may emerge concerning the severity and duration of this outbreak and the actions taken by governmental authorities and us to contain it or treat its impact.

Failures in technology may disrupt the Company's business and have an adverse effect on its results of operations

The Company's success depends on its ability to avoid, detect, replicate, and correct software and hardware defects and fraudulent manipulation of its products. The Company incorporates security features into the design of its products which are designed to prevent its customers and players from being defrauded. The Company also monitors its software and hardware in an effort to avoid, detect and correct any technical errors. However, there can be no guarantee that the Company's security features or technical efforts will continue to be effective in the future.

In addition, any disruption in the Company's network or telecommunications services, or those of third parties that the Company uses in its operations, could affect the Company's ability to operate its systems, which could result in reduced revenues and customer downtime. The Company's network and databases of business and customer information, including intellectual property and other proprietary business information and those of third parties the Company uses, are susceptible to outages due to fire, floods, power loss, break-ins, cyber-attacks, network penetration, data privacy or security breaches, denial of service attacks, and similar events, including inadvertent dissemination of information due to increased use of social media. Disruptions with such systems could result in a wide range of negative outcomes, including devaluation of the Company's intellectual property, increased expenditures on data security, and costly litigation and potential payment of liquidated damages,

each of which could have a material adverse effect on the Company's results of operations, business, financial condition, or prospects.

Financial Risks

Covenants in the Company's debt agreements may limit its ability to pay dividends, repurchase shares and operate its business, and the Company's breach of such covenants could materially and adversely affect its results of operations, business, financial condition, or prospects

Certain of the Company's debt agreements require it to comply with covenants that may limit the Company's ability to:

- pay dividends and repurchase shares;
- acquire assets of other companies or acquire, merge or consolidate with other companies;
- dispose of assets;
- incur indebtedness; and
- grant security interests in its assets.

The Company's ability to comply with these covenants may be affected by events beyond its control, such as prevailing economic, financial, regulatory and industry conditions. These covenants may limit its ability to react to market conditions or take advantage of potential business opportunities. Further, a breach of such covenants could, if not cured or waived, result in acceleration of its indebtedness, result in the enforcement of security interests or force the Company into bankruptcy or liquidation. Such a breach or any failure to otherwise timely repay outstanding indebtedness could have a material adverse effect on the Company's results of operations, business, financial condition, or prospects.

On May 7, 2020, the Company entered into an agreement to amend its Senior Revolving Credit Facilities Agreement (the "RCF Amendment") and on May 8, 2020, the Company entered into an agreement to amend its Senior Term Loan Facility Agreement (the TLF Amendment, and together with the RCF Amendment, the "Amendments") to provide temporary relief from its financial covenants. The Amendments modified the RCF Agreement and the TLF Agreement by, among other things:

- Providing a waiver of the covenants requiring the Company to maintain a minimum ratio of EBITDA to net interest costs and a maximum ratio of total net debt to EBITDA from the fiscal quarter ending June 30, 2020 through the fiscal quarter ending June 30, 2021 and establishing new thresholds for these financial covenants starting with the fiscal quarter ending September 30, 2021 as described in the amendments;
- Providing that for the period commencing on January 30, 2020 and expiring on August 31, 2021 (the "Relief Period Expiration Date"), a material adverse effect arising from the COVID-19 pandemic shall not constitute a material adverse effect under the agreements and any cessation or suspension of business arising from the COVID-19 pandemic shall not constitute an event of default under the agreements;
- Providing that the obligation to grant security over additional collateral be waived provided that the public debt ratings of the Company are not less than BB- or Ba3;
- Obligating the Company to maintain "Liquidity" (as defined in the amendments) of at least $500 million for the period commencing on the date of the amendments and expiring on the Relief Period Expiration Date (the "Relief Period"), with such financial covenant being tested quarterly or, if any monthly trading update or quarterly compliance certificate evidences that Liquidity is less than $750 million, monthly;
- Increasing the margin from 2.75% to 3.25% if the public debt ratings of the Company are B+ or B1 (or lower);
- Prohibiting restricted payments (including dividends and ordinary share repurchases) during the period commencing on April 1, 2020 and expiring on June 30, 2021, and permitting restricted payments during the period commencing on July 1, 2021 and expiring on the maturity date of the respective agreements provided that the ratio of total net debt to EBITDA as adjusted to reflect the restricted payment is less than specified thresholds; and
- Decreasing the maximum annual amount that the Company can spend on acquisitions during the Relief Period to $100 million.

In addition, the amendment to the RCF Agreement provided that the margin applicable to all loans under the RCF Agreement outstanding as of April 11, 2020 was increased to 2.475%, and the amendment to the TLF Agreement provided that the margin applicable to all loans under the TLF Agreement outstanding as of April 11, 2020 was increased to 2.50%.

The Company may incur additional impairment charges

The Company reviews its amortizable intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. The Company tests goodwill and other indefinite-lived intangible assets for impairment at least annually. Factors that may indicate a change in circumstances, such that the carrying value of the Company's goodwill, amortizable intangible assets, or other non-amortizing assets may not be recoverable, include a decline in the Company's stock price and market capitalization, reduced future cash flow estimates, and slower growth rates in industry segments in which the Company participates. The Company may be required to record a significant charge in its consolidated financial statements during the period in which any impairment of goodwill or intangible assets is determined, which would negatively affect the Company's results of operations. In light of the COVID-19 pandemic and the resulting unfavorable social, political, economic, and financial conditions, the Company performed an interim goodwill impairment assessment in the three months ended March 31, 2020, which resulted in a $296.0 million goodwill impairment charge reducing the value of its former International and North America Gaming and Interactive segments. The Company cannot provide assurance that future changes will not require additional material impairment charges in any of its business segments in the future. For more information on the assessment and the goodwill impairment charge, see "Critical Accounting Estimates" in Item 5. "Operating and Financial Review and Prospects" and "Notes to the Consolidated Financial Statements—13. Goodwill" in Item 18. "Financial Statements".

Unfavorable economic and business conditions resulting from the COVID-19 pandemic could negatively impact the Company's ability to remain in compliance with its financial covenants

In order to remain in compliance with the Company's debt covenants and meet its payment obligations, the Company entered into the Amendments to provide temporary relief from its financial covenants. Please refer to "Covenants in the Company's debt agreements may limit its ability to pay dividends, repurchase shares and operate its business, and the Company's breach of such covenants could materially and adversely affect its results of operations, business, financial condition, or prospects" above for more information regarding the details of the Amendments.

Unfavorable economic and business conditions resulting from the COVID-19 pandemic have impacted, and could continue to impact the Company's business. For example, due to the COVID-19 pandemic, most casinos and gaming halls throughout the globe closed in the first half of 2020, and some casinos and gaming halls have yet to reopen. The closure and restriction on operations of casinos and gaming halls has significantly disrupted the Company's ability to generate revenues. However, the Company has no control over and cannot predict the length of the closure of casinos and gaming halls due to the COVID-19 pandemic, or any future closures of casinos and gaming halls that have reopened. If the Company is unable to generate machine gaming and other revenue due to closures of casinos and gaming halls or experiences significant declines in business upon reopening, this would negatively impact its ability to remain in compliance with its financial covenants and meet its payment obligations even after the Amendments.

If the Company is unable to meet its financial covenants or in the event some other event of default arises, the Company's lenders could exercise certain remedies, including declaring the principal of and accrued interest on all outstanding indebtedness due and payable and terminating all remaining commitments and obligations. Although the lenders under the Company's Senior Revolving Credit Facilities Agreement and Senior Term Loan Facility Agreement could waive the defaults or forebear the exercise of remedies, they would not be obligated to do so. Such default may also result in the acceleration of any other debt to which a cross-acceleration or cross-default provision applies. Failure to obtain such a waiver in the future would have a material adverse effect on the Company's liquidity, financial condition, and results of operations.

Risks related to the Loyalty Voting Structure

The Parent's controlling shareholder and loyalty voting structure may limit other shareholders' ability to influence corporate decisions

At February 24, 2021, De Agostini had an economic interest of approximately 50.49% and, due to its election to exercise the Special Voting Shares associated with its ordinary shares pursuant to the Loyalty Plan, a voting interest in the Parent of approximately 65.05% of the total voting rights. See "Item 7. Major Shareholders and Related Party Transactions" for additional information. This shareholder may make decisions with which other shareholders may disagree, including, among other things, delaying, discouraging, or preventing a change of control of the Company or a potential merger, consolidation, tender offer, takeover, or other business combination and may also prevent or discourage shareholders' initiatives aimed at changes in the Parent's management.

The tax consequences of the loyalty voting structure are uncertain

No statutory, judicial, or administrative authority has provided public guidance in respect of the Special Voting Shares of the Parent and as a result, the tax consequences of owning such shares are uncertain. The fair market value of the Parent's Special Voting Shares, which may be relevant to the tax consequences of owning, acquiring, or disposing of such shares, is a factual determination and is not governed by any guidance that directly addresses such a situation. Because, among other things, (i) the Special Voting Shares are not transferable (other than in very limited circumstances as provided for in the loyalty voting structure), (ii) on a winding up or otherwise, the holders of the Special Voting Shares will only be entitled to receive out of the Parent's assets available for distribution to its shareholders, in aggregate, $1, and (iii) loss of the entitlement to instruct the nominee on how to vote in respect of Special Voting Shares will occur without consideration, the Parent believes and intends to take the position that the value of each special voting share is minimal. However, the relevant tax authorities could assert that the value of the Special Voting Shares as determined by the Parent is incorrect. Shareholders are urged to consult their own tax advisors with respect to treatment of Special Voting Shares. See "Item 10.E Taxation" for additional information.

The loyalty voting structure may affect the liquidity of the Parent's ordinary shares and reduce their ordinary share price

The loyalty voting structure may limit the liquidity and adversely affect the trading prices of the Parent's ordinary shares. The loyalty voting structure is intended to reward shareholders for maintaining long-term share ownership by granting persons holding ordinary shares continuously for at least three years the option to elect to receive Special Voting Shares. The Special Voting Shares cannot be traded and, immediately prior to the deregistration of ordinary shares from the register of loyalty shares, any corresponding Special Voting Shares shall cease to confer any voting rights in connection with such Special Voting Shares. This loyalty voting structure is designed to encourage a stable shareholder base, but it may deter trading by those shareholders who are interested in gaining or retaining the Special Voting Shares. Therefore, the loyalty voting structure may reduce liquidity in the Parent's ordinary shares and adversely affect their trading price.

Item 4. Information on the Company

A. History and Development of the Company

The Parent is organized as a public limited company under the laws of England and Wales. The Parent's principal office is located at 66 Seymour Street, 2nd Floor, London W1H 5BT, United Kingdom, telephone number +44 (0) 207 535 3200. The Parent's agent for service in the United States is CT Corporation System, 701 S. Carson Street - Suite 200, Carson City, Nevada 89701 (telephone number: +1 518 433 4740). The Company operates under the Companies Act 2006, as amended.

The Parent was formed as a business combination shell company on July 11, 2014 under the name "Georgia Worldwide Limited." On September 16, 2014, it changed its name to "Georgia Worldwide PLC," and on February 26, 2015, it changed its name to "International Game Technology PLC."

The Company is a product of the acquisition of International Game Technology by GTECH S.p.A., which was completed on April 7, 2015, through mergers of the prior businesses into the Parent and a subsidiary of the Parent. Prior to the mergers, the Parent did not conduct any material activities other than those incident to its formation, the making of certain required securities law filings, and the preparation of the proxy statement/prospectus filed in connection with the acquisition and mergers. For more information on the mergers, see Item 4.A of the Parent's annual report on Form 20-F for 2015, filed with the SEC on April 29, 2016.

Capital Expenditures and Divestitures

For a description, including the amount invested, of the Company's principal capital expenditures (including interests in other companies) for the years ended December 31, 2020, 2019 and 2018, see "Item 5. C. Liquidity and Capital Resources—Capital Expenditures."

For a description of the Company's principal divestitures for the years ended December 31, 2020, 2019, and 2018, see "Item 5.B. Operating Results."

On December 7, 2020, the Parent announced that its wholly-owned subsidiary, Lottomatica, had entered into a definitive agreement to sell one hundred percent of the share capital of Lottomatica Videolot Rete S.p.A. and Lottomatica Scommesse S.r.l., the members of the IGT group which conduct its Italian B2C gaming machine, sports betting, and digital gaming businesses, to Gamenet Group S.p.A for a sale price of €950 million. The transaction is expected to close in the first half of 2021, and is subject to customary closing conditions, including regulatory approvals. To date, the Company has not made any other capital expenditures or divestitures in calendar year 2021 that were not in the ordinary course of business.

More Information

The SEC maintains an internet site that contains reports, proxy, and information statements, and other information regarding issuers that file electronically with the SEC at http://www.sec.gov. The Company's SEC filings can be found there and on the Company's website: www.igt.com.

B. Business Overview

The Company is a global leader in gaming that delivers entertaining and responsible gaming experiences for players across all channels and regulated segments, from gaming machines and lotteries to sports betting and digital. Leveraging compelling content, substantial investment in innovation, player insights, operational expertise, and leading-edge technology, the Company's solutions deliver gaming experiences that responsibly engage players and drive sustainable growth. The Company has a well-established local presence and relationships with governments and regulators in more than 100 countries around the world, and creates value by adhering to the highest standards of service, integrity, and responsibility.

The Company operates and provides an integrated portfolio of innovative gaming technology products and services, including: lottery management services, instant lottery systems, gaming systems, instant ticket printing, electronic gaming machines, sports betting, digital gaming, and commercial services. The Company is headquartered in London, with principal operating facilities located in Providence, Rhode Island; Las Vegas, Nevada; and Rome, Italy. Research and development and product assembly are mostly centralized in North America. The Company had approximately 11,000 employees at December 31, 2020.

Effective July 1, 2020, the Company adopted a new organizational structure focused on two business segments, Global Lottery and Global Gaming, along with a streamlined corporate support function. This resulted in a change in our operating segments and reporting units. Prior to this change, the Company had four reporting units: North America Gaming and Interactive, North America Lottery, International, and Italy. The key intended benefits of the new structure include:

- Enabling greater responsiveness to customers and players;
- Increasing effectiveness and competitiveness in each segment;
- Harmonizing best practices in each product category;
- Increasing organizational efficiency by leveraging economies of scale;
- Improving market understanding of segment performance by enhancing peer comparability; and
- Reducing complexity to support the Parent's intrinsic value.

The Company's operations for the periods presented here-in are reported under this new organizational structure.

On December 7, 2020, the Parent announced that its wholly-owned subsidiary, Lottomatica, had entered into a definitive agreement to sell one hundred percent of the share capital of Lottomatica Videolot Rete S.p.A. and Lottomatica Scommesse S.r.l., the members of the IGT group which conduct its Italian B2C gaming machine, sports betting, and digital gaming businesses, to Gamenet Group S.p.A for a sale price of €950 million (the "Italy B2C Transaction"). This action stemmed from the Company's decision to monetize its leadership positions in the Italian B2C gaming machine, sports betting, and digital spaces at an attractive multiple to comparable Italian transactions, providing the Company with enhanced financial flexibility. The Italy B2C Transaction is expected to close in the first half of 2021, and is subject to customary closing conditions, including regulatory approvals. As a result, this disposition is accounted for as discontinued operations in our consolidated financial statements. Refer to the "Notes to the Consolidated Financial Statements—3. Discontinued Operations and Assets Held for Sale included in "Item 18. Financial Statements" for additional information.

Sustainability

As a global leader in gaming, the Company is committed to responsible and sustainable practices. The Company's corporate social responsibility strategy is centered on four key priorities: Valuing our People, Advancing Responsibility, Supporting our Communities, and Fostering Sustainable Operations.

The Company is invested in creating a path to sustainability that is inspired by its five fundamental corporate values (*Passionate*, *Responsible*, *Authentic*, *Collaborative*, *Pioneering*). The Company's commitment complies to high standards of integrity and ethical conduct, diversity and inclusion, and professional development. The Company has joined prominent international organizations in supporting the United Nations' 17 Sustainable Development Goals (SDGs), and adhering to the United Nations Global Compact.

The Company's main sustainability achievements in 2020 are listed below:

- CRRA 2020: The Company's 2018 Sustainability Report ranked in the Top 10 worldwide in the Credibility Through Assurance category of the 2020 Corporate Register Reporting Awards;
- ICA 2020: The Company was awarded the Sustainable Business Award – Supplier at the 2020 Industry Community Awards;
- G4 Certification: The Company was re-certified for both its digital and gaming operations from the Global Gambling Guidance Group;
- The Company was rated as an "outperformer" by Sustainalytics, a global provider of Environmental, Social and Corporate Governance ("ESG") research and ratings, in its ESG Report on the Company in 2020;
- The Company received a 4.6 out of 5 ESG rating from FTSE Russell, a provider of stock market indices and data services, in 2020; and
- The Company is one of 325 companies across 50 industries selected for the 2020 Bloomberg Gender-Equality Index which distinguishes companies committed to advancing women's equality and transparently reporting gender data.

Products and Services

The Company has five broad categories of products and services: (1) Lottery, (2) Machine Gaming, (3) Sports Betting, (4) Digital, and (5) Commercial Services.

1. Lottery

The Company supplies a unique set of lottery solutions to approximately 90 customers worldwide, including to 37 of the 46 U.S. lotteries through its Global Lottery segment. Lottery customers frequently designate their revenues for particular purposes, such as education, economic development, conservation, transportation, programs for senior citizens and veterans, health care, sports facilities, capital construction projects, cultural activities, tax relief, and others. Many governments have become increasingly dependent on their lotteries as revenues from lottery ticket sales are often a significant source of funding for these programs.

Lottery products and services are provided through operating contracts, facilities management contracts ("FMCs"), lottery management agreements ("LMAs"), and product sales contracts. In the majority of jurisdictions, lottery authorities award contracts through a competitive bidding process. Typical service contracts are five to 10 years in duration, often with multi-year extension options. After the expiration of the initial or extended contract term, a lottery authority generally may either seek to negotiate further extensions or commence a new competitive bidding process. Certain customers may require the Company to pay an upfront fee for the right to exclusively manage their lottery.

The Company designs, sells, leases, and operates a complete suite of point-of-sale machines that are electronically linked with a centralized transaction processing system that reconciles lottery funds between the retailer and the lottery authority. The Company provides and operates highly secure, online lottery transaction processing systems that are capable of processing over 500,000 transactions per minute. The Company provides more than 450,000 point-of-sale devices to lottery customers and lotteries that it supports worldwide. The Company also produces high-quality instant ticket games and provides printing services such as instant ticket marketing plans and graphic design, programming, packaging, shipping, and delivery services.

The Company has developed and continues to develop new lottery games, licenses new game brands from third parties, and installs a range of new lottery distribution devices, all of which are designed to drive responsible same-store sales growth for its customers. In connection with its delivery of lottery services, the Company actively advises its customers on growth strategies. Depending on the type of contract and the jurisdiction, the Company also provides marketing services, including retail optimization and lottery brand awareness campaigns. The Company works closely with its lottery customers and retailers to help retailers sell lottery games more effectively. These programs include product merchandising and display recommendations, a selection of appropriate lottery product mix for each location, and account reviews to plan lottery sales growth strategies. The Company leverages years of experience accumulated from being the exclusive licensee for the Italian Scratch & Win instant lottery game and the Italian Lotto, one of the world's largest lotteries. This B2C expertise in Italy, which includes management of all the activities along the lottery value chain, allows the Company to better serve B2B customers. The Company's primary competitors in the Lottery business include Camelot, Intralot, La Francaise des Jeux, Neogames, Pollard, SAZKA, Scientific Games, Sisal, and Tabcorp.

The primary types of lottery agreements are outlined below:

Operating and Facilities Management Contracts

The majority of the Company's revenue in the Lottery business comes from operating contracts and FMCs.

Since 1998, the Company has been the exclusive licensee for the Italian Lotto game (management of operations commenced in 1994). Beginning in November of 2016, the Company's exclusive license for the Italian Lotto includes partners as part of a joint venture. Lottoitalia s.r.l. ("Lottoitalia"), a joint venture company among Lottomatica, Italian Gaming Holding a.s., Arianna 2001 (an entity associated with the Federation of Italian Tobacconists), and Novomatic Italia, is the exclusive manager of the Italian Lotto game. Lottoitalia is 61.5% owned by Lottomatica. The Company, through Lottoitalia, manages the activities along the lottery value chain, such as creating games, determining payouts, collecting wagers through its network, paying out prizes, managing all accounting and other back-office functions, running advertising and promotions, operating data transmission networks and processing centers, training staff, providing retailers with assistance, and supplying materials including play slips, tickets and receipts, and marketing and point-of-sale materials for the game. Since 2004, and for a term expiring in 2028, the Company also has been the exclusive licensee for the instant ticket lottery ("Gratta e Vinci") through Lotterie Nazionali S.r.l., a joint venture 64.0% owned by the Parent's subsidiary Lottomatica, with the remainder directly and indirectly owned by Scientific Games Corporation and Arianna 2001. As of December 31, 2020, the revenue weighted-average remaining term of the Company's existing lottery contracts in Italy was 6.1 years.

The Company's FMCs typically require the Company to design, install, and operate the lottery system and retail terminal network for an initial term, which is typically five to 10 years. The Company's FMCs are granted on an exclusive basis, and usually contain extension options under the same or similar terms and conditions, generally ranging from one to five years. Under a typical FMC, the Company maintains ownership of the technology and equipment, and is responsible for capital investments throughout the duration of the contract, although the investments are generally concentrated during the early years. The Company provides a wide range of services to lottery customers related to the technology, equipment, and facilities such as hosting, maintenance, marketing, and other support services. The Company generally provides its lottery customers retailer terminal and communication network equipment through operating leases. In return, the Company typically receives fees based upon a percentage of the sales of draw-based and/or instant ticket games, though under certain of its agreements, the Company may receive fixed fees for certain goods or services. In limited instances, the Company provides instant tickets and online lottery systems and services under the same facilities management contract. As of February 24, 2021, the Company had FMCs with or for the benefit of 24 U.S. jurisdictions. As of December 31, 2020, the Company's largest FMCs by annual revenue were Texas, California, Florida, New York, and Michigan, and the revenue weighted-average remaining term of the Company's existing FMCs (excluding Italy) was 5.6 years (7.4 years including available extensions). Also, as of February 24, 2021, the Company operated under operating contracts or FMCs in 17 international jurisdictions, excluding Italy.

Another form of Operating Contract is our Lottery Management Agreements ("LMAs"). Under an LMA, the Company manages, within parameters determined by the lottery customer, the core lottery functions, including the lottery systems and the majority of the day-to-day activities along the lottery value chain. This includes collecting wagers, managing accounting and other back-office functions, running advertising and promotions, operating data transmission networks and processing centers, training staff, providing retailers with assistance, and supplying materials for the games. LMAs also include a separate FMC, pursuant to which the Company leases certain hardware and equipment, and provides access to software and support services. The Company provides lottery management services in New Jersey as part of a joint venture and in Indiana through a wholly-owned subsidiary of the Parent. The Company's revenues from LMAs are based on achievement of contractual metrics, and, with respect to the supply agreements, are based generally on a percentage of wagers. The Company is also subject to penalties for failure to achieve contractual metrics under its LMAs. The Company categorizes revenue from LMAs as service revenue from "Operating and facilities management contracts" as described in "Notes to the Consolidated Financial Statements—2. Summary of Significant Accounting Policies - Revenue Recognition" included in "Item 18. Financial Statements."

Operating contracts and FMCs often require the Company to pay substantial monetary liquidated damages in the event of non-performance by the Company. The Company's revenues from operating contracts and FMCs are generally service fees paid to the Company directly by the lottery authority based on a percentage of such lottery's wagers or ticket sales. The Company categorizes revenue from operating contracts and FMCs as service revenue from "Operating and facilities management contracts" as described in "Notes to the Consolidated Financial Statements—2. Summary of Significant Accounting Policies - Revenue Recognition" included in "Item 18. Financial Statements."

Instant Ticket Printing Contracts

As an end-to-end provider of instant tickets and related services, the Company produces high-quality instant ticket games and provides ancillary printing services such as instant ticket marketing plans and graphic design, programming, packaging, shipping, and delivery services. Instant tickets are sold at numerous types of retail outlets but most successfully in grocery and convenience stores.

Instant ticket contracts are priced based on a percentage of ticket sales revenues or on a price per unit basis and generally range from two to five years with extension opportunities. Government-sponsored lotteries grant printing contracts on both an exclusive and non-exclusive basis where there is typically one primary vendor and one or more secondary vendors. A primary contract permits the vendor to supply the majority of the lottery's ticket printing needs and includes the complete production process from concept development through production and shipment. It also typically includes marketing and research support. A primary printing contract can include any or all of the following services: warehousing, distribution, telemarketing, and sales/field support. A secondary printing contract includes providing backup printing services and alternate product sources. It may or may not include a guarantee of a minimum or maximum number of games. As of February 24, 2021, the Company provided instant ticket printing products and services to 31 customers in North America and 21 customers in international jurisdictions. The Company categorizes revenue from instant ticket printing contracts, that are not part of an operator or LMA contract, as product sales from "Lottery products" as described in "Notes to the Consolidated Financial Statements—2. Summary of Significant Accounting Policies - Revenue Recognition" included in "Item 18. Financial Statements." The instant ticket production business is also highly competitive and subject to strong, price-based competition.

Product Sales and Services Contracts

Under product sales and services contracts, the Company assembles, sells, delivers, and installs turnkey lottery systems or lottery equipment, provides related services, and licenses related software. The lottery authority maintains, in most instances, responsibility for lottery operations. The Company sells additional machines and central computers to expand existing systems and/or replace existing equipment and provides ancillary maintenance and support services related to the systems, equipment sold, and software licensed. The Company categorizes revenue from product sales and services contracts on a case-by-case basis as either service revenue or product sales from "Systems, software, and other" or "Lottery products" respectively, as described in "Notes to the Consolidated Financial Statements—2. Summary of Significant Accounting Policies - Revenue Recognition" included in "Item 18. Financial Statements."

2. Machine Gaming

The Company designs, develops, assembles or orders the assembly of, and provides cabinets, games, systems, and software for customers in regulated gaming markets throughout the world under fixed fee, participation and product sales contracts. The Company holds more than 450 global gaming licenses and does business with commercial casino operators, tribal casino operators, and governmental organizations (primarily consisting of Lottery operators). Machine gaming products and services are provided through the Global Gaming business segment.

The Company's primary global competitors in Machine Gaming are American Gaming Systems, Aristocrat, Everi, Euro Games Technology, Konami, Novomatic, and Scientific Games.

Gaming Machines and Game Content

The Company offers a diverse range of gaming machine cabinets from which land-based casino customers can choose to maximize functionality, flexibility, and player comfort. In addition to cabinets, the Company develops a wide range of casino games taking into account local jurisdictional requirements, market dynamics, and player preferences. The Company combines elements of math, play mechanics, sound, art, and technological advancements with a library of entertainment licenses and a proprietary intellectual property portfolio to provide gaming products designed to provide a high degree of player appeal and entertainment. The Company offers a wide array of casino-style games in a variety of multi-line, multi-coin, and multi-currency configurations.

The Company's casino games typically fall into two categories: premium games and core games.

Premium games include:

- Wide Area Progressives - games that are linked across several casinos and/or jurisdictions and share a large common jackpot, including The Wheel of Fortune® franchise; and
- Multi-Level Progressives - games that are linked to a number of other games within the casino itself and offer players the opportunity to win different levels of jackpots, such as Fortune Coin™ Boost.

Core games, which include video reel, mechanical reel, and video poker, are typically sold and in some situations leased to customers. Some of the Company's most popular core games in 2020 included Hexbreaker 3, Wolf Run Gold and Treasure Box Kingdom, which are all video slot games.

The Company produces other types of games including:

- "Centrally Determined" games which are games connected to a central server that determines the game outcome;
- Class II games which are electronic video bingo machines that can be typically found in North American tribal casinos and certain other jurisdictions like South Africa; and
- Random-number-generated and live dealer electronic table games, including baccarat and roulette.

Gaming service revenue is primarily generated through providing premium game content and cabinets on short duration leases to customers. The pricing of these arrangements is largely variable where the casino customer pays fees to the Company based on a percentage of amounts wagered, net win, or a daily fixed fee for use of the game content, cabinets, and related support services.

Machine gaming product sales revenues are generated from the sales of land-based gaming machines (equipment and game content), systems, component parts (including game conversion sales), other equipment and services. The Company categorizes revenue from gaming machines as product sales from "Gaming terminals" and revenue from game content as product sales from "Gaming other" as described in "Notes to the Consolidated Financial Statements —2. Summary of Significant Accounting Policies - Revenue Recognition" included in "Item 18. Financial Statements."

Video Lottery Terminals ("VLT") and Amusement with Prize Machines ("AWP")

The Company provides VLTs, VLT central systems, and VLT games worldwide. VLTs are gaming machines which are regulated by lotteries, and are usually connected to a central system. In addition, the Company provides AWPs and games to licensed operators in Europe. AWPs are typically low-denomination gaming machines installed in retail outlets.

The Company provides systems and machines to other machine gaming licensees, either as a product sale or with long-term, fee-based contracts where the service revenue earned is generally based on a percentage of wagers, net of applicable gaming taxes. The Company categorizes revenue from VLTs as either service revenue from "Gaming terminal services" or product sales from "Gaming terminals", depending on the nature of the transaction, as described in "Notes to the Consolidated Financial Statements—2. Summary of Significant Accounting Policies - Revenue Recognition" included in "Item 18. Financial Statements."

Gaming Management Systems

The Company offers a comprehensive range of system modules and applications for all areas of casino management. Gaming systems products include infrastructure and applications for casino management, customer relationship management, patron management, and server-based gaming. The Company's main casino management system offering is the Advantage® System, which offers solutions and modules for a wide-range of activities from accounting and payment processing to patron management and regulatory compliance.

The Company's systems feature customized player messaging, tournament management, and integrated marketing and business intelligence modules that provide analytical, predictive, and management tools for maximizing casino operational effectiveness. The server-based solutions enable electronic game delivery and configuration for slot machines, as well as providing casino operators with opportunities to increase profits by enhancing the players' experience, connecting with players interactively, and creating operational efficiencies. Service Window enables operators to market to customers more effectively by leveraging an additional piece of hardware onto existing machines for delivering in-screen messaging. The Company's systems portfolio also extends to encompass mobile solutions such as the Resort Wallet™, which is a cardless, cashless loyalty solution for casino players. Resort Wallet™ includes IGTPay, a fully cashless land-based offering for casino operators which provides a direct link

to external funding, allowing customers to sustain operations in a changing environment, including through the COVID-19 pandemic. Mobile solutions that drive efficiencies and enable floor monitoring for operators while decreasing response time to player needs include Mobile Host, Mobile Responder, and Mobile Notifier. The Company categorizes revenue from gaming management systems as product sales from "Gaming other" as described in "Notes to the Consolidated Financial Statements—2. Summary of Significant Accounting Policies - Revenue Recognition" included in "Item 18. Financial Statements."

3. Sports Betting

The Company provides sports betting technology and management services to licensed sports betting operators in 16 states in the U.S. through the Global Gaming segment. The Company does not operate direct to consumer sports betting in the U.S.

The Company offers a combination of technology and services to U.S. licensed sports book operators in each state where sports betting is legal. The offering may be different in each market in order to comply with local regulations and market conditions. The Company currently packages services in two ways:

- "Sports betting platform" solutions offer modular services hosted and maintained in each U.S. state or tribal jurisdiction where Sports Betting is legal. These solutions provide certified and managed sports betting software made available for customers to operate retail and account-based interactive sports and pari-mutuel race wagering in a particular jurisdiction; and
- "Turnkey" managed service solutions combine the Company's end-to-end sports betting management technology with a portfolio of value-added services including offer management, payments, fraud management, advisory functions, as well as retail components such as kiosks and betting terminals, interactive components such as mobile web and desktop applications, and trading support services, all of which support the operations of land-based, digital, and omni-channel sports betting operators.

The Company also manufactures and sells a range of retail point of sale products for use by its sports betting customers in the U.S. which includes a variety of self-service kiosks and over the counter betting solutions.

Sports betting operators who are customers of the Company in the U.S. include: FanDuel (Flutter plc), PointsBet, FoxBet (Stars Group), Delaware North, Boyd Gaming Corporation and the Rhode Island Lottery. The Company's primary competitors in the U.S. sports betting market include Scientific Games and Kambi.

The Company categorizes revenue from sports betting as service revenue from "Systems, software, and other" as described in "Notes to the Consolidated Financial Statements—2. Summary of Significant Accounting Policies - Revenue Recognition" included in "Item 18. Financial Statements."

4. Digital

Digital gaming enables game play via the internet for real money or for fun (social). The Company designs, assembles, and distributes a full suite of configurable products, systems, content, and services, and holds more than 30 licenses that authorize the provision of digital gaming products and services worldwide, including digital products such as slot games, poker, bingo, and online casino table games with features such as single and multiplayer options with branded titles and select third-party content. The Company provides social casino content as part of a multi-year strategic partnership with DoubleU Games, and its complete suite of PlayLottery solutions, services, and professional expertise allows lotteries to fully engage their players on any digital channel in regulated markets. Existing lottery game portfolios are extended to the digital channel to provide a spectrum of engaging content such as e-Instant tickets.

The Company's iGaming systems and digital platforms offer customers an integrated system that provides player account management, advanced marketing and analytical capabilities, and a highly reliable and secure payment system. IGT Connect™ integrates third-party player account management systems, third-party game engines, and regulatory systems. The Company also offers a remote game server, which is a fast gateway to extensive casino and eInstant content, and digital and social gaming services that enhance player experiences and create marketing opportunities around either the Company's games or third-party games.

The Company's diverse iGaming B2B customer base includes Caesar's Entertainment, FanDuel, the Georgia Lottery, Loto-Quebec, Ontario Lottery and Gaming, Penn National Gaming and William Hill, among others. Digital and social gaming products and services are provided through the Global Gaming business segment. The Company faces competition from operators, such as 888 Holdings and bwin.party, and broad-based traditional B2B providers, such as Playtech plc and Microgaming. The Company also faces competition in the digital space from other machine gaming suppliers, such as Scientific

Games and GAN.

The Company categorizes revenue from digital gaming products as product sales from "Gaming other", revenue from digital gaming services as service revenue from "Systems, software, and other", and revenue from PlayLottery services as service revenue from "Operating and facilities management contracts" as described in "Notes to the Consolidated Financial Statements—2. Summary of Significant Accounting Policies - Revenue Recognition" included in "Item 18. Financial Statements."

5. Commercial Services

The Company develops innovative technology to enable lotteries to offer commercial services over their existing lottery infrastructure or over standalone networks separate from the lottery. Leveraging its distribution network and secure transaction processing experience, the Company offers high-volume processing of commercial transactions including: prepaid cellular telephone recharges, bill payments, e-vouchers and retail-based programs, electronic tax payments, stamp duty services, prepaid card recharges, and money transfers. These services are primarily offered outside of North America. In Italy, the Company's commercial payment and eMoney services network comprises points-of-sale divided among the primary retailers of lottery products: tobacconists, bars, petrol stations, newspaper stands, and motorway restaurants. The Company categorizes revenue from commercial services as service revenue from "Systems, software, and other" as described in "Notes to the Consolidated Financial Statements—2. Summary of Significant Accounting Policies - Revenue Recognition" included in "Item 18. Financial Statements."

Business Segment Revenue

Revenues for the Company by business segment are as follows:

	For the year ended December 31,		
($ thousands)	**2020**	**2019**	**2018**
Service revenue	2,042,652	2,182,961	2,234,801
Product sales	121,346	109,884	126,889
Global Lottery	2,163,998	2,292,845	2,361,690
Service revenue	596,906	917,907	961,129
Product sales	354,552	821,005	658,053
Global Gaming	951,458	1,738,912	1,619,182
Total revenue	**3,115,456**	**4,031,757**	**3,980,872**

For a further description of the principal services and products the Company provides by business segment, including a breakdown of the Company's revenues by geographic market, see "Item 5. Operating and Financial Review and Prospects" and "Notes to the Consolidated Financial Statements—21. Segment Information."

Seasonality

In general, the Company's business is not materially affected by seasonal variation. In the lottery business, lottery consumption and gaming may decrease over the summer months due to the tendency of consumers to be on vacation during that time. Seasonal gaming trends generally show higher play levels in the spring and summer months and lower levels in the fall and winter months. Gaming product sales may be uneven throughout the year, and can be affected by factors including the timing of large transactions and new casino openings.

In 2020, all aspects of the Company's business were significantly affected by the COVID-19 pandemic and its consequences, including the shutdown of almost all casinos and gaming halls in the second quarter of 2020, which dramatically decreased demand for gaming products and services. See "Item 3.D. Risk Factors - "The outbreak of the novel coronavirus COVID-19 has had and will likely continue to have an adverse effect on the Company's business, operations, financial condition and operating results."

Source of Materials

The Company uses a variety of raw materials to assemble gaming devices (e.g., metals, wood, plastics, glass, electronic components, and LCD screens). Moreover, there is significant paper, toner, and ink consumption at our two ticket printing facilities. A large portion of the materials used involve packaging, most of which is cardboard and paper.

Management believes that adequate supplies and alternate sources of the Company's principal raw materials are available, and does not believe that the prices of these raw materials are especially volatile. The Company generally has global material suppliers and uses multi-sourcing practices to promote component availability.

Product Development

The Company devotes substantial resources to research and development and incurred $190.9 million and $266.2 million of related expenses in 2020 and 2019, respectively. The Company's research and development efforts cover multiple creative and engineering disciplines for its lottery and gaming businesses, including creative game content, hardware, and software; and land-based, online social, and digital real-money applications. These products are created primarily by employee designers, engineers, and artists, as well as third-party content creators. Third-party technologies are used to improve the yield from development investment and concentrate increased resources on product differentiation engineering.

Product assembly operations primarily involve the configuration and assembly of electronic components, cables, harnesses, video monitors, and prefabricated parts purchased from outside sources.

Intellectual Property

The Company's intellectual property ("IP") portfolio of patents, trademarks, copyrights, and other licensed rights is significant. At December 31, 2020, the Company held approximately 4,200 patents and 7,600 trademarks filed and registered worldwide. The Company's IP portfolio is widely diversified with patents related to a variety of products, including game designs, bonus and secondary embedded game features, device components, systems features, and web-based or mobile functionality. The Company also relies on trade secret protection, believing that its technical "know-how" and the creative skills of its personnel are of substantial importance to its success.

Most of the Company's products are marketed under trademarks and copyrights that provide product recognition and promote widespread acceptance. The Company seeks protection for its copyrights and trademarks in the U.S. and various foreign countries, where applicable, and uses IP assets offensively and defensively to protect its innovation. The Company also has a program where it licenses its patents to others under terms designed to promote standardization in the gaming industry.

In addition, some of the Company's most popular games and features, including Wheel of Fortune®, are based on trademarks, patents and/or other intellectual property licensed from third parties. The Company routinely obtains, retains, and expands licenses for popular intellectual property.

Software Development

The Company has developed software for use in the management of a range of lottery, gaming, and betting functions and products, including leveraging integration with third-party software components. Software developed by the Company is used in a variety of applications including (i) in centralized systems for the management of lotteries, machine gaming and betting, and other commercial services; (ii) to enhance functions connected to services provided through websites and mobile applications including lotteries, sports betting, instant win, and casino style games; and (iii) in a variety of back-office functions. Software developed by the Company is also used in machines for: management of lotteries, machine gaming, betting and online payments; provision of gaming and non-gaming content; and integration with other devices such as mobile phones and tablets.

Regulatory Framework

The gaming and lottery industries are subject to extensive and evolving governmental regulation in the U.S. and other jurisdictions. Gaming laws are based upon declarations of public policy designed to ensure that gaming is conducted honestly, competitively, and free of criminal and corruptive elements. While the regulatory requirements vary from jurisdiction to jurisdiction, the majority typically require some form of licensing or regulatory suitability of operators, suppliers, manufacturers and distributors as well as their major shareholders, officers, directors and key employees. Regulators review many aspects of an applicant including financial stability, integrity and business experience. Additionally, the Company's gaming and lottery products and technologies require certification or approval in most jurisdictions where the Company conducts business.

A comprehensive network of internal and external resources and controls is required to achieve compliance with the broad governmental oversight of the Company's business. The Company has a robust internal compliance program designed to ensure compliance with applicable requirements imposed in connection with its gaming and lottery activities, as well as legal requirements generally applicable to all publicly traded companies. The Company employs more than 150 people to support global compliance which is directed on a day-to-day basis by the Company's Senior Vice President, Chief Compliance and

Risk Management Officer. Legal advice is provided by attorneys from the Company's legal department as well as outside experts. The compliance program, accountable to the Parent's board of directors, is overseen by the Global Compliance Governance Committee, which comprises employee and nonemployee directors and a non-employee gaming law expert. Through these efforts, the Company seeks to assure both regulators and investors that all its operations maintain the highest levels of integrity.

Lottery

Lotteries in the U.S. are regulated by state or other applicable law. There are currently 46 U.S. jurisdictions (including the District of Columbia) that authorize the operation of lotteries. The ongoing operations of lotteries and lottery operators are typically subject to extensive and broad regulation, which vary state-by-state. The awarding of lottery contracts and ongoing operations of lotteries in international jurisdictions are also extensively regulated, although international regulations typically vary from those prevailing in the U.S. Lottery regulatory authorities generally exercise significant discretion, including with respect to the determination of the types of games played, the price of each wager, the manner in which the lottery is marketed and the selection of suppliers of equipment, technology, and services, as well as the retailers of lottery products. To ensure the integrity of contract awards and lottery operations, most jurisdictions require detailed background disclosure on a continuous basis from vendors and their officers, directors, subsidiaries, affiliates, and principal stockholders. Background investigations of the vendors' employees who will be directly responsible for the operation of lottery systems are also generally conducted. Certain jurisdictions also require extensive personal and financial disclosure and background checks from persons and entities beneficially owning a specified percentage of a vendor's securities.

Gaming

The assembly, sale and distribution of gaming devices, equipment, and related technology and services are subject to federal, state, tribal, and local regulations in the U.S. and foreign jurisdictions. The initial regulatory requirement in most jurisdictions is to obtain the privileged licenses that allow the Company to participate in gaming activities. The Company's operating entities and key personnel have obtained or applied for all known government licenses, permits, registrations, findings of suitability, and approvals necessary to assemble, distribute and/or operate gaming products in all jurisdictions where it does business. Although many gaming regulations across jurisdictions are similar or overlapping, the Company must satisfy all conditions individually for each jurisdiction. Obtaining the required licenses at a corporate and individual level is a thorough process, in which the authorities review detailed information about the companies and individuals applying for suitability, as well as the processes used in the assembly, sale, and distribution of gaming devices. Once the license has been granted, regulatory oversight is designed to ensure that the licensee continue to operate with honesty and integrity.

Frequently, gaming regulators not only govern the activities within their jurisdiction or origin, but also monitor activities in other jurisdictions to ensure that the Company complies with local standards on a worldwide basis. A violation in one jurisdiction could result in disciplinary action in another.

The Company holds over 450 gaming licenses across approximately 340 jurisdictions. Key regulatory authorities that have licensed the Company include, among others, the United Kingdom Gambling Commission, the Nevada State Gaming Control Board and the New Jersey Division of Gaming Enforcement. The Company has never been denied a gaming related license, nor had any of its licenses suspended or revoked.

Digital and Sports Betting

In 2020, there was continued growth in sports wagering across the U.S. In addition to the states and tribal jurisdictions that adopted Sports Betting in 2018 and 2019, more states legalized and adopted regulations to govern sports wagers in 2020, including Colorado, Michigan, Tennessee, Virginia, and additional tribal jurisdictions. Some of these states launched in 2020, with others expected to launch in 2021 and beyond. More states are expected to address the legalization of sports wagering in upcoming legislative sessions. The channels for offering sports wagering differ from state to state, with most states seeking to offer sports wagering both in person and through some electronic means, such as via a mobile phone app.

In the U.S., the Unlawful Internet Gambling Enforcement Act of 2006 ("UIGEA") prohibits, among other things, the acceptance by a business of a wager by means of the internet where such wager is prohibited by any applicable law where initiated, received or otherwise made. Under UIGEA, severe criminal and civil sanctions may be imposed on the owners and operators of such systems and on financial institutions that process wagering transactions. The law contains a safe harbor for wagers placed within a single state (disregarding intermediate routing of the transmission) where the method of placing the bet and receiving the bet is authorized by that state's law, provided the underlying regulations establish appropriate age and location verification.

Also in the U.S., the Wire Act prohibits several types of wager-related communications over a "wire communications facility." In 2011, the DOJ issued the 2011 Opinion, interpreting the Wire Act as applicable only to sports wagering and that UIGEA does not supersede or otherwise limit the scope of the Wire Act. In January 2019, the DOJ published the 2019 Opinion, concluding that the Wire Act was applicable to other forms of gambling that cross state lines, though the precise scope of the 2019 Opinion is unclear, and the DOJ has not yet addressed how it plans to enforce the Wire Act. The DOJ initially issued a memorandum stating that it will not enforce the 2019 Opinion prior to June 14, 2019. Further, the New Hampshire Lottery Commission and certain private parties (the "Plaintiffs") commenced litigation in federal district court in New Hampshire challenging the 2019 Opinion. In response to this and other lawsuits, the DOJ issued a memorandum in April 2019 acknowledging that the 2019 Opinion did not consider whether the Wire Act applies to State lotteries and their vendors, and the DOJ is now considering this issue. In connection with such acknowledgment, the DOJ also extended the non-prosecution period for State lotteries and their vendors indefinitely while they consider the question. If the DOJ concludes that the Wire Act does apply to State lotteries and/or their vendors, they would extend the non-prosecution period for an additional period of 90 days after the DOJ publicly announces such position (the "Lottery Forbearance").

On June 3, 2019, the U.S. District Court for the District of New Hampshire issued the NH Decision, ruling in favor of the Plaintiffs and opining that the Wire Act applies only to sports betting and related activities. The NH Decision also set aside the 2019 Opinion leaving the 2011 Opinion as DOJ's only stated position on the subject. In response to the NH Decision, the DOJ extended the forbearance period to December 31, 2019; such forbearance period was further extended through December 1, 2020. The Lottery Forbearance remains unchanged. The DOJ appealed the NH Decision to the United States Court of Appeal for the First Circuit, and on January 20, 2021, the United States Court of Appeal for the First Circuit of Appeal affirmed the NH Decision in part through issuance of the First Circuit Decision. The First Circuit Decision also vacated the portion of the NH Decision which set aside the 2019 Opinion. It is unclear whether the DOJ will appeal the First Circuit Decision to the Supreme Court of the United States, when the DOJ will conclude its consideration of whether the Wire Act applies to State lotteries and their vendors, or whether other courts would come to the same conclusions set forth in the NH Decision. The Company's management is evaluating the First Circuit Decision, the 2019 Opinion, the possibilities of further DOJ appeal and their implications to the Company, its customers, and the industries in which the Company operates.

Michigan has been added to the list of states that have authorized internet casino gaming, alongside Delaware, New Jersey, Pennsylvania and West Virginia, and Nevada has authorized online poker. Additionally, a few state lotteries offer internet instant game sales to in-state lottery customers and several states allow subscription sales of draw games over the internet.

The Company participates in digital gaming and sports wagering in the U.S. as a content and technology provider within fully regulated gaming and lottery frameworks.

Digital gaming in the E.U. is characterized by diverse regulatory frameworks with some E.U. countries having monopolistic regimes run by a sole operator and others having established licensing systems for more than one operator. The Company carefully evaluates each E.U. jurisdiction to ensure adherence to applicable laws and regulations. As local regulations and related guidance from authorities change, the Company re-evaluates its position in any given country. In 2018, the E.U. Court of Justice announced that it was dropping all enforcement proceedings related to gambling which allows the individual E.U. country rulings to stand, regardless of whether or not they violate E.U. laws. As a result, the Company has made adjustments to its strategy, to respect the individual E.U. country rulings.

Italian Gaming and Betting Regulations

The Company operates in Italy in the lottery, gaming, and betting sectors and is subject to regulatory oversight by the Agenzia delle Dogane e Dei Monopoli ("ADM"). At December 31, 2020, the Company held licenses for (1) the activation and operation of the network for Italy's Lotto game, (2) the operation of instant and traditional lotteries, (3) the activation and operation of the network for the telematic operation of legalized AWPs and VLTs, (4) the land based collection of pari-mutuel and fixed odds betting through physical points of sale and digital channels and (5) the digital gaming collection operated through digital channels, including digital sports betting, skill games, casino games, and digital Bingo.

Gaming in Italy is an activity reserved to the State. Any game that is carried out without proper authorization is illegal and subject to criminal penalties. Italian law grants the Ministry of Economy and Finance, through ADM, the power to introduce games and to manage gaming and betting activities directly or by granting licenses to qualified operators selected by means of public tenders as further explained below. The process of creating and granting gaming and betting licenses in Italy is heavily regulated.

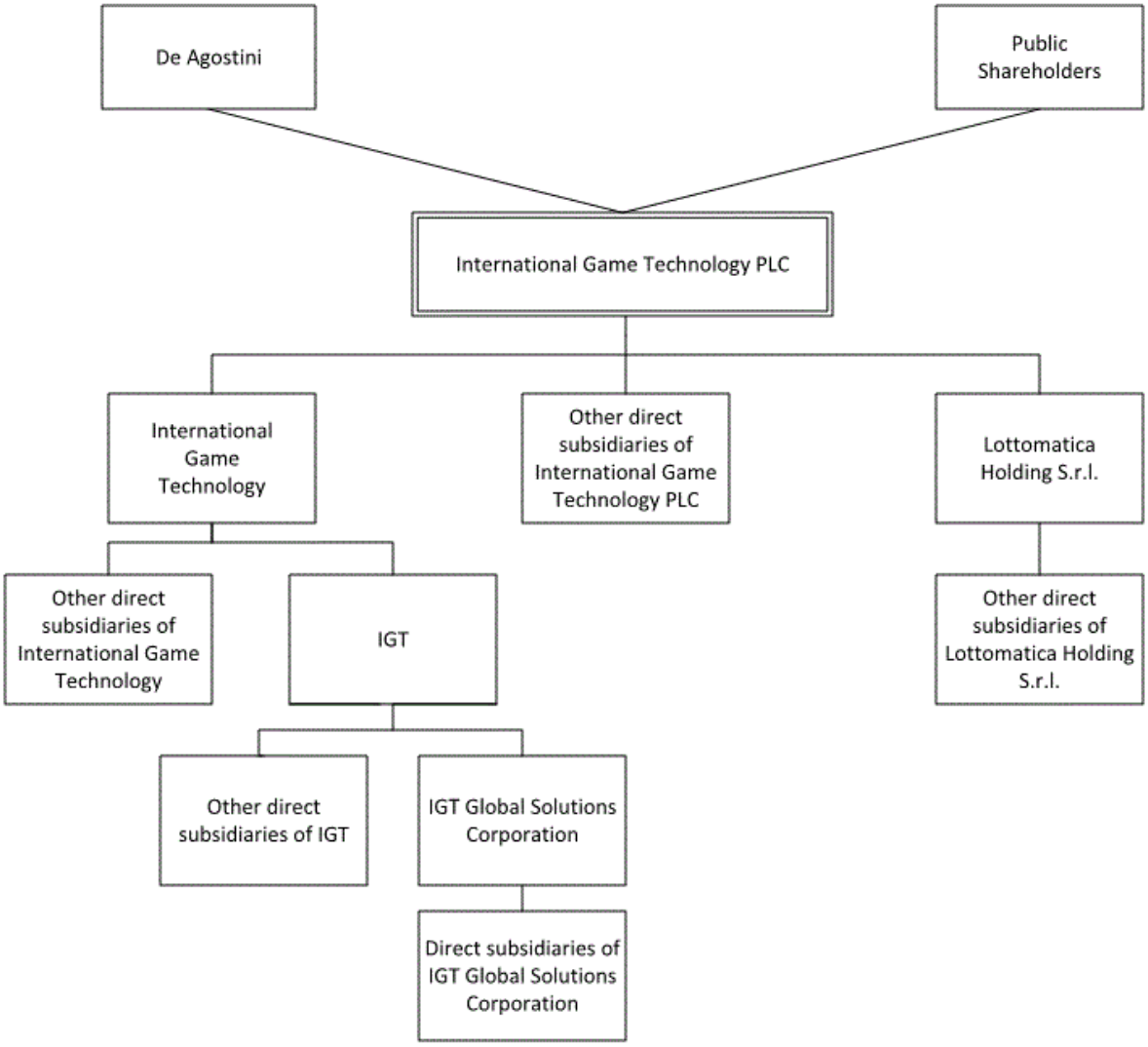
Gaming and betting licenses are granted pursuant to a public tender procurement process. The license provides for all of the licensee's requirements, in accordance with the provisions of Italian law and regulation, activities and duties, including

collection of the game's revenues, the payment of winnings, the payment of the point of sale, payment of gaming taxes and all the other amounts due to the State, the drawings and the management of all of the technological assets to operate gaming, requirements of the technological infrastructure and the relevant service levels. Licenses are for a determined time period, generally nine years, and are not renewable unless indicated in the licensing agreement; in such event, the renewal is not guaranteed to be on the same terms. In certain cases, the license may be extended at the option of the ADM on the same terms. Under other circumstances, which are typically defined in the licensing agreement, the license may be revoked or terminated. Most cases of early termination are related to the breach of the terms of the licensing agreement or the non-fulfillment of conditions of that agreement as well as the loss of the requirements prescribed by Italian law and regulation for the assignment and the maintenance of gaming licenses. In some cases, the early termination of the license allows the State to draw upon the entire amount of the performance bond presented by the licensee. Upon governmental request, the licensee has an obligation to transfer, free of charge, the assets subject of the license to the State at the end of the term of the license or in the event of its revocation or early termination. Each single license contains specific provisions enacting such general obligation.

C. *Organizational Structure*

A listing of the Parent's directly and indirectly owned subsidiaries at February 24, 2021 is set forth in Exhibit 8.1 to this annual report on Form 20-F. At February 24, 2021, De Agostini had an economic interest of approximately 50.49% and, due to its election to exercise the Special Voting Shares associated with its ordinary shares pursuant to the Loyalty Plan, a voting interest in the Parent of approximately 65.05% of the total voting rights. See "Item 7. Major Shareholders and Related Party Transactions.

The following is a diagram of the Parent and certain of its subsidiaries and associated companies at February 24, 2021:



D. ***Property, Plant and Equipment***

The Parent's principal office is located at Marble Arch House, 66 Seymour Street, 2nd Floor, London W1H 5BT, U.K., telephone number +44 (0) 207 535 3200. At February 24, 2021, the Company leased approximately 117 properties in the U.S. under approximately 121 leases and approximately 239 properties outside of the U.S. under approximately 285 leases. Certain properties leased by the Company are subject to multiple leases (e.g., buildings where each floor leased by the Company is under a separate lease). As of February 24, 2021, the Company owned a number of facilities and properties, including:

- An approximately 113,000 square foot production and research and development office building in Moncton, New Brunswick, Canada;
- An approximately 51,000 square foot production and assembly facility and office in Gross St. Florian, Austria (listed for sale in January 2021); and
- An approximately 13,050 square foot enterprise data center in West Greenwich, Rhode Island.

The following table shows the Company's material properties at February 24, 2021:

U.S. Properties

Location	Square Feet	Use and Productive Capacity	Extent of Utilization	Holding Status
9295 Prototype Drive, Reno, NV*	1,251,179	Office; Warehouse, Game Studios; Hardware/Software Engineering; Global Production Center; Electronic Gaming Machine and Instant Ticket Vending Machine Production	93 %	Leased
6355 S. Buffalo Drive, Las Vegas, NV*	222,268	U.S. Principal Operating Facility, Game Studio, Systems Software, Showroom	100 %	Leased
55 Technology Way, West Greenwich, RI	170,000	WG Technology Center: Office; Research and Testing; Storage and Distribution	100 %	Leased
4000 South Frontage Road, Suite 101 Lakeland, FL	141,960	Printing Plant: Printing facility; Storage and Distribution; Office	100 %	Leased
10 Memorial Boulevard, Providence, RI	124,769	U.S. Principal Operating Facility	100 %	Leased
300 California Street, Floor 8, San Francisco, CA*	15,457	Office; PlayDigital HQ	100 %	Leased
8520 Tuscany Way, Bldg. 6, Suite 100, Austin, TX	81,933	Texas Warehouse and National Response Center: Contact Center; Storage and Distribution; Office	95 %	Leased
8200 Cameron Road, Suite E120, Austin, TX	41,705	Data Center of the Americas: Data Center; Network Operations; Office	80 %	Leased
5300 Riata Park Court, Bldg. E, Suite 100, Austin, TX	25,000	Austin Tech Campus: Research and Test; Office	59 %	Leased
47 Technology Way, West Greenwich, RI	13,050	Enterprise Data Center: Data Center; Network Operations	100 %	Owned
75 Baker Street, Providence, RI	10,640	RI National Response Center: Office; Contact Center	100 %	Leased

*This property has been listed for sub-lease.

Non-U.S. Properties

Location	Square Feet	Use and Productive Capacity	Extent of Utilization	Holding Status
Via delle Monachelle S.N.C. Pomezia, Rome, Italy	170,456	Instant Ticket Warehouse; Instant Ticket Production	100 %	Leased
Galwin 2 1046 AW Amsterdam, Netherlands	125,128	Electronic Gaming Machine Production; Gaming Distribution/Repair; Research and Test; Office	90 %	Leased
Viale del Campo Boario 56/D 00154 Roma, Italy	123,740	Principal Operating Facility in Italy: Office Italy Data Center: Data Center; Network Operations	100 %	Leased
328 Urquhart Ave, Moncton, New Brunswick, Canada	113,000	Canada HQ; Office; Research and Testing; VLT Production	100 %	Owned
Viale del Campo Boario 19 00154 Roma, Italy	96,840	Office; Software Development	95 %	Leased
Seering 13-14, Unterpremstatten, Austria	73,750	Austria Gaming HQ; Office; Research and Test	90 %	Leased
29 Suzhoujie Street, Viva Plaza, Haidian District, Room No. 1-20, 11th and 18th Floors, Beijing 100080, China	54,058	Game Studio; Systems Software; Office	85 %	Leased
Al. Jerozolimskie, 92 Brama Building, Warsaw, Poland	71,904	Global Tech Hub; Office; Research and Test	95 %	Leased
USCE Tower Bulevar Mihajla, Pupina No. 6 Belgrade, Serbia	42,764	Software Development Office, Lottery and Gaming Products	95 %	Leased
11 Talavera Rd. Building B, Sydney, Australia	27,432	Office; Sales & Marketing; Financial Support	100 %	Leased
10 Finsbury Square, 3rd Floor London EC2A 1AD, United Kingdom	17,340	Global Management HQ, Play Digital	100 %	Leased
Marble Arch House, 66 Seymour Street, 2nd Floor, London W1H 5BT, United Kingdom	11,495	Registered Global Headquarters of the Parent	75 %	Leased

All of the Company’s facilities have remained open for critical workers during the COVID-19 pandemic, although the majority of employees are currently working remotely.

The Company’s facilities are in good condition and are adequate for its present needs and there are no known environmental issues that may affect the Company’s utilization of its real property assets.

The Company does not have any plans to construct, expand or improve its facilities in any material manner other than general maintenance of facilities. As such, no increase in productive capacity is anticipated.

None of the Company’s properties are subject to mortgages or other material security interests.

Item 4A. Unresolved Staff Comments

None.

Item 5. Operating and Financial Review and Prospects

A. *Management's Discussion and Analysis*

The following discussion and analysis of the Company's financial condition and results of operations should be read in conjunction with the Consolidated Financial Statements, including the notes thereto, included in this annual report, as well as "Presentation of Financial and Certain Other Information," "Item 3.D. Risk Factors," and "Item 4.B. Business Overview."

The following discussion includes information for the fiscal years ended December 31, 2020, 2019 and 2018.

The following discussion includes certain forward-looking statements. Actual results may differ materially from those discussed in such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this annual report, including in "Item 5.F. Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995" and "Item 3.D. Risk Factors."

B. *Operating Results*

Business Overview

The Company is a global leader in gaming that delivers entertaining and responsible gaming experiences for players across all channels and regulated segments, from gaming machines and lotteries to sports betting and digital. Leveraging compelling content, substantial investment in innovation, player insights, operational expertise, and leading-edge technology, the Company's solutions deliver gaming experiences that engage players and drive growth. The Company has a well-established local presence and relationships with governments and regulators in more than 100 countries around the world, and creates value by adhering to the highest standards of service, integrity, and responsibility.

Segment Realignment

On July 1, 2020, we adopted a new organizational structure focused on two business segments: Global Lottery and Global Gaming, along with a streamlined corporate support function. During the third quarter of 2020, our chief operating decision maker requested changes in the information that he regularly reviews for purposes of allocating resources and assessing performance. This resulted in a change in our operating segments and reporting units. The key benefits of the new structure include:

- Enabling greater responsiveness to customers and players;
- Increasing effectiveness and competitiveness in each segment;
- Harmonizing best practices in each product category;
- Increasing organizational efficiency by leveraging economies of scale;
- Improving market understanding of segment performance; and
- Reducing complexity to support IGT PLC's intrinsic value.

The Company's operations for the periods presented herein are reported under this new organizational structure.

Discontinued Operations

The discussion that follows in this Item 5 has been prepared on a continuing operations basis and excludes results from our discontinued operations, discussed in detail in Notes to the Consolidated Financial Statements - Note 3 Discontinued Operations and Assets Held for Sale, included in "Item 18. Financial Statements."

Key Factors Affecting Operations and Financial Condition

The Company's worldwide operations can be affected by industrial, economic, and political factors on both a regional and global level. The following are the principal factors which have affected the Company's results of operations and financial condition and/or which may affect results of operations and financial condition for future periods.

COVID-19: In January 2020, an outbreak of a new strain of coronavirus, COVID-19, was identified and has spread around the world, including in the Company's core markets of the United States and Italy. The World Health Organization declared the outbreak to be a pandemic on March 11, 2020. The global spread of COVID-19 has been, and continues to be, complex and rapidly evolving, with governments, public institutions and other organizations imposing or recommending, and businesses and individuals implementing, restrictions on various activities or other actions to combat its spread, such as restrictions and bans on travel or transportation, stay-at-home directives, limitations on the size of gatherings, closures of work facilities, schools, public buildings and businesses, cancellation of events, including sporting events, concerts, conferences and meetings, and quarantines and lock-downs. The pandemic and its consequences, including the closure of almost all casinos and gaming halls globally in the second quarter of 2020, dramatically reduced demand for gaming products and services, which has had a negative impact on all aspects of the Company's business. While many casinos and gaming halls have since reopened, some remain closed. The Company continues to take all prudent measures to protect the health and safety of our employees, such as practicing social distancing, performing deep cleaning in our facilities, and enabling our employees to work from home where possible.

Our Global Gaming segment was significantly impacted due to the widespread temporary closures of a substantial number of gaming establishments coupled with the global economic uncertainty. Our service revenue and cash flows have been significantly affected, as they are largely driven by the level of gaming activity and players' disposable incomes. As the level of play declined due to casino closures or quarantines, there was a directly correlated decline in our gaming businesses. Additionally, our product sales largely depend on our customers' liquidity and operating results, which has begun to impact the replacement cycle and demand for products and opportunities from new or expanded markets. Further, we granted customer concessions for the portion of the time for which such customers' operations were impacted by closures or quarantines.

Our Global Lottery segment was also affected as certain lottery retail establishments were temporarily closed and others experienced the general slowdown due to lower foot traffic and reduced spending by end players, resulting in a lower level of lottery ticket purchases. During the first and second quarter, our Global Lottery segment was significantly impacted due to the timing of the government-imposed quarantines and lockdowns to mitigate the spread of the virus. The scope and duration of these measures varied greatly by jurisdiction. The most significant impact on our results arose from measures imposed by the Italian government which included the suspension of all lottery games under the Lotto license starting in April 2020 with a phased reopening strategy starting in early May. During the third quarter and fourth quarters of 2020 we saw an 8.7% and a 7.9% increase in same-store sales, respectively, in particular with the lotteries in North America and recovery within our Italian lottery businesses.

The temporary closure of gaming establishments, disruptions to lottery operations, travel restrictions, cancellation of sporting events, expected lower disposable incomes of consumers, and adverse impact on our casino and gaming customers' liquidity and financial results caused by the COVID-19 pandemic, had, and continues to have, an adverse effect on our results of operations, cash flows, and financial condition.

Product Sales: Product sales fluctuate from year to year due to the mix, volume, and timing of the transactions. Product sales amounted to $475.9 million, $930.9 million and $784.9 million or approximately 15.3%, 23.1% and 19.7% of total revenues, for the years ended December 31, 2020, 2019, and 2018, respectively.

Jackpots and Late Numbers: The Company believes that the performance of lottery products is influenced by the size of available jackpots in jurisdictions that offer such jackpots. In general, when jackpots increase, sales of lottery tickets also increase, further increasing the jackpot. The Company also believes that consumers in Italy monitor "late numbers" (numbers that have not been drawn for more than 100 draws) and when there is a good pipeline of late numbers, wagers in Italy increase. Under both circumstances, the Company's service revenues are positively impacted.

Non-Cash Goodwill Impairments: In 2018 & 2019, the Company determined that there were impairments in the former International reporting unit's goodwill due to the results being lower than forecasted along with higher weighted average cost of capital. In 2018, a $118.0 million non-cash goodwill impairment loss with no income tax benefit was recorded to reduce the carrying amount of the former International reporting unit to fair value. In 2019, a $99.0 million non-cash goodwill impairment loss with no income tax benefit was recorded to reduce the carrying amount of the former International reporting unit to fair value. During the first quarter of 2020, the Company determined that the expected impact of COVID-19 to the Company's

future operations indicated that it was more likely than not that an impairment loss had been incurred within certain reporting units. As a result of changes to the discount rates and changes to management's forecasted results for the former International and North America Gaming and Interactive reporting units, the Company recorded non-cash goodwill impairments of $193.0 million and $103.0 million, respectively. As a result of the change in reporting units on July 1, 2020, and as discussed in "Notes to the Consolidated Financial Statements—21. Segment Information" included in "Item 18. Financial Statements.", we allocated goodwill to our new reporting units using a relative fair value approach. The goodwill allocated to the Global Lottery and Global Gaming reporting units was $2,942.2 million and $2,208.7 million, respectively. As of December 31, 2020, the excess of fair value over carrying value in the Global Lottery and Global Gaming reporting units was 70.8% and 11.4%, respectively.

Effects of Foreign Exchange Rates: The Company is affected by fluctuations in foreign exchange rates (i) through translation of foreign currency financial statements into U.S. dollars for consolidation, which is referred to as the translation impact, and (ii) through transactions by subsidiaries in currencies other than their own functional currencies, which is referred to as the transaction impact. Translation impacts arise in the preparation of the consolidated financial statements; in particular, the consolidated financial statements are prepared in U.S. dollars while the financial statements of each of the Company's subsidiaries are generally prepared in the functional currency of that subsidiary. In preparing consolidated financial statements, assets and liabilities measured in the functional currency of the subsidiaries are translated into U.S. dollars using the exchange rate prevailing at the balance sheet date, while income and expenses are translated using the average exchange rates for the period covered. Accordingly, fluctuations in the exchange rate of the functional currencies of the Company's subsidiaries against the U.S. dollar impacts the Company's results of operations. The Company is particularly exposed to movements in the euro/U.S. dollar exchange rate. Although the fluctuations in exchange rates have had a significant impact on the Company's revenues, net income, and net debt, the impact on operating income and cash flows is less significant as revenues are typically matched to costs denominated in the same currency.

Given the impact of foreign exchange rates on our consolidated results, certain key performance indicators (such as same store sales) are reported on a constant-currency basis in order to facilitate period-to-period comparisons of our results without regard to the impact of fluctuating foreign currency exchange rates. We calculate constant-currency amounts by applying the prior-year/period exchange rates (i.e., the exchange rates used in preparing the financial statements for the prior year) to current financial data expressed in local currency.

The Wire Act: The Company's management is evaluating the Wire Act and related legal developments, and their implications to the Company, its customers, and the industries in which the Company operates, as more fully described in "Item 3.D. Risk Factors" and "Item 4.B. Business Overview." If the Wire Act is broadly interpreted and enforced to prohibit activities in which the Company and its customers are engaged, the Company could be subject to investigations, criminal and civil penalties, sanctions and/or other remedial measures and/or the Company may be required to substantially change the way it conducts its business, any of which could have a material adverse effect on the Company's results of operations, business, financial condition, or prospects.

Critical Accounting Estimates

The Company's consolidated financial statements are prepared in conformity with GAAP which require the use of estimates, judgments, and assumptions that affect the carrying amount of assets and liabilities and the amounts of income and expenses recognized. The estimates and underlying assumptions are based on information available at the date that the financial statements are prepared, on historical experience, judgments, and assumptions considered to be reasonable and realistic.

The Company periodically and continuously reviews estimates and assumptions. Actual results for those areas requiring management judgment or estimates may differ from those recorded in the consolidated financial statements due to the occurrence of events and the uncertainties which characterize the assumptions and conditions on which the estimates are based. The impact of COVID-19 on our business continues to unfold. As a result, many of our estimates and assumptions require increased judgment and may carry a higher degree of variability and volatility. As events continue to evolve and additional information becomes available, our estimates may change in future periods.

The areas that require greater subjectivity of management in making estimates and judgments and where a change in such underlying assumptions could have a significant impact on the Company's consolidated financial statements are fully described in "Notes to the Consolidated Financial Statements—2. Summary of Significant Accounting Policies" included in "Item 18. Financial Statements." Certain critical accounting estimates are discussed below.

Revenue Recognition

Application of GAAP related to the measurement and recognition of revenue requires us to make judgments and estimates. Specifically, complex arrangements with nonstandard terms and conditions may require significant contract interpretation to determine the appropriate accounting, including whether promised goods and services specified in an arrangement are distinct performance obligations. Other significant judgments include determining whether the Company is acting as the principal in a transaction and whether separate contracts should be combined and considered part of one arrangement.

Revenue recognition is also impacted by our ability to determine when a contract is probable of collection and to estimate variable consideration, including, for example, rebates, volume discounts, service-level penalties, and performance bonuses. We consider various factors when making these judgments, including a review of specific transactions, historical experience and market and economic conditions. Evaluations are conducted each quarter to assess the adequacy of the estimates.

The Company recognized service and product revenues of $2,639.6 million and $475.9 million, respectively, for the year ended December 31, 2020. The Company often enters into contracts with customers that consist of a combination of services and products that are accounted for as one or more distinct performance obligations. Management applies judgment in identifying and evaluating the contractual terms and conditions that impact the identification of performance obligations and the pattern of revenue recognition. The Company's revenue recognition policy, which requires significant judgments and estimates, is fully described in "Notes to the Consolidated Financial Statements—2. Summary of Significant Accounting Policies" included in "Item 18. Financial Statements."

Goodwill Valuation

The process of evaluating potential impairments related to goodwill requires the application of significant judgment. Goodwill is tested for impairment annually, in the fourth quarter, or whenever events or changes in circumstances indicate the carrying amount may not be recoverable. If an event occurs that would cause revisions to the estimates and assumptions used in analyzing the fair value of goodwill, the revision could result in a non-cash impairment loss that could have a material impact on financial results.

As discussed in "Notes to the Consolidated Financial Statements - 13. Goodwill**"** included in "Item 18. Financial Statements", on March 31, 2020, the Company determined that the expected impact of COVID-19 to the Company's future operations indicated that it was more likely than not that an impairment loss had been incurred within certain reporting units. As a result of changes to the discount rates and changes to management's forecasted results for the former International and North America Gaming and Interactive reporting units, the Company recorded non-cash goodwill impairments of $193.0 million and $103.0 million, respectively.

Effective July 1, 2020, the Company adopted a new organizational structure focused on two business segments: Global Lottery and Global Gaming, along with a streamlined corporate support function. Under the new organizational structure, our chief operating decision maker will regularly review information for purposes of allocating resources and assessing performance based on information prepared for the Global Lottery and Global Gaming segments. This resulted in a change in our operating segments and reporting units. As a result of the change in reporting units, at July 1, 2020, we allocated goodwill to our new reporting units using a relative fair value approach. The goodwill allocated to the Global Lottery and Global Gaming reporting units was $2,942.2 million and $2,208.7 million, respectively. In addition, we completed an assessment of any potential goodwill impairment for all the former reporting units immediately prior to the reallocation and determined that no impairment existed.

In conjunction with the Italy B2C Transaction announced in December 2020, for purposes of allocating goodwill to discontinued operations, the Company estimated the fair value of the Global Gaming reporting unit using an income approach based on projected discounted cash flows. Based on the relative fair values of the businesses to be disposed of and the portion of the Global Gaming reporting unit that will be retained, $520.3 million of goodwill was reclassified to assets held for sale on our balance sheet.

In the fourth quarter of 2020, the Company completed its annual goodwill impairment test. The excess of fair value over carrying value within the Global Lottery and Global Gaming reporting units was 70.8% and 11.4%, respectively.

The goodwill impairment test compares the fair value of the Company's two reporting units (which are the same as its reportable segments) with their carrying amounts and an impairment loss is recognized for the amount by which the carrying amount exceeds the reporting unit's fair value.

In performing the goodwill impairment test, the Company estimates the fair value of the reporting units using an income approach based on projected discounted cash flows. The procedures the Company follows include, but are not limited to, the following:

- Analysis of the conditions in, and the economic outlook for, the reporting units;
- Analysis of general market data, including economic, governmental, and environmental factors;
- Review of the history, current state, and future operations of the reporting units;
- Analysis of financial and operating projections based on historical operating results, industry results, and expectations;
- Analysis of financial, transactional, and trading data for companies engaged in similar lines of business to develop appropriate valuation multiples and operating comparisons; and
- Calculation of the Company’s market capitalization, total invested capital, the implied market participant acquisition premium, and supporting qualitative and quantitative analysis.

Under the income approach, the fair value of the reporting unit is determined based on the present value of each unit's estimated future cash flows, discounted at a risk-adjusted rate. The Company uses internal forecasts for a five-year period to estimate future cash flows and estimates long-term future growth rates based on internal projections of the long-term outlook for each reporting unit. Actual results may differ from those assumed in forecasts. The discount rates are based on a weighted-average cost of capital analysis computed by calculating the after-tax cost of debt and the cost of equity and then weighted based on the concluded capital structure of the respective reporting unit. The Company uses discount rates that are commensurate with the risks and uncertainty inherent in each reporting unit and in internally developed forecasts. Discount rates used in the Global Lottery and Global Gaming reporting unit valuations as of December 31, 2020 were 9.6% and 11.0%, respectively. An increase of approximately 70 basis points in the Global Gaming reporting units’s discount rate would lead to an impairment.

Estimating the fair value of reporting units requires the Company’s management to use its judgment in making estimates and making forecasts that are based on a number of factors including forecasted revenue, forecasted operating profits, terminal growth rates, and weighted-average costs of capital.

Results of Operations

Comparison of the years ended December 31, 2020 and 2019

	For the year ended					
	December 31, 2020		December 31, 2019		Change	
($ thousands)	**$**	**% of Revenue**	**$**	**% of Revenue**	**$**	**%**
Service revenue by segment						
Global Lottery	2,042,652	65.6	2,182,961	54.1	(140,309)	(6.4)
Global Gaming	596,906	19.2	917,907	22.8	(321,001)	(35.0)
Total service revenue	2,639,558	84.7	3,100,868	76.9	(461,310)	(14.9)
Product sales by segment						
Global Lottery	121,346	3.9	109,884	2.7	11,462	10.4
Global Gaming	354,552	11.4	821,005	20.4	(466,453)	(56.8)
Total product sales	475,898	15.3	930,889	23.1	(454,991)	(48.9)
Total revenue	3,115,456	100.0	4,031,757	100.0	(916,301)	(22.7)
Operating expenses						
Cost of services	1,633,899	52.4	1,777,225	44.1	(143,326)	(8.1)
Cost of product sales	345,800	11.1	558,011	13.8	(212,211)	(38.0)
Selling, general and administrative	706,895	22.7	849,620	21.1	(142,725)	(16.8)
Research and development	190,948	6.1	266,241	6.6	(75,293)	(28.3)
Restructuring	45,045	1.4	24,855	0.6	20,190	81.2
Goodwill impairment	296,000	9.5	99,000	2.5	197,000	199.0
Other operating expense (income), net	4,334	0.1	(21,111)	(0.5)	25,445	120.5
Total operating expenses	3,222,921	103.4	3,553,841	88.1	(330,920)	(9.3)
Operating (loss) income	(107,465)	(3.4)	477,916	11.9	(585,381)	(122.5)
Interest expense, net	(397,916)	(12.8)	(410,875)	(10.2)	12,959	3.2
Foreign exchange (loss) gain, net	(308,898)	(9.9)	39,874	1.0	(348,772)	> 200.0
Other (expense) income, net	(33,428)	(1.1)	21,092	0.5	(54,520)	> 200.0
Total non-operating expenses	(740,242)	(23.8)	(349,909)	(8.7)	(390,333)	(111.6)
(Loss) income from continuing operations before provision for income taxes	(847,707)	(27.2)	128,007	3.2	(975,714)	> 200.0
Provision for income taxes	27,698	0.9	130,757	3.2	(103,059)	(78.8)
Loss from continuing operations	(875,405)	(28.1)	(2,750)	(0.1)	(872,655)	> 200.0
Income from discontinued operations, net of tax	36,681	1.2	114,408	2.8	(77,727)	(67.9)
Net (loss) income	(838,724)	(26.9)	111,658	2.8	(950,382)	> 200.0
Less: Net income attributable to non-controlling interests from continuing operations	63,926	2.1	126,144	3.1	(62,218)	(49.3)
Less: Net (loss) income attributable to non-controlling interests from discontinued operations	(4,760)	(0.2)	4,539	0.1	(9,299)	> 200.0
Net loss attributable to IGT PLC	(897,890)	(28.8)	(19,025)	(0.5)	(878,865)	> 200.0

Revenue

Total revenue for the year ended December 31, 2020 decreased $916.3 million, or 22.7%, to $3,115.5 million from $4,031.8 million for the prior corresponding period. Total service revenues were adversely affected by mobility and social distancing restrictions imposed by governmental authorities in an effort to mitigate the spread of COVID-19. Total product sale declines were primarily caused by COVID-19 budgetary constraints and social distancing restrictions. See “Segment Revenues and Key Performance Indicators” section below for further discussion related to the principal drivers of these changes.

Operating expenses

Cost of services

Cost of services for the year ended December 31, 2020 decreased $143.3 million, or 8.1%, to $1,633.9 million from $1,777.2 million for the prior corresponding period. This decrease is primarily attributable to a $109.5 million decrease within our Global Gaming segment primarily resulting from a $38.5 million decrease in licensing and royalty fees principally due to lower royalties on installed base and poker units due to inactive machines. Global Gaming expenses related to payroll, employee benefits and incentive compensation decreased $29.7 million due to temporary salary reductions, cancellation of the 2020 short-term incentive compensation program and employee furloughs. Cost of services for our Global Lottery segment decreased by $19.3 million primarily as a result of a $20.8 million decrease in marketing and advertising; a $19.8 million decrease in payroll, employee benefits and incentive compensation due to temporary salary reductions, cancellation of the 2020 short-term incentive compensation program, and employee furloughs; a $10.3 million decrease in communications, consumables, and travel; and a $7.1 million decrease in outside services, primarily consultants. These decreases were partially offset by a $55.6 million increase in point of sale (“POS”) and partner fees, primarily related to an increase in commercial service sales in Italy.

Cost of product sales

Cost of product sales for the year ended December 31, 2020 decreased $212.2 million, or 38.0%, to $345.8 million from $558.0 million for the prior corresponding period. This decrease is primarily attributable to a $200.2 million decrease within our Global Gaming segment primarily resulting from the $466.5 million decrease in product sales. Cost of product sales for our Global Lottery segment decreased $4.8 million primarily related to product mix. In addition, there was a $6.9 million decrease in Corporate and Other, principally associated with a decrease in amortization of acquired intangible assets.

Selling, general and administrative

Selling, general and administrative for the year ended December 31, 2020 decreased $142.7 million, or 16.8%, to $706.9 million from $849.6 million for the prior corresponding period. This decrease is primarily attributable to a $68.2 million decrease within our Global Gaming segment. This decrease was primarily due to a $59.7 million decrease in corporate allocations; a $28.3 million decrease in payroll, employee benefits, and incentive compensation principally due to temporary salary deductions, cancellation of the 2020 short-term incentive compensation program, and employee furloughs; a $12.5 million decrease in license and royalty fees; and an $8.6 million decrease in travel expenses. These decreases were partially offset by a $44.5 million increase in expected credit losses on long-term customer financing receivables resulting primarily from the impact of COVID-19 within Latin America and the Caribbean.

Selling, general and administrative expense for our Global Lottery segment decreased $42.6 million primarily as a result of a decrease of $19.1 million in non-deductible value-added tax (“VAT”) driven by lower spending and the implementation of the Italy VAT group from January 1, 2020, a $14.3 million decrease in payroll, employee benefits, and incentive compensation principally due to temporary salary deductions, cancellation of the 2020 short-term incentive compensation program, and employee furloughs; and an $8.8 million reduction in corporate allocations. These decreases within our Global Lottery segment were partially offset by an $8.6 million increase in other expenses primarily relating to legal settlements.

Selling, general and administrative expense for Corporate and Other decreased $31.9 million primarily as a result of a $52.1 million decrease in payroll, employee benefits, and incentive compensation principally due to temporary salary reductions, cancellation of the 2020 short-term incentive compensation program, and employee furloughs. Corporate and Other expenses also decreased related to an $18.6 million decrease in outside services, principally related to external consultants; a $10.6 million reduction in advertising; and a $6.0 million reduction in travel. These decreases were partially offset by a $55.8 million reduction of costs allocated to our business segments caused by an overall reduction of Corporate and Other costs.

Research and development

Research and development for the year ended December 31, 2020 decreased $75.3 million, or 28.3%, to $190.9 million from $266.2 million for the prior corresponding period. This decrease is primarily due to decreases of $46.3 million and $12.4 million in payroll, employee benefits, and incentive compensation in our Global Gaming and Global Lottery segments, respectively. These decreases were the result of temporary salary reductions, cancellation of the 2020 short-term incentive compensation program, employee furloughs, and COVID-19 related government subsidies. Additionally, there were decreases related to outside services primarily due to a reduction in consulting services provided to the Company for the Global Gaming and Global Lottery segments of $9.2 million and $10.4 million, respectively.

Restructuring

Restructuring for the year ended December 31, 2020 increased $20.2 million, or 81.2%, to $45.0 million from $24.9 million for the prior corresponding period. This increase was primarily due to management initiating restructuring plans in 2020 to achieve long-term structural cost savings by simplifying our organizational structure, optimizing our global supply chain, and consolidating our global technology organization.

Goodwill impairment

Goodwill impairment for the year ended December 31, 2020 was $296.0 million compared to $99.0 million for the prior corresponding period. During the first quarter of 2020, we determined there was an interim goodwill triggering event caused by the COVID-19 pandemic. Based principally on management's financial projections, which included the estimated impact of COVID-19, we recorded $193.0 million and $103.0 million non-cash impairment losses within the former International and North America Gaming and Interactive reporting units, respectively, to reduce the carrying amount of these reporting units to fair value. For the year ended December 31, 2019, we determined there was a goodwill impairment of $99.0 million within the former International reporting unit due to lower forecasted cash flows along with a higher weighted-average cost of capital.

Other operating expense (income), net

Other operating expense (income), net for the year ended December 31, 2020 increased $25.4 million, or 120.5%, to $4.3 million from $(21.1) million for the prior corresponding period. This increase was primarily the result of a non-recurring gain on the sale of assets to a distributor for $27.7 million in the prior year.

Interest expense, net

Interest expense, net for the year ended December 31, 2020 decreased $13.0 million, or 3.2%, to $397.9 million from $410.9 million for the prior corresponding period. This decrease was primarily due to lower LIBOR interest rates on floating rate debt and a decrease in Senior Secured Notes, principally due to the following 2020 refinancing activities: redemption, upon maturity, of the remaining €387.9 million 4.75% Senior Secured Notes due March 2020; partial redemption, in June 2020, of the $1.5 billion 6.25% Senior Secured Notes due February 2022; issuance, in June 2020, of the $750.0 million 5.25% Senior Secured Notes due June 2029; and redemption, upon maturity, of the remaining $27.3 million 5.50% Senior Secured Notes due June 2020.

Foreign exchange (loss) gain, net

Foreign exchange (loss) gain, net for the year ended December 31, 2020 was $(308.9) million, compared to foreign exchange gain, net of $39.9 million for the prior corresponding period. Foreign exchange (loss) gain, net is principally related to fluctuations in the euro to U.S. dollar exchange rate on euro-denominated debt.

Other (expense) income, net

Other (expense) income, net for the year ended December 31, 2020 changed $54.5 million, or > 200.0%, to a $33.4 million net expense position from a $21.1 million net income position for the prior corresponding period. In 2020, the Company incurred $28.3 million of expense related to the partial redemption of the 6.250% Senior Secured U.S. Dollar Notes due February 2022. In 2019, the Company recorded gains of $33.9 million on the sale of investments, primarily related to the May 2019 sale of its ownership interest in Yeonama Holdings Co. Limited for a $29.1 million pre-tax gain, partially offset by $9.6 million in expenses related to the redemption of senior secured notes.

Provision for income taxes

Provision for income taxes for the year ended December 31, 2020 decreased $103.1 million, or 78.8%, to $27.7 million from $130.8 million for the prior corresponding period. In 2020, the Company's effective tax rate was higher than the U.K. statutory rate of 19.0% primarily due to increases in valuation allowances on deferred tax assets, the impact of the international provisions of the Tax Act (BEAT and GILTI), foreign rate differences, and a goodwill impairment with no associated tax benefit. In 2019, the Company's effective tax rate was higher than the U.K. statutory rate of 19.0% primarily due to the impact of the international provisions of the Tax Act (BEAT and GILTI), foreign rate differences, and a goodwill impairment with no associated tax benefit.

Income from discontinued operations, net of tax

Income from discontinued operations, net of tax for the year ended December 31, 2020 decreased $77.7 million, or 67.9%, from $114.4 million for the prior corresponding period. Discontinued operations reflects the operating activities of our Italian B2C gaming machine, sports betting, and digital gaming businesses. The decline in income was primarily due to lower wagers caused by temporary casino and gaming hall closures required by the Italian government to mitigate the spread of COVID-19. Refer to "Notes to the Consolidated Financial Statements—3. Discontinued Operations and Assets Held for Sale" included in "Item 18. Financial Statements" for further information.

Segment Revenues and Key Performance Indicators

Global Lottery

	For the year ended December 31,		Change	
($ thousands)	**2020**	**2019**	**$**	**%**
Service revenue				
Operating and facilities management contracts	1,743,916	1,930,761	(186,845)	(9.7)
Systems, software, and other	298,736	252,200	46,536	18.5
	2,042,652	2,182,961	(140,309)	(6.4)
Product sales				
Lottery products	121,346	109,884	11,462	10.4
	121,346	109,884	11,462	10.4
Global Lottery segment revenue	2,163,998	2,292,845	(128,847)	(5.6)

	For the year ended December 31,	
(% on a constant-currency basis)	**2020**	**2019**
Global same-store sales growth (%)		
Instant ticket & draw games	1.6 %	4.1 %
Multi-jurisdiction jackpots	(17.0)%	(18.3)%
Total	0.1 %	1.7 %
North America & Rest of world same-store sales growth (%)		
Instant ticket & draw games	7.3 %	5.2 %
Multi-jurisdiction jackpots	(17.0)%	(18.3)%
Total	4.7 %	2.0 %
Italy same-store sales growth (%)		
Instant ticket & draw games	(16.1)%	0.8 %

Operating and facilities management contracts

Service revenue from Operating and facilities management contracts decreased $186.8 million, or 9.7%, from $1,930.8 million for the prior corresponding period. This decrease was primarily the result of lower same-store sales in Italy for draw-based and instant ticket games resulting from the impact of COVID-19 mobility restrictions, and lower incentives arising within our Lottery Management Agreements. These decreases were partially offset by increases in same-store sales primarily driven by customer demand in North America, and favorable foreign currency translation of $15.7 million.

Systems, software, and other

Service revenue from Systems, software, and other increased $46.5 million, or 18.5%, from $252.2 million for the prior corresponding period. This increase was primarily the result of a $52.0 million increase from our commercial service offering in Italy due to expanded offerings which more than offset the reduction of revenue caused by the sale of the Company's BillBird subsidiary in the fourth quarter of 2019.

Lottery products

Lottery products revenue increased $11.5 million, or 10.4% from $109.9 million for the prior corresponding period. This increase was primarily the result of an increase of $10.4 million in lottery terminal sales primarily related to a customer network refresh and an increase in lottery software sales of $11.3 million as a result of increased customer demand. These increases were partially offset by a decrease in other lottery sales of $11.2 million primarily due to lower sales of printed instant tickets.

Global Gaming

	For the year ended December 31,		Change	
($ thousands, except yields)	**2020**	**2019**	**$**	**%**
Service revenue				
Gaming terminal services	297,418	567,849	(270,431)	(47.6)
Systems, software, and other	299,488	350,058	(50,570)	(14.4)
	596,906	917,907	(321,001)	(35.0)
Product sales				
Gaming terminals	205,289	581,017	(375,728)	(64.7)
Gaming other	149,263	239,988	(90,725)	(37.8)
	354,552	821,005	(466,453)	(56.8)
Global Gaming segment revenue	951,458	1,738,912	(787,454)	(45.3)

	For the year ended December 31,		Change	
	2020	**2019**	**Units / $**	**%**
Installed base units				
Total installed base units	49,300	50,834	(1,534)	(3.0)
Total yields	$18.06	$31.45	$(13.39)	(42.6)
Global machine units sold				
Total machine units sold	14,662	42,076	(27,414)	(65.2)

Gaming terminal services

Service revenue from Gaming terminal services decreased $270.4 million, or 47.6%, to $297.4 million from $567.8 million for the prior corresponding period. This decrease was principally driven by social distancing measures implemented by government authorities to mitigate the spread of COVID-19. These measures resulted in the temporary closure of casinos and gaming halls and upon reopening, fewer active machines available for use by players driving lower wagers and yields.

System, software, and other

Service revenue from Systems, software, and other decreased $50.6 million, or 14.4%, to $299.5 million from $350.1 million for the prior corresponding period. The decline was primarily due to a $67.0 million decrease in software revenue primarily related to non-recurring multi-year poker site license contracts executed in the prior year, and lower recurring poker software license fees due to inactive machines resulting from COVID-19 social distancing requirements. Additionally, there was a $24.6 million decrease in system revenue primarily due to lower demand during the COVID-19 pandemic. These decreases were partially offset by an increase of $34.7 million in iGaming.

Gaming terminals

Product sales from Gaming terminals decreased $375.7 million, or 64.7%, to $205.3 million from $581.0 million for the prior corresponding period. This decrease was primarily associated with fewer machines sold during the year driven by lower demand due to customer capital constraints resulting from COVID-19.

Gaming other

Product sales from Gaming other decreased $90.7 million, or 37.8%, to $149.3 million from $240.0 million for the prior corresponding period primarily related to lower demand due to customer capital constraints resulting from COVID-19, and multi-year licenses of intellectual property.

Operating results by segment

	For the year ended December 31,		Change	
($ thousands)	**2020**	**2019**	**$**	**%**
Operating (loss) income				
Global Lottery	641,930	697,267	(55,337)	(7.9)
Global Gaming	(205,657)	179,548	(385,205)	> 200.0
Corporate and Other	(543,738)	(398,899)	(144,839)	(36.3)
	(107,465)	477,916	(585,381)	(122.5)
Operating margin - Global Lottery	29.7 %	30.4 %		
Operating margin - Global Gaming	(21.6)%	10.3 %		

Global Lottery segment

Segment operating margin decreased from 30.4% for the year ended December 31, 2019 to 29.7% for the year ended December 31, 2020, primarily due to a decrease in revenues of $128.8 million resulting from the global impacts of COVID-19. Despite a 5.6% decline in revenue, operating margins decreased by approximately 70 basis points due primarily to management's cost saving initiatives developed in response to COVID-19, partially offsetting the decrease in revenue.

Global Gaming segment

Segment operating margin decreased from 10.3% for the year ended December 31, 2019 to (21.6)% for the year ended December 31, 2020, primarily due to a decrease in revenues of $787.5 million resulting from the global impacts of COVID-19, of which $466.5 million was related to product sales which were impacted at a greater rate than service revenue due to capital constraints within the market, thereby contributing a more significant negative impact to operating margin. The negative impacts on margin have been partially mitigated by management's implementation of cost savings initiatives to decrease or eliminate fixed and discretionary costs amidst the global pandemic.

Comparison of the years ended December 31, 2019 and 2018

	For the year ended					
	December 31, 2019		December 31, 2018		Change	
($ thousands)	**$**	**% of Revenue**	**$**	**% of Revenue**	**$**	**%**
Service revenue by segment						
Global Lottery	2,182,961	54.1	2,234,801	56.1	(51,840)	(2.3)
Global Gaming	917,907	22.8	961,129	24.1	(43,222)	(4.5)
Total service revenue	3,100,868	76.9	3,195,930	80.3	(95,062)	(3.0)
Product sales by segment						
Global Lottery	109,884	2.7	126,889	3.2	(17,005)	(13.4)
Global Gaming	821,005	20.4	658,053	16.5	162,952	24.8
Total product sales	930,889	23.1	784,942	19.7	145,947	18.6
Total revenue	4,031,757	100.0	3,980,872	100.0	50,885	1.3
Operating expenses						
Cost of services	1,777,225	44.1	1,772,224	44.5	5,001	0.3
Cost of product sales	558,011	13.8	491,030	12.3	66,981	13.6
Selling, general and administrative	849,620	21.1	845,503	21.2	4,117	0.5
Research and development	266,241	6.6	263,279	6.6	2,962	1.1
Restructuring	24,855	0.6	14,781	0.4	10,074	68.2
Goodwill impairment	99,000	2.5	118,000	3.0	(19,000)	(16.1)
Other (income) expense, net	(21,111)	(0.5)	2,458	0.1	(23,569)	> 200.0
Total operating expenses	3,553,841	88.1	3,507,275	88.1	46,566	1.3
Operating income	477,916	11.9	473,597	11.9	4,319	0.9
Interest expense, net	(410,875)	(10.2)	(417,383)	(10.5)	6,508	1.6
Foreign exchange gain, net	39,874	1.0	129,086	3.2	(89,212)	(69.1)
Other income (expense), net	21,092	0.5	(51,432)	(1.3)	72,524	141.0
Total non-operating expenses	(349,909)	(8.7)	(339,729)	(8.5)	(10,180)	(3.0)
Income from continuing operations before provision for income taxes	128,007	3.2	133,868	3.4	(5,861)	(4.4)
Provision for income taxes	130,757	3.2	144,164	3.6	(13,407)	(9.3)
Loss from continuing operations	(2,750)	(0.1)	(10,296)	(0.3)	7,546	73.3
Income from discontinued operations, net of tax	114,408	2.8	124,943	3.1	(10,535)	(8.4)
Net income	111,658	2.8	114,647	2.9	(2,989)	(2.6)
Less: Net income attributable to non-controlling interests from continuing operations	126,144	3.1	108,758	2.7	17,386	16.0
Less: Redeemable non-controlling interests in income from continuing operations	—	—	20,326	0.5	(20,326)	(100.0)
Less: Net income attributable to non-controlling interests from discontinued operations	4,539	0.1	6,913	0.2	(2,374)	(34.3)
Net loss attributable to IGT PLC	(19,025)	(0.5)	(21,350)	(0.5)	2,325	10.9

Revenue

Total revenue for the year ended December 31, 2019 increased $50.9 million, or 1.3%, to $4,031.8 million from $3,980.9 million for the prior corresponding period. See “Segment Revenues and Key Performance Indicators” section below for the principal drivers of these changes.

Operating expenses

Cost of services

Cost of services for the year ended December 31, 2019 increased $5.0 million, or 0.3%, to $1,777.2 million from $1,772.2 million for the prior corresponding period. This increase was primarily related to an increase in depreciation and amortization of $17.1 million in our Global Gaming segment. Global Lottery remained relatively flat versus the prior year which was the result of an increase of $26.2 million in POS fees which were partially offset by deceases of $18.5 million in advertising and other outside services of $9.2 million. Additionally, Corporate and Other costs decreased by $11.6 million primarily related to a reduction in depreciation and amortization for fully depreciated developed technologies acquired in the 2015 acquisition of IGT.

Cost of product sales

Cost of product sales for the year ended December 31, 2019 increased $67.0 million, or 13.6%, to $558.0 million from $491.0 million for the prior corresponding period. This increase was primarily due to an increase of $54.8 million related to product sale mix and a $10.4 million increase related to inventory obsolescence costs within our Global Gaming segment. Global Lottery remained relatively flat versus the prior year despite a $17.0 million decrease in product sales due to change in mix.

Selling, general and administrative

Selling, general and administrative for the year ended December 31, 2019 increased $4.1 million, or 0.5%, to $849.6 million from $845.5 million for the prior corresponding period. This increase was primarily attributable to a $7.9 million increase in depreciation and amortization in our Global Lottery segment. Our Global Gaming segment had a decrease in bad debt expense of $17.0 million that was partially offset by a $15.5 million increase in litigation costs and a non-recurring benefit in 2018 of $7.5 million related to an earnout provision of an acquisition. Additionally, Corporate and Other costs associated with short-term incentive compensation decreased by $5.3 million.

Research and development

Research and development for the year ended December 31, 2019 increased $3.0 million, or 1.1%, to $266.2 million from $263.3 million for the prior corresponding period principally due to an $8.3 million increase in our Global Gaming segment partially offset by a $4.4 million decrease in our Global Lottery segment. The increase in Global Gaming was primarily related to a $14.5 million reduction in capitalized projects and resources dedicated to customer deliveries, partially offset by a $4.6 million decrease in employee compensation. The decrease in Global Lottery primarily related to a $13.8 million decrease in outside services and a $5.6 million decrease in employee compensation, partially offset by a $17.6 million reduction in capitalized projects and resources dedicated to customer deliveries.

Restructuring

Restructuring for the year ended December 31, 2019 increased $10.1 million, or 68.2%, to $24.9 million from $14.8 million for the prior corresponding period principally due to management expanding existing restructuring plans during the year ended December 31, 2019.

Goodwill impairment

Goodwill impairment for the year ended December 31, 2019 was $99.0 million compared to $118.0 million for the prior corresponding period. In 2019, the Company incurred a $99.0 million impairment loss in the former International segment due principally to lower forecasted cash flows along with a higher weighted-average cost of capital. In 2018, the Company incurred a $118.0 million impairment loss in the former International segment due to the results of 2018 being lower than forecasted along with a higher weighted-average cost of capital.

Other (income) expense, net

Other (income) expense, net for the year ended December 31, 2019 was $(21.1) million compared to $2.5 million for the prior corresponding period. In 2019, the Company entered into a long-term strategic agreement with a distributor in Oklahoma that included the sale of used, non-premium equipment in the Global Gaming segment, which resulted in a gain of $27.7 million for the year ended December 31, 2019.

Interest expense, net

Interest expense, net for the year ended December 31, 2019 decreased $6.5 million, or 1.6%, to $410.9 million from $417.4 million for the prior corresponding period primarily due to a $5.6 million decrease related to cross-currency swaps designated as net investment hedges, and a $4.5 million decrease in Senior Secured Notes and Term Loan Facilities, principally due to the following 2019 refinancing activities: the redemption of the €700 million 4.125% Senior Secured Euro Notes due February 2020 in June 2019; the June 2019 issuance of the €750 million 3.500% Senior Secured Euro Notes due June 2026; the September 2019 issuance of the €500 million 2.375% Senior Secured Euro Notes due April 2028; and the prepayment of the Term Loan Facility amortization payment due January 2020 in September 2019.

Foreign exchange gain, net

Foreign exchange gain, net for the year ended December 31, 2019 decreased $89.2 million, or 69.1%, to $39.9 million from $129.1 million for the prior corresponding period. Foreign exchange gains are principally related to fluctuations in the euro to U.S. dollar exchange rate on euro-denominated debt.

Other income (expense), net

Other income (expense), net for the year ended December 31, 2019 was $21.1 million, a favorable increase from $(51.4) million for the prior corresponding period primarily due to a $33.9 million gain on sale of investments during 2019 and a $43.0 million change in debt related transactions. The sale of investments principally related to the May 2019 sale of our ownership interest in Yeonama Holdings Co. Limited resulting in a pre-tax gain of $29.1 million. The 2019 debt related transactions resulted in an $11.9 million loss and the 2018 debt related transactions resulted in a $54.9 million loss.

Provision for income taxes

Provision for income taxes for the year ended December 31, 2019 decreased $13.4 million, or 9.3%, to $130.8 million from $144.2 million for the prior corresponding period. In 2019, the Company's effective tax rate was higher than the U.K. statutory rate of 19.0% primarily due to the impact of the international provisions of the Tax Act (BEAT and GILTI), foreign rate differences, and a goodwill impairment with no associated tax benefit. In 2018, the Company's effective tax rate was higher than the U.K. statutory rate of 19.0% primarily due to the impact of the international provisions of the Tax Act (BEAT and GILTI), a goodwill impairment with no associated tax benefit, foreign rate differences, increases in uncertain tax positions, and the settlement of an Italian tax audit.

Income from discontinued operations, net of tax

Income from discontinued operations, net of tax for the year ended December 31, 2019 decreased $10.5 million, or 8.4%, from $124.9 million for the prior corresponding period. Discontinued operations reflects the operating activities of our Italian B2C gaming machine, sports betting, and digital gaming businesses. Refer to “Notes to the Consolidated Financial Statements—3. Discontinued Operations and Assets Held for Sale” included in “Item 18. Financial Statements” for further information.

Segment Revenues and Key Performance Indicators

Global Lottery

	For the year ended December 31,		Change	
($ thousands)	**2019**	**2018**	**$**	**%**
Service revenue				
Operating and facilities management contracts	1,930,761	2,007,261	(76,500)	(3.8)
Systems, software, and other	252,200	227,540	24,660	10.8
	2,182,961	2,234,801	(51,840)	(2.3)
Product sales				
Lottery products	109,884	126,889	(17,005)	(13.4)
	109,884	126,889	(17,005)	(13.4)
Global Lottery segment revenue	2,292,845	2,361,690	(68,845)	(2.9)

	For the year ended December 31,	
(% on a constant-currency basis)	**2019**	**2018**
Global same-store sales growth (%)		
Instant ticket & draw games	4.1 %	4.1 %
Multi-jurisdiction jackpots	(18.3)%	25.1 %
Total	1.7 %	6.1 %
North America & Rest of world same-store sales growth (%)		
Instant ticket & draw games	5.2 %	4.1 %
Multi-jurisdiction jackpots	(18.3)%	25.1 %
Total	2.0 %	6.7 %
Italy same-store sales growth (%)		
Instant ticket & draw games	0.8 %	4.1 %

Operating and facilities management contracts

Service revenues related to Operating and facilities management contracts decreased $76.5 million, or 3.8%, to $1,930.8 million from $2,007.3 million in the prior corresponding period which includes unfavorable foreign currency translations of $48.6 million. As reported, this decrease was primarily the result of a $45.5 million decrease related to the conclusion of the Illinois supply contract in the first quarter of 2019 and a $21.1 million decrease in Lottery Management Agreements, principally driven by lower multi-state jackpot activity resulting in a lower amount of expected incentives. These decreases were partially mitigated by an increase of 1.7% in same-store sales, on a constant-currency basis.

Systems, software, and other

Service revenue for Systems, software, and other increased $24.7 million, or 10.8%, to $252.2 million from $227.5 million for the prior corresponding period primarily due to a $22.2 million increase in commercial services due to new offerings primarily in Italy.

Lottery products

Lottery products sales decreased $17.0 million, or 13.4%, to $109.9 million from $126.9 million in the prior corresponding period. This decrease was primarily due to a decrease of $27.8 million related to a large multi-year software license in the third quarter of 2018 that did not recur in 2019, as well as a $19.6 million decrease attributable to lower product sales to Massachusetts. These decreases were partially offset by increases in the sales of systems and point-of-sale machines of $27.8 million to existing lottery customers and a $3.7 million increase to instant ticket printing sales to new and existing customers.

Global Gaming

($ thousands, except yields)	For the year ended December 31, 2019	2018	Change $	%
Service revenue				
Gaming terminal services	567,849	601,536	(33,687)	(5.6)
Systems, software, and other	350,058	359,593	(9,535)	(2.7)
	917,907	961,129	(43,222)	(4.5)
Product sales				
Gaming terminals	581,017	454,884	126,133	27.7
Gaming other	239,988	203,169	36,819	18.1
	821,005	658,053	162,952	24.8
Global Gaming segment revenue	1,738,912	1,619,182	119,730	7.4

	For the year ended December 31, 2019	2018	Change $	%
Installed base units				
Total installed base units	50,834	54,494	(3,660)	(6.7)
Total yields	$31.45	$31.07	$0.38	1.2
Global machine units sold				
Total machine units sold	42,076	32,557	9,519	29.2

Gaming terminal services

Service revenue from Gaming terminal services decreased $33.7 million, or 5.6% to $567.8 million from $601.5 million for the prior corresponding period. The decrease correlates with the 6.7% decrease in total installed base units which includes the year-over-year reduction in installed base units resulting from a strategic agreement with a distributor in Oklahoma. The decrease in installed base units was partially offset by higher yields.

Systems, software, and other

Service revenue from Systems, software, and other decreased by $9.5 million, or 2.7%, to $350.1 million from $359.6 million for the prior corresponding period. Revenue increased by $16.4 million principally due to the expansion of the U.S. Sports Betting market, partially offset by a $12.0 million decrease in iGaming and a $9.3 million decrease in software sales.

Gaming terminals

Product sales from Gaming terminals increased $126.1 million primarily due to a 9,519, or 29.2%, increase in machines sold. The increase in machines sold was primarily attributable to the sale of 4,800 VLTs, principally in Sweden, and the sale of approximately 4,700 commercial gaming terminals. The increase in units sold was partially offset by a decrease in the average selling price per unit attributable to a change in product mix.

Gaming other

Gaming other increased $36.8 million primarily due to an increase of $31.0 million in AWP kit sales to support customers in Italy.

Operating results by segment

($ thousands)	For the year ended December 31, 2019	2018	Change $	%
Operating income (loss)				
Global Lottery	697,267	763,799	(66,532)	(8.7)%
Global Gaming	179,548	143,340	36,208	25.3 %
Corporate and Other	(398,899)	(433,542)	34,643	8.0 %
	477,916	473,597	4,319	0.9 %
Operating margin - Global Lottery	30.4 %	32.3 %		
Operating margin - Global Gaming	10.3 %	8.9 %		

Global Lottery segment

Segment operating margin decreased from 32.3% for the year ended December 31, 2018 to 30.4% for the year ended December 31, 2019, principally due to a reduction in same-store sales for the North America and Rest of world multi-state jackpot games and lower expected incentives from lottery management agreements, partially offset by increased same-store sales in Italy.

Global Gaming segment

Segment operating margin increased from 8.9% for the year ended December 31, 2018 to 10.3% for the year ended December 31, 2019, principally due to product sales margin mix and the strategic Oklahoma distributor sale, partially offset by lower operating margins derived from service revenue attributed to a reduction in the installed base.

C. *Liquidity and Capital Resources*

Overview

The Company’s business is capital intensive and requires liquidity to meet its obligations and fund growth. Historically, the Company’s primary sources of liquidity have been cash flows from operations and, to a lesser extent, cash proceeds from financing activities, including amounts available under the Revolving Credit Facilities due July 2024. In addition to general working capital and operational needs, the Company’s liquidity requirements arise primarily from its need to meet debt service requirements and to fund capital expenditures and upfront license fee payments. The Company also requires liquidity to fund any acquisitions and associated costs. The Company’s cash flows generated from operating activities together with cash flows generated from financing activities have historically been sufficient to meet the Company's liquidity requirements; however, the Company implemented robust business continuity plans with cost reduction and capital spending avoidance initiatives in anticipation of the impact on liquidity arising from COVID-19.

The Company believes its ability to generate cash from operations to reinvest in its business, primarily due to the long-term nature of its contracts, is one of its fundamental financial strengths. Combined with funds currently available and committed borrowing capacity, the Company expects to have sufficient liquidity to meet its financial obligations and working capital requirements in the ordinary course of business for at least the next 12 months from the date of issuance of these consolidated financial statements.

The cash management, funding of operations, and investment of excess liquidity are centrally coordinated by a dedicated treasury team with the objective of ensuring effective and efficient management of funds.

At December 31, 2020 and 2019, Company’s total available liquidity was as follows:

($ thousands)	December 31, 2020	2019
Revolving Credit Facilities due July 2024	1,816,938	1,752,125
Cash and cash equivalents	907,015	654,628
Total Liquidity	2,723,953	2,406,753

The Revolving Credit Facilities due July 2024 are subject to customary covenants (including maintaining a minimum ratio of EBITDA to net interest costs and a maximum ratio of total net debt to EBITDA) and events of default, none of which are expected to impact the Company's liquidity or capital resources. As previously discussed in Item 3.D. Risk Factors, during the COVID-19 pandemic, most casinos and gaming halls throughout the globe closed in the first half of 2020, and some casinos and gaming halls have yet to reopen. The closure of casinos and gaming halls has significantly disrupted the Company's ability to generate revenues. In order to remain in compliance with the Company's debt covenants and meet its payment obligations, the Company entered into amendments to the Revolving Credit Facilities due July 2024 (the "Amendments) to provide temporary relief from its financial covenants. The Amendments, among other things, provide a waiver for the Company's obligation to maintain a minimum ratio of EBITDA to net interest costs and a maximum ratio of total net debt to EBITDA from the fiscal quarter ending June 30, 2020 through the fiscal quarter ending June 30, 2021. During the period beginning on the date of the Amendments and ending on August 31, 2021, the Company will be subject to a minimum liquidity covenant that requires the Company to maintain liquidity of at least $500 million.

The Company completed multiple debt transactions in 2020 and 2019. Refer to the "Notes to the Consolidated Financial Statements—16. Debt" included in "Item 18. Financial Statements" for further discussion of these transactions as well as information regarding the Company's other debt obligations, including the maturity profile of borrowings and committed borrowing facilities, and further details regarding the Amendments.

At December 31, 2020 and 2019, approximately 23% and 24% of the Company's net debt portfolio was exposed to interest rate fluctuations, respectively. The Company's exposure to floating rates of interest primarily relates to the Euro Term Loan Facility due January 2023 and Revolving Credit Facilities due July 2024. At December 31, 2020, the Company held $425.0 million (notional amount) in interest rate swaps that were no longer designated as hedging relationships and the fair value of the swaps is recognized in interest expense with no corresponding offset to debt. At December 31, 2019, the Company held $625.0 million (notional amount) in interest rate swaps that effectively convert $625.0 million of the 6.25% Notes from fixed interest rate debt to variable rate debt.

The following table summarizes the Company's cash balances by currency:

	December 31, 2020		December 31, 2019	
($ thousands)	**$**	**%**	**$**	**%**
Euros	659,509	72.7	390,888	59.7
U.S. dollars	134,876	14.9	179,608	27.4
Other currencies	112,630	12.4	84,132	12.9
Total Cash	907,015	100.0	654,628	100.0

The Company holds insignificant amounts of cash in countries where there may be restrictions on transfer due to regulatory or governmental bodies. Based on the Company's review of such transfer restrictions and the cash balances held in such countries, it does not believe such transfer restrictions have an adverse impact on its ability to meet liquidity requirements at years ended December 31, 2020 and 2019.

Cash Flow Summary

The following table summarizes the statements of cash flows from continuing operations. A complete statement of cash flows is provided in the Consolidated Financial Statements included herein.

	For the year ended December 31,		Change	
($ thousands)	**2020**	**2019**	**$**	**%**
Net cash provided by operating activities from continuing operations	594,802	907,340	(312,538)	(34.4)
Net cash used in investing activities from continuing operations	(233,287)	(247,542)	14,255	5.8
Net cash used in financing activities	(437,859)	(376,274)	(61,585)	(16.4)
Net cash flows of continuing operations	(76,344)	283,524		

Analysis of Cash Flows

Net Cash Provided by Operating Activities from Continuing Operations

During the year ended December 31, 2020, the Company generated $594.8 million of net cash provided by operating activities of continuing operations, a decrease of $312.5 million compared to the year ended December 31, 2019. The decrease was principally attributed to a decline in operating income of $585.4 million.

Non-cash adjustments to net loss for the year ended December 31, 2020 were $1.3 billion, compared to $825.7 million for the prior corresponding period. The principal drivers of the increase in non-cash adjustments were a $348.8 million increase in unfavorable foreign exchange losses, and a $296.0 million goodwill impairment charge incurred during the year, compared to a $99.0 million goodwill impairment charge incurred in the prior corresponding period.

Changes in operating assets and liabilities for the year ended December 31, 2020 increased to $125.9 million, from $84.4 million in the prior corresponding period.

Net Cash Used in Investing Activities from Continuing Operations

During the year ended December 31, 2020, the Company used $233.3 million of net cash for investing activities, a decrease of $14.3 million compared to the year ended December 31, 2019. The decrease in net cash used in investing activities was principally attributed to a reduction of capital expenditures of $122.6 million, primarily attributable to overall economic slowdown from COVID-19.

Proceeds from the sale of assets for the year ended December 31, 2020 were $9.3 million, compared to $123.9 million from the prior corresponding period. During the prior year, the Company sold its investment in Yeonama, had sales of used, non-premium equipment, which were previously included within Systems & Equipment as part of a strategic agreement with a distributor in Oklahoma, and sold its Billbird subsidiary.

Net Cash Used in Financing Activities

During the year ended December 31, 2020, the Company used $437.9 million of net cash for financing activities, an increase of $61.6 million compared to the year ended December 31, 2019.

During 2020, cash flows used in financing activities primarily included proceeds from long-term debt of $750.0 million, principal payments on long-term debt of $988.4 million, dividends paid to shareholders of $40.9 million, dividends paid to non-controlling interests of $136.4 million, and returned $32.3 million of capital to non-controlling shareholders.

During 2019, cash flows used in financing activities primarily included proceeds from long-term debt of $1,397.0 million, principal payments on long-term debt of $1,264.6 million, dividends paid to shareholders of $163.5 million, dividends paid to non-controlling interests of $136.7 million, and returned $98.8 million of capital to non-controlling shareholders.

Capital Expenditures

Capital expenditures are principally composed of:

- Systems, equipment and other assets related to contracts;
- Intangible assets; and
- Property, plant and equipment.

The table below details total capital expenditures from continuing operations by business segment:

	For the year ended December 31,		
($ thousands)	**2020**	**2019**	**2018**
Global Lottery	(176,111)	(198,588)	(234,585)
Global Gaming	(75,578)	(169,233)	(226,717)
Business Segment Total	(251,689)	(367,821)	(461,302)
Corporate and Other	(3,000)	(9,427)	(10,976)
	(254,689)	(377,248)	(472,278)

Global Lottery

Capital expenditures for 2020, of $176.1 million, principally consist of $136.9 million for investments in systems, equipment and other assets related to contracts, including systems and equipment deployed in New Jersey, California, Michigan, Mississippi, and Kentucky; investments in intangible assets of $24.4 million; and investments in property, plant and equipment of $11.8 million.

Capital expenditures for 2019, of $198.6 million, principally consist of $160.7 million for investments in systems, equipment and other assets related to contracts, including systems and equipment deployed in New Jersey, California, Florida, Michigan, Texas, and South Dakota; investments in intangible assets of $31.2 million; and investments in property, plant and equipment of $6.6 million.

Capital expenditures for 2018, of $234.6 million, principally consist of $192.4 million for investments in systems, equipment and other assets related to contracts, including systems and equipment deployed in California, South Carolina, West Virginia, Florida, and New York; investments in intangible assets of $32.2 million; and investments in property, plant and equipment of $10.0 million.

Global Gaming

Capital expenditures for 2020, of $75.6 million, principally consist of investments in systems, equipment and other assets related to contracts with customers in North America of $47.4 million and Digital and Betting customers of $20.0 million.

Capital expenditures for 2019, of $169.2 million, principally consist of investments in systems, equipment and other assets related to contracts with customers in North America of $134.8 million, and other customers, principally in Europe, Africa, and Mexico of $18.6 million, and Digital and Betting customers of $11.1 million.

Capital expenditures for 2018, of $226.7 million, principally consist of investments in systems, equipment and other assets related to contracts with customers in North America of $148.1 million, and other customers, principally in Greece, Africa, and Mexico of $42.5 million, and Digital and Betting customers of $21.8 million; and investments in property, plant and equipment of $11.9 million.

Tabular Disclosure of Cash Requirements

At December 31, 2020, the Company's material cash requirements are as follows:

	Payments due by period				
($ thousands)	**Total**	**Less than 1 year**	**1-3 years**	**3-5 years**	**more than 5 years**
Long-term debt [1]	8,299,006	392,672	3,158,909	1,713,550	3,033,875
Jackpot liabilities [2]	251,695	71,143	52,046	34,193	94,313
Operating leases [3]	422,817	63,964	104,473	83,212	171,168
Finance leases [4]	47,834	12,729	16,661	10,294	8,150
Total	9,021,352	540,508	3,332,089	1,841,249	3,307,506

[1] Long-term debt consists of the principal amount of long-term debt, including current portion, as included in "Notes to the Consolidated Financial Statements—16. Debt" included in "Item 18. Financial Statements." Certain of the Company's long-term debt is denominated in euros.

[2] Jackpot liabilities are composed of payments due to previous winners and future winners.

[3] Operating leases principally relate to leases for facilities and equipment used in the Company's business. The amounts presented include the imputed interest to the counterparties.

[4] Finance leases principally consist of the Company's facility in Providence, Rhode Island and communications equipment used in its business. The amounts presented include the imputed interest to the counterparties.

Off-Balance Sheet Arrangements

The Company has the following off-balance sheet arrangements:

Performance and other bonds

Certain contracts require us to provide a surety bond as a guarantee of performance for the benefit of customers; bid and litigation bonds for the benefit of potential customers; and WAP bonds that are used to secure our financial liability when a player elects to have their WAP jackpot winnings paid over an extended period of time.

These bonds give beneficiaries the right to obtain payment and/or performance from the issuer of the bond if certain specified events occur. In the case of performance bonds, which generally have a term of one year, such events include our failure to perform our obligations under the applicable contract(s). In general, we would only be liable for these guarantees in the event of default in our performance of our obligations under each contract, the probability of which we believe is remote.

Letters of Credit

The Parent and certain of its subsidiaries may obtain letters of credit under the Revolving Credit Facilities due July 2024 and under senior unsecured uncommitted demand credit facilities. The letters of credit secure various obligations, including obligations arising under customer contracts and real estate leases. The following table summarizes the letters of credit outstanding at December 31, 2020 and 2019 and the weighted-average annual cost of such letters of credit:

	Letters of Credit Outstanding			
($ thousands)	**Not under the Revolving Credit Facilities**	**Under the Revolving Credit Facilities**	**Total**	**Weighted-Average Annual Cost**
December 31, 2020	426,740	—	426,740	1.06 %
December 31, 2019	402,300	—	402,300	1.02 %

D. *Research and Development, Patents, and Licenses, etc.*

To remain competitive, the Company invests resources toward its R&D efforts to introduce new and innovative games with dynamic features to attract new customers and retain existing customers. The Company's R&D efforts cover multiple creative and engineering disciplines, including creative game content, hardware, electrical, systems, and software for lottery, land-based, online social, and digital real-money applications.

R&D costs include salaries and benefits, stock-based compensation, consultants' fees, facilities-related costs, material costs, depreciation, and travel, and are expensed as incurred.

The Company devotes substantial resources to R&D and incurred $190.9 million, $266.2 million, and $263.3 million of related expenses in 2020, 2019, and 2018, respectively.

E. ***Trend Information***

See "Item 5. Operating and Financial Review and Prospects — B. Operating Results" and "Item 5. Operating and Financial Review and Prospects — C. Liquidity and Capital Resources."

F. ***Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995***

This annual report on Form 20-F includes forward-looking statements (including within the meaning of the Private Securities Litigation Reform Act of 1995) concerning the Company and other matters. These statements may discuss goals, intentions, and expectations as to future plans, trends, events, dividends, results of operations, or financial condition, or otherwise, based on current beliefs of the management of the Company as well as assumptions made by, and information currently available to, such management. Forward-looking statements may be accompanied by words such as "aim," "anticipate," "believe," "plan," "could," "would," "should," "shall," "continue," "estimate," "expect," "forecast," "future," "guidance," "intend," "may," "will," "possible," "potential," "predict," "project," or the negative or other variations of them. These forward-looking statements speak only as of the date on which such statements are made and are subject to various risks and uncertainties, many of which are outside the Company's control. Should one or more of these risks or uncertainties materialize, or should any of the underlying assumptions prove incorrect, actual results may differ materially from those predicted in the forward-looking statements and from past results, performance, or achievements. Therefore, you should not place undue reliance on such statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include (but are not limited to):

- the possibility that the Parent will be unable to pay dividends to shareholders or that the amount of such dividends may be less than anticipated;
- the length, duration and severity of the COVID-19 pandemic, including any resurgence of the pandemic, and the response of governments, including government-mandated property closures and travel restrictions;
- the effect of the COVID-19 pandemic on our operations or the operations of our customers and suppliers;
- the possibility that the Company may not achieve its anticipated financial results in one or more future periods;
- reductions in customer spending;
- a slowdown in customer payments and changes in customer demand for products and services as a result of changing economic conditions or otherwise;
- unanticipated changes relating to competitive factors in the industries in which the Company operates;
- the Company's ability to hire and retain key personnel;
- the Company's ability to attract new customers and retain existing customers in the manner anticipated;
- reliance on and integration of information technology systems;
- changes in legislation, governmental regulations, or the enforcement thereof that could affect the Company;
- enforcement of an interpretation of the Wire Act in such a manner as to prohibit or limit activities in which the Company and its customers are engaged;
- the uncertainty of impacts from Brexit, including legal, regulatory and trade implications;
- the expected financial impact and timing of the divestiture of the Company's Italian B2C gaming machine, sports betting, and digital gaming businesses, whether and when the required regulatory approvals for the divestiture will be obtained, the possibility that closing conditions for the divestiture may not be satisfied or waived, and whether the strategic benefits of the divestiture can be achieved;
- international, national, or local economic, social, or political conditions that could adversely affect the Company or its customers;
- conditions in the credit markets; risks associated with assumptions the Company makes in connection with its critical accounting estimates;
- the resolution of pending and potential future legal, regulatory, or tax proceedings and investigations; and
- the Company's international operations, which are subject to the risks of currency fluctuations and foreign exchange controls.

The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties that affect the Company's business, including those described in "Item 3. Key Information—D. Risk Factors" and other documents filed by the Parent from time to time with the SEC. Except as required under applicable law, the Company does not assume any obligation to update these forward-looking statements. Nothing in this annual report is intended, or is to be construed, as a profit forecast or to be interpreted to mean that earnings per share of the Parent for the current or any future

financial years will necessarily match or exceed the historical published earnings per share of the Parent, as applicable. All forward-looking statements contained in this annual report on Form 20-F are qualified in their entirety by this cautionary statement.

Item 6. Directors, Senior Management, and Employees

A. *Directors and Senior Management*

As of February 24, 2021, the Parent's board of directors (the "Board") consists of 11 directors. Seven of the current directors were determined by the Board to be independent under the listing standards and rules of the NYSE, as required by the Articles of Association of the Parent (the "Articles"). For a director to be independent under the listing standards of the NYSE, the Board must affirmatively determine that the director has no material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company). The Board has made an affirmative determination that the members of the Board so designated in the table below meet the standards for "independence" set forth in the Parent's Corporate Governance Guidelines and applicable NYSE rules. The Articles require that for as long as the Parent's ordinary shares are listed on the NYSE, the Parent will comply with all NYSE corporate governance standards set forth in Section 3 of the NYSE Listed Company Manual applicable to non-controlled domestic U.S. issuers, regardless of whether the Parent is a foreign private issuer.

At February 24, 2021, the directors, certain senior managers, and the senior consultant are as set forth below:

Name	Position
Lorenzo Pellicioli[(1)]	Chairperson of the Board; Non-executive Director
James F. McCann	Vice-Chairperson of the Board; Lead Independent Director; Non-executive Director
Beatrice H. Bassey	Independent Non-executive Director
Massimiliano Chiara	Director, Executive Vice President and Chief Financial Officer
Alberto Dessy	Independent Non-executive Director
Marco Drago[(1)]	Non-executive Director
Heather J. McGregor	Independent Non-executive Director
Samantha F. Ravich	Independent Non-executive Director
Vincent L. Sadusky	Independent Non-executive Director
Marco Sala[(1)]	Director and Chief Executive Officer
Gianmario Tondato da Ruos	Independent Non-executive Director
Renato Ascoli	Chief Executive Officer, Global Gaming
Fabio Cairoli	Chief Executive Officer, Global Lottery
Walter Bugno	Executive Vice President, New Business and Strategic Initiatives
Fabio Celadon	Executive Vice President, Strategy and Corporate Development
Dorothy Costa	Senior Vice President, People & Transformation
Scott Gunn	Senior Vice President, Corporate Public Affairs
Wendy Montgomery	Senior Vice President, Global Brand, Marketing and Communications
Timothy M. Rishton[(2)]	Senior Vice President, Chief Accounting Officer
Christopher Spears	Senior Vice President, General Counsel
Robert Vincent[(3)]	Chairperson of IGT Global Solutions Corporation

[(1)] Messrs. Pellicioli and Drago are the chief executive officer and chairperson of the board, respectively, of De Agostini. Mr. Sala was appointed to the board of De Agostini on June 27, 2020.
[(2)] Timothy M. Rishton was previously Interim Chief Financial Officer until Massimiliano Chiara's appointment as Executive Vice President and Chief Financial Officer on April 6, 2020.
[(3)] IGT Global Solutions Corporation is the primary operating subsidiary for the Company's U.S. lottery business. Mr. Vincent's title is honorary and he serves as a senior consultant to Mr. Sala and the rest of the Company's senior leadership team.

On May 16, 2018, the Board approved the observer agreement (the "Observer Agreement") between De Agostini and the Company permitting De Agostini to appoint an observer to attend meetings of the Parent's directors. Effective November 12, 2019, the Observer Agreement was renewed for a two-year term and Paolo Ceretti, a former director of the Parent, acknowledged and agreed to his renewed appointment by De Agostini as an observer pursuant to the terms of the Observer Agreement. The Observer Agreement expires following the meeting of the Parent's directors at which the financial results for the third quarter of 2021 are reviewed.

Directors

Lorenzo Pellicioli, 69, has served as Chairperson of the Board since November 2018, before which he served as Vice-Chairperson of the Board since the formation of the Company in April 2015. From August 2006 to the formation of the Company, Mr. Pellicioli served on the GTECH S.p.A. (formerly Lottomatica Group) board of directors as Chairman from August 2006 to April 2015. Mr. Pellicioli has served as Chief Executive Officer of De Agostini since November 2005.

Mr. Pellicioli started his career as a journalist for the newspaper Giornale Di Bergamo and afterwards he became Bergamo TV Programmes Vice President. From 1978 to 1984, he held different posts in the sector of the Italian private television for Manzoni Pubblicità, Publikompass up to his nomination as Rete4 General Manager. In 1984, he joined the Gruppo Mondadori Espresso, the first Italian publishing group. He was initially appointed General Manager for Advertising Sales and Mondadori Periodici (magazines) Vice General Manager and afterwards President and CEO of Manzoni & C. S.p.A, advertising rep of the Group.

From 1990 to 1997, he was appointed first President and CEO of Costa Cruise Lines in Miami, being part of Costa Crociere Group operating in the North American market (USA, Canada and Mexico) and then became Worldwide General Manager of Costa Crociere S.p.A., based in Genoa. From 1995 to 1997 he was also appointed President and CEO of the Compagnie Francaise de Croisières (Costa-Paquet), the Paris-based subsidiary of Costa Crociere.

In 1997, he took part to the privatization of SEAT Pagine Gialle purchased by a group of financial investors. After the acquisition he was appointed CEO of SEAT. In February 2000, he also managed the “Internet Business Unit” of the Telecom Italia Group following the sale of SEAT. In September 2001, following the acquisition of Telecom Italia by the Pirelli Group, he resigned. Since November 2005 he has been CEO of the De Agostini Group, an Italian financial group with ownership in the publishing sector (De Agostini Editore), games and lotteries (IGT PLC), media and communications (Atresmedia - Spanish television leader, Banijay Group - a leading company in the production and distribution of television and media content) and financial investments (DeA Capital).

He is also Chairman of the Board of Directors of DeA Capital, a member of the Board of Directors of Assicurazioni Generali S.p.A., and a member of the Advisory Board of Palamon Capital Partners. He was formerly also a member of the Boards of Directors of Enel, INA-Assitalia, and Toro Assicurazioni and of the Advisory Board of Lehman Brothers Merchant Banking.

On April 3, 2017 he was honored with the title of *Chevalier dans l’ordre de la Légion d’Honneur.*

James F. McCann, 69, has served on the Board since the formation of the Company and is currently the Vice Chairperson, Lead Independent Director and is Chair of the Nominating and Corporate Governance Committee. He is the Chairman of 1-800-Flowers.com, Inc., and previously served as Chief Executive Officer, a position he held since 1976. He is also Chairman and CEO of Clarim Acquisition, a blank check company targeting consumer-facing e-commerce which was founded in 2020. Mr. McCann previously served as director and Chair of the Nominating and Governance Committee of Willis Towers Watson until his retirement in May 2019. He previously served as the Chairman of the Board of Directors of Willis Towers Watson from January 4, 2016 to January 1, 2019. Previously he served as Director (2004-2015) and non-executive Chairman (2013-2015) of Willis Group Holdings PLC (“Willis Group”). Prior to serving as the non-executive Chairman of the board of Willis Group, he served as the company’s presiding independent director. Mr. McCann has served on the board of Amyris, Inc. since 2019, including as a member of the Audit Committee and the Operations and Finance Committee.

He previously served as a director and compensation committee member of Lottomatica S.p.A. (from August 2006 to April 2011), and as a director of Gateway, Inc., The Boyds Collection, Ltd and Scott’s Miracle-Gro.

Beatrice H. Bassey, 49, has served on the Board since March 2020 and is a member of the Nominating and Corporate Governance Committee. She is the General Counsel, Chief Compliance Officer and Corporate Secretary at Atlas Mara Limited, a publicly listed financial services company that operates banks in various parts of Africa, responsible in overseeing compliance, corporate governance and legal affairs across all its subsidiaries as well as leading on Atlas Mara’s acquisition and integration activities. In addition, she serves as Chair of the Board of Union Bank of Nigeria plc, a publicly listed bank regulated by the Nigerian Central Bank and the U.K. Prudential Regulatory Authority. She is a member of the board of African Banking Corporation of Botswana Limited, a publicly listed bank, where she also sits on the remuneration, risk & compliance and audit committees. She also serves as a member of the board of Banque Populaire du Rwanda, where she chairs the credit committee, and also sits on the remuneration and risk and compliance committees. Prior to her joining Atlas Mara, Mrs. Bassey was a Senior Partner in the New York offices of Hughes Hubbard & Reed LLP, where she was a member of the Executive Committee.

Mrs. Bassey holds an LL.B in Law from University of Maiduguri, Nigeria, a BL in Law from the Nigerian Law School and an LL.M from Harvard Law School. She was called to the Nigerian Bar in 1995 and the New York Bar in 1999. She is a member of the London Court of International Arbitration, and also a Fellow of the David Rockefeller Fellows Program of the Partnership for New York City.

Massimiliano Chiara, 52, has served on the Board of Directors since May 2020, and as Chief Financial Officer of the Company since April 2020. Before joining the Company, Mr. Chiara served as Chief Financial Officer of CNH Industrial since September 2013. Max was also named the Chief Sustainability Officer at CNH Industrial in 2016, and he also served since 2017 as head of Mergers & Acquisitions for CNH Industrial. Between 2009 and 2013, Mr. Chiara served in various positions with Fiat Chrysler Automobiles (and its predecessors) as Chief Financial Officer and Head of Business Development in Latin America, Vice President of Financial Planning and Analysis and Business Development Finance, VP Finance Brands and Marketing Controller, and served as Director of Business Development Finance for its engine business unit Fiat Powertrain between 2007 and 2009. Earlier in his career, Mr. Chiara held various managerial roles at Teksid Aluminum, PricewaterhouseCoopers, Robert Bosch, the Wuerth Group, and was a M&A financial analyst with Dresdner Kleinwort Benson.

Mr. Chiara graduated from the Luigi Bocconi University in Milan (Italy), with a degree in Business Administration Cum Laude, and has a CEMS Master's degree in International Management from the Bocconi University and the University of Cologne (Germany). Mr. Chiara also held the position of Chairman of the Italian Association of Corporate Treasurers (AITI) for the years 2004-2007.

Alberto Dessy, 68, has served on the Board since the formation of the Company in April 2015 and is a member of the Audit Committee and the Compensation Committee. He is currently a Professor at Bocconi University. Mr. Dessy is a Chartered Accountant who specializes in corporate finance, particularly the evaluation of companies, trademarks, equity and investments, financial structure, channels and loan instruments, funding for development and in acquisitions and disposals of companies. He has been an expert witness for parties to lawsuits and as an independent expert appointed by the court in various legal disputes.

He has previously served on the boards of many companies, both listed and unlisted, including Chiorino S.p.A., Redaelli Tecna S.p.A., Laika Caravans S.p.A., Premuda S.p.A., I.M.A. S.p.A., Milano Centro S.p.A., and DeA Capital S.p.A. Mr. Dessy graduated from Bocconi University and is a member of the distinguished faculty in corporate finance at the SDA Bocconi School of Management.

Marco Drago, 75, has served on the Board since the formation of the Company in April 2015. From 2002 to the formation of the Company, Mr. Drago served on the board of directors of GTECH S.p.A. (formerly Lottomatica Group). Since 1997, Mr. Drago has been the Chairman of De Agostini, one of Italy's largest family-run groups. Since July 2018 he has been the President of The Board of Directors of B&D Holding S.p.A. (formerly B&D Holding di Marco Drago e C.S.a.p.A., of which he had been President of the Board of Partners since 2006). He is also Vice Chairman of Planeta De Agostini Group, Director of Atresmedia, DeA Capital S.p.A., Honorary Chairman of De Agostini Editore S.p.A. and member of the S. Faustin (Techint Group) board.

Mr. Drago graduated in Economics and Business at Università Bocconi in Milan in 1969. He started his career that same year in the family company joining Istituto Geografico De Agostini. In 1997 he replaced Achille Boroli as Chairman of De Agostini Holding S.p.A., having previously served as Executive Officer and Managing Director. He has received important awards such as *"Bocconiano dell'anno"* in 2001, and was made *"Cavaliere del Lavoro"* in 2003.

Prof. Heather J. McGregor, 58, was appointed to the Board in March of 2017 and is a member of the Audit Committee. She is the Executive Dean of the Edinburgh Business School, the business school of Heriot Watt University in the U.K. In addition, Professor McGregor is a director of Non-Standard Finance PLC, a company specializing in offering consumer loans in the U.K. Professor McGregor has a Ph.D. from the University of Hong Kong in Structured Finance and is an experienced writer and broadcaster, including writing for the Financial Times for 17 years, and is currently a weekly columnist in the Sunday Times. Professor McGregor is also the founder of the Taylor Bennett Foundation, which works to promote diversity in the communications industry, and a founding member of the steering committee of the 30% Club, which is working to raise the representation of women at senior levels within the U.K.'s publicly listed companies.

In June 2015, Professor McGregor was made a Commander of the British Empire for her services to diversity and employment. In February 2017, she was appointed by the U.K. Government to be a member of the Honours Committee for the Economy.

Dr. Samantha F. Ravich, 54, was appointed to the Board in July of 2019 and is a member of the Compensation Committee and the Nominating and Corporate Governance Committee. She is a defense and intelligence policy and tech entrepreneur and the Chair of the Center on Cyber and Technology Innovation at the Foundation for Defense of Democracies and its Transformative Cyber Innovation Lab; the Vice Chair of the President's Intelligence Advisory Board; a Commissioner on the Congressionally-mandated Cyberspace Solarium Commission; and a member of the Secretary of Energy's Advisory Board. Dr. Ravich is also a managing partner at A2P, LLC, a technology company that focuses on advanced advertising techniques, and a Board Governor at the Gemological Institute of America. Previously, she was the Republican Co-Chair of the Congressionally-mandated National Commission for Review of Research and Development Programs in the United States Intelligence Community and served as Deputy National Security Advisor for Vice President Cheney.

Dr. Ravich received her Ph.D. in Policy Analysis from the RAND Graduate School and her MCP/BSE from the University of Pennsylvania/Wharton School and is a member of the Council on Foreign Relations and the National Association of Corporate Directors.

Vincent L. Sadusky, 55, has served on the Board since the formation of the Company and is Chair of the Audit Committee. Prior to the formation of the Company, Mr. Sadusky served on the International Game Technology board of directors from July 2010 to April 2015. He formerly served as Chief Executive Officer and a member of the board of directors of Univision Communications Inc., the largest Hispanic media company in the U.S. He served as President and Chief Executive Officer of Media General, Inc., one of the U.S.'s largest owners of television stations, from December 2014 until January 2017, following the company's merger with LIN Media LLC. Mr. Sadusky served as President and Chief Executive Officer of LIN Media LLC from 2006 to 2014 and was Chief Financial Officer from 2004 to 2006. Prior to joining LIN Media LLC, he held several management positions, including Chief Financial Officer and Treasurer, at Telemundo Communications, Inc. from 1994 to 2004, and from 1987 to 1994, he performed attestation and consulting services with Ernst & Young, LLP. Mr. Sadusky formerly served on the board of directors of Hemisphere Media Group, Inc. Previously, he served on the Open Mobile Video Coalition, to which he served as President from 2011 until its integration into the National Association of Broadcasters in January 2013. He formerly served on the boards of directors of JVB Financial Group, LLC, Maximum Service Television, Inc., Media General, Inc., LIN Media LLC and NBC Affiliates.

Mr. Sadusky earned a Bachelor of Science degree in Accounting from Pennsylvania State University where he was a University Scholar. He earned a Master of Business Administration degree from the New York Institute of Technology.

Marco Sala, 61, has served as a member of the Board of Directors and Chief Executive Officer of the Company since its admission to the listing on the NYSE in 2015. Before then and since 2009, Mr. Sala served as Chief Executive Officer and a member of the Board of Directors of predecessor GTECH S.p.A. (formerly Lottomatica Group). Prior to the Company's admission to the listing on the NYSE in 2015, Mr. Sala served on the Board of Directors of Lottomatica since 2003, when he joined as Co-General Manager, before being appointed Managing Director with responsibility for the Italian Operations and other European activities since 2006.

In June 2020, Mr. Sala was appointed to the Board of Directors of De Agostini. He is also a member of the Board of Directors of Save the Children Italia, the Italian extension of the worldwide non-profit organization, and a member of the Board of Directors of the Rome Biomedical Campus University Foundation, a non-profit organization in charge of promoting scientific research and of supporting the Biomedical Campus University of Rome. Until June 2019, Mr. Sala served as a member of the Board of Directors of OPAP S.A., a Greek gaming and sports betting operator.

Before joining the Company, he served as Chief Executive Officer of Buffetti, Italy's leading office equipment and supply retail chain. Prior to Buffetti, Mr. Sala served as Head of the Italian Business Directories Division for SEAT Pagine Gialle. He was later promoted to Head of Business Directories with responsibility for a number of international companies, such as Thomson (Great Britain), Euredit (France), and Kompass (Italy). Earlier in his career, he worked as Head of the Spare Parts Divisions at Magneti Marelli (a Fiat Group company) and soon after he became Head of the Lubricants Divisions. Additionally, he held various marketing positions at Kraft Foods. Mr. Sala graduated from Bocconi University in Milan, majoring in Business and Economics.

Gianmario Tondato da Ruos, 61, has served on the Board since the formation of the Company and is Chair of the Compensation Committee. From 2006 to the formation of the Company, Mr. Tondato da Ruos served as a Lead Independent Director of GTECH S.p.A. (formerly Lottomatica Group). Mr. Tondato da Ruos has served as the Chief Executive Officer of Autogrill S.p.A. since April 2003. He joined Autogrill Group in 2000, and moved to the United States to manage the integration of the North American subsidiary HMSHost and successfully implemented a strategic refocusing on concessions and diversification into new business sectors, distribution channels, and geographies.

Mr. Tondato da Ruos is Chairman of HMSHost Corporation, of Autogrill Italia S.p.A. and of Autogrill Europe S.p.A. He has been a director of Autogrill since March 2003, and sits on the advisory board of Rabobank (Hollande). He was formerly Chairman of World Duty Free S.p.A. and a director of World Duty Free Group S.A.U. Mr. Tondato da Ruos graduated with a degree in economics from Ca'Foscari University of Venice.

Senior Management

Renato Ascoli, 59, is Chief Executive Officer, Global Gaming, and is responsible for the IGT Gaming business. This includes PlayDigital, Sports, Italy Gaming, Global Gaming Sales, Global Gaming Product Management, Global Gaming Studios, Global Manufacturing, Operations and Services including Global Gaming Technology. Prior to his appointment as CEO, Global Gaming, Mr. Ascoli served as CEO, North America of IGT. In this capacity, other than serving all North America Customers, he held global responsibility for product development, manufacturing, product management, technology and delivery of all the Company's portfolio outside Italy: gaming, digital, and lottery.

Prior to the formation of the Company, Mr. Ascoli served as General Manager of GTECH S.p.A. (formerly known as Lottomatica Group) and President of GTECH Products and Services, where he was responsible for overseeing the design, development, and delivery of state-of-the-art platforms, products, and services. He supported all stages of the sales process, and provided marketing and technology leadership to optimize investment decisions. Prior to this role, Mr. Ascoli served as Head of Italian Operations. In this position, he was responsible for the strategic direction and operations of the Company's Italian businesses. He joined GTECH S.p.A. in 2006 as Director of the Gaming division.

From 1992 to 2005, Mr. Ascoli worked for the national railway system Ferrovie dello Stato/Trenitalia, where he held roles of increasing responsibility including head of Administration, Budget, and Control of the Local Transport Division; head of Strategies, Planning, and Control of the Transport Area; and head of the Passengers Commercial Unit. In 2000, he was appointed Marketing Director of the Passengers Division, and later served as Director of Operations and Passengers Division. He also was head of International Development for Trenitalia. Earlier in his career, he led international marketing efforts for Fincentro Group - Armando Curcio Editore, where he was responsible for commercial development of the publishing assets of Fincentro Group. He was also responsible for defining the strategic and management assets of the many companies comprising Fincentro Group. Mr. Ascoli also served as a consultant to Ambrosetti Group, supporting the internationalization process (Spain, England, and U.S.A.). He graduated from Bocconi University in Milan, majoring in Economics and Social Studies.

Fabio Cairoli, 55, is Chief Executive Officer, Global Lottery, and is responsible for the IGT Lottery business. This includes Global Lottery Sales and Operations, Global Lottery Product and Sales Development, Global Lottery Technology and Support. Prior to this role, Mr. Cairoli served as Chief Executive Officer, Italy, where he was responsible for managing all business lines, marketing services, and sales for the Company's Italian operations. Through his leadership of the largest lottery operator in the world, Mr. Cairoli shares insights and best practices with other organizations in the Company. Mr. Cairoli joined the Company in 2012 as Senior Vice President of Business. He has more than 20 years of experience in consumer goods for multinational organizations, with both local and international expertise. He served as Group General Manager and Board Member of Bialetti Industrie, a world-renowned Italian manufacturer and retailer of stovetop coffee (espresso) makers and small household electrical appliances. During his tenure at Bialetti, he was responsible for turning around the business by refocusing strategy, streamlining costs, and optimizing the product portfolio and retail presence.

Prior to Bialetti, Mr. Cairoli served as General Manager of Star Alimentare, a major Italian food company, and successfully relaunched a historical brand. Additionally, he spent part of his career with Julius Meinl Italia and with Motorola Mobile Devices Italy. He also spent 10 years with Kraft Foods in Italy and the U.K. in various capacities. Mr. Cairoli holds a Bachelor's degree in Economics from the Catholic University in Milan.

Walter Bugno, 61, is Executive Vice President, New Business and Strategic Initiatives, and is responsible for leading business development in jurisdictions where IGT is not present, and where — while there may be a company presence — there is no defined product segment presence. Additionally, the New Business and Strategic Initiatives group, under Mr. Bugno's leadership, is responsible for managing new in-country initiatives during the start-up phase and offering on-demand commercial support globally for key accounts with multiple product requirements. He is also responsible for managing key strategic initiatives within existing jurisdictions as needed and as determined by company leadership.

Prior to this role, Mr. Bugno served as Chief Executive Officer, International, where he was responsible for the management and strategic development of the International region. He worked directly with the Company's management teams to implement the Company's vision through the ongoing delivery of value to customers, shareholders, and employees. Mr. Bugno led the Company's lottery, gaming, and interactive businesses throughout Europe (except Italy), as well as in the Middle East, Latin America and the Caribbean, Africa, and the Asia-Pacific region. He also oversaw private manager agreement opportunities across these regions. He joined GTECH S.p.A. (formerly known as Lottomatica Group) in July 2010 as President and CEO of SPIELO International. He led the business by capitalizing on the many growth opportunities in the gaming industry, and overseeing the Company's long-term strategic direction. In 2012, Mr. Bugno's portfolio expanded to include the Company's interactive business. Under his leadership, SPIELO experienced substantial growth and became a major contributor to the Company's total earnings. From 2006 to 2009, Mr. Bugno was the CEO of Casinos for Tabcorp Holdings Limited, Australia's premier gambling and entertainment group. During his tenure with Tabcorp, Mr. Bugno transformed the business from being product-driven to customer-driven by revitalizing the customer casino experience with new loyalty programs, products, and customer service. Some of his successes included a new 12-year exclusive casino license with the New South Wales government, expansion of gaming products, and increases in market share.

Prior to Tabcorp, Mr. Bugno was President of Campbell Soup Company in Asia Pacific from 2002 to 2006. He was responsible for Campbell's food products, manufacturing, and distribution. He was previously Managing Director of Lion Nathan Australia, a division of Lion, one of Australasia's leading beverage and food companies. Mr. Bugno grew up in Australia and Italy, and has Bachelor of Commerce and Master of Commerce degrees from the University of New South Wales, Australia.

Fabio Celadon, 49, is Executive Vice President, Strategy and Corporate Development, and is responsible for IGT's Strategy, Mergers and Acquisitions and Competitive Intelligence functions. Under his direction, the organization monitors industry and competitive trends in IGT's core and adjacent markets; develops IGT's portfolio strategy; identifies key portfolio initiatives and supports the business unit CEOs in the identification and execution of their business unit strategic initiatives; executes the Group's M&A strategy (mergers, acquisitions, JVs and divestitures), managing deal evaluation, structuring and negotiation, and coordinating internal cross-functional teams as well as external advisors.

Mr. Celadon most recently served as Senior Vice President, Gaming Portfolio, with responsibility for monitoring relevant technological advancements and market and competitive trends; consolidating the Company's global research and development plan and related allocation of budgets and resources; evolving the Company's content portfolio and consolidating hardware and content roadmaps; and, monitoring product performance and results.

Mr. Celadon previously served as Managing Director, IGT Greater China and Senior Vice President, IGT International. In this role, he was responsible for managing IGT's business and operations across lotteries, video lotteries, sports betting and interactive, and mobile gaming in Greater China. He was also responsible for the strategic development of IGT's business in Greater China, India, and Japan.

Prior to April 2015, Mr. Celadon served as Senior Vice President of Group Strategy and Corporate Development for GTECH S.p.A., where he was responsible for developing GTECH's overall corporate strategy, identifying and evaluating key strategic growth initiatives, and executing the corporate development strategy through mergers, acquisitions, joint ventures, and divestitures. Mr. Celadon has also held several strategy, corporate development, and finance positions since he joined Lottomatica Group, GTECH's predecessor-company, in 2002. Mr. Celadon served as CFO of Lottomatica from 2002 to 2004. Following the acquisition of GTECH by Lottomatica, he relocated to the U.S. where he held the position of GTECH Vice President of New Market Development before being promoted to Senior Vice President of Strategic Planning in 2008.

Prior to joining Lottomatica, he was a partner with Atlantis Capital Partners, a private equity firm, and prior to that, he worked for Morgan Stanley in London in the mergers and acquisitions department. Mr. Celadon holds a Law Degree from LUISS Guido Carli University and an MBA from Columbia Business School in New York.

Dorothy Costa, 49, is Senior Vice President, People & Transformation, and has strategic oversight for the IGT People and Transformation function, including all senior strategic business partners and the total rewards, diversity & inclusion, organization transformation and global services and talent management centers of excellence.

Ms. Costa has more than 26 years of Human Resources experience, with 22 in the lottery and gaming industry. Prior to her current role, Ms. Costa was IGT's Vice President of People & Transformation, where she had worldwide responsibility as the Human Resources Business Partner supporting the North America business unit that includes both gaming and lottery within IGT. She also served as Senior Director of Human Resources for the Products & Services organization, which consisted of product marketing and technology solutions for lottery, gaming, interactive, and betting, as well as HR Business Partner for all corporate functions within the Company. Her areas of responsibility within these groups included staffing, compensation, employee relations, talent development, succession planning, and executive coaching. Early in her career, she worked for Citizens Financial Group in various HR roles in Rhode Island.

Ms. Costa holds a Bachelor of Science degree in Business Management from Rhode Island College, and an MBA in Organizational Leadership from Johnson & Wales University in Providence, RI. She also completed the Advanced Human Resource Executive Program at the University of Michigan, Michigan Ross School of Business Executive Education.

Scott Gunn, 54, is Senior Vice President, Corporate Public Affairs, and is responsible for the Company's public affairs related to government relations strategy, and is instrumental in directing and facilitating government relationships and public engagement to advance global business interests for the Company. Mr. Gunn has been with the Company for more than 25 years, and has held positions in operations, sales, business development, and public affairs. Prior to his current role, he was Senior Vice President of Global Government Relations and North America Lottery Business Development, overseeing worldwide government relations strategy and managing the Company's global network of government relations resources, as well as pursuing public sector market opportunities for the Company's various lines of business in North America.

Mr. Gunn began his career at a public affairs firm in Washington, D.C. He was also an Associate at National Media Inc., where he worked on media strategy for state and federal political campaigns. He has held various positions within national and state political party organizations, and has been involved with several U.S. presidential campaigns. Mr. Gunn serves on the Board of Advisors to Reviver Auto, is chairperson of the Company's Political Action Committee, and is a member of the Company's Executive Diversity and Inclusion Council. He has a bachelor's degree in Political Economics from Tulane University.

Wendy Montgomery, 58, is Senior Vice President, Global Brand, Marketing and Communications, and oversees the strategy for the Company's global brand, trade shows, product marketing, and external communications, including community relations, responsible gaming, and corporate social responsibility. Prior to joining the Company in 2018 as Senior Vice President of Global Lottery Marketing, Ms. Montgomery spent 13 years at the Ontario Lottery and Gaming Corporation where she led marketing, sales, operations, policy and planning, and the iGaming business. Her previous experience spans multiple industries, including in the entertainment business in her role as Vice President and General Manager, W Network, under Corus Entertainment, Inc., and before that, in the telecommunications field as Vice President of Marketing with Star Choice Communications, Inc. She has also held leadership roles in apparel, consumer products, and food categories, and has previously lived and worked in South Africa, Israel, Eastern Europe, Canada, and the United States.

Ms. Montgomery is a graduate of the Executive Leadership Program at Queen's University in Kingston, Canada. She holds a diploma in Marketing Management from the Institute of Marketing Management in Johannesburg, South Africa, as well as a Higher National Diploma in Business Studies from Greenwich University in London, U.K.

Timothy M. Rishton, 55, is Senior Vice President, Chief Accounting Officer, and is responsible for overseeing Accounting and Tax, including developing and maintaining systems and internal controls over financial reporting; and the preparation of the Company's consolidated annual reporting in accordance with generally accepted accounting principles. Mr. Rishton served as the Company's Interim Chief Financial Officer from January 2020 through April 2020.

Prior to the formation of the Company, Mr. Rishton served as the Chief Accounting Officer for GTECH S.p.A. Mr. Rishton has been with the Company (and predecessor GTECH) since 1995, and over his 25 years with the Company, he has held a series of roles with increasing responsibility, including Vice President - Finance, Assistant Corporate Controller and Director of Accounting.

Before joining the Company, Mr. Rishton held various roles at Acushnet Company and Ernst & Young, where he provided assurance services to publicly listed and private company clients in a variety of industries. Mr. Rishton is a member of The American Institute of Certified Public Accountants and the Rhode Island Society of CPA's.

Mr. Rishton received his bachelor's degree in Accounting from the University of Rhode Island.

Christopher Spears, 53, is Senior Vice President, General Counsel, and is responsible for leading IGT's global legal strategy and function. In this role he is responsible for managing IGT's internal legal team and outside legal advisors, providing counsel to IGT's board of directors and executive leadership team and managing IGT's legal issues across a wide range of global subject matter areas including corporate governance, compliance, litigation, mergers and acquisitions, intellectual property, licensing and commercial and operational issues.

Mr. Spears has over 25 years of legal experience with a focus on supporting the broad legal needs of global businesses, including corporate governance, securities, capital markets, mergers and acquisitions, compliance, intellectual property and litigation. Prior to joining IGT in 2017, Mr. Spears served in a series of roles of increasing responsibility at Caterpillar Inc., including as Deputy General Counsel with responsibility for global commercial law matters, corporate governance and mergers and acquisitions, Chief Ethics and Compliance Officer with responsibility for global compliance and General Counsel – Asia-Pacific based in Singapore. Before joining Caterpillar Inc., Mr. Spears was in private practice with a focus on mergers and acquisitions, securities and corporate law.

Mr. Spears holds a Bachelor of Science degree in Business Administration from Berea College and MBA and Juris Doctorate degrees from the University of Kentucky.

Senior Consultant

Robert Vincent, 66, is Chairperson of IGT Global Solutions Corporation, the primary operating subsidiary for the U.S. lottery business, and represents the Company when interacting with global customers, current and potential partners, and government officials. He also serves as a senior counselor to Chief Executive Officer Marco Sala and the rest of the Company's senior leadership team.

Previously, Mr. Vincent served as the Company's Executive Vice President for Administrative Services and External Relations. He oversaw global external and internal corporate communications, media relations, branding, and social responsibility programs. He also led a centralized Administrative Services organization that included information security, global procurement, real estate/facilities, food services, environmental health and safety, and facility security and monitoring. In addition, he was involved in selected business development projects, and supported activities in compliance, investor relations, marketing communications, and government relations. Prior to that, he served as the Company's Senior Vice President of Human Resources and Public Affairs.

Before April 2015, Mr. Vincent had been affiliated with GTECH S.p.A. for more than 20 years, having served as an external consultant; as Vice President of Business Development for Dreamport, GTECH's former gaming and entertainment subsidiary; and as Senior Vice President of Human Resources and Public Affairs for GTECH S.p.A.

Before joining the Company, he was a senior partner at RDW Group, a regional advertising and public relations company in Rhode Island. He also held senior policy and administrative positions with Rhode Island-based governments, including the Governor's Office, Secretary of State's Office, and the Providence Mayor's Office. In addition, he has staffed community and government affairs efforts at Brown University in Providence.

Active in the community, Mr. Vincent serves on the Boards of the University of Rhode Island Foundation, Rhode Island Hospital Foundation, Family Service of Rhode Island, and the URI Harrington School of Communication.

Mr. Vincent received his bachelor's degree in Political Science from the University of Rhode Island.

There are no familial relationships among any of the Parent's directors, senior managers or the senior consultant set forth above.

B. ***Compensation***

Non-Executive Director Compensation

The Parent's compensation policy for non-executive directors is to provide an annual cash retainer payable in quarterly tranches as well as a restricted stock unit ("RSU") award vesting on an annual basis. Additional cash retainers are provided for the non-executive directors serving as Chairpersons of the Board and/or the Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee as well as the Lead Independent Director. Awards to non-executive directors under the Long-Term Incentive ("LTI") Compensation Plan ("LTIP") vest over the service period of the award.

LTIP - Annual Equity Awards for Continuing Non-Executive Directors

On the date of each annual meeting of the Parent's shareholders ("AGM") each non-executive director continuing to serve after that date will automatically be granted an award of RSUs which vest on the AGM date of the next financial year. The number of RSUs covered by each such award will be determined by dividing (1) the Annual Equity Award grant value by (2) the closing price of an ordinary share as of the date of grant (rounded down to the nearest whole unit).

LTIP - Initial Equity Awards for New Non-Executive Directors

Each new non-executive director will be granted an award of RSUs determined by dividing (1) a pro-rata portion of the Annual Equity Award value by (2) the closing share price as of the date of grant. The pro-rata portion of the Annual Equity Award value will equal the Annual Equity Award value multiplied by the fraction which results from the following formula:

$$\frac{X - Y}{X}$$

where:

- X is the number of days in the period beginning with (and including) the date of the AGM immediately preceding the appointment date (the Previous AGM) and ending on (and including) the date of the AGM immediately after the appointment date (the Next AGM); and
- Y is the number of days in the period beginning with (and including) the date of the Previous AGM and ending on (and including) the appointment date.

Initial equity awards granted to non-executive directors will vest on the date of the AGM that first occurs after the grant date.

Annual Compensation

Position	Fees ($)[1]	RSUs ($)[2]
Non-executive Director	100,000	200,000
Chairperson additional compensation	50,000	50,000
Lead Independent Director additional compensation	20,000	20,000
Committee Chairpersons additional compensation:		
Audit Committee	40,000	—
Compensation Committee	30,000	—
Nominating and Corporate Governance Committee	20,000	—

[1] All fees are established in USD but paid quarterly in GBP, with the amount paid converted from USD to GBP based on the exchange rate in effect on the date of processing the payment.
[2] The number of RSUs granted is calculated by dividing the grant value listed in this column by the closing share price as of the date of grant.

2020 Plan Year Actual Compensation

The following table sets forth the approximate compensation received or earned, calculated in accordance with the Companies Act 2006 and relevant regulations, as applicable, by the Company's non-executive directors during the year ended December 31, 2020.

Name & Position(s)[1]	Fees ($)	Taxable Benefits ($)[2]	RSUs ($)[3]	Total
Lorenzo Pellicioli *Non-executive Director* *Chairperson of the Board*	150,000	—	345,662	495,662
James F. McCann *Non-executive Director* *Vice-Chairperson of the Board* *Lead Independent Director* *Chairperson of the Nominating and Corporate Governance Committee*	140,000	20,478	304,180	464,658
Paget L. Alves[4] *Non-executive Director*	48,974	9,441	—	58,415
Beatrice H. Bassey[5] *Non-executive Director*	78,077	—	330,552	408,629
Alberto Dessy[6] *Non-executive Director*	109,377	—	276,537	385,914
Marco Drago *Non-executive Director*	100,000	—	276,537	376,537
Heather J. McGregor *Non-executive Director*	100,000	—	276,537	376,537
Dr. Samantha Ravich *Non-executive Director*	100,000	—	276,537	376,537
Vincent L. Sadusky *Non-executive Director* *Chairperson of the Audit Committee*	140,000	6,720	276,537	423,257
Gianmario Tondato da Ruos *Non-executive Director* *Chairperson of the Compensation Committee*	130,000	—	276,537	406,537

[1] Marco Sala, the Company's Chief Executive Officer, and Massimiliano (Max) Chiara, the Company's Chief Financial Officer, also serve on the board of directors, but do not receive any additional compensation for such service. Please see the Executive Officer Compensation section below for information regarding Mr. Sala and Mr. Chiara's compensation.
[2] Relates to reimbursable meal and travel expenses for attending Board of Director meetings in the U.K.
[3] Amount reflects the number of RSUs granted at the 2020 AGM multiplied by $12.14, the three-month ending stock price as of December 31, 2020. The RSUs vest on the date of the 2021 AGM. Ms. Bassey's RSU also includes a pro-rated award for her services from March 20, 2020 to June 25, 2020, the amount of which is equal to the number of shares granted times the stock price on the vesting date, $8.78.
[4] Mr. Alves did not stand for re-election at the 2020 AGM and his term ended on June 25, 2020. Mr. Alves received a prorated amount of compensation for his services during the year.
[5] Ms. Bassey was appointed to the board of directors on March 20, 2020 and received a prorated amount of compensation for her services during the year.
[6] Includes a 4% stipend related to Italian regulatory requirements.

Executive Officer Compensation

Total Executive Officer Compensation

The following table sets forth the approximate 2020 compensation received or earned, calculated in accordance with the Companies Act 2006 and relevant regulations, as applicable, by the Company's executive officers as of December 31, 2020, including Marco Sala, CEO; Renato Ascoli, CEO, Global Gaming; Walter Bugno, Executive Vice President of New Business and Strategic Initiatives; Fabio Cairoli, CEO Global Lottery; Fabio Celadon, Executive Vice President of Strategy and Corporate Development; Massimiliano (Max) Chiara, Executive Vice President and CFO; Dorothy Costa, Senior Vice President, People & Transformation; Scott Gunn, Senior Vice President of Corporate Public Affairs; Wendy Montgomery, Senior Vice President, Global Brand, Marketing and Communications; and Christopher Spears, Senior Vice President and General Counsel. Also included is compensation paid to Alberto Fornaro, former Executive Vice President and CFO who resigned from the Company effective January 31, 2020; Mario Di Loreto, who served as Executive Vice President of People & Transformation until April 6, 2020 and as Senior Advisor to IGT Group CEO effective April 6, 2020 until his resignation on December 31, 2020; Timothy Rishton, Senior Vice President and Chief Accounting Officer, who served as interim CFO upon

Mr. Fornaro's departure on January 31, 2020 until Mr. Chiara joined the Company on April 6, 2020; and Robert Vincent, Chairperson of IGT Global Solutions Corporation who provides consulting services to the Company, the fees for which are included as "Other" compensation in the table below.

Name	Salary ($)[1]	2020 Bonus ($)[2]	Equity Awards ($)[3]	Other ($)[4][5]	Total ($)
Marco Sala, Chief Executive Officer	979,998	—	3,368,947	1,476,872	5,825,817
Max Chiara, Chief Financial Officer	453,846	—	1,054,735	795,465	2,304,046
Other Executive Officers & Senior Consultant	3,974,608	—	5,067,127	9,240,737	18,282,472

[1] Mr. Sala's annual salary is $1,000,000 paid monthly, of which 70% is paid in GBP and 30% in EUR, both of which are converted using fiscal year-to-date exchange rates. In addition to base salary, the amount includes true-up payments related to foreign currency fluctuations and tax equalization, per his employment contract. Mr. Sala's 2020 salary also reflects a 50% reduction from the April 2020 to September 2020 period.
Mr. Chiara's annual salary is $800,000 paid bi-weekly. He joined the Company in April 2020, therefore his salary reflects a prorated annual amount as well as a 30% reduction for the April 2020 to September 2020 period.
[2] The short-term incentive plan (STIP) was cancelled for the 2020 fiscal year.
[3] Amount reflects the number of RSUs granted in 2020 multiplied by $12.14, the three-month ending stock price as of December 31, 2020. The performance-based PSUs subject to the 2018 to 2020 performance period did not meet threshold achievement and therefore no shares will vest with respect to such performance-based PSUs.
[4] Represents the value of certain health, welfare and other benefits received by the executive officers during 2020 (including tax preparation, employer contributions to post-retirement plans, relocation benefits and taxable life insurance premiums paid). Also includes car allowances, housing allowances, and perquisites. Mr. Sala's other compensation also includes tax equalization of $228,363 related to benefits received in 2020. Mr. Chiara's other compensation also includes $500,000, the first installment of a $2.0 million bonus to be paid in four equal installments, provided to compensate Mr. Chiara for his forfeited compensation at his previous employer. The amount in Other Executive Officers & Senior Consultant also includes severance and benefits payments to Mr. Di Loreto pursuant to his separation agreement and consulting fees paid to Mr. Vincent.
[5] Mr. Sala's 2020 compensation includes a $766,717 pension contribution related to his 2019 STIP. In future periods, the Company will report any accrued pension contribution as part of compensation for the period in which it is accrued, rather than paid.

Key Compensation Decisions Related to COVID-19

As a result of the global onset of the coronavirus (COVID-19), the Compensation Committee approved six-month salary reductions, effective April 1, 2020 through September 30, 2020, of 50% for Mr. Sala and 30% for Mr. Chiara. Other executives received salary reductions ranging from 20% to 50% for the same six-month period. These salary reductions further impacted certain global leadership roles on a declining percentage scale for the same six-month period. In addition, the Compensation Committee cancelled the 2020 Short-Term Incentive Plan (STIP) for all eligible employees, including the executive officers.

Historically, IGT has awarded equity in the form of Performance Share Units (PSUs), which vest based on achievement against predetermined company financial performance targets. This practice, however, proved challenging in 2020 amid the COVID-19 pandemic. Establishing forward-looking performance metrics during this continued time of uncertainty led the Committee to consider alternatives for this year's process. The Compensation Committee altered historical practice of granting PSUs and approved a one-time restricted stock unit (RSU) award, as permitted under IGT's 2015 Equity Incentive Plan, deeming this a more appropriate way to recognize the global eligible employee population, including executive officers, for their extraordinary efforts to ensure IGT's success during this unprecedented year.

Long-Term Incentive Compensation Plans

The Company's 2015 Equity Incentive Plan provides for several different types of stock-based awards including stock options, restricted stock and RSUs, both time and performance-based. The principal purposes of granting LTI awards are to assist the Company in attracting and retaining executive officers, to provide a market-competitive total compensation package and to motivate recipients to increase shareholder value by enabling them to participate in the value created, thus aligning their interests with those of the Company's shareholders.

Grants of LTI

The table below sets forth the time-based RSUs granted pursuant to the Company's compensation plans to its executive officers during 2020, which will vest 50% on December 31, 2021 and the remaining 50% will vest on December 31, 2022, based on continued service through the applicable vesting dates.

Name	No. of Shares	Grant Date Fair Value	Vesting Period	Grant Date	Per Share Market Price on Date of Grant
Marco Sala, Chief Executive Officer	277,508	$ 9.08	2020-2022	November 6, 2020	$ 9.08
Max Chiara, Chief Financial Officer	86,881	$ 9.08	2020-2022	November 6, 2020	$ 9.08
Other Executive Officers	417,391	$ 9.08	2020-2022	November 6, 2020	$ 9.08

No performance-based PSUs or stock options were granted in 2020.

Performance against 2018 to 2020 performance conditions for the PSUs vesting (2018 PSUs)

The equity awards amount included in the 2020 officer compensation table reflects the PSUs granted in 2018, the vesting of which was dependent on performance over three financial years ending on December 31, 2020 and continued service until April 1, 2021 for 50% of the PSUs earned and April 1, 2022 for the remaining 50% of PSUs earned.

The vesting of the 2018 PSUs were tied to first achieving a three-year Cumulative Consolidated Adjusted EBITDA of at least 92.5% adjusted by an Adjusted Net Debt scoring factor measured on the Adjusted EBITDA/Adjusted Net Debt Scoring Matrix that positively or negatively adjusts the Adjusted EBITDA payout based on Adjusted Net Debt results versus the plan target. The performance of these awards is further modified by the Company's relative total shareholder return performance against the Russell Mid Cap Market Index. Given the impact of COVID-19 on the Company's financial results, threshold Adjusted EBITDA performance for vesting was not achieved and the Compensation Committee did not use discretion to vest any portion of the 2018 PSUs. The performance achieved against the performance targets is shown below.

($ in millions)	Threshold	Target	Maximum	2020 Performance	Performance % of Target	Payout %
2018 - 2020 Adjusted Cumulative EBITDA	4,867	5,262	5,525	4,565	87%	—%
Adjusted Net Debt	7,681	7,381	7,081	6,968	106%	—%
EBITDA/Net Debt Matrix Result						—%
Relative TSR[1] Modifier	<25th	60th	>75th	8.0%	13%	75.0%
Performance results (% of target)[2]						—%
Total PSUs earned (% of maximum)[3]						—%

[1] Total Shareholder Return (TSR).
[2] EBITDA/Net Debt Matrix Result payout (0.0%) multiplied by Relative TSR Percentile payout (75.0%).
[3] The maximum number of shares to be earned under the 2018 PSU plan is 145% of target.

Amounts accrued for pensions and similar benefits

At December 31, 2020, the total amount accrued by the Company to provide pension, retirement, or similar benefits was $13.6 million.

Severance Arrangements

Certain executive officers of the Company are entitled to severance payments and benefits if such executive officer's employment is terminated other than for cause under either individual employment agreements or provisions of national collective agreements for executives of the industry.

The employment agreements with United States-based executive officers (i.e., Messrs. Celadon, Chiara, Gunn, and Spears and Mses. Costa and Montgomery) generally provide for the following benefits upon a termination other than for "cause":

- 18 months of base salary;
- 18 months of short-term incentives ("STI") (based upon a three-year average) and perquisites;
- 18 months tax preparation;
- any accrued but unpaid STI earned for the prior fiscal year;
- a prorated STI for the current fiscal year based on actual performance;
- 18 months of health and welfare benefits continuation; and
- 18 months following termination of employment to exercise vested stock options, unless the options otherwise expire under the original terms and conditions of the award.

In addition, upon the United States executive officer's death or disability, the executive officer will be entitled to the following benefits under the employment agreements:

- 18 months of base salary;
- 18 months of STI compensation (based upon a three-year average) and perquisites;
- 18 months of tax preparation;
- any accrued but unpaid STI earned for the prior fiscal year;
- a prorated STI for the current fiscal year based on actual performance;
- 24 months of health and welfare benefits continuation; and
- 18 months following termination of employment to exercise vested stock options, unless the options otherwise expire under the original terms and conditions of the award.

Upon US-based executive officer's retirement from the Company, these employment agreements also provide for accelerated vesting of a portion of an executive officer's outstanding RSUs and PSUs and an ability to exercise vested options until the expiration date.

The employment agreement with Mr. Bugno requires a six month notice period and provides consideration for non-compete provisions over a 12 month period to be paid monthly over the period in addition to a severance payment upon a termination other than for "cause." Each payment approximates two times Mr. Bugno's base salary.

Pursuant to the terms of the Italian national collective agreement for executives of the industry (Contratto Collettivo Nazionale di Lavoro per i Dirigenti di Aziende produttrici di beni e servizi), Messrs. Sala (30% of employment), Ascoli, and Cairoli are generally entitled, unless ad hoc agreements provide differently, to the following severance payments and benefits upon a termination of employment by Lottomatica other than for "cause," a resignation for "good reason," or due to the executive officer's death or disability:

- severance pay determined under the collective agreement;
- any accrued but unpaid STI earned for the prior fiscal year; and
- a notice indemnity equal to a minimum of six and a maximum of 12 months of total base salary and STI compensation.

Under the Lottomatica service agreement, Mr. Sala's base salary is €244,479 ($300,000) at December 31, 2020 divided into 13 equal gross installments, plus additional benefits, including a company car. Mr. Sala also receives an integrative pension fund in accordance with Italian law.

Mr. Sala also has a service agreement with the Parent (70% of employment), under which Mr. Sala shall be paid a salary of £512,070 ($700,000 as of December 31, 2020) per annum and this salary shall be reviewed by the Board annually, but the Parent is under no obligation to award an increase in salary.

Mr. Sala's service agreement with the Parent (70% of employment) can be terminated by either party on the giving of six months' notice, if not, immediately for cause. Mr. Sala cannot resign without prior approval from the Board. Following termination of employment, for a period of 24 months thereafter, Mr. Sala is subject to certain restrictive covenants, including restrictions on soliciting or providing goods or services to certain customers, employing or enticing away from the group certain persons employed by any group company or being involved with any business in competition with any group company, among others. As consideration for compliance with the post-employment restrictive covenants, Mr. Sala is entitled to a lump sum payment equal to two years' base salary and any STI payments for the two financial years prior to the date of termination.

According to a severance agreement entered into between the Company and Mr. Sala (which supersedes a stability agreement originally entered into on February 20, 2012 between Mr. Sala and legacy GTECH S.p.A. and then assigned to Lottomatica S.p.A. as part of the merger), subject to Mr. Sala continuing to work during his notice period, he is entitled to a severance payment equal to one year's base salary (plus any amounts owed to Mr. Sala) and a pro-rated STI payment as of the date of termination based on the projection of the Company's full year business and financial results. The severance payment is subject to the Company determining that Mr. Sala is a good leaver which includes, but is not limited to, circumstances involving redundancy, permanent incapacity, or retirement with the agreement of the Company. No severance payment will be made if Mr. Sala's employment is terminated for cause.

The table below sets out the payments pursuant to provisions of Mr. Sala's service and severance agreements with the Parent assuming a termination of employment as of December 31, 2020.

	Period	Estimated Value at December 31, 2020 ($) [1]
Severance Provisions		
Base Pay	12-months	1,000,000
STI	Pro-rated at termination date [2]	
Non-Compete Provisions		
Additional Base Pay	Actual base for last 2 years	2,000,000
Projected STI	Actual payout for last 2 years (2018 & 2019)	4,802,550
	Total Value	7,802,550

[1] Excludes impact of FX payments and tax equalization, per Mr. Sala's employment contract, which is calculated as of the payment dates.
[2] The short-term incentive plan was cancelled for the 2020 fiscal year. As of December 31, 2020, the pro-rated amount Mr. Sala would be entitled to is $0.

The Parent will also fully reimburse all executives for business expenses incurred in accordance with Company policy.

In the event of a change in control, the Parent's equity incentive plan provides for full accelerated vesting of all outstanding share options, share appreciation rights and full-value awards (other than performance-based awards), when a replacement award is not provided. In addition, any performance-based award for which a replacement award is not issued will be deemed to be earned and payable with all applicable performance metrics deemed achieved at the greater of: (a) the applicable target level; or (b) the level of achievement as determined by the Compensation Committee not later than the date of the change in control, taking into account performance through the latest date preceding the change in control as to which performance can practically be determined, but in no case, later than the end of the applicable performance period.

C. *Board Practices*

As of February 24, 2021, the Board consists of 11 members. The current directors were elected by shareholder vote on June 25, 2020, other than Marco Sala, who was elected to a term of three years at the Company's annual general meeting in 2018. See "Item 6.A. Directors and Senior Management" above. The term of office of the current Board will expire at the conclusion of the next annual general meeting of the Company. Each director may be re-elected at any subsequent general meeting of shareholders. None of the Parent's directors have service contracts with the Parent (or any subsidiary) providing for benefits upon termination of employment as a director, although Mr. Sala and Mr. Chiara have entered into severance arrangements with the Parent as described in section "Item 6.B. Compensation - Severance Arrangements".

The directors are responsible for the management of the Company's business, for which purpose they may exercise all of the powers of the Parent whether relating to the management of the business or not. As described above in section "Item 6.A. Directors and Senior Management," as of February 24, 2021, the Board is comprised of (i) seven independent directors including James F. McCann, the Vice Chairperson of the Board and Lead Independent Director, and (ii) four non-independent directors including the Parent's CEO, Marco Sala, the Parent's CFO, Massimiliano Chiara, the Board's Chairperson, Lorenzo Pellicioli, and Marco Drago. Messrs. Pellicioli and Drago are the chief executive officer and chairperson of the board, respectively, of De Agostini, the Parent's controlling shareholder. Mr. Sala was appointed to the board of De Agostini on June 27, 2020.

The Board has the following committees: (1) an Audit Committee, (2) a Nominating and Corporate Governance Committee, and (3) a Compensation Committee. The membership of each committee meets the independence and eligibility requirements of the NYSE and applicable law. The members of each committee are appointed by and serve at the discretion of the Board until

such member's successor is duly elected and qualified or until such member's earlier resignation or removal. The chairperson of each committee is appointed by the Board.

The Audit Committee

The Parent's Audit Committee is responsible for, among other things, assisting the Board's oversight of:

- the integrity of the Parent's financial statements;
- the Parent's compliance with legal and regulatory requirements;
- the independent registered public accounting firm's qualifications and independence;
- the performance of the Parent's internal audit function and independent registered public accounting firm; and
- the Parent's internal controls over financial reporting and systems of disclosure controls and procedures.

As of February 24, 2021, the Audit Committee consists of Vincent L. Sadusky (chairperson), Alberto Dessy, and Heather J. McGregor. Each member of the Audit Committee must meet the financial literacy requirement, as such qualification is interpreted by the Board in its business judgment, or must become financially literate within a reasonable period of time after his or her appointment to the Audit Committee. In addition, at least one member of the Audit Committee must have accounting or related financial management expertise, as the Board interprets such qualification in its business judgment. See "Item 16A. Audit Committee Financial Expert" of this annual report on Form 20-F for additional information regarding Audit Committee financial experts.

The Compensation Committee

The purpose of the Compensation Committee is to discharge the responsibilities of the Board relating to compensation of the Parent's executives and directors. The Compensation Committee is responsible for, among other things:

- ensuring that provisions regarding disclosure of information, including pensions, as set out in the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (U.K.), are fulfilled;
- producing a report of the Parent's remuneration policy and practices to be included in the Parent's U.K. annual report and ensure that it is approved by the Board and put to shareholders for approval at the annual general meeting in accordance with the Companies Act 2006;
- reviewing management recommendations and advising management on broad compensation policies such as salary ranges, deferred compensation, incentive programs, pension, and executive stock plans;
- reviewing and approving goals and objectives relevant to the CEO's compensation, evaluating the CEO's performance in light of those goals and objectives, and setting the CEO's compensation level based on this evaluation;
- monitoring issues associated with CEO succession (in non-emergencies) and management development;
- making recommendations to the Board with respect to non-CEO executive officer compensation, incentive compensation plans and equity-based plans that are subject to Board approval;
- reviewing and recommending director compensation;
- creating, modifying, amending, terminating, and monitoring compliance with stock ownership guidelines for executives and directors;
- designing, reviewing and amending the Company's policies relating to anti-harassment and coercion, and providing oversight of the enforcement of such policies by the Company's People & Transformation department;
- evaluating risks associated with the Parent's compensation and benefits policies, plans and programs and discussing with management procedures to identify and mitigate such risks; and
- reviewing, monitoring and making recommendations to the Board on human capital management matters including culture and employee engagement, and diversity, equity and inclusion.

As of February 24, 2021, the Compensation Committee consists of Gianmario Tondato da Ruos (chairperson), Alberto Dessy, and Samantha Ravich.

The Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee is responsible for, among other things:

- recommending to the Board, consistent with criteria approved by the Board, the names of qualified persons to be nominated for election or re-election as directors and the membership and chairperson of each Board committee;
- reviewing each Director's character and integrity prior to appointment and in connection with re-nomination decisions and Board evaluations;
- periodically reviewing the size, composition (including diversity) and leadership of the Board and committees thereof and recommending any proposed changes to the Board;
- reviewing directorships in other public companies held by or offered to directors and senior officers of the Parent with a view to ensuring that such external positions do not have a negative impact on the performance of such director;
- making recommendations to the Board for any changes, amendments, and modifications to the Parent's code of conduct and promptly disclosing any waivers for directors or executive officers, as required by applicable law;
- reviewing and reassessing from time to time the Parent's Corporate Governance Guidelines and recommending any changes to the Board;
- determining, at least annually, the independence of each director under the independence requirements of the NYSE and any other regulatory requirements and report such findings to the Board;
- overseeing, at least annually, the evaluation of the performance of the Board and each Board committee, as well as individual directors where appropriate;
- assisting the Parent in making the periodic disclosures related to the Nominating and Corporate Governance Committee and required by rules issued or enforced by the SEC, the Companies Act 2006 and any other rules and regulations of applicable law;
- making recommendations to the Board concerning CEO emergency succession plans;
- giving due consideration to the Parent's legal obligations in the context of nominations and corporate governance, including any changes in applicable law and to recommendations and associated guidance from advisors, professional bodies, and proxy advisory firms; and
- overseeing management's corporate social responsibility program and giving due consideration to diversity and inclusion, sustainability, environmental and social matters that could impact the Company, the environment or the communities in which the Company operates.

As of February 24, 2021, the Nominating and Corporate Governance Committee consists of Mr. McCann (chairperson), Beatrice Bassey and Samantha Ravich.

The charters for each of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee are available at www.igt.com; information contained thereon, including each committee charter, is not included in, or incorporated by reference into, this annual report on Form 20-F.

Indemnification of Members of the Board

The Parent has committed, to the fullest extent permitted under applicable law, to indemnify and hold harmless (and advance any expenses incurred, provided that the person receiving such advancement undertakes to repay such advances if it is ultimately determined such person was not entitled to indemnification), each of the Parent's and its subsidiaries' present and former directors, officers, and employees against all costs and expenses (including attorneys' fees), judgments, fines, losses, claims, damages, liabilities, and settlement amounts paid in connection with any claim, action, suit, proceeding, or investigation arising out of or related to such person's service as a director, officer, or employee of the Parent or any of its subsidiaries.

D. Employees

As of December 31, 2020, the Company conducted business in more than 100 countries on six continents and had 11,048 employees. The Company believes that its relationship with its employees is generally satisfactory. Most of the Company's employees are not represented by any labor union. However, labor agreements are common in some countries around the world and the Company recognizes such arrangements and works closely with the applicable work councils. Relations with the Company's mid-level employees and production workers in Italy are subject to Italy's national collective bargaining agreement for the metalworks industry. Relations with the Company's executives in Italy are subject to the national collective bargaining agreement for executives in the industry companies producing services (CCNL Dirigenti Industria). During the last four years, the Company has not experienced any strike that significantly influenced its business activities. In the United States, three organizational units, totaling less than 100 employees, have elected representation by third-party union organizations. Collective bargaining agreements are in place with two of the organizational units and the Company is negotiating in good faith a collective bargaining agreement with the third organizational unit.

The Company is operated under two business segments supported by central corporate support functions.

Employees by Segment

	At December 31,		
	2020	**2019**	**2018**
Global Lottery	4,205	4,356	3,764
Global Gaming	5,421	5,981	6,695
Corporate and Other	1,422	1,585	1,641
	11,048	11,922	12,100

On July 1, 2020, the Company adopted a new organizational structure focused on two business segments: Global Lottery and Global Gaming, along with a streamlined corporate support function. The chart above recasts the prior period employee information to conform to the current year presentation.

The chart above includes 15, 131, and 147 interns and temporary employees at December 31, 2020, 2019, and 2018, respectively.

As of December 31, 2020, the proportion of women among permanent employees was 31.46% and 20.33% of employees with the title of vice president or higher were female.

In 2020, 768 employees left the Company voluntarily. The staff voluntary attrition rate was 6.70%, compared to 7.32% in 2019 and 7.88% in 2018. Additionally, 784 employees had their employment involuntarily terminated, 513 of which were workforce reductions.

E. ***Share Ownership***

Executive Stock Ownership Requirements

On July 28, 2015, the Board approved share ownership guidelines for Senior Vice Presidents and above. Below is a summary of the guidelines.

Policy Effective Date:	July 28, 2015
Stock Ownership Guidelines apply to:	Share plans starting in 2015 Any award vesting after the Policy Effective Date Unvested Options as of the Policy Effective Date
Covered Executives:	CEO Business Unit CEOs and Executive Vice Presidents Senior Vice Presidents
Ownership Requirement Multiple of Base Salary:	CEO - 5X Business Unit CEOs and Executive Vice Presidents - 3X Senior Vice Presidents - 1X
Shares Included in Ownership:	All shares beneficially owned regardless of whether they are from a plan of the Parent or purchased on the market Vested shares held in a trust to benefit the executive or family members Shares under the legacy GTECH plans where vesting has been determined (earned) but shares have not been released *Note that Unearned Performance Shares do not count towards the Stock Ownership Guidelines until earned. (i.e., Performance Factor has not been determined/applied)*
Legacy GTECH Holding Requirements:	Holding requirements stated in legacy GTECH Plans are still in effect, in addition to the new Stock Ownership Guidelines
Additional Holding Requirement - Not in Compliance with Stock Ownership Requirements:	50% of after tax options or shares that vest or are exercised after the effective date of the Stock Ownership Guidelines
Additional Holding Requirement - In Compliance with Stock Ownership Requirements:	20% of after tax options or shares that are exercised or vest for a period of 3 years following the exercise or vest date

Director Stock Ownership Requirements

Beginning November 10, 2020 (or five years after joining the Board if such date is subsequent to November 10, 2020), each non-executive director is expected to hold, for as long as they remain on the Board, ordinary shares of the Parent that have a fair market value equal to at least three times the base annual retainer amount then in effect for non-executive directors. The current base annual retainer amount is $100,000.

The following table sets forth information, as of February 24, 2021, regarding the beneficial ownership of the Parent’s ordinary shares, including:

- each member of the Board;
- each executive officer and senior consultant of the Parent; and
- all members of the Board, executive officers, and senior consultant, taken together.

Beneficial ownership is determined under the rules of the SEC and generally includes voting or investment power over securities. Except in cases where community property laws apply or as indicated in the footnotes to this table, the Parent believes that each shareholder identified in the table possesses sole voting and investment power over all ordinary shares of the Parent shown as beneficially owned by that shareholder. Percentage of beneficial ownership is based on approximately 204.9 million ordinary shares of the Parent outstanding as of February 24, 2021.

Name of Beneficial Owner	Number of Ordinary Shares[1]	Number of Ordinary Shares issuable upon vest within 60 days[2]	Percentage[3]
Directors:			
Lorenzo Pellicioli	117,325	—	0.06
James F. McCann	113,029	—	0.06
Beatrice H. Bassey	6,081	—	Less than 0.005
Massimiliano Chiara	—	—	Less than 0.005
Alberto Dessy	41,088	—	0.02
Marco Drago	44,367	—	0.02
Heather J. McGregor	16,936	—	0.01
Dr. Samantha F. Ravich	9,802	—	Less than 0.005
Vincent L. Sadusky	51,035	—	0.02
Marco Sala	1,401,491	35,254	0.70
Gianmario Tondato da Ruos	40,117	—	0.02
Non-Director Executive Officers:			
Renato Ascoli	237,723	15,426	0.12
Walter Bugno	249,915	11,225	0.13
Fabio Cairoli	66,159	9,978	0.04
Fabio Celadon	22,058	2,287	0.01
Dorothy Costa	1,292	457	Less than 0.005
Scott Gunn	8,202	2,702	0.01
Wendy Montgomery	—	—	Less than 0.005
Christopher Spears	2,102	3,215	Less than 0.005
	2,428,722	80,544	1.22

[1] Includes shares issuable upon the exercise of options which are exercisable as of February 24, 2021, the details of which are included in the "Amount Exercisable (Vested)" in the table below.

[2] Represents performance share units expected to vest in the next 60 days, fractional amounts have been rounded down to the nearest whole number. Excludes shares issuable upon the exercise of options.

[3] Any securities not outstanding that are subject to options or conversion privileges exercisable within 60 days of February 24, 2021 are deemed outstanding for the purpose of computing the percentage of outstanding securities of the class owned by any person holding such securities and by all Board members and executive officers as a group, but are not deemed outstanding for the purpose of computing the percentage of the class owned by any other individual person. Except where noted, percentages have been rounded to the nearest hundredth.

The table below sets forth the options on the Parent's ordinary shares granted to Mr. Sala that were outstanding as of February 24, 2021. As of such date, no executive officer other than Mr. Sala held outstanding options. Further, none of the directors held outstanding options, other than Mr. Sala. For each of the option grants listed below, the options are exercisable for ordinary shares of the Parent, and there is no purchase price applicable to the options other than the exercise price indicated below.

Name	Grant Date	Amount of Shares Underlying Grant	Amount Exercisable (Vested)	Amount Unexercisable (Unvested)	Exercise Price	Expiration Date
Marco Sala	November 30, 2015	250,000	250,000	—	$ 15.53	May 17, 2022
	May 15, 2018	172,500	—	172,500	$ 30.12	May 15, 2024

For a further discussion of stock-based employee compensation, please see "Notes to the Consolidated Financial Statements—22. Stock-Based Compensation."

Item 7. Major Shareholders and Related Party Transactions

A. Major Shareholders

At February 24, 2021, the Parent's outstanding capital stock consisted of 204,856,564 ordinary shares having a nominal value of $0.10 per share, 204,856,564 Special Voting Shares of $0.000001 each, and 50,000 sterling non-voting shares of £1.00 each, held by Intertrust Corporate Services (UK) Limited. Each ordinary share carries one vote and each special voting share carries 0.9995 votes.

The following table sets forth information with respect to beneficial ownership of the Parent's ordinary shares by persons known by the Parent to beneficially own 5% or more of voting rights as a result of their ownership of ordinary shares and election to exercise the votes of Special Voting Shares by placing the associated ordinary shares on the Loyalty Register as of February 24, 2021.

Name of Beneficial Owner	Number of Ordinary Shares Owned	Percent of Ordinary Shares Owned	Number of Ordinary Shares on the Loyalty Register	Percent of Total Voting Power
De Agostini S.p.A.	103,422,324	50.49 %	85,422,324	65.05 %
Blackrock, Inc. [1]	11,480,172	5.60 %	—	4.00 %

[1] Information based on Schedule 13G filed with the SEC dated February 2, 2021 by Blackrock, Inc.

At February 24, 2021, B&D Holding S.p.A. ("B&D Holding") owned 61.24% of De Agostini. Marco Drago is the chairperson and a director of B&D Holding, and Lorenzo Pellicioli is a director of B&D Holding. B&D Holding is in turn owned by members of the Boroli and Drago families.

Significant Changes in Ownership

Prior to January 1, 2018, De Agostini's wholly-owned subsidiary, DeA Partecipazioni S.p.A., held 10,073,006 ordinary shares. Effective January 1, 2018, DeA Partecipazioni S.p.A. merged into De Agostini, resulting in the transfer of ownership of 10,073,006 ordinary shares from DeA Partecipazioni S.p.A. to De Agostini.

On May 22, 2018, De Agostini entered into a variable forward transaction (the "Variable Forward Transaction") with Credit Suisse Securities, Sociedad de Valores S.A., as assignee of Credit Suisse International ("Credit Suisse") relating to 18.0 million of the Company's ordinary shares owned by De Agostini (the "Variable Forward Transaction Shares"). As part of the Variable Forward Transaction, to hedge its exposure Credit Suisse or its affiliates borrowed approximately 13.2 million of the Company's ordinary shares from third-party stock lenders and subsequently sold such ordinary shares in an underwritten public offering through Credit Suisse Securities (USA) LLC, acting as the underwriter, pursuant to an automatically effective registration statement on Form F-3 (including a base prospectus) filed by the Company with the SEC on May 21, 2018.

De Agostini elected, effective as of May 25, 2018, to place all its owned ordinary shares, including the Variable Forward Transaction Shares, on the Loyalty Register, thereby gaining the power to exercise the votes of the related Special Voting Shares. In April 2020, De Agostini pledged the Variable Forward Transaction Shares to Credit Suisse as part of the Variable Forward Transaction and as a result removed the Variable Forward Transaction Shares from the Loyalty Register. As of February 24, 2021, no other shareholder has elected to place any ordinary shares on the Loyalty Register. For more information regarding the Special Voting Shares and the Loyalty Register, please see "Item 10.B Memorandum and Articles of Association—Loyalty Plan."

Credit Suisse has, in the event of a De Agostini default or similar enforcement event under the pledge, the right to vote or direct the vote and dispose of or direct the disposition of the Variable Forward Transaction Shares, but not to direct the votes of the related Special Voting Shares unless Credit Suisse subsequently elects to place such shares on the Loyalty Register in accordance with the terms of the Loyalty Plan.

Voting Rights

De Agostini controls the Parent but does not have different voting rights from the Parent's other shareholders, aside from the election to exercise the votes of the Special Voting Shares related to the shares owned by De Agostini. However, through its voting rights, De Agostini has the ability to control the Company and significantly influence the decisions submitted to a vote of the Parent's shareholders, including approval of annual dividends, the election and removal of directors, mergers or other business combinations, the acquisition or disposition of assets, and issuances of equity, and the incurrence of indebtedness.

Additional Share Information

The Parent's ordinary shares are listed and can be traded on the NYSE in U.S. dollars. The Parent's ordinary shares may be held in the following two ways:

- beneficial interests in the Parent's ordinary shares that are traded on the NYSE are held through the book-entry system provided by The Depository Trust Company ("DTC") and are registered in the register of shareholders in the name of Cede & Co., as DTC's nominee; and
- in certificated form

All of the Parent's ordinary shares are held on the U.S. registry. At February 24, 2021, there were 204 record holders in the U.S. holding approximately 49.51% of the Parent's outstanding ordinary shares, including ordinary shares held by Cede & Co., the nominee for DTC. Ordinary shares held through DTC may be beneficially owned by holders within or outside of the U.S. The shares held by De Agostini are beneficially owned by an entity organized under the laws of Italy. At February 24, 2021, there were 204,856,564 Special Voting Shares of the Parent outstanding, which are all held by Computershare Company Nominees Limited in its capacity as the nominee appointed by the Parent to hold the Special Voting Shares under the terms of the Parent's Loyalty Plan.

The Parent's Special Voting Shares are not listed on the NYSE and will be transferable only in very limited circumstances. For more information regarding the Special Voting Shares, please see "Item 10.B Memorandum and Articles of Association—Loyalty Plan."

B. *Related Party Transactions*

The Company engages in business transactions with certain related parties, which include (i) entities and individuals capable of exercising control, joint control, or significant influence over the Company, (ii) De Agostini or entities directly or indirectly controlled by De Agostini and (iii) unconsolidated subsidiaries or joint ventures of the Company. Members of the Parent's Board of Directors, executives with authority for planning, directing, and controlling the activities of the Company and such Directors' and executives' close family members are also considered related parties.

The Company is majority-owned by De Agostini. Amounts receivable from De Agostini and subsidiaries of De Agostini (the "De Agostini Group") are non-interest bearing. Transactions with the De Agostini Group include payments for support services provided and office space rented pursuant to a lease entered into prior to the formation of the Company. In addition, certain of the Company's Italian subsidiaries have a tax unit agreement, and in some cases, a value-added tax agreement, with De Agostini pursuant to which De Agostini consolidates certain Italian subsidiaries of De Agostini for the collection and payment of taxes to the Italian tax authority. Tax-related receivables from De Agostini were $0.0 million and $2.0 million at December 31, 2020 and 2019, respectively. Tax-related payables to De Agostini were $18.7 million and $17.0 million at December 31, 2020 and 2019, respectively.

The Company generally carries out transactions with related parties on commercial terms that are normal in their respective markets, considering the characteristics of the goods or services involved. For a further discussion of transactions with related parties, including transactions with De Agostini and companies in which we have strategic investments that develop software, hardware, and other technologies or provide services supporting the Company's technologies, please see "Notes to the Consolidated Financial Statements - 24**.** Related Party Transactions."

C. *Interests of Experts and Counsel*

Not applicable.

Item 8. Financial Information

A. *Consolidated Statements and Other Financial Information*

See "Item 18. Financial Statements" for the Company's Consolidated Financial Statements including the Notes thereto and report of its independent registered accounting firm. The Company has not yet implemented a formal policy on dividend distributions.

B. *Significant Changes*

No significant changes have occurred since December 31, 2020, the date of the financial statement included in this annual report on Form 20-F.

Item 9. The Offer and Listing

A. *Offer and Listing Details*

The Parent's ordinary shares are listed on the NYSE under the symbol "IGT."

B. *Plan of Distribution*

Not applicable.

C. *Markets*

The Parent's outstanding ordinary shares are listed on the NYSE under the symbol "IGT."

D. *Selling Shareholders*

Not applicable.

E. *Dilution*

Not applicable.

F. *Expenses of the Issue*

Not applicable.

Item 10. Additional Information

A. *Share Capital*

Not applicable.

B. *Memorandum and Articles of Association*

The Parent is a public limited company registered in England and Wales under company number 09127533. Its objects are unrestricted, in line with the default position under the Companies Act 2006, as amended. The following is a summary of certain provisions of the Articles and of the applicable laws of England. The following is a summary and, therefore, does not contain full details of the Articles, which are attached as Exhibit 1.1 to this annual report on Form 20-F.

The Parent's board of directors (the "Board")

Directors' interests

Except as otherwise provided in the Articles, a director may not vote on or be counted in the quorum in relation to a resolution of the directors or committee of the directors concerning a matter in which he has a direct or indirect interest which is, to his knowledge, a material interest (otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Parent), but this prohibition does not apply to any interest arising only because a resolution concerns any of the following matters:

- the giving of a guarantee, security, or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Parent or any of its subsidiary undertakings;

- the giving of a guarantee, security, or indemnity in respect of a debt or obligation of the Parent or any of its subsidiary undertakings for which the director has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;

- a transaction or arrangement concerning an offer of shares, debentures, or other securities of the Parent or any of its subsidiary undertakings for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;

- a transaction or arrangement to which the Parent is or is to be a party concerning another company (including a subsidiary undertaking of the Parent) in which he or any person connected with him is interested (directly or indirectly) whether as an officer, shareholder, creditor, or otherwise (a "relevant company"), if he and any persons connected with him do not to his knowledge hold an interest in shares (as that term is used in Sections 820 to 825 of the CA 2006) representing 1% or more of either any class of the equity share capital (excluding any share of that class held as treasury shares) in the relevant company or of the voting rights available to members of the relevant company;

- a transaction or arrangement for the benefit of the employees of the Parent or any of its subsidiary undertakings (including any pension fund or retirement, death or disability scheme) which does not award him a privilege or benefit not generally awarded to the employees to whom it relates; or

- a transaction or arrangement concerning the purchase or maintenance of any insurance policy for the benefit of directors or for the benefit of persons including directors.

Directors' borrowing powers

The directors may exercise all the powers of the Parent to borrow money and to mortgage or charge all or part of the undertaking, property, and assets (present or future) and uncalled capital of the Parent and, subject to the CA 2006, to issue debentures and other securities, whether outright or as collateral security for a debt, liability, or obligation of the Parent or of a third party.

Directors' shareholding requirements

A director need not hold shares in the Parent to qualify to serve as a director.

Age limit

There is no age limit applicable to directors in the Articles.

Compliance with NYSE Rules

For as long as the Parent's ordinary shares are listed on the NYSE, the Parent will comply with all NYSE corporate governance standards set forth in Section 3 of the NYSE Listed Company Manual applicable to non-controlled domestic U.S. issuers, regardless of whether the Parent is a foreign private issuer.

Classes of shares

The Parent has three classes of shares in issue. This includes ordinary shares of U.S. $0.10 each; Special Voting Shares of U.S. $0.000001 each; and sterling non-voting shares of £1.00 each (the "Sterling Non-Voting Shares").

Dividends and distributions

Subject to the CA 2006, the Parent's shareholders may declare a dividend on the Parent's ordinary shares by ordinary resolution, and the Board may decide to pay an interim dividend to holders of the Parent's ordinary shares in accordance with their respective rights and interests in the Parent, and may fix the time for payment of such dividend. Under English law, dividends may only be paid out of distributable reserves, defined as accumulated realized profits (so far as not previously utilized by distribution or capitalization) less accumulated realized losses (so far as not previously written off in a reduction or reorganization of capital duly made), and not out of share capital, which includes the share premium account.

The Special Voting Shares and Sterling Non-Voting Shares do not entitle their holders to dividends.

If 12 years have passed from the date on which a dividend or other sum from the Parent became due for payment and the distribution recipient has not claimed it, the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Parent.

The Articles also permit a scrip dividend scheme under which the directors may, with the prior authority of an ordinary resolution of the Parent, allot to those holders of a particular class of shares who have elected to receive them further shares of that class or ordinary shares in either case credited as fully paid instead of cash in respect of all or part of a dividend or dividends specified by the resolution.

Voting rights

Subject to any rights or restrictions as to voting attached to any class of shares and subject to disenfranchisement in the event of non-payment of any call or other sum due and payable in respect of any shares not fully paid, the voting rights of shareholders of the Parent in a general meeting are as follows:

1. On a show of hands,

    a. the shareholder of the Parent who (being an individual) is present in person or (being a corporation) is present by a duly authorized corporate representative at a general meeting of the Parent will have one vote; and

    b. every person present who has been appointed by a shareholder as a proxy will have one vote, except where:

        i. that proxy has been appointed by more than one shareholder entitled to vote on the resolution; and

        ii. the proxy has been instructed:

            A. by one or more of those shareholders to vote for the resolution and by one or more of those shareholders to vote against the resolution; or

            B. by one or more of those shareholders to vote in the same way on the resolution (whether for or against) and one or more of those shareholders has permitted the proxy discretion as to how to vote,

    in which case, the proxy has one vote for and one vote against the resolution.

2. On a poll taken at a meeting, every shareholder present and entitled to vote on the resolution has one vote for every ordinary share of the Parent of which he, she, or it is the holder, and 0.9995 votes for every Special Voting Share for which he, she, or it is entitled under the terms of the Parent's loyalty voting structure to direct the exercise of the vote.

Under the Articles, a poll on a resolution may be demanded by the chairperson, the directors, five or more people having the right to vote on the resolution, or a shareholder or shareholders (or their duly appointed proxies) having not less than 10% of either the total voting rights or the total paid up share capital. Once a resolution is declared, such persons may demand the poll both in advance of, and during, a general meeting, either before or immediately after a show of hands on such resolution.

In the case of joint holders, only the vote of the senior holder who votes (or any proxy duly appointed by him) may be counted by the Parent.

The necessary quorum for a general shareholder meeting is the shareholders who together represent at least a majority of the voting rights of all the shareholders entitled to vote at the meeting, present in person or by proxy, save that if the Parent only has one shareholder entitled to attend and vote at the general meeting, one shareholder present in person or by proxy at the meeting and entitled to vote is a quorum.

In case of a meeting requisitioned by the shareholders, where the quorum is not met the meeting is dissolved. In case of other meetings, where the quorum is not met, the meeting is adjourned. If a meeting is adjourned for lack of quorum, the quorum of the adjourned meeting will be one shareholder present in person or by proxy.

The Sterling Non-Voting Shares carry no voting rights (save where required by law).

Winding up

On a return of capital of the Parent on a winding up or otherwise, the holders of the Parent's ordinary shares (and any other shares outstanding at the relevant time which rank equally with such shares) will share equally, on a share for share basis, in the Parent's assets available for distribution, after paying:

- the holders of the Special Voting Shares who will be entitled to receive out of the assets of the Parent available for distribution to its shareholders the sum of, in aggregate, U.S. $1.00 but shall not be entitled to any further participation in the assets of the Parent; and

- the holders of the Sterling Non-Voting Shares who will be entitled to receive out of the assets of the Parent available for distribution to its shareholders the sum of, in aggregate, £1.00 but shall not be entitled to any further participation in the assets of the Parent.

Redemption provisions

The Parent's ordinary shares are not redeemable.

The Special Voting Shares may be redeemed by the Parent for nil consideration in certain circumstances (as set out in the Articles).

The Sterling Non-Voting Shares may be redeemed by the Parent for nil consideration at any time.

Sinking fund provisions

None of the Parent's shares are subject to any sinking fund provision under the Articles or as a matter of English law.

Liability to further calls

No holder of any share in the Parent is liable to make additional contributions of capital in respect of its shares.

Discriminating provisions

There are no provisions discriminating against a shareholder because of his or her ownership of a particular number of shares.

Variation of class rights

The Articles treat the Parent's ordinary shares and the Special Voting Shares as a single class for the purposes of voting. Any special rights attached to any shares in the Parent's capital may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, either while the Parent is a going concern or during or in contemplation of a winding up, with the consent in writing of those entitled to attend and vote at general meetings of the Parent representing 75% of the voting rights attaching to the Parent's ordinary shares and the Special Voting Shares, in aggregate, which may be exercised at such meetings, or with the sanction of 75% of those votes attaching to the Parent's ordinary shares and the Special Voting Shares, in aggregate, cast on a special resolution proposed at a separate general meeting of all those entitled to attend and vote at the Parent's general meetings, but not otherwise. The CA 2006 allows an English company to vary class rights of shares by a resolution of 75% of the shareholders of the class in question.

A resolution to vary any class rights relating to the giving, variation, revocation or renewal of any authority of the directors to allot shares or relating to a reduction of the Parent's capital may only be varied or abrogated in accordance with the CA 2006 but not otherwise.

The rights attached to a class of shares are not, unless otherwise expressly provided for in the rights attaching to those shares, deemed to be varied by the creation, allotment, or issue of further shares ranking *pari passu* with or subsequent to them or by the purchase or redemption by the Parent of its own shares in accordance with the CA 2006.

General meetings and notices

The Board has the power to call a general meeting of shareholders at any time. The Board shall determine whether a general meeting (including an annual general meeting) is to be held as a physical general meeting or an electronic general meeting (or a combination thereof). In addition, the Board must convene such a meeting if it has received requests to do so from shareholders representing at least 5% of the paid-up share capital of the Parent as carries voting rights at general meetings in accordance with Section 303 of the CA 2006.

An annual general meeting must be called by not less than 21 clear days' notice (i.e., excluding the date of receipt or deemed receipt of the notice and the date of the meeting itself). All other general meetings will be called by not less than 14 clear days'

notice. A general meeting may be called by shorter notice if it is agreed to by a majority in number of the shareholders having the right to attend and vote at the meeting, being a majority who together hold not less than 95% in nominal value of the shares giving that right. At least seven clear days' notice is required for any meeting adjourned for 28 days or more or for an indefinite period.

The notice of a general meeting will be given to the shareholders (other than any who, under the provisions of the Articles or the terms of allotment or issue of shares, are not entitled to receive notice), to the Board, to the beneficial owners nominated to enjoy information rights under the CA 2006, and to the auditors. The shareholders entitled to receive notice of and attend a general meeting are those on the share register at the close of business on a day determined by the directors. Under English law, the Parent is required to hold an annual general meeting within six months from the day following the end of its fiscal year and, subject to the foregoing, the meeting may be held at a time and place (whether physical or electronic or a combination thereof) determined by the Board whether within or outside of the U.K.

The notice of general meeting must specify a time (which must not be more than 48 hours, excluding any part of a day that is not a working day, before the time fixed for the meeting) by which a person must be entered on the share register in order to have the right to attend or vote at the meeting. Only such persons or their duly appointed proxies have the right to attend and vote at the meeting of shareholders.

Limitations on rights to own shares

There are no limitations imposed by the Articles or the applicable laws of England on the rights to own shares, including the right of non-residents or foreign persons to hold or vote the Parent's shares, other than limitations that would generally apply to all shareholders.

Change of control

There is no specific provision in the Articles that directly would have an effect of delaying, deferring, or preventing a change in control of the Parent and that would operate only with respect to a merger, acquisition, or corporate restructuring involving the Parent or any of its subsidiaries. However, the loyalty voting structure may make it more difficult for a third party to acquire, or attempt to acquire, control of the Parent. As a result of the loyalty voting structure, it is possible that a relatively large portion of the voting rights of the Parent could be concentrated in a relatively small number of holders who would have significant influence over the Parent. Such shareholders participating in the loyalty voting structure could reduce the likelihood of change of control transactions that may otherwise benefit holders of the Parent's ordinary shares. For a discussion of this risk, see "Item 3. Key Information - D. Risk Factors."

Disclosure of ownership interests in shares

Under the Articles, shareholders must comply with the notification obligations to the Parent contained in Chapter 5 (*Vote Holder and Issuer Notification Rules*) of the Disclosure Guidance and Transparency Rules ("DTR") (including, without limitation, the provisions of DTR 5.1.2) as if the Parent were an issuer whose home member state is in the United Kingdom, save that the obligation arises if the percentage of voting rights reaches, exceeds, or falls below 1% and each one percent threshold thereafter (up or down) up to 100%. In effect, this means that a shareholder must notify the Parent if the percentage of voting rights in the Parent it holds reaches 1% and crosses any one percent threshold thereafter (up or down).

Section 793 of the CA 2006 gives the Parent the power to require persons whom it knows have, or whom it has reasonable cause to believe have, or within the previous three years have had, any ownership interest in any shares of the Parent to disclose specified information regarding those shares. Failure to provide the information requested within the prescribed period (or knowingly or recklessly providing false information) after the date the notice is sent can result in criminal or civil sanctions being imposed against the person in default.

Under the Articles, if any shareholder, or any other person appearing to be interested in the Parent's shares held by such shareholder, fails to give the Parent the information required by a Section 793 notice, then the Board may withdraw voting rights and place restrictions on the rights to receive dividends, and transfer of such shares (including any shares allotted or issued after the date of the Section 793 notice in respect of those shares).

Changes in share capital

The Articles authorize the Company to allot (with or without conferring rights of renunciation), issue, grant options over or otherwise deal with or dispose of shares in the capital of the Company and to grant rights to subscribe for, or to convert any security into, shares in the capital of the Company to such persons, at such times and upon such terms as the directors may decide, provided that no share may be issued at a discount. Pursuant to a shareholder resolution passed on June 25, 2020, for a period expiring (unless previously revoked, varied or renewed) at the end of the next annual general meeting of the Company or, if sooner, on September 24, 2021, directors are authorized to:

(i) allot ordinary shares in the Parent, or to grant rights to subscribe for or to convert or exchange any security into shares in the Parent, up to an aggregate nominal amount (i.e., par value) of U.S. $6,824,827.70 and up to a further aggregate nominal amount of $6,824,827.70 where the allotment is in connection with an offer by way of a rights issue;

(ii) allot Special Voting Shares and to grant rights to subscribe for, or to convert any security into, Special Voting Shares, up to a maximum aggregate nominal amount of $136.50; and

(iii) exclude pre-emption rights: first, in relation to offers of equity securities by way of rights issue; second, in relation to the allotment of equity securities for cash up to an aggregate nominal amount (i.e., par value) of U.S. $1,023,724.20; and third, in relation to an acquisition or other capital investment up to an aggregate nominal amount (i.e., par value) of U.S. $1,023,724.20.

These provisions are more restrictive than required under English law which does not prescribe a limit for the maximum amounts for allotment of shares or exclusion of pre-emption rights.

Pursuant to a shareholder resolution passed on June 25, 2020, for a period expiring (unless previously revoked, varied or renewed) at the end of the next annual general meeting of the Company or, if sooner, on December 24, 2021, the Parent is authorized to purchase its own ordinary shares on the terms of the share repurchase contracts approved by the shareholders, provided that:

(i) the maximum aggregate number of the Parent’s ordinary shares authorized to be purchased equals 20,474,483, representing 10% of the total issued ordinary shares;

(ii) the minimum price (exclusive of expenses) which may be paid by the Company for each ordinary share shall be U.S. $0.10; and

(iii) the maximum price (exclusive of expenses) which may be paid to purchase an ordinary share of the Parent is 105% of the average market value of an ordinary share for the five business days prior to the day the purchase is made (subject to any further price restrictions contained in any share repurchase contract).

These provisions are more restrictive than required under English law which does not prescribe a limit for the maximum aggregate number or price paid for an "off market" repurchase of shares.

Loyalty Plan

Scope

The Parent has implemented a Loyalty Plan, the purpose of which is to reward long-term ownership of the Parent’s ordinary shares and promote stability of the Parent’s shareholder base by granting long-term shareholders, subject to certain terms and conditions, with the equivalent of 1.9995 votes for each ordinary share that they hold. The Loyalty Plan is governed by the provisions of the Articles and the Loyalty Plan Terms and Conditions from time to time adopted by the Board, a copy of which is available on the Company’s website, together with some Frequently Asked Questions.

Characteristics of Special Voting Shares

Each Special Voting Share carries 0.9995 votes. The Special Voting Shares and ordinary shares will be treated as if they are a single class of shares and not divided into separate classes for voting purposes (save upon a resolution in respect of any proposed termination of the Loyalty Plan).

The Special Voting Shares have only minimal economic entitlements. Such economic entitlements are designed to comply with English law but are immaterial for investors.

Issue

The number of Special Voting Shares on issue equals the number of ordinary shares on issue. A nominee appointed by the Parent (the "Nominee"), which is currently Computershare Company Nominees Limited, holds the Special Voting Shares on behalf of the shareholders of the Parent as a whole, and will exercise the voting rights attached to those shares in accordance with the Articles.

Participation in the Loyalty Plan

In order to become entitled to elect to participate in the Loyalty Plan, a person must maintain ownership in accordance with the Loyalty Plan for a continuous period of three years or more (an "Eligible Person").

An Eligible Person within the Loyalty Plan Terms and Conditions may elect to participate in the Loyalty Plan by submitting a validly completed and signed election form (the "Election Form") and, if applicable, the requisite custodial documentation, to the Parent's designated agent (the "Agent"). The Election Form is available on the Company's website. Upon receipt of a valid Election Form and, if applicable, custodial documentation, the Agent will register the relevant ordinary shares on a separate register (the "Loyalty Register"). In order for an Eligible Person's ordinary shares to remain on the Loyalty Register, they may not be sold, disposed of, transferred, pledged or subjected to any lien, fixed or floating charge or other encumbrance, except in very limited circumstances.

Voting arrangements

The Nominee will exercise the votes attaching to the Special Voting Shares held by it from time to time at a general meeting or a class meeting: (a) in respect of any Special Voting Shares associated with ordinary shares held by an Eligible Person, in the same manner as the Eligible Person exercises the votes attaching to those IGT PLC ordinary shares; and (b) in respect of all other Special Voting Shares, in the same percentage as the outcome of the vote of any general meeting (taking into account any votes exercised pursuant to (a) above).

The proxy or voting instruction form in respect of an Eligible Person's ordinary shares will contain an instruction and authorization in favor of the Nominee to exercise the votes attaching to the Special Voting Shares associated with those ordinary shares in the same manner as that Eligible Person exercises the votes attaching to those ordinary shares.

Transfer or withdrawal

If, at any time and for any reason, one or more ordinary shares are de-registered from the Loyalty Register, or any ordinary shares held by an Eligible Person on the Loyalty Register are sold, disposed of, transferred (other than with the benefit of a waiver in respect of certain permitted transfers), pledged or subjected to any lien, fixed or floating charge or other encumbrance, the Special Voting Shares associated with those ordinary shares will cease to confer on the Eligible Person any voting rights (or any other rights) in connection with those Special Voting Shares and such person will cease to be an Eligible Person in respect of those Special Voting Shares.

A shareholder may request the de-registration of their ordinary shares from the Loyalty Register at any time by submitting a validly completed Withdrawal Form to the Agent. The Agent will release the ordinary shares from the Loyalty Register within three business days thereafter. Upon de-registration from the Loyalty Register, such ordinary shares will be freely transferable. From the date on which the Withdrawal Form is processed by the Agent, the relevant shareholder will be considered to have waived their rights in respect of the relevant Special Voting Shares.

Termination of the Plan

The Loyalty Plan may be terminated at any time with immediate effect by a resolution passed on a poll taken at a general meeting with the approval of members representing 75% or more of the total voting rights attaching to the ordinary shares of members who, being entitled to vote on that resolution, do so in person or by proxy. For the avoidance of doubt, the votes attaching to the Special Voting Shares will not be exercisable upon such resolution.

Upon termination of the Loyalty Plan, the directors may elect to redeem or repurchase the Special Voting Shares from the Nominee for nil consideration or cancel them, or convert the Special Voting Share into deferred shares carrying no voting rights and no economic rights (or any other rights), save that on a return of capital or a winding up, the holder of the deferred shares shall be entitled to, in aggregate, $1.00.

Transfer

The Special Voting Shares may not be transferred, except in exceptional circumstances, e.g., for transfers between Loyalty Plan nominees.

Repurchase or redemption

Special Voting Shares may only be purchased or redeemed by the Parent in limited circumstances, including to reduce the number of Special Voting Shares held by the Nominee in order to align the aggregate number of ordinary shares and Special Voting Shares in issue from time to time or upon termination of the Loyalty Plan. Special Voting Shares may be redeemed or repurchased for nil consideration.

C. *Material Contracts*

Share Sale and Purchase Agreement with Gamenet Group S.p.A.

On December 7, 2020, the Parent's wholly-owned subsidiary, Lottomatica, entered into a share sale and purchase agreement with Gamenet Group S.p.A. Pursuant to the share sale and purchase agreement, and subject to the terms and conditions therein, Lottomatica has agreed to sell 100% of the share capital of Lottomatica Videolot Rete S.p.A. and Lottomatica Scommesse S.r.l., the members of the IGT group which conduct its Italian B2C gaming machine, sports betting, and digital gaming businesses, to Gamenet Group S.p.A, a subsidiary of funds managed by an affiliate of Apollo Global Management, Inc. (together with its subsidiaries, "Apollo") for a sale price of €950 million, with €725 million to be paid at closing and deferred payments of €125 million and €100 million payable on December 31, 2021 and September 30, 2022, respectively. The sale price is subject to certain adjustments specified in the agreement. The deferred payments are not subject to any conditions other than closing and are secured by an equity commitment letter from Apollo-managed funds. The transaction is expected to close in the first half of 2021, and is subject to customary closing conditions, including regulatory approvals.

Observer Agreement with De Agostini

On May 16, 2018, the Parent's directors approved the observer agreement (the "Observer Agreement") between De Agostini and the Company permitting De Agostini to appoint an observer to attend meetings of the Parent's directors. On November 12, 2019, the Observer Agreement was renewed for a two-year term and Paolo Ceretti, a former director of the Parent, acknowledged and agreed to his renewed appointment by De Agostini as an observer pursuant to the terms of the Observer Agreement. Unless renewed, the Observer Agreement is set to expire following the meeting of the Parent's directors at which the financial results for the third quarter of 2021 are reviewed.

Agreements Related to the Italian Lotto License

In March 2016, the Parent, through its subsidiary Lottomatica, Italian Gaming Holding a.s., Arianna 2001, and Novomatic Italia (the "Consortium") entered into a consortium agreement (the "Consortium Agreement") to bid on the Italian Gioco del Lotto license (the "Lotto License"). On May 16, 2016, the Consortium was awarded management of the Lotto License for a nine-year term. Under the terms of the Consortium Agreement, Lottomatica is the principal operating partner to fulfill the requirements of the Lotto License. According to the bid procedure and Consortium Agreement, a joint venture company called Lottoitalia s.r.l ("Lottoitalia") has been established with Lottomatica having 61.5% equity ownership interest, and the remainder of the equity ownership shared among the other three Consortium members. For a further discussion of the Consortium Agreement's terms, please see "Notes to the Consolidated Financial Statements—20. Variable Interest Entities."

Italian Scratch & Win License

In December 2017, the Parent, through its subsidiary Lotterie Nazionali S.r.l. ("LN") accepted a contract extension of nine years for the Italian Scratch & Win license. The Italian Scratch & Win license is managed exclusively by LN, a joint venture owned 64% by Lottomatica, with Scientific Games Corporation (20%), Arianna 2001 (15%), and Servizi in Rete S.p.A. (1%) as minority shareholders.

Related Party Agreements

For a discussion of the Company's related party transactions, including additional transactions with De Agostini, please see "Notes to the Consolidated Financial Statements—24. Related Party Transactions."

Compensation Arrangements

For a description of compensation arrangements with the Parent's directors and executive officers, please see "Item 6. Directors, Senior Management, and Employees — B. Compensation."

Financing

For a description of the Company's outstanding financing agreements, please see section "Item 5.B. Liquidity and Capital Resources."

D. *Exchange Controls*

Other than applicable taxation, anti-money laundering, and counter-terrorist financing law and regulations and certain economic sanctions which may be in force from time to time, there are currently no English laws or regulations, or any provision of the Articles, which would prevent the transfer of capital or remittance of dividends, interest, and other payments to holders of the Parent's securities who are not residents of the U.K. on a general basis.

E. *Taxation*

Material United States Federal Income Tax Considerations

This section summarizes certain material U.S. federal income tax considerations regarding the ownership and disposition of the Parent's ordinary shares by a U.S. holder (as defined below). This summary is based on U.S. federal income tax law, including the Internal Revenue Code of 1986, as amended (the "Code"), the Treasury regulations promulgated thereunder, administrative guidance and court decisions in effect on the date hereof, all of which are subject to change, possibly with retroactive effect, and to differing interpretations. No ruling from the Internal Revenue Service (the "IRS") has been sought with respect to any U.S. federal income tax considerations described below, and there can be no assurance that the IRS or a court will not take a contrary position. The discussion assumes that the Parent's shareholders hold their ordinary shares, as "capital assets" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion further assumes that all items or transactions identified as debt will be respected as such for U.S. federal income tax purposes.

This summary does not constitute tax advice and does not address all aspects of U.S. federal income taxation that may be relevant to the Parent's shareholders in light of their personal circumstances, including any tax consequences arising under the tax on certain investment income pursuant to the Health Care and Education Reconciliation Act of 2010 or arising under the U.S. Foreign Account Tax Compliance Act, (or any Treasury regulations or administrative guidance promulgated thereunder, any intergovernmental agreement entered into in connection therewith or any non-U.S. laws, rules or directives implementing or relating to any of the foregoing), or to shareholders subject to special treatment under the Code, including (but not limited to):

- banks, thrifts, mutual funds, and other financial institutions;
- regulated investment companies;
- real estate investment trusts;
- traders in securities that elect to apply a mark-to-market method of accounting;
- broker-dealers;
- tax-exempt organizations and pension funds;
- U.S. holders that own (directly, indirectly, or constructively) 10% or more of the Company's stock (by vote or value);
- insurance companies;
- dealers or brokers in securities or foreign currency;
- individual retirement and other deferred accounts;
- U.S. holders whose functional currency is not the U.S. dollar;
- U.S. expatriates;
- "passive foreign investment companies" or "controlled foreign corporations";
- persons subject to the alternative minimum tax;
- U.S. holders that hold their shares as part of a straddle, hedging, conversion constructive sale or other risk reduction transaction;
- partnerships or other entities or other arrangements treated as partnerships for U.S. federal income tax purposes and their partners and investors; and
- U.S. holders that received their shares through the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan.

This discussion does not address any non-income tax considerations or any state, local or non-U.S tax consequences. For purposes of this discussion, a "U.S. holder" means a beneficial owner of the Parent's ordinary shares that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in the United States or under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source; or
- a trust if (1) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (2) the trust has a valid election in effect to be treated as a U.S. person for U.S. federal income tax purposes.

This discussion does not purport to be a comprehensive analysis or description of all potential U.S. federal income tax considerations. Each of the Parent's shareholders is urged to consult with such shareholder's tax advisor with respect to the particular tax consequences of the ownership and disposition of the Parent's ordinary shares to such shareholder.

If a partnership, including for this purpose any entity or arrangement that is treated as a partnership for U.S. federal income tax purposes, holds the Parent's ordinary shares, the tax treatment of a partner therein will generally depend upon the status of such partner, the activities of the partnership and certain determinations made at the partner level. Any such holder that is a partnership and the partners in such partnership should consult their tax advisors about the U.S. federal income tax consequences of the ownership and disposition of their ordinary shares.

Ownership and Disposition of the Parent's Ordinary Shares

The following discusses certain material U.S. federal income tax consequences of the ownership and disposition of the Parent's ordinary shares by U.S. holders and assumes that the Parent will be a resident exclusively of the U.K. for all tax purposes.

Taxation of Distributions

Subject to the discussion below under "Passive Foreign Investment Company Considerations," the gross amount of distributions with respect to the Parent's ordinary shares (including the amount of any non-U.S. withholding taxes) will be taxable as dividends, to the extent that they are paid out of the Parent's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Such dividends will be includable in a U.S. holder's gross income as ordinary dividend income on the day actually or constructively received by the U.S. holder. Such dividends will not be eligible for the dividends-received deduction allowed to corporations under the Code.

The gross amount of the dividends paid by the Parent to non-corporate U.S. holders may be eligible to be taxed at reduced rates of U.S. federal income tax applicable to "qualified dividend income." Recipients of dividends from non-U.S. corporations will be taxed at this rate, provided that certain holding period requirements are satisfied and certain other requirements are met, if the dividends are received from "qualified foreign corporations," which generally include corporations eligible for the benefits of an income tax treaty with the United States that the U.S. Secretary of the Treasury determines is satisfactory and includes an information exchange program. The U.S. Department of the Treasury and the IRS have determined that the U.K.- U.S. Income Tax Treaty is satisfactory for these purposes and the Parent believes that it is eligible for benefits under such treaty. Dividends paid with respect to stock of a foreign corporation which stock is readily tradable on an established securities market in the United States will also be treated as having been received from a "qualified foreign corporation." The U.S. Department of the Treasury and the IRS have determined that common stock is considered readily tradable on an established securities market if it is listed on an established securities market in the United States, such as the NYSE.

Non-corporate U.S. holders that do not meet a minimum holding period requirement during which they are not protected from the risk of loss, or that elect to treat the dividend income as "investment income" pursuant to Section 163(d)(4) of the Code, will not be eligible for the reduced rates of taxation regardless of the Parent's status as a qualified foreign corporation. In addition, even if the minimum holding period requirement has been met, the rate reduction will not apply to dividends if the recipient of a dividend is obligated to make related payments with respect to positions in substantially similar or related property. Each U.S. holder should consult its own tax advisors regarding the application of these rules given its particular circumstances.

To the extent that the amount of any distribution exceeds the Parent's current and accumulated earnings and profits for a taxable year, as determined under U.S. federal income tax principles, the excess will first be treated as a tax-free return of capital to the

extent of each U.S. holder's adjusted tax basis in the Parent's ordinary shares and will reduce such U.S. holder's basis accordingly. The balance of the excess, if any, will be taxed as capital gain, which would be long-term capital gain if the holder has held the Parent's ordinary shares for more than one year at the time the distribution is received. Long-term capital gain of certain non-corporate U.S. holders, including individuals, is generally taxed at reduced rates. The deduction of capital losses is subject to limitations.

The amount of any distribution paid in foreign currency will be the U.S. dollar value of the foreign currency distributed by the Parent, calculated by reference to the exchange rate in effect on the date the distribution is includable in the U.S. holder's income, regardless of whether the payment is in fact converted into U.S. dollars on the date of receipt. Generally, a U.S. holder would not recognize any foreign currency gain or loss if the foreign currency is converted into U.S. dollars on the date the payment is received. However, any gain or loss resulting from currency exchange fluctuations during the period from the date the U.S. holder includes the distribution payment in income to the date such U.S. holder actually converts the payment into U.S. dollars will generally be treated as ordinary income or loss.

Sale, Exchange, or Other Taxable Disposition

Subject to the discussion below under "Passive Foreign Investment Company Considerations," a U.S. holder will generally recognize taxable gain or loss on the sale, exchange or other taxable disposition of the Parent's ordinary shares in an amount equal to the difference, if any, between the amount realized on the sale, exchange, or other taxable disposition and the U.S. holder's tax basis in such Parent's ordinary shares. Such gain or loss generally will be capital gain or loss and will be long-term capital gain or loss if the ordinary shares have been held for more than one year. Long-term capital gain of certain non-corporate U.S. holders, including individuals, is generally taxed at reduced rates. The deduction of capital losses is subject to limitations.

Passive Foreign Investment Company Considerations

A Passive Foreign Investment Company ("PFIC") is any foreign corporation if, after the application of certain "look-through" rules, (a) at least 75% of its gross income is "passive income" as that term is defined in the relevant provisions of the Code, or (b) at least 50% of the average value of its assets produces "passive income" or is held for the production of "passive income." The determination as to PFIC status is a fact-intensive determination that includes ascertaining the fair market value (or, in certain circumstances, tax basis) of all the Parent's assets on a quarterly basis and the character of each item of income, and cannot be completed until the close of a taxable year. If a U.S. holder is treated as owning PFIC stock, such U.S. holder will be subject to special rules generally intended to reduce or eliminate the benefit of the deferral of U.S. federal income tax that results from investing in a foreign corporation that does not distribute all of its earnings on a current basis. These rules may adversely affect the tax treatment to a U.S. holder of distributions paid by the Parent and of sales, exchanges, and other dispositions of the Parent's ordinary shares, and may result in other adverse U.S. federal income tax consequences.

The Parent believes that the ordinary shares should not be treated as shares of a PFIC in the current taxable year, and the Parent does not expect that it will become a PFIC in the future. However, there can be no assurance that the IRS will not successfully challenge this position or that the Parent will not become a PFIC at some future time as a result of changes in the Parent's assets, income, or business operations.

Each U.S. holder is urged to consult its tax advisor concerning the U.S. federal income tax consequences of acquiring, owning or disposing of the Parent's ordinary shares if the Parent is or becomes classified as a PFIC, including the possibility of making a mark-to-market election. The remainder of the discussion below assumes that the Parent is not a PFIC, has not been a PFIC and will not become a PFIC in the future.

Information Reporting

U.S. individuals and certain entities with interests in "specified foreign financial assets" (including, among other assets, the Parent's ordinary shares, unless such shares were held on such U.S. holder's behalf through certain financial institutions) with values in excess of certain thresholds are required to file an information report with the IRS. Taxpayers that fail to file the information report when required are subject to penalties. U.S. holders should consult their own tax advisors as to the possible obligation to file such information reports in light of their particular circumstances.

Special Voting Shares

NO STATUTORY, JUDICIAL OR ADMINISTRATIVE AUTHORITY DIRECTLY DISCUSSES HOW THE RECEIPT, OWNERSHIP, OR LOSS OF ENTITLEMENT TO INSTRUCT THE NOMINEE ON HOW TO VOTE IN RESPECT OF SPECIAL VOTING SHARES SHOULD BE TREATED FOR U.S. FEDERAL INCOME TAX PURPOSES AND AS A RESULT, THE U.S. FEDERAL INCOME TAX CONSEQUENCES THEREOF ARE UNCERTAIN. ACCORDINGLY, U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE RECEIPT, OWNERSHIP, AND LOSS OF ENTITLEMENT TO INSTRUCT THE NOMINEE ON HOW TO VOTE IN RESPECT OF SPECIAL VOTING SHARES.

While the tax consequences of the receipt, ownership and loss of entitlement to instruct the nominee on how to vote in respect of Special Voting Shares are unclear, such receipt, ownership and loss is not expected to constitute a separate transaction from ownership of the ordinary shares for U.S. federal income tax purposes. As such, neither the receipt of the Special Voting Shares nor the loss of entitlement to instruct the nominee on how to vote the Special Voting Shares is expected to give rise to a taxable event for U.S. federal income tax purposes.

Material U.K. Tax Considerations

The following summary is intended to apply only as a general guide to certain U.K. tax considerations, and is based on current U.K. tax law and current published practice of Her Majesty's Revenue and Customs ("HMRC"), both of which are subject to change at any time, possibly with retrospective effect. They relate only to certain limited aspects of the U.K. taxation treatment of investors who are resident and, in the case of individuals, domiciled or deemed domiciled in (and only in) the U.K. for U.K. tax purposes (except to the extent that the position of non-U.K. resident shareholders is expressly referred to), who will hold the Parent's ordinary shares as investments (other than under an individual savings account or a self-invested personal pension) and who are the absolute beneficial owners of the Parent's ordinary shares. The statements may not apply to certain classes of investors such as (but not limited to) persons acquiring their ordinary shares in connection with an office or employment, dealers in securities, insurance companies, and collective investment schemes.

Any shareholder or potential investor should obtain advice from his or her own investment or taxation advisor.

Dividends

The Parent will not be required to withhold U.K. tax at the source from dividend payments it makes.

U.K. resident individual shareholders

All dividends received by an individual shareholder from the Parent or from other sources will form part of that shareholder's total income for income tax purposes and will constitute the top slice of that income. For the tax year 2020/ 2021, the extent that the dividends they receive (whether from the Parent or other companies) exceed the tax free dividend allowance (£2,000 for the tax year 2020/2021, they are taxed on such dividends at either 7.5% (to the extent shareholders are liable to tax only at the basic rate), 32.5% (to the extent shareholders are liable to pay tax at the higher rate) or 38.1% (to the extent shareholders are liable to pay tax at the additional rate).

U.K. resident corporate shareholders

A corporate shareholder resident in the U.K. for tax purposes which is a "small company" for the purposes of Chapter 2 of Part 9A of the Corporation Tax Act 2009 will not be subject to U.K. corporation tax on any dividend received from the Parent provided that certain conditions are met (including an anti-avoidance condition).

Other corporate shareholders resident in the U.K. for tax purposes will not be subject to U.K. corporation tax on any dividend received from the Parent so long as the dividends fall within an exempt class and certain conditions are met. For example, (1) dividends paid on shares that are not redeemable and do not carry any present or future preferential rights to dividends or to a company's assets on its winding up, and (2) dividends paid to a person holding less than a 10% interest in the Parent should generally fall within an exempt class. However, the exemptions mentioned above are not comprehensive and are subject to anti-avoidance rules.
If the conditions for exemption are not met or cease to be satisfied, if anti-avoidance provisions apply or if such a corporate shareholder elects an otherwise exempt dividend to be taxable, the shareholder will be subject to U.K. corporation tax on dividends received from the Parent, at the rate of corporation tax applicable to that corporate shareholder (currently 19.00% for the tax year 2020/2021).

Non-U.K. resident shareholders

A shareholder resident outside the U.K. for tax purposes and who holds the Parent's ordinary shares as investments will not generally be liable to tax in the U.K. on any dividend received from the Parent unless he or she carries on (whether solely or in partnership) a trade, profession or vocation in the United Kingdom through a branch or agency to which the ordinary shares are attributable. There are certain exceptions for trading in the United Kingdom through independent agents, such as some brokers and investment managers.

A non-U.K. resident shareholder may also be subject to taxation on dividend income under local law. A shareholder who is not solely resident in the U.K. for tax purposes should consult his or her own tax advisors concerning his or her tax liabilities (in the U.K. and any other country) on dividends received from the Parent, whether he or she is entitled to claim any part of the tax credit and, if so, the procedure for doing so, and whether any double taxation relief is due in any country in which he or she is subject to tax.

Taxation of Capital Gains

Disposal of the Parent's Ordinary Shares

A disposal or deemed disposal of the Parent's ordinary shares by a shareholder who is resident in the U.K. for tax purposes may, depending upon the shareholder's circumstances and subject to any available exemptions and reliefs (such as the annual exempt amount for individuals), give rise to a chargeable gain or an allowable loss for the purposes of U.K. taxation of capital gains.

If an individual shareholder who is subject to income tax at either the higher or the additional rate becomes liable to U.K. capital gains tax on the disposal of the Parent's ordinary shares, the applicable rate (for the tax year 2020/2021) will be either 10% or 20%, respectively (save in some limited circumstances).

If a corporate shareholder becomes liable to U.K. corporation tax on the disposal (or deemed disposal) of ordinary shares, the main rate of U.K. corporation tax (at a rate of 19% for the tax year 2020/2021) would apply, subject to any exemptions, reliefs and/or allowable losses. A shareholder which is not resident in the U.K. for tax purposes should not normally be liable to U.K. taxation on chargeable gains on a disposal or deemed disposal of the Parent's ordinary shares unless the person is carrying on (whether solely or in a partnership) a trade, profession or vocation in the U.K. through a branch or agency (or, in the case of a corporate holder of ordinary shares, through a permanent establishment) to which the ordinary shares are attributable. However, an individual shareholder who has ceased to be resident in the U.K. for the purposes of a double taxation treaty for a period of less than five years and who disposes of the Parent's ordinary shares during that period of temporary non-residence may be liable on his return to the U.K. (or upon ceasing to be regarded as resident outside the U.K. for purposes of double taxation relief) to U.K. taxation on any capital gain realized (subject to any available exemption or relief).

Inheritance Tax

The Parent's ordinary shares will be assets situated in the U.K. for the purposes of U.K. inheritance tax. A gift or settlement of such assets by, or on the death of, an individual holder of such assets may (subject to certain exemptions and reliefs and depending upon the shareholder's circumstances) give rise to a liability to U.K. inheritance tax even if the holder is not a resident of or domiciled in the U.K. for tax purposes. For inheritance tax purposes, a transfer of assets at less than market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit.

A charge to inheritance tax may arise in certain circumstances where the Parent's ordinary shares are held by close companies and by trustees of settlements. Shareholders should consult an appropriate tax advisor as to any inheritance tax implications if they intend to make a gift or transfer at less than market value or intend to hold the Parent's ordinary shares through a close company or trust arrangement.

Shareholders and/or potential investors who are in any doubt as to their tax position, or who are subject to tax in any jurisdiction other than the U.K., should consult a suitable professional advisor.

F. *Dividends and Paying Agents*

Not applicable.

G. *Statement of Experts*

Not applicable.

H. *Documents on Display*

The Parent files reports, including annual reports on Form 20-F, furnishes current reports on Form 6-K and discloses other information with the SEC pursuant to the rules and regulations of the SEC that apply to foreign private issuers. These may be accessed by visiting the SEC's website at www.sec.gov.

I. *Subsidiary Information*

Not applicable

Item 11. Quantitative and Qualitative Disclosures About Market Risk

The Company's activities expose it to a variety of market risks including interest rate risk and foreign currency exchange rate risk. The Company's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its performance through ongoing operational and finance activities. The Company monitors and manages its exposure to such risks both centrally and at the local level, as appropriate, as part of its overall risk management program with the objective of seeking to reduce the potential adverse effects of such risks on its results of operations and financial position.

Depending upon the risk assessment, the Company uses selected derivative hedging instruments, including principally interest rate swaps and foreign currency forward contracts, for the purposes of managing interest rate risk and currency risks arising from its operations and sources of financing. The Company's policy is not to enter into such contracts for speculative purposes.

The following section provides qualitative and quantitative disclosures on the effects that these risks may have. The quantitative data reported below does not have any predictive value and does not reflect the complexity of the markets or reactions which may result from any changes that are assumed to have taken place.

Interest Rate Risk

Indebtedness

The Company's exposure to changes in market interest rates relates primarily to its cash and financial liabilities which bear floating interest rates. The Company's policy is to manage interest cost using a mix of fixed and variable rate debt. The Company has historically used various techniques to mitigate the risks associated with future changes in interest rates, including entering into interest rate swap and treasury rate lock agreements.

At December 31, 2020 and 2019, approximately 23% and 24% of the Company's net debt portfolio was exposed to interest rate fluctuations, respectively. The Company's exposure to floating rates of interest primarily relates to the Euro Term Loan Facility due January 2023 and Revolving Credit Facilities due July 2024. At December 31, 2019, the Company held $625.0 million (notional amount) in interest rate swaps that effectively convert $625.0 million of the 6.250% Senior Secured U.S. Dollar Notes due February 2022 from fixed interest rate debt to variable rate debt. At December 31, 2020, the Company held $425.0 million (notional amount) in interest rate swaps that were no longer designated as hedging relationships and the fair value of the swaps is recognized in interest expense with no corresponding offset to debt.

A hypothetical 10 basis points increase in interest rates for 2020 and 2019, with all other variables held constant, would have resulted in lower income from continuing operations before provision for income taxes of approximately $1.9 million and $2.0 million, respectively.

Costs to Fund Jackpot Liabilities

Fluctuations in prime, treasury, and agency rates due to changes in market and other economic conditions directly impact the Company's cost to fund jackpots and corresponding gaming operating income. If interest rates decline, jackpot cost increases and operating income decreases. The Company estimates a hypothetical decline of one percentage point in applicable interest rates would have reduced operating income by approximately $7.3 million and $5.6 million in 2020 and 2019, respectively. The Company does not manage this exposure with derivative financial instruments.

Foreign Currency Exchange Rate Risk

The Company operates on an international basis across a number of geographical locations. The Company is exposed to (i) transactional foreign exchange risk when an entity enters into transactions in a currency other than its functional currency, and (ii) translation foreign exchange risk which arises when the Company translates the financial statements of its foreign entities into U.S. dollars for the preparation of the consolidated financial statements.

Transactional Risk

The Company's subsidiaries generally execute their operating activities in their respective functional currencies. In circumstances where the Company enters into transactions in a currency other than the functional currency of the relevant entity, the Company seeks to minimize its exposure by (i) sharing risk with its customers (for example, in limited circumstances, but whenever possible, the Company negotiates clauses into its contracts that allows for price adjustments should a material change in foreign exchange rates occur), (ii) creating a natural hedge by netting receipts and payments, (iii) utilizing foreign currency borrowings, and (iv) where applicable, by entering into foreign currency forward and option contracts.

The principal foreign currency to which the Company is exposed is the euro. A hypothetical 10% decrease in the U.S. dollar to euro exchange rate, with all other variables held constant, would have resulted in lower income from continuing operations before provision for income taxes of approximately $363.3 million and $331.2 million for 2020 and 2019, respectively.

From time to time, the Company enters into foreign currency forward and option contracts to reduce the exposure associated with certain firm commitments, variable service revenues, and certain assets and liabilities denominated in foreign currencies. These contracts generally have average maturities of 12 months or less, and are regularly renewed to provide continuing coverage throughout the year. It is the Company's policy to negotiate the terms of the hedge derivatives to match the terms of the hedged item to maximize hedge effectiveness.

At December 31, 2020, the Company had forward contracts for the sale of approximately $169.6 million of foreign currency (primarily South African rand, Canadian dollars, Australian dollars, and British pounds) and the purchase of approximately $187.3 million of foreign currency (primarily euro and Polish zlotys).

At December 31, 2019, the Company had forward contracts for the sale of approximately $187.6 million of foreign currency (primarily Colombian peso, Canadian dollars, South African rand, and Australian dollars) and the purchase of approximately $419.2 million of foreign currency (primarily euro and Canadian dollars).

Translation Risk

Certain of the Company's subsidiaries are located in countries that are outside of the United States, in particular the Eurozone. As the Company's reporting currency is the U.S. dollar, the income statements of those entities are converted into U.S. dollars using the average exchange rate for the period, and while revenues and costs are unchanged in local currency, changes in exchange rates may lead to effects on the converted balances of revenues, costs, and the result in U.S. dollars. The monetary assets and liabilities of consolidated entities that have a reporting currency other than the U.S. dollar are translated into U.S. dollars at the period-end foreign exchange rate. The effects of these changes in foreign exchange rates are recognized directly in the consolidated statements of shareholders' equity within accumulated other comprehensive income.

The Company's foreign currency exposure primarily arises from changes between the U.S. dollar and the euro. A hypothetical 10% decrease in the U.S. dollar to euro exchange rate, with all other variables held constant, would have reduced equity by $118.3 million and $120.4 million for 2020 and 2019, respectively.

Item 12. Description of Securities Other than Equity Securities

Not applicable.

PART II

Item 13. Defaults, Dividends, Arrearages, and Delinquencies

None.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

See the description of the Loyalty Plan in "Item 10. Additional Information—B. Memorandum and Articles of Association—Loyalty Plan."

Item 15. Controls and Procedures

Disclosure Controls and Procedures

The Company's management maintains disclosure controls and procedures that are designed to provide reasonable assurance that information required to be disclosed in the Company's reports that it files or submits under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized, and reported within time periods specified in the Commission's rules and forms, and that such information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. In designing and evaluating its disclosure controls and procedures, the Company recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, as the Company's are designed to do.

As required by Rule 13a-15(b) under the Exchange Act, an evaluation of the effectiveness of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of December 31, 2020 was conducted under the supervision and with the participation of its management including its Chief Executive Officer and Chief Financial Officer. Based on this evaluation, its Chief Executive Officer and Chief Financial Officer concluded that its disclosure controls and procedures were effective as of December 31, 2020 at a reasonable assurance level.

Management's Report on Internal Control over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined by Rules 13a-15(f) and 15d-15(f) under the Exchange Act).

The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

The Company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded, as necessary, to permit preparation of financial statements in accordance with generally accepted accounting principles; and that receipts and expenditures of the Company are made only in accordance with authorizations of the Company's management and directors; and
- provide reasonable assurance that unauthorized acquisition, use or disposition of the Company's assets, that could have a material effect on the financial statements, would be prevented or detected on a timely basis.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Company's management assessed the effectiveness of internal control over financial reporting as of December 31, 2020 based upon the framework presented in *Internal Control-Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management concluded that the Company's internal control over financial reporting was effective as of December 31, 2020.

The Company's independent registered public accounting firm, PricewaterhouseCoopers LLP, has audited the effectiveness of the Company's internal control over financial reporting as of December 31, 2020 as stated in their report appearing in "Report of Independent Registered Public Accounting Firm" included in "Item 18. Financial Statements."

Changes in Internal Control over Financial Reporting

There have been no changes in internal control over financial reporting during the year ended December 31, 2020 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 16A. Audit Committee Financial Expert

The Parent's Board of Directors has determined that Vincent L. Sadusky, chairperson of the Audit Committee, is an audit committee financial expert. He is an independent director under the NYSE standards.

Item 16B. Code of Ethics

The Company has adopted a Code of Ethics for Principal Executive Officer and Senior Financial Officers which is applicable to its principal executive officer, principal financial officer, the principal accounting officer and controller, and any persons performing similar functions. The Code of Ethics was most recently amended in November 2020 to expressly permit persons reporting violations of the code to bring instances of retaliation, harassment or retribution to the attention of the Audit Committee, in addition to the Board of Directors. This code of ethics is posted on its website, www.igt.com, and may be found as follows: from the main page, first click on "Explore IGT" and then on "Investor Relations" and then on "Management and Governance" and then on "Documents." The information contained on the Company's website is not included in, or incorporated by reference into, this annual report on Form 20-F.

Item 16C. Principal Accountant Fees and Services

PricewaterhouseCoopers LLP ("PwC US") has been serving as the Company's independent auditor since 2015.

Aggregate fees for professional services and other services rendered by PwC US and its foreign entities belonging to the PwC network in 2020 and 2019 were as follows:

	For the year ended December 31,	
($ thousands)	**2020**	**2019**
Audit fees	10,929	11,090
Audit-related fees	357	660
Tax fees	335	1,294
All other fees	112	147
	11,733	13,191

- Audit fees consist of professional services performed in connection with the annual financial statements.
- Tax fees consist of professional services for tax planning and compliance.
- Audit-related fees consist of assurance and related services that are reasonably related to the performance of the audit or review of the financial statements and agreed upon procedures for certain financial statement areas.
- All other fees, other than those reported above, mainly consist of services in relation to intellectual property royalty audits, compliance-related services, and access to online accounting research software applications.

Audit Committee's Pre-Approval Policies and Procedures

The Audit Committee pre-approves engagements of the Company's independent registered public accounting firm to audit the Company's consolidated financial statements. The Audit Committee has a policy requiring management to obtain the Audit Committee's approval before engaging the Company's independent registered public accounting firm to provide any other audit or permitted non-audit services to the Company or its subsidiaries. Pursuant to this policy, which is designed to ensure that such engagements do not impair the independence of the Company's independent registered public accounting firm, the Audit Committee reviews and pre-approves, if appropriate, specific audit and non-audit services in the categories audit services, tax services, audit-related services, and any other services that may be performed by the Company's independent registered public accounting firm.

Item 16D. Exemptions from the Listing Standards for Audit Committees

None.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The Company currently has neither purchased any common shares of the Company nor announced any share buyback plans. The Company has the authority to repurchase, subject to a maximum repurchase price, a maximum of 20,474,483 ordinary shares of the Company. This authority will expire at the end of next year's annual general meeting, or, if sooner, on December 24, 2021.

Item 16F. Change in Registrant's Certifying Accountant

None.

Item 16G. Corporate Governance

The Parent is a public limited company incorporated under the laws of England and Wales and qualifies as a foreign private issuer under the rules and regulations of the SEC and the listing standards of the NYSE. In accordance with the NYSE listing rules related to corporate governance, listed companies that are foreign private issuers are permitted to follow home-country practice in some circumstances in lieu of the provisions of the corporate governance rules contained in Section 303A of the NYSE Listed Company Manual that are otherwise applicable to listed companies. However, for as long as the Parent's ordinary shares are listed on the NYSE, the Company will comply with all NYSE corporate governance standards set forth in Section 3 of the NYSE Listed Company Manual applicable to non-controlled domestic U.S. issuers, regardless of whether the Company is a foreign private issuer.

Item 16H. Mine Safety Disclosure

Not applicable.

PART III

Item 17. Financial Statements

Not applicable.

Item 18. Financial Statements

The audited Consolidated Financial Statements as required under Item 18 are attached hereto starting on page F-1 of this annual report on Form 20-F.

Item 19. Exhibits

A list of exhibits included as part of this annual report on Form 20-F is set forth in the Index to Exhibits immediately following this Item 19.

INDEX TO EXHIBITS

Exhibit	Description
1.1	Articles of Association of International Game Technology PLC, adopted June 25, 2020 (incorporated herein by reference to Exhibit 99.2 of the Company's Form 6-K furnished to the SEC on June 29, 2020).
	There have not been filed as exhibits to this Form 20-F certain long-term debt instruments, none of which relates to indebtedness that exceeds 10% of the consolidated assets of International Game Technology PLC. International Game Technology PLC agrees to furnish the Securities and Exchange Commission, upon its request, a copy of any instrument defining the rights of holders of long-term debt of International Game Technology PLC and its consolidated subsidiaries.
2.1	International Game Technology PLC Loyalty Plan Terms and Conditions, adopted April 7, 2015, and amended December 24, 2017 and March 7, 2018 (incorporated herein by reference to Exhibit 2.1 of the Company's Form 20-F filed with the SEC on March 15, 2018).
2.2	Senior Facilities Agreement dated November 4, 2014, as amended April 2, 2015, October 28, 2015, June 26, 2016, July 31, 2017, December 17, 2018, July 24, 2019 and May 7, 2020 for the US$1,050,000,000 and €625,000,000 multicurrency revolving credit facilities among International Game Technology PLC (as successor to GTECH S.p.A.), as the Parent and a Borrower; GTECH Corporation, as a Borrower; J.P. Morgan Limited and Mediobanca — Banca di Credito Finanziario S.p.A., as the Global Coordinators, Bookrunners, and Mandated Lead Arrangers; the entities listed in Part III of Schedule I thereto, as the Bookrunners and Mandated Lead Arrangers, the entities listed in Part IV of Schedule I thereto, as the Mandated Lead Arrangers; the entities listed in Part V of Schedule I thereto, as the Arrangers, the financial institutions listed in Part IIA of Schedule I thereto, as the Original Lenders; The Royal Bank of Scotland plc, as the Agent; The Royal Bank of Scotland plc, as the Issuing Agent; KeyBank National Association, as the Swingline Agent; and the financial institutions listed in Part IIB of Schedule I thereto, as the Original US Dollar Swingline Lenders (incorporated herein by reference to Exhibit 99.3 of the Company's Form 6-K furnished to the SEC on May 13, 2020).
2.3	Senior Facility Agreement dated July 25, 2017, as amended December 18, 2018, July 18, 2019 and May 8, 2020 for the €1,500,000,000 term loan facility among International Game Technology PLC, as the Borrower; Bank of America Merrill Lynch International Limited and Mediobanca - Banca di Credito Finanziario S.p.A. as Global Coordinators, Bookrunners, and Mandated Lead Arrangers; BNP Paribas, Italian Branch, Banca IMI S.p.A., and UniCredit Bank AG, Milan Branch, as Bookrunners and Mandated Lead Arrangers; Barclays Bank PLC, Credit Agricole Corporate & Investment Bank, Milan Branch, ING Bank N.V. - Milan Branch, National Westminster Bank PLC, Socgen Inversiones Financiers S.A.U., The Bank of Nova Scotia, and Credit Suisse AG, Milan Branch as Mandated Lead Arrangers; Mediobanca - Banca di Credito Finanziario S.p.A., as the Agent; and others (incorporated herein by reference to Exhibit 99.5 of the Company's Form 6-K furnished to the SEC on May 13, 2020).
2.4	Indenture dated as of April 7, 2015 among International Game Technology PLC, as the Issuer; certain subsidiaries of International Game Technology PLC, as the Initial Guarantors; BNY Mellon Corporate Trustee Services Limited, as Trustee; The Royal Bank of Scotland plc, as Security Agent; The Bank of New York Mellon, London Branch, as Euro Paying Agent and Transfer Agent; The Bank of New York Mellon, as Dollar Paying Agent and Dollar Registrar; and The Bank of New York Mellon (Luxembourg) S.A., as Euro Registrar, with respect to $600,000,000 5.625% Senior Secured Notes due February 15, 2020, $1,500,000,000 6.250% Senior Secured Notes due February 15, 2022, $1,100,000,000 6.500% Senior Secured Notes due February 15, 2025, €700,000,000 4.125% Senior Secured Notes due February 15, 2020 and €850,000,000 4.750% Senior Secured Notes due February 15, 2023 (incorporated herein by reference to Exhibit 4.8 to the Current Report on Form 8-K filed by International Game Technology on April 10, 2015).
2.5	Indenture dated as of June 15, 2009 between International Game Technology, as the Company, and Wells Fargo Bank, National Association, as the Trustee (Senior Debt Securities) (incorporated herein by reference to Exhibit 4.1 to the Current Report on Form 8-K filed by International Game Technology on June 15, 2009, Commission file number 001-36906).
2.6	Third Supplemental Indenture dated as of September 19, 2013 between International Game Technology, as the Company, and Wells Fargo Bank, National Association, as the Trustee (Creating a Series of Securities Designated 5.350% Notes due 2023) (incorporated herein by reference to Exhibit 4.2 to the Current Report on Form 8-K filed by International Game Technology on September 19, 2013).

Exhibit	Description
2.7	Amendment No. 1 dated as of April 7, 2015 among International Game Technology, as the Company; Wells Fargo Bank, National Association, as the Trustee; and The Royal Bank of Scotland plc, as the Security Agent, to the Indenture dated as of June 15, 2009, as supplemented by the Third Supplemental Indenture dated as of September 19, 2013 (incorporated herein by reference to Exhibit 4.3 to the Current Report on Form 8-K filed by International Game Technology on April 10, 2015).
2.8	Amendment No. 2 dated as of April 22, 2015 among International Game Technology, as the Company; International Game Technology PLC and certain subsidiaries of International Game Technology PLC, as the Guarantors; and Wells Fargo Bank, National Association, as the Trustee, to the Indenture dated as of June 15, 2009, as supplemented by the Third Supplemental Indenture dated as of September 19, 2013 (incorporated herein by reference to Exhibit 4.27 of the Company's Annual Report on Form 20-F filed by International Game Technology PLC on May 15, 2015).
2.9	Amendment No. 3 dated as of April 23, 2015 between International Game Technology, as the Company; and Wells Fargo Bank, National Association, as the Trustee, to the Indenture dated as of June 15, 2009, as supplemented by the Third Supplemental Indenture dated as of September 19, 2013 (incorporated herein by reference to Exhibit 4.29 of the Company's Annual Report on Form 20-F filed by International Game Technology PLC on May 15, 2015).
2.10	Observer Agreement with an effective date of November 12, 2019, between the Company and De Agostini S.p.A. (incorporated herein by reference to Exhibit 2.15 to the Company's Annual Report on Form 20-F filed by International Game Technology PLC on March 3, 2020).
2.11	Indenture dated as of June 27, 2018 among International Game Technology PLC, as Issuer; certain subsidiaries of International Game Technology PLC, as Guarantors; BNY Mellon Corporate Trustee Services Limited, as Trustee; The Bank of New York Mellon, London Branch, as Paying Agent and Transfer Agent; the Bank of New York Mellon SA/NV, Luxembourg Branch, as Registrar; and NatWest Markets Plc, as Security Agent with respect to €500,000,000 3.500% Senior Secured Notes due 2024 (incorporated herein by reference to Exhibit 2.16 of the Company's Annual Report on Form 20-F filed by International Game Technology PLC on March 3, 2020).
2.12	First Supplemental Indenture dated as of February 20, 2019, among International Game Technology PLC, as Issuer, BNY Mellon Corporate Trustee Services Limited, as Trustee, and NatWest Markets Plc, as Security Agent, to the Indenture dated as of June 27, 2018 (incorporated herein by reference to Exhibit 2.17 of the Company's Annual Report on Form 20-F filed by International Game Technology PLC on March 3, 2020).
2.13	Indenture dated as of September 26, 2018 among International Game Technology PLC, as Issuer; certain subsidiaries of International Game Technology PLC, as Guarantors; BNY Mellon Corporate Trustee Services Limited, as Trustee; The Bank of New York Mellon, London Branch, as Paying Agent and Transfer Agent; the Bank of New York Mellon SA/NV, Luxembourg Branch, as Registrar; and NatWest Markets Plc, as Security Agent with respect to $750,000,000 6.250% Senior Secured Notes due 2027 (incorporated herein by reference to Exhibit 2.18 of the Company's Annual Report on Form 20-F filed by International Game Technology PLC on March 3, 2020).
2.14	Underwriting Agreement, dated as of May 22, 2018, by and among International Game Technology PLC, International Game Technology, De Agostini S.p.A., Credit Suisse Securities (USA) LLC and Credit Suisse International (incorporated herein by reference to Exhibit 1.1 to the Company's Form 6-K furnished to the SEC on May 25, 2018).
2.15	Indenture dated as of June 20, 2019 between International Game Technology PLC, as the Issuer, and BNY Mellon Corporate Trustee Services Limited, as the Trustee (incorporated herein by reference to Exhibit 2.20 to the Company's Annual Report on Form 20-F filed by International Game Technology PLC on March 3, 2020).
2.16	Indenture dated as of September 16, 2019 between International Game Technology PLC, as the Issuer, and BNY Mellon Corporate Trustee Services Limited, as the Trustee (incorporated herein by reference to Exhibit 2.21 to the Company's Annual Report on Form-20-F filed by International Game Technology PLC on March 3, 2020).

Exhibit	Description
2.17	Indenture dated as of June 19, 2020 among International Game Technology PLC, as the Issuer, the Guarantors named therein, BNY Mellon Corporate Trustee Services Limited, as Trustee, The Bank of New York Mellon, London Branch as paying agent, The Bank of New York Mellon SA/NV, Luxembourg Branch, as registrar and transfer agent and NatWest Markets Plc as security agent.
4.1	Video Lottery Concession for the activation and operation of the network for managing legalized gaming machines—including amusement with prize machines "AWP" and (video lottery terminals) "VLT" between Amministrazione Autonoma dei Monopoli di Stato (now known as Agenzia delle Dogane e dei Monopoli) and Lottomatica Videolot Rete S.p.A. issued March 20, 2013 expiring March 19, 2022 (incorporated herein by reference to Exhibit 10.9 to the Registration Statement on Form F-4 filed by International Game Technology PLC (f/k/a Georgia Worldwide PLC) on January 2, 2015).
4.2	Description of the registrant's securities registered pursuant to Section 12 of the Exchange Act.
4.3	GTECH 2014-2020 Stock Option Plan (incorporated herein by reference to Exhibit 99.6 to the Post-Effective Amendment No. 1 on Form S-8 to Form F-4 filed by International Game Technology PLC on April 6, 2015).
4.4	GTECH 2014-2018 Share Allocation Plan (incorporated herein by reference to Exhibit 99.10 to the Post-Effective Amendment No. 1 on Form S-8 to Form F-4 filed by International Game Technology PLC on April 6, 2015).
4.5	International Game Technology PLC 2015 Equity Incentive Plan, as amended (incorporated herein by reference to Exhibit 1.1 of the Company's Annual Report on Form 20-F filed by International Game Technology PLC on April 29, 2016).
4.6	The Lotto Concession for the activation and operation of the network for the national lotto game between the Agenzia delle Dogane e dei Monopoli and Lottoitalia S.r.l., issued April 14, 2016, expiring November 30, 2025 (incorporated herein by reference to Exhibit 4.20 of the Company's Annual Report on Form 20-F filed by International Game Technology PLC on April 20, 2017).
4.7	Instant Ticket Concession for the operation of the national instant ticket lottery games between the Amministrazione Autonoma dei Monopoli di Stato (now known as Agenzia delle Dogane e dei Monopoli) and Lotterie Nazionali S.r.l., issued and effective from October 1, 2010, expiring September 30, 2019, extended to September 2028 (incorporated herein by reference to Exhibit 4.9 of the Company's Annual Report on Form 20-F filed by International Game Technology PLC on March 15, 2018).
4.8	Share Sale and Purchase Agreement relating to the sale and acquisition of Lottomatica Videolot Rete S.p.A. and Lottomatica Scommesse S.r.l., dated as of December 6, 2020, among Lottomatica Holding S.r.l. as the Seller, International Game Technology PLC as the Guarantor and Gamenet Group S.p.A. as the Buyer.
8.1	List of Subsidiaries of the Registrant
12.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer
12.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer
13.1	Certification of the Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
13.2	Certification of the Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
15.1	Consent of PricewaterhouseCoopers LLP
101.INS	Inline XBRL Instance Document

Exhibit	Description
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and has duly caused and authorized the undersigned to sign this annual report on its behalf.

INTERNATIONAL GAME TECHNOLOGY PLC

/s/ MASSIMILIANO CHIARA
Name: Massimiliano Chiara
Title: Chief Financial Officer

Dated: March 2, 2021

ITEM 18. FINANCIAL STATEMENTS

INTERNATIONAL GAME TECHNOLOGY PLC

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of International Game Technology PLC

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of International Game Technology PLC and its subsidiaries (the "Company") as of December 31, 2020 and 2019, and the related consolidated statements of operations, of comprehensive (loss) income, of shareholders' equity and of cash flows for each of the three years in the period ended December 31, 2020, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

Changes in Accounting Principles

As discussed in Notes 2 and 11 to the consolidated financial statements, the Company changed the manner in which it accounts for revenue from contracts with customers in 2018 and the manner in which it accounts for leases in 2019.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 15. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Goodwill Impairment Assessments - Global Gaming and Former NAGI and International Reporting Units

As described in Notes 2 and 13 to the consolidated financial statements, the Company's consolidated goodwill balance was $4,713 million as of December 31, 2020. Goodwill is tested for impairment annually, in the fourth quarter, or whenever events or changes in circumstances indicate the carrying amount may not be recoverable. The goodwill impairment test compares the fair value of a reporting unit with its carrying amount and an impairment loss is recognized for the amount by which the carrying amount exceeds the reporting unit's fair value. In performing the goodwill impairment test, management estimates the fair value of the reporting units using an income approach based on projected discounted cash flows. During the first quarter of 2020, management determined there was an interim goodwill impairment triggering event caused by COVID-19. Management recorded a $296 million impairment loss, of which $193 million and $103 million was recorded within the former International and North America Gaming and Interactive ("NAGI") reporting units, respectively, to reduce the carrying amount of the reporting units to fair value. On July 1, the Company adopted a new organizational structure focused on two business segments: Global Lottery and Global Gaming. This resulted in a change of the Company's reporting units. As a result of the change in reporting units, at July 1, 2020, management allocated goodwill to the new reporting units using a relative fair value approach. The goodwill allocated to the Global Gaming reporting unit was $2,209 million. As disclosed by management, estimating the fair value of reporting units requires management to use judgment in making estimates and making forecasts that are based on a number of factors including forecasted revenue, forecasted operating profits, terminal growth rates, and weighted-average costs of capital.

The principal considerations for our determination that performing procedures relating to the goodwill impairment assessments for Global Gaming and the former NAGI and International reporting units is a critical audit matter are (i) the significant judgment by management when developing the fair value measurement of the reporting units; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to forecasted revenue, forecasted operating profits, terminal growth rates and weighted-average costs of capital; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's goodwill impairment assessments, including controls over the valuation of the Global Gaming and former NAGI and International reporting units. These procedures also included, among others, (i) testing management's process for developing the fair value estimates; (ii) evaluating the appropriateness of the income approach; (iii) testing the completeness and accuracy of underlying data used in the income approach; and (iv) evaluating the significant assumptions used by management related to forecasted revenue, forecasted operating profits, terminal growth rates and weighted-average costs of capital. Evaluating management's assumptions related to forecasted revenue, forecasted operating profits, and terminal growth rates involved evaluating whether the assumptions used by management were reasonable considering (i) the current and past performance of the reporting units, (ii) the consistency with external market and industry data, and (iii) whether these assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in the evaluation of the Company's income approach and the weighted-average costs of capital assumption.

Revenue Recognition – Identifying and Evaluating Contractual Terms and Conditions

As described in Notes 2 and 4 to the consolidated financial statements, the Company generated service and product revenues of $2,640 million and $476 million, respectively, for the year ended December 31, 2020. The Company often enters into contracts with customers that consist of a combination of services and products that are accounted for as one or more distinct performance obligations. As disclosed by management, judgment is applied in identifying and evaluating the contractual terms and conditions that impact the identification of performance obligations and the pattern of revenue recognition.

The principal considerations for our determination that performing procedures relating to revenue recognition, specifically identifying and evaluating contractual terms and conditions, is a critical audit matter are the significant judgment by management in identifying and evaluating contractual terms and conditions that impact the identification of performance obligations and the pattern of revenue recognition, which in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate whether terms and conditions in contracts were appropriately identified and evaluated by management.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to revenue recognition, including controls related to the identification and evaluation of contractual terms and conditions impacting the identification of performance obligations and the pattern of revenue recognition. These procedures also included, among others, (i) evaluating and testing management's process for identifying performance obligations and assessing the pattern of revenue recognition, and (ii) evaluating, on a test basis, the completeness and accuracy of the contractual terms and conditions identified in contracts with customers.

Assets Held for Sale - Goodwill Allocation to Discontinued Operations

As described in Notes 2 and 3 to the consolidated financial statements, during the fourth quarter of fiscal 2020, the Company announced that its wholly-owned subsidiary, Lottomatica, had entered into a definitive agreement to sell one hundred percent of the share capital of Lottomatica Videolot Rete S.p.A. and Lottomatica Scommesse S.r.l., the members of the IGT group which conduct its Italian business-to-consumer ("B2C") gaming machine, sports betting, and digital gaming businesses, to Gamenet Group S.p.A. Management determined that the sale met the criteria to be reported as a discontinued operation and, as a result, the Italian Gaming B2C historical financial results are reflected in the Company's consolidated financial statements as a discontinued operation, and assets and liabilities were retrospectively reclassified as assets and liabilities held for sale for all periods presented. The Company's assets held for sale as part of discontinued operations were $833 million as of December 31, 2020. Management allocated $520 million of goodwill to discontinued operations using a relative fair value approach. Prior to the allocation to discontinued operations, the goodwill was included within the Global Gaming reporting unit. As disclosed by management, estimating the fair value of reporting units requires the Company's management to use its judgment in making estimates and making forecasts that are based on a number of factors including forecasted revenue, forecasted operating profits, terminal growth rates, and weighted-average costs of capital.

The principal considerations for our determination that performing procedures relating to the allocation of goodwill to assets held for sale within discontinued operations is a critical audit matter are (i) the significant judgment by management when developing the fair value measurement of the Global Gaming reporting unit; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to forecasted revenue, forecasted operating profits, terminal growth rates and weighted-average costs of capital; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's goodwill allocation to discontinued operations, including controls over the valuation of the Company's Global Gaming reporting unit. These procedures also included, among others, (i) testing management's process for developing the fair value estimate; (ii) evaluating the appropriateness of the income approach; (iii) testing the completeness and accuracy of underlying data used in the income approach; and (iv) evaluating the significant assumptions used by management related to forecasted revenue, forecasted operating profits, terminal growth rates and weighted-average costs of capital. Evaluating management's assumptions related to forecasted revenue, forecasted operating profits, and terminal growth rates involved evaluating whether the assumptions used by management were reasonable considering (i) the current and past performance of the Global Gaming reporting unit, (ii) the consistency with external market and industry data, and (iii) whether these assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in the evaluation of the Company's income approach and the weighted-average costs of capital assumption.

/s/ PricewaterhouseCoopers LLP
Boston, Massachusetts
March 2, 2021

We have served as the Company's auditor since 2015.

International Game Technology PLC
Consolidated Balance Sheets
($ thousands, except par value and number of shares)

	Notes	December 31, 2020	December 31, 2019
Assets			
Current assets:			
Cash and cash equivalents		907,015	654,628
Restricted cash and cash equivalents		199,246	220,962
Trade and other receivables, net	5	846,128	875,263
Inventories	6	169,207	161,790
Other current assets	7	479,649	513,015
Assets held for sale	3	838,840	208,379
Total current assets		3,440,085	2,634,037
Systems, equipment and other assets related to contracts, net	10	1,068,121	1,205,592
Property, plant and equipment, net	10	131,602	146,055
Operating lease right-of-use assets	11	288,196	296,751
Goodwill	13	4,713,489	4,931,235
Intangible assets, net	14	1,577,354	1,749,614
Other non-current assets	7	1,773,641	1,917,751
Assets held for sale	3	—	763,555
Total non-current assets		9,552,403	11,010,553
Total assets		12,992,488	13,644,590
Liabilities and shareholders' equity			
Current liabilities:			
Accounts payable		1,126,043	1,059,033
Current portion of long-term debt	16	392,672	462,155
Short-term borrowings	16	480	3,193
Other current liabilities	15	846,273	758,818
Liabilities held for sale	3	249,573	185,152
Total current liabilities		2,615,041	2,468,351
Long-term debt, less current portion	16	7,857,086	7,600,169
Deferred income taxes	17	333,010	393,040
Operating lease liabilities	11	266,227	272,350
Other non-current liabilities	15	359,961	395,866
Liabilities held for sale	3	—	29,836
Total non-current liabilities		8,816,284	8,691,261
Total liabilities		11,431,325	11,159,612
Commitments and contingencies	18		
Shareholders' equity			
Common stock, par value $0.10 per share; 204,856,564 and 204,435,333 shares issued and outstanding at December 31, 2020 and 2019, respectively		20,485	20,443
Additional paid-in capital		2,346,921	2,395,532
Retained deficit		(1,920,484)	(1,020,238)
Accumulated other comprehensive income	19	329,815	262,525
Total IGT PLC's shareholders' equity		776,737	1,658,262
Non-controlling interests		784,426	826,716
Total shareholders' equity		1,561,163	2,484,978
Total liabilities and shareholders' equity		12,992,488	13,644,590

The accompanying notes are an integral part of these consolidated financial statements.

International Game Technology PLC
Consolidated Statements of Operations
($ and shares in thousands, except per share amounts)

	Notes	For the year ended December 31, 2020	2019	2018
Service revenue	4, 21	2,639,558	3,100,868	3,195,930
Product sales	4, 21	475,898	930,889	784,942
Total revenue	4, 21	3,115,456	4,031,757	3,980,872
Cost of services		1,633,899	1,777,225	1,772,224
Cost of product sales		345,800	558,011	491,030
Selling, general and administrative		706,895	849,620	845,503
Research and development		190,948	266,241	263,279
Restructuring	12	45,045	24,855	14,781
Goodwill impairment	13	296,000	99,000	118,000
Other operating expense (income), net		4,334	(21,111)	2,458
Total operating expenses		3,222,921	3,553,841	3,507,275
Operating (loss) income	21	(107,465)	477,916	473,597
Interest expense, net	16	(397,916)	(410,875)	(417,383)
Foreign exchange (loss) gain, net		(308,898)	39,874	129,086
Other (expense) income, net		(33,428)	21,092	(51,432)
Total non-operating expenses		(740,242)	(349,909)	(339,729)
(Loss) income from continuing operations before provision for income taxes	17	(847,707)	128,007	133,868
Provision for income taxes	17	27,698	130,757	144,164
Loss from continuing operations		(875,405)	(2,750)	(10,296)
Income from discontinued operations, net of tax	3	36,681	114,408	124,943
Net (loss) income		(838,724)	111,658	114,647
Less: Net income attributable to non-controlling interests from continuing operations		63,926	126,144	108,758
Less: Redeemable non-controlling interests in income from continuing operations		—	—	20,326
Less: Net (loss) income attributable to non-controlling interests from discontinued operations	3	(4,760)	4,539	6,913
Net loss attributable to IGT PLC		(897,890)	(19,025)	(21,350)
Net loss from continuing operations attributable to IGT PLC per common share - basic and diluted	23	(4.59)	(0.63)	(0.68)
Net loss attributable to IGT PLC per common share - basic and diluted	23	(4.39)	(0.09)	(0.10)
Weighted-average shares - basic and diluted	23	204,725	204,373	204,083

The accompanying notes are an integral part of these consolidated financial statements.

International Game Technology PLC
Consolidated Statements of Comprehensive (Loss) Income
($ thousands)

	Notes	For the year ended December 31, 2020	2019	2018
Net (loss) income		(838,724)	111,658	114,647
Foreign currency translation adjustments, net of tax	19	127,551	(16,527)	(90,784)
Unrealized loss on hedges, net of tax	19	(537)	(1,451)	(1,531)
Unrealized (loss) gain on other, net of tax	19	(269)	3,060	(5,008)
Other comprehensive income (loss), net of tax	19	126,745	(14,918)	(97,323)
Comprehensive (loss) income		(711,979)	96,740	17,324
Less: Comprehensive income attributable to non-controlling interests		118,621	114,777	96,980
Less: Comprehensive income attributable to redeemable non-controlling interests		—	—	20,326
Comprehensive loss attributable to IGT PLC		(830,600)	(18,037)	(99,982)

The accompanying notes are an integral part of these consolidated financial statements.

International Game Technology PLC
Consolidated Statements of Cash Flows
($ thousands)

	Notes	For the year ended December 31, 2020	2019	2018
Cash flows from operating activities				
Net (loss) income		(838,724)	111,658	114,647
Less: Income from discontinued operations, net of tax		36,681	114,408	124,943
Adjustments to reconcile net (loss) income from continuing operations to net cash provided by (used in) operating activities from continuing operations:				
Depreciation		354,854	385,987	383,591
Foreign exchange loss (gain), net		308,898	(39,874)	(129,086)
Goodwill impairment	13	296,000	99,000	118,000
Amortization		211,340	227,956	223,902
Amortization of upfront license fees		210,432	205,739	217,341
Loss on extinguishment of debt		28,265	11,964	54,423
Debt issuance cost amortization		21,327	22,436	22,042
Gain on sale of assets		(27)	(64,714)	(318)
Stock-based compensation	22	(6,877)	26,514	33,086
Deferred income taxes		(78,207)	(68,293)	(34,494)
Other non-cash items, net		(1,675)	18,942	29,027
Changes in operating assets and liabilities, excluding the effects of dispositions and acquisitions:				
Trade and other receivables		73,578	(49,267)	(72,133)
Inventories		16,628	84,472	12,556
Accounts payable		4,595	28,247	(56,256)
Upfront license fees		—	—	(878,055)
Other assets and liabilities		31,076	20,981	(136,939)
Net cash provided by (used in) operating activities from continuing operations		594,802	907,340	(223,609)
Net cash provided by operating activities from discontinued operations		270,829	185,795	253,235
Net cash provided by operating activities		865,631	1,093,135	29,626
Cash flows from investing activities				
Capital expenditures		(254,689)	(377,248)	(472,278)
Proceeds from sale of assets		9,251	123,855	19,118
Other		12,151	5,851	2,272
Net cash used in investing activities from continuing operations		(233,287)	(247,542)	(450,888)
Net cash used in investing activities from discontinued operations		(35,284)	(64,648)	(60,649)
Net cash used in investing activities		(268,571)	(312,190)	(511,537)
Cash flows from financing activities				
Principal payments on long-term debt		(988,379)	(1,264,647)	(1,899,888)
Payments in connection with the extinguishment of debt		(25,000)	(8,689)	(49,976)
Payments of debt issuance costs		(21,584)	(25,930)	(17,033)
Net (payments of) proceeds from short-term borrowings		(7,135)	(32,067)	34,822
Net receipts from (payments of) financial liabilities		67,138	(34,324)	7,123
Proceeds from long-term debt		750,000	1,397,025	1,687,761
Dividends paid		(40,887)	(163,503)	(163,236)
Dividends paid - non-controlling interests		(136,389)	(136,655)	(126,926)
Return of capital - non-controlling interests		(32,309)	(98,788)	(85,121)
Capital increase - non-controlling interests		8,112	1,499	321,584
Other		(11,426)	(10,195)	(20,655)
Net cash used in financing activities		(437,859)	(376,274)	(311,545)
Net increase (decrease) in cash and cash equivalents and restricted cash and cash equivalents		159,201	404,671	(793,456)
Effect of exchange rate changes on cash and cash equivalents and restricted cash and cash equivalents		75,770	(22,197)	(197)
Cash and cash equivalents and restricted cash and cash equivalents at the beginning of the period		894,251	511,777	1,305,430
Cash and cash equivalents and restricted cash and cash equivalents at the end of the period		1,129,222	894,251	511,777
Less: Cash and cash equivalents and restricted cash and cash equivalents of discontinued operations		22,961	18,661	23,749
Cash and cash equivalents and restricted cash and cash equivalents at the end of the period of continuing operations		1,106,261	875,590	488,028

International Game Technology PLC
Consolidated Statements of Cash Flows
($ thousands)

	For the year ended December 31,		
	2020	**2019**	**2018**
Supplemental disclosures of cash flow information			
Cash paid during the period for:			
Interest	(409,560)	(400,022)	(445,694)
Income taxes	(89,006)	(196,831)	(178,547)
Non-cash investing and financing activities:			
Capital expenditures	(24,152)	(34,878)	(40,915)

The accompanying notes are an integral part of these consolidated financial statements.

International Game Technology PLC
Consolidated Statement of Shareholders' Equity
($ thousands)

	Common Stock	Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Income	Total IGT PLC Equity	Non-Controlling Interests	Total Equity
Balance at December 31, 2017	20,344	2,676,854	(1,032,372)	340,169	2,004,995	349,936	2,354,931
Net (loss) income	—	—	(21,350)	—	(21,350)	115,671	94,321
Other comprehensive loss, net of tax	—	—	—	(78,632)	(78,632)	(18,691)	(97,323)
Total comprehensive (loss) income	—	—	(21,350)	(78,632)	(99,982)	96,980	(3,002)
Reclassification of redeemable non-controlling interests	—	—	—	—	—	377,243	377,243
Capital increase	—	—	—	—	—	319,254	319,254
Adoption of new accounting standards	—	—	45,527	—	45,527	—	45,527
Stock-based compensation	—	33,086	—	—	33,086	—	33,086
Shares issued upon exercise of stock options	15	(1,566)	—	—	(1,551)	—	(1,551)
Shares issued under stock award plans	62	(11,153)	—	—	(11,091)	—	(11,091)
Return of capital	—	—	—	—	—	(85,046)	(85,046)
Dividends paid	—	(163,236)	—	—	(163,236)	(114,337)	(277,573)
Other	—	149	2	—	151	—	151
Balance at December 31, 2018	20,421	2,534,134	(1,008,193)	261,537	1,807,899	944,030	2,751,929
Net (loss) income	—	—	(19,025)	—	(19,025)	130,683	111,658
Other comprehensive income (loss), net of tax	—	—	—	988	988	(15,906)	(14,918)
Total comprehensive (loss) income	—	—	(19,025)	988	(18,037)	114,777	96,740
Stock-based compensation	—	26,514	—	—	26,514	—	26,514
Capital increase	—	—	—	—	—	1,499	1,499
Shares issued under stock award plans	22	(1,613)	—	—	(1,591)	—	(1,591)
Return of capital	—	—	—	—	—	(98,872)	(98,872)
Dividends paid	—	(163,503)	—	—	(163,503)	(136,836)	(300,339)
Other	—	—	6,980	—	6,980	2,118	9,098
Balance at December 31, 2019	20,443	2,395,532	(1,020,238)	262,525	1,658,262	826,716	2,484,978
Net (loss) income	—	—	(897,890)	—	(897,890)	59,166	(838,724)
Other comprehensive income, net of tax	—	—	—	67,290	67,290	59,455	126,745
Total comprehensive (loss) income	—	—	(897,890)	67,290	(830,600)	118,621	(711,979)
Capital increase	—	390	—	—	390	8,931	9,321
Shares issued under stock award plans	42	(1,237)	—	—	(1,195)	—	(1,195)
Stock-based compensation	—	(6,877)	—	—	(6,877)	—	(6,877)
Return of capital	—	—	—	—	—	(32,238)	(32,238)
Dividends paid	—	(40,887)	—	—	(40,887)	(137,611)	(178,498)
Other	—	—	(2,356)	—	(2,356)	7	(2,349)
Balance at December 31, 2020	20,485	2,346,921	(1,920,484)	329,815	776,737	784,426	1,561,163

The accompanying notes are an integral part of these consolidated financial statements.

International Game Technology PLC
Notes to the Consolidated Financial Statements

1. Description of Business

International Game Technology PLC (the "Parent"), together with its consolidated subsidiaries (collectively referred to as "IGT PLC," the "Company," "we," "our," or "us"), is a global leader in gaming that delivers entertaining and responsible gaming experiences for players across all channels and regulated segments, from gaming machines and lotteries to sports betting and digital. We operate and provide an integrated portfolio of innovative gaming technology products and services, including: lottery management services, online and instant lottery systems, gaming systems, instant ticket printing, electronic gaming machines, sports betting, digital gaming, and commercial services. We have a local presence and relationships with governments and regulators in more than 100 countries around the world.

2. Summary of Significant Accounting Policies

Basis of Preparation

The accompanying consolidated financial statements and notes of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The consolidated financial statements are stated in thousands of U.S. dollars (except share and per share data) unless otherwise indicated. We have reclassified certain prior period amounts to align with the current period presentation and recast certain prior period amounts, as discussed below. All references to "U.S. dollars," "U.S. dollar," "U.S. $," "USD," and "$" refer to the currency of the United States of America. All references to "euro," "EUR," and "€" refer to the currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended.

During the fourth quarter of fiscal 2020, the Company announced that its wholly-owned subsidiary, Lottomatica, had entered into a definitive agreement to sell one hundred percent of the share capital of Lottomatica Videolot Rete S.p.A. and Lottomatica Scommesse S.r.l., the members of the IGT group which conduct its Italian B2C gaming machine, sports betting, and digital gaming businesses, to Gamenet Group S.p.A The Company's Italian Gaming B2C business met the criteria to be reported as a discontinued operation and, as a result, the Italian Gaming B2C historical financial results are reflected in the Company's consolidated financial statements as a discontinued operation, and assets and liabilities were retrospectively reclassified as assets and liabilities held for sale for all periods presented. Refer to Note 3 - *Discontinued Operations and Assets Held for Sale* for further information.

Principles of Consolidation

The consolidated financial statements include the accounts of the Parent, our majority-owned or controlled subsidiaries, and any variable interest entities in which we are the primary beneficiary. Intercompany accounts and transactions have been eliminated in consolidation. Earnings or losses attributable to non-controlling interests in a subsidiary are included in net (loss) income in the consolidated statements of operations.

Investments in which we have the ability to exercise significant influence, but do not control, and with respect to which we are not the primary beneficiary, are accounted for using the equity method of accounting. Equity investments in which we have no ability to exercise significant influence that do not have a readily determinable fair value and do not have a Net Asset Value per share are measured at cost, less impairment, plus or minus changes resulting from observable price changes. Equity method investments are included within other non-current assets on the consolidated balance sheets.

Recasting of Certain Prior Period Information

On July 1, 2020, we adopted a new organizational structure focused on two business segments: Global Lottery and Global Gaming, along with a streamlined corporate support function. During the third quarter of 2020, our chief operating decision maker, who is also our Chief Executive Officer, requested changes in the information that he regularly reviews for purposes of allocating resources and assessing performance. As a result, we report our financial performance based on our new business segments described in Note 21 – *Segment Information.* We have recast our historically presented comparative segment information to conform to the way we internally manage and monitor segment performance as of the third quarter of 2020. This realignment of our operating segments has a pervasive impact on the presentation of our comparative period data. This change primarily impacted Note 4 - *Revenue Recognition*, Note 5 - *Trade and Other Receivables, net*, Note 7 - *Other Assets*, Note 12 - *Restructuring* , Note 13 - *Goodwill*, and Note 21 – *Segment Information*, with no impact on consolidated revenue, net income, or cash flows.

Assets and Liabilities Held for Sale

The Company classifies assets and liabilities (disposal groups) to be sold as held for sale in the period in which all of the following criteria are met: management, having the authority to approve the action, commits to a plan to sell the disposal group; the disposal group is available for immediate sale in its present condition subject to terms customary for sales of such disposal groups; an active program to locate a buyer and other actions required to complete the plan to sell the disposal group have been initiated; the sale of the disposal group is probable, and transfer of the disposal group is expected to qualify for recognition as a completed sale within one year; the disposal group is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

The Company initially measures a disposal group that is classified as held for sale at the lower of its carrying value or fair value less any costs to sell. Any loss resulting from this measurement is recognized in the period in which the held for sale criteria are met. Conversely, gains are not recognized on the sale of a disposal group until the date of sale. The Company assesses the fair value of a disposal group, less any costs to sell, each reporting period it remains classified as held for sale and reports any subsequent changes as an adjustment to the carrying value of the disposal group, as long as the new carrying value does not exceed the carrying value of the disposal group at the time it was initially classified as held for sale.

Upon determining that a disposal group meets the criteria to be classified as held for sale, the Company reports the assets and liabilities of the disposal group, if material, in the line items assets held for sale and liabilities held for sale in the consolidated statements of financial position in each period presented. Refer to Note 3 - *Discontinued Operations and Assets Held for Sale*, for further information.

Use of Estimates

The preparation of our consolidated financial statements requires us to make estimates, judgments, and assumptions which affect the reported amounts of assets, liabilities, equity, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis we evaluate our estimates, judgments, and methodologies. We base our estimates on historical experience and on various other assumptions that we believe are reasonable, the results of which form the basis for making judgments about the carrying values of assets, liabilities, and equity, and the amount of revenues and expenses. The full extent to which the outbreak of a new strain of coronavirus, COVID-19 (“COVID-19”), will directly or indirectly impact our business, results of operations, and financial condition, including sales, expenses, reserves and allowances, manufacturing, research and development costs, and employee-related amounts, will depend on future developments that are highly uncertain, including as a result of new information that may emerge concerning COVID-19 and the actions taken to contain it or treat it, as well as the economic impact on local, regional, national, and international customers and markets. We have made estimates of the impact of COVID-19 within our financial statements and there may be changes to those estimates in future periods. Actual results may differ from these estimates.

Given the anticipated continued impact of COVID-19 and the resulting extended economic slowdown, we have revised our forecast, evaluated our liquidity position, and evaluated our ability to comply with the amended financial covenants in our debt agreements as of the date of issuance of these consolidated financial statements. Based on the revised forecast, management believes that our financial position, forecasted net cash provided by operations, available cash and cash equivalents at December 31, 2020, and borrowing capacity under our amended Revolving Credit Facilities due July 2024 as described in Note 16 - *Debt*, will be sufficient to fund our current obligations, capital spending, debt service requirements, and working capital requirements over at least the next twelve months.

Revenue Recognition

We account for a contract with a customer when:

i. we have written approval;
ii. the contract is committed;
iii. the rights of the parties, including payment terms, are identified;
iv. the contract has commercial substance; and
v. collectability of consideration is probable.

A performance obligation is a promise in a contract with a customer to transfer products or services that are distinct. If we enter into two or more contracts at or near the same time, the contracts may be combined and accounted for as one contract, in which case we determine whether the services or products in the combined contract are distinct. A service or product that is promised to a customer is distinct if both of the following criteria are met:

- The customer can benefit from the service or product either on its own or together with other resources that are readily available to the customer; and
- Our promise to transfer the service or product to the customer is separately identifiable from other promises in the contract.

Revenue is recognized when (or as) control of a promised service or product transfers to a customer, in an amount that reflects the consideration (which represents the transaction price) to which we expect to be entitled in exchange for transferring that service or product. If the consideration promised in a contract includes a variable amount, we estimate the amount to which we expect to be entitled using either the expected value or most likely amount method. Our contracts may include terms that could cause variability in the consideration, including, for example, rebates, volume discounts, service-level penalties, and performance bonuses or other forms of contingent revenue.

Our standard payment terms dictate that payment is due upon receipt of invoice, payable within 30 days. Invoices are generally issued as control transfers and/or as services are rendered. Additionally, in determining the transaction price, we adjust the promised amount of consideration for the effects of the time value of money if the payment terms are not standard and the timing of payments agreed to by the parties to the contract provide the customer or the Company with a significant benefit of financing, in which case the contract contains a significant financing component. Most arrangements that contain a significant financing component include explicit financing terms.

We may include subcontractor services or third-party vendor services or products in certain arrangements. In these arrangements, revenue from sales of third-party vendor services or products are recorded net of costs when we are acting as an agent between the customer and the vendor, and gross when we are the principal for the transaction. To determine whether we are an agent or principal, we consider whether we obtain control of the services or products before they are transferred to the customer. In making this evaluation, several factors are considered, most notably whether we have primary responsibility for fulfillment to the customer, as well as inventory risk and pricing discretion.

Service Revenue

Service revenue is derived from the following sources:

- Operating and Facilities Management Contracts;
- Gaming terminal services; and
- System, software and other

Operating and Facilities Management Contracts

Our revenue from operating contracts is derived primarily from long-term exclusive operating licenses in Italy. Under operating contracts, we manage all the activities along the lottery value chain including collecting wagers, paying out prizes, managing all accounting and other back-office functions, running advertising and promotions, operating data transmission networks and processing centers, training staff, providing retailers with assistance, and supplying materials for the game. In most cases, the arrangement is accounted for as a single performance obligation composed of a series of distinct services that are substantially the same and have the same pattern of transfer (i.e., distinct days of service).

Under operating contracts, we typically satisfy the performance obligation and recognize revenue over time because the customer simultaneously receives and consumes the benefits provided as we perform the services. The amount of consideration to which we are typically entitled is variable based on a percentage of sales. Revenue is typically recognized in the amount that we have the right to invoice the customer as this corresponds directly with the value to the customer of our performance completed to date. In arrangements where we are performing services on behalf of the government and the government is considered our customer, revenue is recognized net of prize payments, taxes, retailer commissions, and remittances to state authorities. Under operating contracts, we are generally required to pay an upfront license fee. Refer to the Upfront License Fee policy below for further details.

Our revenue from facilities management contracts (“FMC”) is generated by assembling, installing, and operating the online lottery system and related point-of-sale equipment. Under a typical FMC, we maintain ownership of the technology and are responsible for capital investments throughout the duration of the contract. FMCs typically include a wide range of support services that are provided throughout the contract and are part of the integrated solution that the customer has contracted to obtain. In most cases, the arrangement is accounted for as a single performance obligation composed of a series of distinct

services that are substantially the same and that have the same pattern of transfer. Under FMCs, we typically satisfy the performance obligation and recognize revenue over time because the customer simultaneously receives and consumes the benefits provided as we perform the services. The amount of transaction price to which we are entitled is typically variable based on a percentage of sales, although under certain of its agreements, the Company receives fees based on a fixed fee arrangement. Revenue is typically recognized in the amount that we have the right to invoice the customer, as this corresponds directly with the value to the customer of our completed performance.

Gaming terminal services

Our revenue from gaming terminal services is generated by providing customers with proprietary land-based gaming systems and equipment under a variety of recurring revenue or lease arrangements, including a percentage of amounts wagered, a percentage of net win, or a fixed daily/monthly fee.

Included in gaming terminal services are wide area progressive ("WAP") systems. WAP systems consist of linked slot machines located in multiple casino properties, connected to a central computer system. WAP systems include a Company-sponsored progressive jackpot that increases with every wager until a player wins the top award combination. Casinos with WAP machines pay a percentage of amounts wagered for services related to the design, assembly, installation, operation, maintenance, and marketing of the WAP systems, as well as funding and administration of Company-sponsored progressive jackpots. A portion of the total fee collected is allocated to the WAP jackpot. Since the jackpot is a payment to the customer, the portion allocated to the jackpot is classified as a reduction of revenue.

In some arrangements, there is a single performance obligation composed of a series of distinct services that are substantially the same and that have the same pattern of transfer (i.e., distinct days of service). The amount of transaction price to which we are entitled typically is variable based on a percentage of wagers. This results in revenue recognition that corresponds with the value to the customer for the services transferred in the amount that we have the right to invoice. In other arrangements where the end customer is the player, we record revenue net of prize payouts once the wagering outcome has been determined.

Systems, software, and other – Global Lottery

Our lottery contracts generally include other services, including telephone support, software maintenance, hardware maintenance, and the right to receive unspecified upgrades or enhancements on a when-and-if-available basis, and other professional services including software development. Fees earned for other services are generally recognized as service revenue in the period the service is performed (i.e., over the support period).

We also develop technology to enable lotteries to offer commercial services over their existing lottery infrastructure or over standalone networks separate from the lottery. Leveraging our distribution network and secure transaction processing, we offer high-volume processing of commercial transactions including: prepaid cellular telephone recharges, bill payments, e-vouchers and retail-based programs, electronic tax payments, stamp duty services, prepaid card recharges, and money transfers. These services are primarily offered outside of North America. In most cases, these arrangements are considered to be short in duration. The amount of transaction price that we are typically entitled to is variable based on the number of transactions processed. Revenue is typically recognized in the amount that we have the right to invoice the customer as this corresponds directly with the value to the customer of our completed performance.

Systems, software, and other – Global Gaming

We also generate revenue from other services, including video central system monitoring, system support, licensing of IP, and sports betting.

Our contracts generally include other services, including telephone support, software maintenance, content licensing, royalty fees, hardware maintenance, and the right to receive unspecified updates or enhancements on a when-and-if-available basis, and other professional services. Fees earned for other services are generally recognized as service revenue in the period the service is performed (i.e., over the support period).

We provide sports betting technology and services to commercial and tribal operators and lotteries in regulated markets, primarily in the U.S.

In the service contracts to our U.S. licensed sports book operators, we provide the sports betting platform and a variety of services including installation, configuration and integration services. For customers who want to have an outsourcing model, we also offer trading services with the inclusion of odds setting and risk management. Under these contracts, we generally record a percentage of net sports revenue over the contractual term.

Product Sales

Product sales are derived from the following sources:

- Lottery products
- Gaming terminals
- Gaming other

Lottery products

Lottery product revenue primarily includes the sale of lottery equipment, lottery systems and printed products.

Our revenue from the sale of lottery systems and equipment typically includes multiple performance obligations, where we assemble, sell, deliver, and install a turnkey system (inclusive of point-of-sale terminals, if applicable) or deliver equipment and license the computer software for a fixed price, and the customer subsequently operates the system or equipment. Our credit terms are predominantly short-term in nature. We also grant extended payment terms under contracts where the sale is typically secured by the related equipment sold. Revenue from the sale of lottery systems and equipment is recognized based upon the contractual terms of each arrangement. These arrangements generally include customer acceptance provisions and general rights to terminate the contract if we are in breach of the contract or at the convenience of the customer. In these arrangements, the performance obligation is satisfied over time if the customer controls the asset as it is created (i.e., when the asset is built at the customer site) or if our performance does not create an asset with an alternative use and we have an enforceable right to payment plus a reasonable profit for performance completed to date. If revenue is not recognized over time, it is generally recognized upon transfer of physical possession of the goods or the satisfaction of customer acceptance provisions. If the transaction includes multiple performance obligations, it is accounted for under arrangements with multiple performance obligations, discussed below.

Our other lottery product sales are primarily derived from the production and sales of instant ticket games under multi-year contracts. In these arrangements, the performance obligation is generally satisfied at a point in time (i.e., upon transfer of control of the game tickets to the customer) based on the contractual terms of each arrangement.

Gaming terminals

Our revenue from the sale or sales-type lease of gaming terminals includes embedded game content, machine related equipment, licensing and royalty fees, and component parts. Our credit terms are predominantly short-term in nature. We also grant extended payment terms under contracts where the sale is typically secured by the related equipment sold. Revenue from the sale of gaming machines is recognized based upon the contractual terms of each arrangement, but predominantly upon transfer of physical possession of the goods or the lapse of customer acceptance provisions. If the sale of gaming machines includes multiple performance obligations, these arrangements are accounted for under arrangements with multiple performance obligations, discussed below.

Gaming other

Other gaming product revenue is primarily comprised of gaming system sales, content licensing, software sales, non-machine related equipment and component parts (including game themes and electronic conversion kits). Our revenue from the sale of gaming systems typically includes multiple performance obligations, where we sell, deliver, and install a turnkey system or deliver equipment and license the computer software for a fixed price, and the customer subsequently operates the system. These arrangements generally include customer acceptance provisions and general rights to terminate the contract if we are in breach of the contract. Such arrangements include hardware, software, and professional services. In these arrangements, the performance obligation is generally satisfied upon transfer of physical possession of the goods or the satisfaction of customer acceptance provisions.

Arrangements with Multiple Performance Obligations

We often enter into contracts that consist of a combination of services and products based on the needs of our customers, which may include post-contract support for the software and a contract for post-warranty maintenance service for the hardware. These contracts consist of multiple services and products, whereby the hardware and software may be delivered in one period and the software support and hardware maintenance services are delivered over time.

To the extent that a service or product in an arrangement with multiple performance obligations is subject to other specific accounting guidance, that service or product is accounted for in accordance with such specific guidance.

For all other distinct services and products in these arrangements, the arrangement transaction price is allocated to each performance obligation on a relative standalone selling price basis or another method that depicts the amount of consideration to which we expect to be entitled in exchange for transferring the promised services or products. If the services and products are not distinct, we determine an appropriate measure of progress based on the nature of our overall promise for the single performance obligation.

To the extent we grant the customer the option to acquire additional services or products in one of these arrangements, we account for the option as a distinct performance obligation in the contract only if the option provides a material right to the customer that it would not receive without entering into the contract (i.e., a significant discount incremental to the range of discounts typically given for the service or product), in which case the customer in effect pays in advance for the option to purchase future services or products. We allocate a portion of the transaction price to the material right and recognize revenue when those future services or products are transferred or when the option expires.

Standalone Selling Price

We allocate the transaction price to each performance obligation on a relative standalone selling price (“SSP”) basis. The SSP is the price at which we would sell a promised service or product separately to a customer. In some instances, we are able to establish SSP based on the observable prices of services or products sold separately in comparable circumstances to a similar customer. We typically establish an SSP range for our services and products that are reassessed on a periodic basis or when facts and circumstances change.

In other instances, we may not be able to establish an SSP range based on observable prices, and we estimate the SSP by considering multiple factors including, but not limited to, overall market conditions, including geographic or regional specific factors, competitive positioning, competitor actions, internal costs, profit objectives, and pricing practices. Estimating SSP is a formal process that includes review and approval by management.

Contract Costs

Certain eligible, non-recurring costs incurred in the initial phases of service contracts are deferred and amortized ratably over the expected period of benefit, which includes anticipated contract renewals or extensions. Recurring operating costs in these contracts are recognized as incurred.

Practical Expedients and Exemptions

We report revenue net of any revenue-based taxes assessed by governmental authorities that are imposed on and concurrent with specific revenue-producing transactions.

We generally expense sales commissions when incurred because the amortization period would have been one year or less. These costs are recorded within selling, general and administrative expenses in our consolidated statements of operations. For certain of our long-term contracts, we capitalize and amortize incremental costs of obtaining a contract (e.g., sales commissions) on a straight-line basis over the expected customer relationship period if we expect to recover those costs.

We do not account for significant financing components if the period between when we transfer the promised service or product to the customer and when the customer pays for that service or product will be one year or less.

We do not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less, (ii) performance obligations for which we recognize revenue at the amount that we have the right to invoice for services performed, (iii) contracts for which variable consideration is accounted for in accordance with sales-based or usage-based royalty guidance, and (iv) wholly unperformed contracts.

Contract Assets and Liabilities

Contract assets arise from contracts when revenue is recognized over time and the amount of revenue recognized exceeds the amount billed to the customer. These amounts are included in contract assets until the right to payment is no longer conditional on events other than the passage of time. Contract liabilities include deferred revenue, advance payments, and billings in excess of revenue recognized.

Stock-Based Compensation

Stock-based compensation represents the cost related to stock-based awards granted to directors and employees. Stock-based compensation cost is measured at the grant date or modification date, based on the estimated fair value of the award and recognized as expense, net of estimated forfeitures, over the vesting period(s). For awards subject to cliff vesting, compensation cost is recognized by way of a straight-line method over the award's expected vesting period. For awards subject to graded vesting, compensation cost is recognized by way of an accelerated attribution method over the entire awards' expected vesting periods.

Advertising

Advertising costs are expensed as incurred. Advertising expense was $25.0 million, $34.2 million, and $51.9 million for the years ended December 31, 2020, 2019, and 2018, respectively.

Research and Development Costs

Research and development costs ("R&D"), which include salaries and benefits, stock-based compensation, consultants' fees, facilities-related costs, material costs, depreciation, and travel, are expensed as incurred.

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of highly liquid investments purchased with an original maturity of three months or less at the date of acquisition, such as bank deposits, money market funds, and interest bearing bank accounts with insignificant interest rate risk. The fair value of cash and cash equivalents approximates the carrying amount.

Restricted Cash and Cash Equivalents

We are required by gaming regulation to maintain sufficient reserves in restricted cash accounts to be used for the purpose of funding payments to WAP jackpot winners. These restricted cash balances are based primarily on the jackpot meters displayed to slot players, or for previously won jackpots, and vary by jurisdiction. Under our Italian Lotto contract, we deposit wagers, net of prizes paid and retailer commissions retained by the retailer at point of sale, into bank accounts, the use of which is restricted based on the contract with our customer. Restricted cash is also maintained for interactive digital player deposits, collections on factored and serviced receivables not yet paid through to the third-party owner, and for customer funds received in relation to the provision of our commercial services. These amounts are restricted based on the contracts with our customers or local regulations.

Allowance for Credit Losses

We maintain an allowance for credit losses on receivables resulting from the expected failure or inability of our customers to make required payments. The allowance is regularly reviewed by considering factors such as the creditworthiness of our customers, historical experience, aging of receivables, and current market and economic conditions, as well as management's expectations of future conditions when appropriate. The allowance is deducted from the amortized cost basis of the receivable to present the net amount expected to be collected.

We estimate expected credit losses on receivables on a collective (pool) basis when similar risk characteristics exist. Trade and other receivables and customer financing receivables represent the initial pools which are segregated further by business segment, geography, internal risk rating, and aging. The risk of loss is assessed over the contractual life of the receivables and we adjust historical loss rates for current and future conditions based on qualitative considerations. The expected loss rate for each receivable pool is applied to the aggregate receivable balance to determine the allowance requirement. Receivables are written off against the allowance in the period they are determined to be uncollectible.

We determine delinquency based on the contractual payment terms. An account may be considered delinquent if there are unpaid balances remaining on the account the day after the contractual due date.

For amounts due from certain government customers in the Global Lottery business segment, we have not established an allowance as we have no expectation of loss based on a long history of no credit losses and the explicit guarantee of a sovereign entity.

Inventories

Inventories are stated at the lower of cost (applying the first in, first out method) and net realizable value. Allowances are made for defective, obsolete, or excess inventory.

Systems, Equipment and Other Assets Related to Contracts, Net and Property, Plant and Equipment, Net

We have two categories of fixed assets: systems, equipment and other assets related to contracts ("Systems & Equipment"); and property, plant and equipment ("PPE").

Systems & Equipment are assets that primarily support our operating contracts, FMCs, and WAP systems (collectively, the "Contracts") and are principally composed of lottery and gaming assets. PPE are assets we use internally, not associated with Contracts, primarily related to production and assembly, selling, general and administration, and R&D.

Systems & Equipment and PPE are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any. Depreciation commences when the asset is placed in service and is recognized on a straight-line basis over the estimated useful lives of the assets. Repair and maintenance costs are expensed as incurred, whereas major improvements that increase asset values and extend useful lives are capitalized.
The estimated useful lives for Systems & Equipment depends on the type of asset. Lottery assets (such as terminals, mainframe computers, communications equipment, and software development costs) have estimated useful lives that generally do not exceed 10 years and commercial gaming machines have estimated useful lives of three to five years.

The estimated useful lives for PPE are 40 years for buildings and five to 10 years for furniture and equipment. Leasehold improvements are amortized over the shorter of the lease term or estimated useful life.

Systems & Equipment and PPE are tested for impairment whenever events or changes in circumstances indicate the carrying amount of those assets may not be recoverable. An impairment loss is recognized only if the carrying amount is not recoverable and exceeds its fair value. The carrying amount is not recoverable if it exceeds the sum of the undiscounted forecasted cash flows resulting from the use and eventual disposition of such asset. An impairment loss is measured as the amount by which the carrying amount exceeds its fair value.

Goodwill

The assets and liabilities of acquired businesses are recorded under the acquisition method of accounting at their estimated fair values at the date of acquisition. Goodwill represents costs in excess of fair values assigned to the underlying identifiable net assets of acquired businesses, and is stated at cost less accumulated impairment losses.

Effective July 1, 2020, the Company adopted a new organizational structure focused on two business segments, Global Lottery and Global Gaming, along with a streamlined corporate support function. This resulted in a change in our operating segments and reporting units. Prior to this change, we had four reporting units: North America Gaming and Interactive, North America Lottery, International, and Italy.

Goodwill has been allocated to and is tested for impairment at the reporting unit level, which is the same level as our operating segments. We evaluate our reporting units annually and if necessary, reassign goodwill using a relative fair value approach. As of December 31, 2020 we have identified two reporting units - Global Lottery and Global Gaming.

Goodwill is tested for impairment annually, in the fourth quarter, or whenever events or changes in circumstances indicate the carrying amount may not be recoverable. We either first perform a qualitative assessment to determine whether it is more likely than not that the fair value of goodwill is less than its carrying amount and whether the quantitative analysis is necessary, or elect to perform a quantitative one-step process. The goodwill impairment test compares the fair value of a reporting unit with its carrying amount and an impairment loss is recognized for the amount by which the carrying amount exceeds the reporting

unit's fair value. In performing the goodwill impairment test, we estimate the fair value of the reporting units using an income approach based on projected discounted cash flows.

Other Intangible Assets

Other intangible assets, which include indefinite-lived and definite-lived intangible assets, are stated at cost, less accumulated amortization and accumulated impairment losses.

Indefinite-lived intangible assets are composed of trademarks for which there is no foreseeable limit of the period over which they are expected to generate net cash inflows. Definite-lived intangible assets, which are primarily composed of customer relationships and computer software and game library, are capitalized and amortized on a straight-line basis over their estimated economic lives. Amortization of software-related intangibles is included in cost of services and cost of product sales and amortization of other intangible assets is included in selling, general and administrative expenses in the consolidated statement of operations.

Estimated useful lives are determined considering the period the assets are expected to contribute to future cash flows. The estimated economic lives of our definite-lived intangible assets are as follows:

Category	Estimated economic life
Trademarks	1 - 20 years
Developed technologies	2 - 15 years
Customer relationships	2 - 20 years
Computer software and game library	3 - 14 years
Licenses	3 - 23 years
Other	4 - 17 years

Indefinite-lived intangible assets other than goodwill are tested for impairment annually, in the fourth quarter, or whenever events or changes in circumstances indicate the carrying amount may not be recoverable. We first perform a qualitative assessment to determine whether it is more likely than not that the fair value of indefinite-lived intangible assets are less than their carrying amount and whether the quantitative analysis is necessary. The quantitative analysis compares the fair value of indefinite-lived intangible assets to their carrying amount and an impairment loss is recognized when the carrying amount exceeds the fair value. More detail surrounding intangible assets is discussed in Note 14 - *Intangible Assets, net.*

Capitalized Software Development Costs

Costs incurred in the development of our externally-sold software products are expensed as incurred, except certain software development costs eligible for capitalization. Software development costs incurred subsequent to establishing technological feasibility and through the general release of the software products are capitalized. Capitalized costs are amortized over the products' estimated economic life to cost of product sales in the consolidated statements of operations.

Costs incurred during the application development phase of software for services provided to customers are capitalized as internal-use software and amortized over the useful life to cost of services. Costs incurred during the application of software for internal use are capitalized and amortized over the useful life to selling, general and administrative expenses in the consolidated statements of operations.

Upfront License Fees

We periodically make long-term investments in contracts with customers and obtain licenses to supply products and services to the customers. As consideration, we pay license fees, which are classified as other non-current assets in the consolidated balance sheets. We recognize the amortization of the license fees as a reduction of service revenue over the estimated economic life of the license term. This method reflects the pattern in which economic benefits are expected to be realized. The recoverability of each payment is subject to significant estimates about future revenues related to the contracts' future cash flows. We evaluate these assets for impairment and update amortization rates on an agreement by agreement basis. The assets are reviewed for impairment whenever events or changes in circumstances indicate their carrying amount may not be recoverable. In periods in which payments are made to the customer, we classify the payment as a cash outflow from operating activities in the consolidated statements of cash flows.

Jackpot Accounting

We incur costs to fund jackpots and accrue jackpot liabilities with every wager on devices connected to a WAP system. Jackpot liabilities are estimated based on the size of the jackpot, the number of WAP units in service, variations and volume of play, and interest rate movements. Jackpots are generally payable to winners immediately, in the case of instant wins, or in equal annual installments over 20 to 26 years. Winners may elect to receive a lump sum payment for the present value of the jackpot discounted at applicable interest rates in lieu of periodic annual installments.

Jackpot liabilities are composed of payments due to previous winners, and amounts due to future winners of jackpots not yet won. Liabilities due to previous winners for periodic payments are carried at the accreted cost of a qualifying U.S. government or agency annuity investment that may be purchased at the time of the jackpot win. If the periodic liability is not initially funded with an annuity investment, it is discounted and accreted using the risk-free rate at the time of the jackpot win.

Liabilities due to future winners are recorded at the present value of the estimated amount of jackpots not yet won. We estimate the present value of these liabilities using current market rates, weighted with historical lump sum payout election ratios. Based on the most recent historical patterns, approximately 85% of winners will elect the lump sum payment option. The current portion of these liabilities are estimated based on historical experience with winner payment elections, in conjunction with the theoretical projected number of jackpots.

Legal and Other Contingencies

Loss contingency provisions arising from a legal proceeding or claim are recorded for probable and estimable losses at the best estimate of a loss, or when a best estimate cannot be made, at the minimum estimated loss, the determination of which requires significant judgment. If it is reasonably possible but not probable that a liability has been incurred, or if the amount of a probable loss cannot be reasonably estimated, the amount or range of estimated loss is disclosed, if material. We evaluate our provisions for legal contingencies at least quarterly and, as appropriate, establish new provisions or adjust existing provisions to reflect the facts and circumstances known to us at the time, including information regarding negotiations, settlements, rulings, and other relevant events and developments, the advice of counsel, and the assumptions and judgment of management. Legal costs are expensed as incurred.

Fair Value Measurements

We account for certain financial assets and liabilities at fair value. Financial assets and liabilities are categorized, based on the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to the use of observable inputs and the lowest priority to the use of unobservable inputs. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement. These levels are as follows:

- Level 1 - inputs are based upon unadjusted quoted prices for identical instruments in active markets.
- Level 2 - inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant inputs are observable in the market or can be corroborated by observable market data for substantially the full term of the instruments.
- Level 3 - inputs are unobservable and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset or liability.

Derivative Financial Instruments

We use derivative financial instruments for the management of foreign currency risks and interest rate risks. We do not enter into derivatives for speculative purposes. Derivatives are recognized as either assets or liabilities in the consolidated balance sheet at fair value. All derivatives are recorded gross, except netting of foreign exchange contracts and counterparty netting of interest receivable and payable related to interest rate swaps, as applicable. The accounting for changes in the fair value of a derivative depends on the nature of the hedge and the hedge effectiveness. Derivative gains and losses are reported in the consolidated statements of cash flows consistent with the classification of the cash flows from the underlying hedged items.

For derivative instruments designated as cash flow hedges, gains and losses are recorded in other comprehensive income (loss) and are subsequently reclassified when the hedged item affects earnings. At that time, the amount is reclassified from other comprehensive income (loss) to the same income statement line as the earnings effect of the hedged item.

For derivative instruments designated as fair value hedges, changes in fair value are recorded in interest income (expense) and are offset by changes in the fair value of the underlying debt instrument due to changes in the benchmark interest rate. In the event the derivative instruments are subsequently de-designated as hedges, the change in fair value is recognized in interest expense, net in the consolidated statements of operations with no corresponding offset to debt.

For derivative instruments designated as net investment hedges, the spot portion of the derivative gain or loss is reported in foreign currency translation within other comprehensive income (loss) to offset any gains or losses on translation of the net investment in the subsidiary. All other components of the derivative fair value will be reported in income, as either interest income or interest expense, on an amortized basis.

Derivative instruments not designated as hedges are recognized in the consolidated balance sheet at fair value with the changes in fair value recorded in foreign exchange (loss) gain, net in the consolidated statements of operations.

Leases

We determine whether a contract is or contains a lease at inception. As a lessee, we recognize right-of-use ("ROU") assets and lease liabilities on the lease commencement date based on the present value of lease payments over the lease term. ROU assets also include any upfront lease payments or initial direct costs and are adjusted for lease incentives received.

We consider renewal and termination options, including whether they are reasonably certain to be exercised, in determining the lease term and establishing the ROU assets and lease liabilities. ROU assets and lease liabilities are calculated using our incremental borrowing rate, which is based on the lease currency and length of the lease, unless the implicit rate is determinable.

Most of our lease contracts contain both lease and non-lease components. As a lessee, we combine lease and non-lease components into a single lease component for all classes of underlying assets except certain communication equipment. For certain communication equipment, we allocate the consideration between lease and non-lease components based on relative standalone price. Lease expense is recognized on a straight-line basis over the lease term.

Variable lease payments are generally expensed as incurred except for certain rent payments that depend on an index, which are included in lease payments using the index rate in effect as of the lease commencement date.

Short-term leases, which are leases with an initial term of 12 months or less with no purchase options that are reasonably certain of exercise, are not recognized on the balance sheet. The rental payments are recognized as lease expense on a straight-line basis over the lease term.

Certain of our long term lottery and commercial gaming service arrangements include leases for equipment installed at customer locations. As the lessor, we combine lease and non-lease components for all classes of underlying assets in arrangements that involve operating leases. The single combined component is accounted for under ASC 842, *Leases*, or ASC 606, depending on which component is the predominant component in the arrangement. If a component cannot be combined, the consideration is allocated between the lease component and the non-lease component based on relative standalone selling price.

Income Taxes

Deferred tax assets and liabilities are recognized for the expected future tax consequences of events that have been included in the financial statements or tax returns. Deferred tax assets and liabilities are determined based on the difference between the tax basis of assets and liabilities and their reported amounts using the enacted tax rates in effect for the year in which the differences are expected to reverse. Tax credits are generally recognized as reductions of income tax provisions in the year in which the credits arise. The measurement of deferred tax assets is reduced by a valuation allowance if, based upon available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized. The effect of a change in income tax rates is recognized as income or expense in the period that includes the enacted or substantively enacted date.

Accounting for uncertainty in income taxes recognized in the consolidated financial statements is in accordance with accounting authoritative guidance, which prescribes a two-step process to determine the amount of tax benefit to be recognized. First, the tax position must be evaluated to determine the likelihood that it will be sustained upon external examination. If the tax position is deemed "more likely than not" to be sustained, the tax position is then assessed to determine the amount of the benefit to recognize in the consolidated financial statements. The amount of the benefit that may be recognized is the largest amount that has a greater than 50 percent likelihood of being realized upon ultimate settlement.

We recognize interest and penalties related to unrecognized tax benefits on the provision for taxes line of the consolidated statement of operations. Accrued interest and penalties are included on the related tax liability line in the consolidated balance sheets.

We use the period cost method for global intangible low-taxed income ("GILTI") provisions and therefore have not recorded deferred taxes for basis differences expected to reverse in future periods.

Foreign Currency Translation

The financial statements of subsidiaries with functional currencies other than the U.S. dollar are translated into U.S. dollars, with the resulting translation adjustments recorded as a component of accumulated other comprehensive income ("AOCI") within shareholders' equity. Assets and liabilities are translated into U.S. dollars using the exchange rates in effect at the balance sheet date, while income and expense items are translated using the average exchange rates during the period.

New Accounting Standards - Recently Adopted

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"). In 2018, 2019, and 2020, the FASB amended ASU 2016-13. ASU 2016-13 and subsequent amendments (collectively "ASC 326") replace the incurred loss impairment methodology in prior GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. For trade and other receivables, loans, and other financial instruments, we are required to use a forward-looking expected loss model rather than the incurred loss model for recognizing credit losses which reflects losses that are probable.

We adopted ASC 326 as of January 1, 2020 using the modified retrospective approach, which resulted in a cumulative effect adjustment to retained deficit upon adoption with no restatement of prior periods. The adoption did not have a material impact on our consolidated financial statements.

In April 2019, the Financial Accounting Standards Board ("FASB") issued ASU No. 2019-04, *Codification improvements to Topic 326, Financial instruments - Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments* ("ASU 2019-04"). This update clarifies certain aspects of accounting for credit losses, hedging activities, and financial instruments (addressed by ASUs 2016-13, 2017-12, and 2016-01 respectively). We adopted ASU 2019-04 in the first quarter of 2020 and applied it prospectively. The adoption did not have a material impact on our consolidated financial statements.

In August 2018, the FASB issued ASU No. 2018-13, *Fair Value Measurement (Topic 820): Changes to the Disclosure Requirements for Fair Value Measurement* ("ASU 2018-13"), which provides guidance around disclosure requirements for fair value measurement of investments. We adopted ASU 2018-03 in the first quarter of 2020 and applied its provisions prospectively and retrospectively in accordance with the guidance. The adoption did not have a material impact on our consolidated financial statements.

On January 1, 2018 the Company adopted ASC 606, *Revenue from Contracts with Customers*, using a modified retrospective application approach which was applied to customer contracts, in their modified state, that were not completed as of January 1, 2018.

New Accounting Standards - Not Yet Adopted

In August 2020, the FASB issued ASU No. 2020-06, *Debt - Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging - Contracts in Entity's Own Equity (Subtopic 815-40)* ("ASU 2020-06"). This update simplifies the convertible debt accounting framework by reducing the number of accounting models used to account for convertible debt and preferred stock instruments. It also amends the accounting for certain contracts in an entity's own equity that are currently accounted for as derivatives because of specific settlement provisions. In addition, the new guidance modifies the diluted earnings per share calculations for convertible debt instruments. ASU 2020-06 is effective for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years, with early adoption permitted. We are currently evaluating the timing and impact of adopting this guidance.

In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848), Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This update provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The

amendments in this update are effective as of March 12, 2020 through December 31, 2022. We are currently evaluating these optional elections and the timing and impact of adopting this guidance.

In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740) - Simplifying the Accounting for Income Taxes* ("ASU 2019-12"). This update provides, among other things, simplifications for accounting for income taxes by removing certain exceptions. ASU 2019-12 is effective for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years, with early adoption permitted. We will adopt ASU 2019-12 upon the effective date and do not expect it to have a material impact upon adoption.

We do not currently expect that any other recently issued accounting guidance will have a significant effect on the consolidated financial statements.

3. Discontinued Operations and Assets Held for Sale

On December 7, 2020, the Parent announced that its wholly-owned subsidiary, Lottomatica, had entered into a definitive agreement to sell one hundred percent of the share capital of Lottomatica Videolot Rete S.p.A. and Lottomatica Scommesse S.r.l., the members of the IGT group which conduct its Italian B2C gaming machine, sports betting, and digital gaming businesses, to Gamenet Group S.p.A. for a sale price of €950 million. The businesses to be sold are within the Company's Global Gaming segment. The Company will receive €725 million at closing, €100 million on December 31, 2021, and €125 million on September 30, 2022. The sale price is subject to certain adjustments specified in the agreement. Closing of the transaction is subject to Italian regulatory approvals and specified representations, warranties, covenants and conditions customary in agreements of this kind and scope. The Company expects the transaction to close in the first half of 2021.

Aligning with our segment reorganization, the sale represents a strategic shift to reframe and simplify the priorities of our Global Gaming segment to focus on its core competencies as a B2B product and service provider. The Company determined that the sale met the criteria to be classified as a discontinued operation and, as a result, its historical financial results are reflected in the Company's consolidated financial statements as a discontinued operation, and assets and liabilities were classified as assets and liabilities held for sale. The Company did not allocate any general corporate overhead to discontinued operations.

Summarized financial information for discontinued operations is shown below:

	For the year ended December 31,		
($ thousands)	**2020**	**2019**	**2018**
Total revenue	428,920	778,143	872,506
Operating income [(1)]	51,029	159,211	173,393
Income from discontinued operations before provision for income taxes	43,407	156,760	170,180
Provision for income taxes	6,726	42,352	45,237
Income from discontinued operations, net of tax	36,681	114,408	124,943
Less: Net (loss) income attributable to non-controlling interests from discontinued operations	(4,760)	4,539	6,913
Income from discontinued operations attributable to IGT PLC	41,441	109,869	118,030

[(1)] Includes depreciation and amortization of $94.7 million, $99.7 million, and $98.0 million for the years ended 2020, 2019, and 2018, respectively

The Company expects to have continuing involvement with the businesses via a transition services agreement ("TSA"). As part of the expected TSA, the Company will provide various telecommunications, information technology, and back-office services for which the Company will receive compensation. These services generally expire after no more than three years.

The following represents the major classes of assets and liabilities held for sale as part of our discontinued operations:

	December 31,	
($ thousands)	**2020**	**2019**
Assets:		
Trade and other receivables, net	62,110	130,864
Other current assets	58,072	77,515
Systems, equipment and other assets related to contracts, net	86,230	102,347
Goodwill	520,259	520,259
Intangible assets, net	54,711	86,388
Other non-current assets	52,042	54,561
Assets held for sale	833,424	971,934
Liabilities:		
Accounts payable	62,693	61,889
Other current liabilities	164,084	123,263
Other non-current liabilities	22,796	29,836
Liabilities held for sale	249,573	214,988

The Company allocated $520.3 million of goodwill to discontinued operations using a relative fair value approach. Prior to the allocation to discontinued operations, the goodwill was included within our Global Gaming segment.

In addition to the sale of certain entities in our Global Gaming segment classified as discontinued operations as described above, we have other disposal groups that meet the requirements to be classified as held for sale in our consolidated balance sheet at December 31, 2020.

The following represents total assets and liabilities held for sale classified between the current and non-current categories:

	December 31,	
($ thousands)	**2020**	**2019**
Assets:		
Current assets held for sale - discontinued operations	833,424	208,379
Current assets held for sale - other	5,416	—
Total current assets held for sale	838,840	208,379
Total non-current assets held for sale	—	763,555
Assets held for sale	838,840	971,934
Liabilities:		
Total current liabilities held for sale	249,573	185,152
Total non-current liabilities held for sale	—	29,836
Liabilities held for sale	249,573	214,988

4. Revenue Recognition

Disaggregation of Revenue

The following tables summarize revenue disaggregated by business segment and the source of the revenue for the years ended December 31, 2020, 2019, and 2018:

	For the year ended December 31, 2020		
($ thousands)	**Global Lottery**	**Global Gaming**	**Total**
Operating and facilities management contracts	1,743,916	—	1,743,916
Gaming terminal services	—	297,418	297,418
Systems, software, and other	298,736	299,488	598,224
Service revenue	2,042,652	596,906	2,639,558
Lottery products	121,346	—	121,346
Gaming terminals	—	205,289	205,289
Gaming other	—	149,263	149,263
Product sales	121,346	354,552	475,898
Total revenue	2,163,998	951,458	3,115,456

	For the year ended December 31, 2019		
($ thousands)	**Global Lottery**	**Global Gaming**	**Total**
Operating and facilities management contracts	1,930,761	—	1,930,761
Gaming terminal services	—	567,849	567,849
Systems, software, and other	252,200	350,058	602,258
Service revenue	2,182,961	917,907	3,100,868
Lottery products	109,884	—	109,884
Gaming terminals	—	581,017	581,017
Gaming other	—	239,988	239,988
Product sales	109,884	821,005	930,889
Total revenue	2,292,845	1,738,912	4,031,757

	For the year ended December 31, 2018		
($ thousands)	**Global Lottery**	**Global Gaming**	**Total**
Operating and facilities management contracts	2,007,261	—	2,007,261
Gaming terminal services	—	601,536	601,536
Systems, software, and other	227,540	359,593	587,133
Service revenue	2,234,801	961,129	3,195,930
Lottery products	126,889	—	126,889
Gaming terminals	—	454,884	454,884
Gaming other	—	203,169	203,169
Product sales	126,889	658,053	784,942
Total revenue	2,361,690	1,619,182	3,980,872

Contract Balances

Information about receivables, contract assets, and contract liabilities is as follows:

($ thousands)	December 31, 2020	December 31, 2019	Balance Sheet Classification
Receivables, net	846,128	875,263	Trade and other receivables, net
Contract assets:			
Current	53,491	47,499	Other current assets
Non-current	75,000	76,188	Other non-current assets
	128,491	123,687	
Contract liabilities:			
Current	(107,542)	(66,749)	Other current liabilities
Non-current	(62,175)	(65,855)	Other non-current liabilities
	(169,717)	(132,604)	

The amount of revenue recognized during the year ended December 31, 2020 that was included in the contract liabilities balance at December 31, 2019 was $56.0 million. The amount of revenue recognized during the year ended December 31, 2019 that was included in the contract liabilities balance at December 31, 2018 was $50.7 million.

Transaction Price Allocated to Remaining Performance Obligations

At December 31, 2020, the transaction price allocated to unsatisfied performance obligations for contracts expected to be greater than one year, or performance obligations for which we do not have a right to consideration from the customer in the amount that corresponds to the value to the customer for our performance completed to date, variable consideration which is not accounted for in accordance with the sales-based or usage-based royalties guidance, or contracts which are not wholly unperformed, is approximately $956.8 million. Of this amount, we expect to recognize as revenue approximately 19% within the next 12 months, approximately 29% between 13 and 36 months, approximately 26% between 37 and 60 months, and the remaining balance through December 31, 2031.

5. Trade and Other Receivables, net

Trade and other receivables are recorded at amortized cost, net of allowance for credit losses, and represent a contractual right to receive money on demand or on fixed or determinable dates that are typically short-term with payment due within 90 days or less.

	December 31,	
($ thousands)	**2020**	**2019**
Trade and other receivables, gross	861,772	897,329
Allowance for credit losses	(15,644)	(22,066)
Trade and other receivables, net	846,128	875,263

The following table presents the activity in the allowance for credit losses:

	December 31,		
($ thousands)	**2020**	**2019**	**2018**
Balance at beginning of year	(22,066)	(29,407)	(22,795)
(Provisions) recoveries, net	(6,096)	3,480	(7,768)
Amounts written off as uncollectible	9,660	3,405	87
Foreign currency translation	(551)	162	1,461
Other [(1)]	3,409	294	(392)
Balance at end of year	(15,644)	(22,066)	(29,407)

[(1)] Includes the adoption of ASC 326 as of January 1, 2020

We enter into various factoring agreements with third-party financial institutions to sell certain of our trade receivables. We factored trade receivables of $1,531.6 million and $2,629.4 million during the years ended December 31, 2020 and 2019, respectively, under these factoring arrangements, which reduced trade receivables. The cash received from these arrangements is reflected as cash provided by operating activities in the consolidated statements of cash flows. In certain of these factoring arrangements, for ease of administration, we will collect customer payments related to the factored trade receivables, which we then remit to the financial institutions. At December 31, 2020 and 2019, we had $110.1 million and $50.2 million, respectively, that was collected on behalf of the financial institutions and recorded as other current liabilities in the consolidated balance sheets. The net cash flows relating to these collections are reported as financing activities in the consolidated statements of cash flows.

6. Inventories

($ thousands)	December 31, 2020	2019
Raw materials	86,089	86,877
Work in progress	23,211	11,663
Finished goods	102,674	96,895
Inventories, gross	211,974	195,435
Obsolescence reserve	(42,767)	(33,645)
Inventories, net	169,207	161,790

The following table presents the activity in the obsolescence reserve:

($ thousands)	December 31, 2020	2019	2018
Balance at beginning of year	(33,645)	(39,885)	(26,911)
Provisions, net	(33,554)	(28,970)	(14,199)
Amounts written off	23,535	23,375	817
Foreign currency translation	(2,041)	(130)	408
Other	2,938	11,965	—
Balance at end of year	(42,767)	(33,645)	(39,885)

7. Other Assets

Other Current Assets

($ thousands)	*Notes*	December 31, 2020	2019
Customer financing receivables, net		231,873	226,979
Contract assets	4	53,491	47,499
Value-added tax receivable		46,466	51,405
Income taxes receivable		45,203	56,857
Prepaid expenses		39,439	41,366
Prepaid royalties		8,701	24,999
Other receivables		8,149	10,673
Other		46,327	53,237
		479,649	513,015

Other Non-Current Assets

($ thousands)	*Notes*	December 31, 2020	2019
Upfront license fees, net:			
Italian Scratch & Win		845,336	873,756
Italian Lotto		516,177	568,669
New Jersey		74,449	83,209
Indiana		10,458	11,853
		1,446,420	1,537,487
Customer financing receivables, net		83,638	122,124
Contract assets	4	75,000	76,188
Deferred income taxes	17	33,117	27,108
Finance lease right-of-use assets	11	32,739	35,441
Debt issuance costs	16	23,937	20,464
Prepaid royalties		13,987	25,092
Other		64,803	73,847
		1,773,641	1,917,751

Upfront License Fees

The upfront license fees are being amortized on a straight-line basis as follows:

Upfront License Fee	License Term	Amortization Start Date
Italian Scratch & Win	9 years	October 2019
Italian Lotto	9 years	December 2016
New Jersey	15 years, 9 months	October 2013
Indiana	15 years	July 2013

Yeonama Holdings Co. Limited ("Yeonama")

In May 2019, we sold our ownership interest in Yeonama, an investment previously included within other non-current assets on the consolidated balance sheet. The sale resulted in a pre-tax gain of €26.1 million ($29.1 million at the May 31, 2019 exchange rate).

Customer Financing Receivables

Customers' payment terms for customer financing receivables are confirmed with a written financing contract, lease contract, or promissory note and a security agreement is typically signed by the parties granting the Company a security interest in the related products sold or leased. Customer financing interest income is recognized based on market rates prevailing at issuance.

Customer financing receivables are recorded at amortized cost, net of any allowance for credit losses, and are classified in the consolidated balance sheets as follows:

	December 31, 2020		
($ thousands)	Current Assets	Non-Current Assets	Total
Customer financing receivables, gross	274,650	90,780	365,430
Allowance for credit losses	(42,777)	(7,142)	(49,919)
Customer financing receivables, net	231,873	83,638	315,511

($ thousands)	December 31, 2019 Current Assets	Non-Current Assets	Total
Customer financing receivables, gross	255,221	125,542	380,763
Allowance for credit losses	(28,242)	(3,418)	(31,660)
Customer financing receivables, net	226,979	122,124	349,103

The following table presents the activity in the allowance for credit losses:

($ thousands)	December 31, 2020	2019	2018
Balance at beginning of year	(31,660)	(29,209)	(19,574)
Provisions, net	(37,191)	(2,477)	(10,131)
Amounts written off as uncollectible	23,525	11	317
Foreign currency translation	1,820	15	179
Other [(1)]	(6,413)	—	—
Balance at end of year	(49,919)	(31,660)	(29,209)

[(1)] Includes the adoption of ASC 326 as of January 1, 2020

The Company's customer financing receivable portfolio is composed of customers within the Global Gaming business segment. We internally assess the credit quality of customer financing receivables using a number of factors, including, but not limited to, credit scores obtained from external providers, trade references, bank references, and historical experience. Risk profiles differ based on customer location and are pooled as North America, Latin America and the Caribbean ("LAC"), Europe, Middle East and Africa ("EMEA"), and Asia Pacific ("APAC").

During 2020, $23.5 million of customer financing receivables, primarily within LAC, were written off as uncollectible due to the impacts of COVID-19. Additionally, due to the duration of the COVID-19 induced shutdowns in LAC and potential future impacts on our customers caused by COVID-19, we increased our allowance for credit losses during the year ended December 31, 2020. At December 31, 2020 the Company had $43.3 million of credit loss allowances associated with the LAC customer financing receivables.

The customer financing receivables at amortized cost by year of origination and the geography credit quality indicator at December 31, 2020 are as follows:

	Year of Origination					
($ thousands)	2020	2019	2018	2017	2016 and prior	Total
North America	54,304	16,771	580	3,095	—	74,750
LAC	30,556	113,437	39,024	13,670	8,520	205,207
EMEA	23,620	28,021	16,010	2,343	1,637	71,631
APAC	8,493	4,024	1,174	123	28	13,842
	116,973	162,253	56,788	19,231	10,185	365,430

The past due balance, which represents installments that are one day or more past their contractual due date, of customer financing receivables at amortized cost and the geography credit quality indicator at December 31, 2020 is as follows:

($ thousands)	North America	LAC	EMEA	APAC	Total
Past due	6,062	106,011	12,585	3,839	128,497
Short-term portion not yet due	37,728	67,634	32,488	8,303	146,153
Long-term portion not yet due	30,960	31,562	26,558	1,700	90,780
	74,750	205,207	71,631	13,842	365,430

8. Fair Value Measurements

Financial Assets and Liabilities Measured at Fair Value on a Recurring Basis

Our significant financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2020 and 2019 are as follows:

		December 31, 2020			
($ thousands)	**Balance Sheet Location**	**Level 1**	**Level 2**	**Level 3**	**Total Fair Value**
Assets:					
Derivative assets	Other current and other non-current assets	—	10,738	—	10,738
Equity investments	Other non-current assets	6,026	—	—	6,026
Liabilities:					
Derivative liabilities	Other current and other non-current liabilities	—	10,113	—	10,113

		December 31, 2019			
($ thousands)	**Balance Sheet Location**	**Level 1**	**Level 2**	**Level 3**	**Total Fair Value**
Assets:					
Derivative assets	Other current and other non-current assets	—	8,317	—	8,317
Equity investments	Other non-current assets	7,769	—	—	7,769
Liabilities:					
Derivative liabilities	Other current and other non-current liabilities	—	6,425	—	6,425

Valuation Techniques

Derivative assets and liabilities classified as Level 2 were derived from quoted market prices for similar instruments or by discounting the future cash flows with adjustments for credit risk as appropriate. All significant inputs were derived from or corroborated by observable market data including current forward exchange rates and LIBOR rates, among others.

At December 31, 2020 and 2019, the carrying amounts for cash and cash equivalents, restricted cash, trade and other receivables, other current assets, accounts payable, and other current liabilities approximated their estimated fair values because of their short-term nature.

Financial Assets Measured at Fair Value on a Nonrecurring Basis

Our assessment of goodwill for impairment includes various inputs, including forecasted revenue, forecasted operating profits, terminal growth rates, and weighted-average costs of capital. The projected cash flows used in calculating the fair value of our reporting units, using the income approach, considered historical and estimated future results and general economic and market conditions, as well as the impact of planned business and operational strategies. As a result, as of December 31, 2019, the Company classified the former International reporting unit measured at fair value on a nonrecurring basis within Level 3 of the fair value hierarchy.

Financial Assets and Liabilities Not Carried at Fair Value

The carrying amounts and fair value hierarchy classification of our significant financial assets and liabilities not carried at fair value as of December 31, 2020 and 2019 are as follows:

	December 31, 2020				
($ thousands)	**Carrying Amount**	**Level 1**	**Level 2**	**Level 3**	**Total Fair Value**
Assets:					
Customer financing receivables, net	315,511	—	—	312,690	312,690
Equity investments	12,375	—	—	12,375	12,375
Liabilities:					
Jackpot liabilities	218,943	—	—	210,516	210,516
Debt [1]	8,242,898	—	8,701,509	—	8,701,509

	December 31, 2019				
($ thousands)	**Carrying Amount**	**Level 1**	**Level 2**	**Level 3**	**Total Fair Value**
Assets:					
Customer financing receivables, net	349,103	—	—	349,686	349,686
Equity investments	11,482	—	—	11,482	11,482
Liabilities:					
Jackpot liabilities	234,771	—	—	230,307	230,307
Debt [1]	8,062,816	—	8,589,939	—	8,589,939

[1] Debt excludes short-term borrowings and swap adjustments

Level 3 equity investments are measured at cost, less impairment, plus or minus changes resulting from observable price changes, which approximates fair value.

9. Derivative Financial Instruments

We use selected derivative hedging instruments, principally foreign currency forward contracts and interest rate swaps, for the purpose of managing currency risks and interest rate risk arising from our operations and sources of financing.

Cash Flow Hedges

The notional amount of foreign currency forward contracts, designated as cash flow hedges, outstanding at December 31, 2020 and 2019 were $61.5 million and $56.8 million, respectively. The amount recorded within other comprehensive income (loss) at December 31, 2020 is expected to impact the consolidated statement of operations in 2021.

Fair Value Hedges

In September 2015, we executed $625.0 million notional amount of interest rate swaps that effectively convert $625.0 million of the 6.25% Senior Secured U.S. Dollar Notes from fixed interest rate debt to variable rate debt. The terms of the swap require periodic net settlement payments and expire in February 2022. In August 2020, $200.0 million notional amount of the interest rate swaps were terminated early. At December 31, 2020, the remaining notional amount of $425.0 million in interest rate swaps were no longer designated as hedging relationships and the fair value of the swaps is recognized in interest expense on the consolidated statements of operations with no corresponding offset to debt.

Net Investment Hedges

In October 2018, we executed $200.0 million notional amount of cross-currency swaps that are a hedge of foreign exchange risk associated with a net investment in foreign operations. The terms of the swap require periodic net settlement payments and a final notional exchange will occur on settlement. The swaps expire in August 2021. In March 2020, $100.0 million notional amount in cross-currency swaps were early terminated and the remaining notional amount at December 31, 2020 was $100.0 million.

Derivatives Not Designated as Hedging Instruments

The notional amount of foreign currency forward contracts, not designated as hedging instruments, outstanding at December 31, 2020 and 2019 was $295.4 million and $550.0 million, respectively.

Refer to Note 19, *Shareholders' Equity - Accumulated Other Comprehensive Income* for further information.

10. Systems, Equipment and Other Assets Related to Contracts, net and Property, Plant and Equipment, net

Systems & Equipment and PPE, net consist of the following:

	Systems & Equipment, net		PPE, net	
	December 31,		December 31,	
($ thousands)	**2020**	**2019**	**2020**	**2019**
Land	—	297	964	2,317
Buildings	2,257	748	68,847	70,473
Terminals and systems	2,614,869	2,610,417	—	—
Furniture and equipment	150,419	138,591	258,767	240,375
Construction in progress	76,582	49,340	14,985	15,624
	2,844,127	2,799,393	343,563	328,789
Accumulated depreciation	(1,776,006)	(1,593,801)	(211,961)	(182,734)
	1,068,121	1,205,592	131,602	146,055

Gain on Sale of Assets to Distributor

During 2019, we entered into a long-term strategic agreement with a distributor in Oklahoma that included the sale of used, non-premium equipment, which was previously included within Systems & Equipment, net within the consolidated balance sheet. This sale resulted in a gain of $27.7 million which is classified in other operating expense (income), net on the consolidated statements of operations for the year ended December 31, 2019.

11. Leases

Lessee

We have operating and finance leases for real estate (warehouses, office space, data centers), vehicles, communication equipment, and other equipment. Many of our real estate leases include one or more options to renew, while some include termination options. Certain vehicle and equipment leases include residual value guarantees and options to purchase the leased asset. Many of our real estate leases include variable payments for maintenance, real estate taxes, and insurance that are determined based on the actual costs incurred by the landlord.

The classification of our operating and finance leases in the consolidated balance sheets is as follows:

		December 31,	
($ thousands)	**Balance Sheet Classification**	**2020**	**2019**
Assets:			
Operating ROU asset	Operating lease right-of-use assets	288,196	296,751
Finance ROU asset, net [1]	Other non-current assets	32,739	35,441
Total lease assets		320,935	332,192
Liabilities:			
Operating lease liability, current	Other current liabilities	44,263	43,902
Finance lease liability, current	Other current liabilities	10,944	8,680
Operating lease liability, non-current	Operating lease liabilities	266,227	272,350
Finance lease liability, non-current	Other non-current liabilities	30,854	36,240
Total lease liabilities		352,288	361,172

[1] Finance ROU assets are recorded net of accumulated amortization of $15.7 million and $6.8 million at December 31, 2020 and December 31, 2019, respectively

Weighted-average lease terms and discount rates are as follows:

	December 31,	
	2020	**2019**
Weighted-Average Remaining Lease Term (in years)		
Operating leases	8.32	8.80
Finance leases	5.13	6.01
Weighted-Average Discount Rate		
Operating leases	7.01 %	7.74 %
Finance leases	5.16 %	5.45 %

Components of lease expense are as follows:

	For the year ended December 31,	
($ thousands)	**2020**	**2019**
Operating lease costs	72,025	75,586
Finance lease costs [1]	11,451	10,341
Variable lease costs [2]	22,587	22,163

[1] Finance lease costs include amortization of ROU assets of $9.3 million and $7.8 million for the years ended December 31, 2020 and 2019, respectively and interest on lease liabilities of $2.1 million and $2.5 million for the years ended December 31, 2020 and 2019, respectively

[2] Variable lease costs include immaterial amounts related to short-term leases and sublease income

Maturities of operating and finance lease liabilities at December 31, 2020 are as follows ($ thousands):

Year	Operating Leases	Finance Leases	Total [1]
2021	63,964	12,729	76,693
2022	55,090	9,678	64,768
2023	49,383	6,983	56,366
2024	44,515	5,309	49,824
2025	38,697	4,985	43,682
Thereafter	171,168	8,150	179,318
Total lease payments	422,817	47,834	470,651
Less: Imputed interest	(112,327)	(6,036)	(118,363)
Present value of lease liabilities	310,490	41,798	352,288

[1] The maturities above exclude leases that have not yet commenced and such leases are not material in the aggregate

Cash flow information and non-cash activity related to leases is as follows:

	For the year ended December 31,	
($ thousands)	2020	2019
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating and finance leases	67,731	74,175
Finance cash flows from finance leases	9,761	7,632
Non-cash activity:		
ROU assets obtained in exchange for lease obligations (net of early terminations)		
Operating leases	34,385	12,914
Finance leases	6,359	9,441

We adopted ASC 842 as of January 1, 2019 which is an update to ASC 840, the lease accounting standard in place through December 31, 2018. Rent and lease expense under ASC 840 was $81.5 million for the year ended December 31, 2018 and included contingent rent payments of $0.8 million for the year ended December 31, 2018.

Lessor

We have various arrangements for lottery and commercial gaming equipment under which we are the lessor. These leases generally meet the criteria for operating lease classification. Lease income for operating leases is included within service revenue, while lease income for sales type leases is included predominately within product sales, in the consolidated statements of operations. Total lease income was approximately 7% and 8% of total revenue for the years ended December 31, 2020 and 2019, respectively.

12. Restructuring

During 2020, we initiated three restructuring plans as described below and during 2019, we expanded existing restructuring plans initiated in the prior year. As of December 31, 2019 these plans were substantially completed. During 2018, we incurred $14.8 million in restructuring expenses from plans that were initiated in 2018 and substantially completed by the end of 2018. Restructuring expense incurred under these plans was previously included in corporate support expenses, which were not allocated to the business segments. In conjunction with the Company's segment reorganization as disclosed in Note 21 – *Segment Information*, restructuring expenses are now included in the business segments carrying out the restructuring activity.

2020 Segment Reorganization

During the first quarter of 2020, we initiated a restructuring plan associated with our global initiative to simplify our organizational structure and increase efficiency and effectiveness. We expect to incur approximately $17 million in severance and related employee costs under this plan, which is expected to be substantially completed by the end of the first quarter of 2021. We incurred $16.3 million in severance and related employee costs for the year ended December 31, 2020, which impacted our two segments and corporate support function.

Rollforward of Restructuring Liability

The following table presents the activity in the restructuring liability under this plan for the year ended December 31, 2020:

($ thousands)	**Severance and Related Employee Costs**
Balance at beginning of period	—
Restructuring expense, net	16,310
Cash payments	(9,132)
Other adjustments, net	544
Balance at end of period	7,722

2020 Global Supply Chain Optimization

During the first quarter of 2020, we initiated a restructuring plan to optimize our global supply chain and footprint resulting in a significant reduction to our primary manufacturing operations. We will utilize contract manufacturers that are worldwide experts in manufacturing and excel at sourcing and assembly activities. We intend to utilize these third-party contract manufacturers to reduce costs and achieve efficiencies in fulfilling future demand for our products.

We expect to incur up to $9 million in total costs under this plan, comprised of approximately $5 million in severance and related employee costs and approximately $4 million in other costs. The plan is expected to be substantially completed by the end of the first quarter of 2021. The following table summarizes restructuring expense for the year ended December 31, 2020 under this plan by type of cost, primarily in the Global Gaming segment:

($ thousands)	**For the year ended December 31, 2020**
Severance and related employee costs	5,123
Other [(1)]	3,576
Total	8,699

[(1)] This expense includes approximately $460 thousand of asset impairments. The offset for these charges is Property, plant and equipment, net in the consolidated balance sheet at December 31, 2020

Rollforward of Restructuring Liability

The following table presents the activity in the restructuring liability under this plan for the year ended December 31, 2020:

($ thousands)	Severance and Related Employee Costs	Other Costs	Total
Balance at beginning of period	—	—	—
Restructuring expense, net	5,123	3,116	8,239
Cash payments	(3,630)	(1,916)	(5,546)
Balance at end of period	1,493	1,200	2,693

2020 Technology Organization Consolidation

During the second quarter of 2020, we initiated a restructuring plan to realign and consolidate operations, reduce costs, and improve operational efficiencies within our Technology group. We expect to incur approximately $18 million primarily in severance and related employee costs under this plan, which is expected to be substantially completed by the end of the fourth quarter of 2021. We incurred $17.5 million in severance and related employee costs for the year ended December 31, 2020, primarily in the Global Gaming segment.

Rollforward of Restructuring Liability

The following table presents the activity in the restructuring liability under this plan for the year ended December 31, 2020:

($ thousands)	Severance and Related Employee Costs
Balance at beginning of period	—
Restructuring expense, net	17,499
Cash payments	(3,506)
Balance at end of period	13,993

Restructuring Expense

The following table summarizes consolidated restructuring expense by segment and type of cost:

	For the year ended December 31, 2020			
($ thousands)	Severance and Related Employee Costs	Asset Impairment Costs	Other	Total
Global Lottery	5,399	—	—	5,399
Global Gaming	29,936	460	3,216	33,612
Corporate and Other	6,068	—	(34)	6,034
Total	41,403	460	3,182	45,045

	For the year ended December 31, 2019			
($ thousands)	Severance and Related Employee Costs	Asset Impairment Costs	Other	Total
Global Lottery	2,164	—	6	2,170
Global Gaming	3,173	15,500	(311)	18,362
Corporate and Other	1,737	—	2,586	4,323
Total	7,074	15,500	2,281	24,855

13. Goodwill

As discussed in Note 21 – Segment Information, on July 1, 2020, we adopted a new organizational structure focused on two business segments: Global Lottery and Global Gaming. This resulted in a change in our operating segments and reporting units. Prior to this change, we had four reporting units: North America Gaming and Interactive, North America Lottery, International, and Italy.

As a result of the change in reporting units, at July 1, 2020, we allocated goodwill to our new reporting units using a relative fair value approach. The goodwill allocated to the new Global Lottery and Global Gaming reporting units was $2,942.2 million and $2,208.7 million, respectively, and the estimated fair values were determined to exceed the carrying values, which indicated no impairment existed. In addition, we completed an assessment for any potential goodwill impairment for all the former reporting units immediately prior to the reallocation and determined that no impairment existed.

Changes in the carrying amount of goodwill consist of the following:

	Reporting Units Prior to July 1, 2020				Reporting Units After July 1, 2020			
($ thousands)	**North America Gaming and Interactive**	**North America Lottery**	**International**	**Italy**	**Global Lottery**	**Global Gaming**	**Discontinued Operations**	**Total**
Balance at December 31, 2018	1,439,867	1,221,589	1,422,847	1,495,924	—	—	(520,259)	5,059,968
Impairment	—	—	(99,000)	—	—	—	—	(99,000)
Disposal	—	—	(13,201)	—	—	—	—	(13,201)
Foreign currency translation	—	—	(2,677)	(13,855)	—	—	—	(16,532)
Balance at December 31, 2019	1,439,867	1,221,589	1,307,969	1,482,069	—	—	(520,259)	4,931,235
Impairment	(103,000)	—	(193,000)	—	—	—	—	(296,000)
Foreign currency translation	—	—	(2,136)	(2,427)	—	—	—	(4,563)
Segment realignment	(1,336,867)	(1,221,589)	(1,112,833)	(1,479,642)	2,942,221	2,208,710	—	—
Foreign currency translation	—	—	—	—	55,118	27,699	—	82,817
Discontinued operations	—	—	—	—	—	(520,259)	520,259	—
Balance at December 31, 2020	—	—	—	—	2,997,339	1,716,150	—	4,713,489
Balance at December 31, 2019								
Cost	2,153,867	1,225,682	1,641,187	1,483,754	—	—	(520,259)	5,984,231
Accumulated impairment	(714,000)	(4,093)	(333,218)	(1,685)	—	—	—	(1,052,996)
	1,439,867	1,221,589	1,307,969	1,482,069	—	—	(520,259)	4,931,235
Balance at December 31, 2020								
Cost	—	—	—	—	2,997,339	1,716,150	—	4,713,489
	—	—	—	—	2,997,339	1,716,150	—	4,713,489

Goodwill Impairment

Our assessment of goodwill for impairment includes various inputs, including forecasted revenue, forecasted operating profits, terminal growth rates, and weighted-average costs of capital. The projected cash flows used in calculating the fair value of our reporting units, using the income approach, considered historical and estimated future results and general economic and market conditions, as well as the impact of planned business and operational strategies.

During the first quarter of 2020, we determined there was an interim goodwill impairment triggering event caused by COVID-19. As a result of the identified triggering event, we estimated the fair value of each of our former reporting units using an income approach based on projected discounted cash flows. Based principally on lower forecasted revenue and operating profits caused by lower demand for our commercial gaming products, we recorded a $296.0 million non-cash impairment loss with no income tax benefit, of which $193.0 million and $103.0 million million was recorded within our former International and North America Gaming reporting units, respectively, to reduce the carrying amount of the reporting units to fair value.

During the fourth quarters of 2019 and 2018, we recorded $99.0 million and $118.0 million, respectively, in non-cash impairment losses with no income tax benefits and reduced the carrying amount of our former International reporting unit to fair value. We determined there was an impairment in the former International reporting unit's goodwill due to lower forecasted cash flows along with a higher weighted-average cost of capital.

14. Intangible Assets, net

Intangible assets at December 31, 2020 and 2019 are summarized as follows:

		December 31, 2020			December 31, 2019		
($ thousands)	**Weighted- Average Amortization Period (Years)**	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Carrying Amount**	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Carrying Amount**
Amortized:							
Customer relationships	15.5	2,300,034	1,229,939	1,070,095	2,302,118	1,107,363	1,194,755
Computer software and game library	5.6	917,950	783,671	134,279	882,049	723,768	158,281
Trademarks	14.1	186,218	91,807	94,411	185,285	76,196	109,089
Developed technologies	5.6	225,108	212,562	12,546	219,448	203,121	16,327
Licenses	3.5	69,148	58,550	10,598	60,763	48,188	12,575
Other	8.9	37,382	26,957	10,425	34,600	21,013	13,587
		3,735,840	2,403,486	1,332,354	3,684,263	2,179,649	1,504,614
Unamortized:							
Trademarks		245,000	—	245,000	245,000	—	245,000
Total intangible assets, excluding goodwill		3,980,840	2,403,486	1,577,354	3,929,263	2,179,649	1,749,614

Intangible asset amortization expense of $202.7 million, $220.1 million, and $224.0 million (which includes computer software amortization expense of $25.7 million, $29.4 million, and $29.6 million) was recorded in 2020, 2019, and 2018, respectively.

Amortization expense on intangible assets for the next five years is expected to be as follows ($ thousands):

Year	**Amount**
2021	187,867
2022	178,594
2023	155,379
2024	140,009
2025	118,637
Total	780,486

15. Other Liabilities

Other Current Liabilities

($ thousands)	Notes	December 31, 2020	December 31, 2019
Accrued interest payable		138,184	141,485
Current financial liabilities		128,330	62,806
Accrued expenses		118,037	99,700
Contract liabilities	4	107,542	66,749
Taxes other than income taxes		96,346	67,309
Employee compensation		89,832	155,962
Jackpot liabilities	18	71,290	74,670
Operating lease liabilities	11	44,263	43,902
Income taxes payable		26,116	17,198
Other		26,333	29,037
		846,273	758,818

Other Non-Current Liabilities

($ thousands)	Notes	December 31, 2020	December 31, 2019
Jackpot liabilities	18	147,654	160,101
Contract liabilities	4	62,175	65,855
Reserves for uncertain tax positions		47,625	47,523
Finance lease liabilities	11	30,854	36,240
Income taxes payable		15,594	26,493
Royalties payable		14,091	18,918
Other		41,968	40,736
		359,961	395,866

16. Debt

The Company's long-term debt obligations consist of the following:

	December 31, 2020				
($ thousands)	**Principal**	**Debt issuance cost, net**	**Premium**	**Swap**	**Total**
6.250% Senior Secured U.S. Dollar Notes due February 2022	1,000,001	(3,039)	—	6,860	1,003,822
4.750% Senior Secured Euro Notes due February 2023	1,043,035	(4,983)	—	—	1,038,052
5.350% Senior Secured U.S. Dollar Notes due October 2023	60,567	—	224	—	60,791
3.500% Senior Secured Euro Notes due July 2024	613,550	(3,808)	—	—	609,742
6.500% Senior Secured U.S. Dollar Notes due February 2025	1,100,000	(8,359)	—	—	1,091,641
3.500% Senior Secured Euro Notes due June 2026	920,325	(6,995)	—	—	913,330
6.250% Senior Secured U.S. Dollar Notes due January 2027	750,000	(5,845)	—	—	744,155
2.375% Senior Secured Euro Notes due April 2028	613,550	(5,150)	—	—	608,400
5.250% Senior Secured U.S. Dollar Notes due January 2029	750,000	(6,875)	—	—	743,125
Senior Secured Notes	6,851,028	(45,054)	224	6,860	6,813,058
Euro Term Loan Facility due January 2023	1,055,306	(11,278)	—	—	1,044,028
Euro Revolving Credit Facility B due July 2024 [(1)]	—	—	—	—	—
U.S. Dollar Revolving Credit Facility A due July 2024 [(1)]	—	—	—	—	—
Long-term debt, less current portion	7,906,334	(56,332)	224	6,860	7,857,086
Euro Term Loan Facility due January 2023	392,672	—	—	—	392,672
Current portion of long-term debt	392,672	—	—	—	392,672
Short-term borrowings	480	—	—	—	480
Total debt	8,299,486	(56,332)	224	6,860	8,250,238

[(1)] As of December 31, 2020, $23.9 million of debt issuance costs, net are presented in other non-current assets for debt instruments with no outstanding borrowings

($ thousands)	December 31, 2019 Principal	Debt issuance cost, net	Premium	Swap	Total
6.250% Senior Secured U.S. Dollar Notes due February 2022	1,500,000	(8,199)	—	(473)	1,491,328
4.750% Senior Secured Euro Notes due February 2023	954,890	(6,508)	—	—	948,382
5.350% Senior Secured U.S. Dollar Notes due October 2023	60,567	—	318	—	60,885
3.500% Senior Secured Euro Notes due July 2024	561,700	(4,369)	—	—	557,331
6.500% Senior Secured U.S. Dollar Notes due February 2025	1,100,000	(10,041)	—	—	1,089,959
3.500% Senior Secured Euro Notes due June 2026	842,550	(7,445)	—	—	835,105
6.250% Senior Secured U.S. Dollar Notes due January 2027	750,000	(6,613)	—	—	743,387
2.375% Senior Secured Euro Notes due April 2028	561,700	(5,297)	—	—	556,403
Senior Secured Notes	6,331,407	(48,472)	318	(473)	6,282,780
Euro Term Loan Facility due January 2023	1,325,612	(8,223)	—	—	1,317,389
Euro Revolving Credit Facility B due July 2024 [1]	—	—	—	—	—
U.S. Dollar Revolving Credit Facility A due July 2024 [1]	—	—	—	—	—
Long-term debt, less current portion	7,657,019	(56,695)	318	(473)	7,600,169
4.750% Senior Secured Euro Notes due March 2020	435,767	(978)	—	—	434,789
5.500% Senior Secured U.S. Dollar Notes due June 2020	27,311	—	74	(19)	27,366
Current portion of long-term debt	463,078	(978)	74	(19)	462,155
Short-term borrowings	3,193	—	—	—	3,193
Total debt	8,123,290	(57,673)	392	(492)	8,065,517

[1] As of December 31, 2019, $20.5 million of debt issuance costs, net are presented in other non-current assets for debt instruments with no outstanding borrowings

The principal amount of long-term debt maturing over the next five years and thereafter as of December 31, 2020 is as follows ($ thousands):

Year	U.S. Dollar Denominated	Euro Denominated	Total
2021	—	392,672	392,672
2022	1,000,001	392,672	1,392,673
2023	60,567	1,705,669	1,766,236
2024	—	613,550	613,550
2025	1,100,000	—	1,100,000
2026 and thereafter	1,500,000	1,533,875	3,033,875
Total principal payments	3,660,568	4,638,438	8,299,006

Senior Secured Notes

The key terms of our senior secured notes (the "Notes"), which are rated Ba3 and BB by Moody's Investor Service ("Moody's") and Standard & Poor's Ratings Services ("S&P"), respectively, are as follows:

Description	Principal (thousands)	Effective Interest Rate	Issuer	Guarantors	Collateral	Redemption	Interest payments
6.250% Senior Secured U.S. Dollar Notes due February 2022	$1,000,001	6.52%	Parent	*	†	++	Semi-annually in arrears
4.750% Senior Secured Euro Notes due February 2023	€850,000	4.98%	Parent	*	†	++	Semi-annually in arrears
5.350% Senior Secured U.S. Dollar Notes due October 2023	$60,567	5.47%	IGT	**	††	+	Semi-annually in arrears
3.500% Senior Secured Euro Notes due July 2024	€500,000	3.68%	Parent	*	†	++	Semi-annually in arrears
6.500% Senior Secured U.S. Dollar Notes due February 2025	$1,100,000	6.71%	Parent	*	†	++	Semi-annually in arrears
3.500% Senior Secured Euro Notes due June 2026	€750,000	3.65%	Parent	*	†	+++	Semi-annually in arrears
6.250% Senior Secured U.S. Dollar Notes due January 2027	$750,000	6.41%	Parent	*	†	++	Semi-annually in arrears
2.375% Senior Secured Euro Notes due April 2028	€500,000	2.50%	Parent	*	†	+++	Semi-annually in arrears
5.250% Senior Secured U.S. Dollar Notes due January 2029	$750,000	5.39%	Parent	*	†	+++	Semi-annually in arrears

* Certain subsidiaries of the Parent.

** The Parent and certain subsidiaries of the Parent.

† Ownership interests of the Parent in certain of its direct subsidiaries and certain intercompany loans with principal balances in excess of $10 million.

†† Certain intercompany loans with principal balances in excess of $10 million.

\+ International Game Technology ("IGT") may redeem in whole or in part at any time prior to maturity at 100% of their principal amount together with accrued and unpaid interest and a make-whole premium. IGT may also redeem in whole or in part at 100% of their principal amount together with accrued and unpaid interest in connection with certain gaming regulatory events. Upon the occurrence of certain events, IGT will be required to offer to repurchase all of the notes at a price equal to 101% of their principal amount together with accrued and unpaid interest.

++ The Parent may redeem in whole or in part at any time prior to the date which is six months prior to maturity at 100% of their principal amount together with accrued and unpaid interest and a make-whole premium. After such date, the Parent may redeem in whole or in part at 100% of their principal amount together with accrued and unpaid interest. The Parent may also redeem in whole but not in part at 100% of their principal amount together with accrued and unpaid interest in connection with certain tax events. Upon the occurrence of certain events, the Parent will be required to offer to repurchase all of the notes at a price equal to 101% of their principal amount together with accrued and unpaid interest.

+++ The Parent may redeem in whole or in part at any time prior to the first date set forth in the redemption price schedule at 100% of their principal amount together with accrued and unpaid interest and a make-whole premium. After such date, the Parent may redeem in whole or in part at a redemption price set forth in the redemption price schedule in the indenture, together with accrued and unpaid interest. The Parent may also redeem in whole but not in part at 100% of their principal amount together with accrued and unpaid interest in connection with certain tax events. Upon the occurrence of certain events, the Parent will be required to offer to repurchase all of the notes at a price equal to 101% of their principal amount together with accrued and unpaid interest.

The Notes contain customary covenants and events of default. At December 31, 2020, the issuers were in compliance with the covenants.

3.500% Senior Secured Euro Notes due July 2024

On June 27, 2018, the Parent issued €500 million of 3.500% Senior Secured Euro Notes due July 2024 (the "3.500% Notes due 2024") at par.

The Company recorded a $29.6 million loss on extinguishment of debt in connection with the repurchases, which is classified in other (expense) income, net on the consolidated statement of operations for the year ended December 31, 2018.

3.500% Senior Secured Euro Notes due June 2026

On June 20, 2019, the Parent issued €750 million of 3.500% Senior Secured Euro Notes due June 2026 (the "3.500% Notes due 2026") at par.

The Parent used the net proceeds from the 3.500% Notes due 2026 to repurchase €437.6 million ($497.5 million) of the 4.125% Senior Secured Euro Notes due February 2020 (the "4.125% Notes") and pay down $339.3 million of the Revolving Credit Facilities due July 2024, for total consideration, excluding interest, of $845.3 million. The Company recorded an €8.5 million ($9.6 million) loss on extinguishment of debt in connection with the repurchase, which is classified in other (expense) income, net on the consolidated statement of operations for the year ended December 31, 2019.

6.250% Senior Secured U.S. Dollar Notes due January 2027

On September 26, 2018, the Parent issued $750 million of 6.250% Senior Secured U.S. Dollar Notes due January 2027 (the "6.250% Notes") at par.

The Company recorded a $24.8 million loss on extinguishment of debt in connection with the redemptions, which is classified in other (expense) income, net on the consolidated statement of operations for the year ended December 31, 2018.

2.375% Senior Secured Euro Notes due April 2028

On September 16, 2019, the Parent issued €500 million of 2.375% Senior Secured Euro Notes due April 2028 (the "2.375% Notes") at par.

The Parent used the net proceeds from the 2.375% Notes to pay the €320.0 million ($350.2 million) first installment on the Euro Term Loan Facility due January 25, 2020 on September 27, 2019 and to pay down $192.3 million of the Revolving Credit Facilities due July 2024, for total consideration, excluding interest, of $542.5 million. The Company recorded a €2.1 million ($2.3 million) loss on extinguishment of debt in connection with the Term Loan repayment, which is classified in other (expense) income, net on the consolidated statement of operations for the year ended December 31, 2019.

5.250% Senior Secured U.S. Dollar Notes due January 2029

On June 19, 2020, the Parent issued $750.0 million of 5.250% Senior Secured U.S. Dollar Notes due January 2029 (the "5.250% Notes") at par.

The Parent used the net proceeds from the 5.250% Notes to repurchase $500.0 million of the 6.250% Senior Secured U.S. Dollar Notes due February 2022 for total consideration, excluding interest, of $525.0 million. The Company recorded a $23.3 million loss on extinguishment of debt in connection with the repurchase, of which a $28.3 million loss is classified in other expense, net and an offsetting gain of $5.0 million is classified in interest expense, net in the consolidated statement of operations for the year ended December 31, 2020.

Interest on the 5.250% Notes is payable semi-annually in arrears.

The 5.250% Notes are guaranteed by certain subsidiaries of the Parent and are secured by ownership interests of the Parent in certain of its direct subsidiaries and certain intercompany loans with principal balances in excess of $10.0 million.

Prior to January 15, 2024, the Parent may redeem the 5.250% Notes in whole or in part at 100% of their principal amount together with accrued and unpaid interest and a make-whole premium. From January 15, 2024 to January 14, 2025, the Parent may redeem the 5.250% Notes in whole or in part at 102.625% of their principal amount together with accrued and unpaid interest. From January 15, 2025 to January 14, 2026, the Parent may redeem the 5.250% Notes in whole or in part at 101.313% of their principal amount together with accrued and unpaid interest. On or after January 15, 2026, the Parent may redeem the

5.250% Notes in whole or in part at 100% of their principal amount together with accrued and unpaid interest. The Parent may also redeem the 5.250% Notes in whole but not in part at 100% of their principal amount together with accrued and unpaid interest in connection with certain tax events. Upon the occurrence of certain events, the Parent will be required to offer to repurchase all of the 5.250% Notes at a price equal to 101% of their principal amount together with accrued and unpaid interest. In certain events of default, the 5.250% Notes outstanding may become due and payable immediately.

4.750% Senior Secured Euro Notes due March 2020

On March 5, 2020, the Parent redeemed the €387.9 million ($432.0 million) 5.500% Senior Secured Euro Notes due March 2020 when they matured.

5.500% Senior Secured U.S. Dollar Notes due June 2020

On June 15, 2020, the Parent redeemed the $27.3 million 5.500% Senior Secured U.S. Dollar Notes due June 2020 when they matured.

Revolving Credit Facilities and Term Loan Facility

On May 7, 2020, the Company entered into an amendment to the Senior Facilities Agreement for the Revolving Credit Facilities due July 2024 (the “RCF Agreement”), and on May 8, 2020, the Company entered into an amendment to the Senior Facility Agreement for the Euro Term Loan Facility due January 2023 (the “TLF Agreement”).

The amendments modified the RCF Agreement and the TLF Agreement by, among other things:

- Providing a waiver of the covenants requiring the Company to maintain a minimum ratio of EBITDA to net interest costs and a maximum ratio of total net debt to EBITDA from the fiscal quarter ending June 30, 2020 through the fiscal quarter ending June 30, 2021 and establishing new thresholds for these financial covenants starting with the fiscal quarter ending September 30, 2021 as described in the amendments;
- Providing that for the period commencing on January 30, 2020 and expiring on August 31, 2021 (the “Relief Period Expiration Date”), a material adverse effect arising from the COVID-19 pandemic shall not constitute a material adverse effect under the agreements and any cessation or suspension of business arising from the COVID-19 pandemic shall not constitute an event of default under the agreements;
- Providing that the obligation to grant security over additional collateral be waived provided that the public debt ratings of the Company are not less than BB- or Ba3;
- Obligating the Company to maintain “Liquidity” (as defined in the amendments) of at least $500 million for the period commencing on the date of the amendments and expiring on the Relief Period Expiration Date (the “Relief Period”), with such financial covenant being tested quarterly or, if any monthly trading update or quarterly compliance certificate evidences that Liquidity is less than $750 million, monthly;
- Increasing the margin from 2.75% to 3.25% if the public debt ratings of the Company are B+ or B1 (or lower);
- Prohibiting restricted payments (including dividends and ordinary share repurchases) during the period commencing on April 1, 2020 and expiring on June 30, 2021, and permitting restricted payments during the period commencing on July 1, 2021 and expiring on the maturity date of the respective agreements provided that the ratio of total net debt to EBITDA as adjusted to reflect the restricted payment is less than specified thresholds; and
- Decreasing the maximum annual amount that the Company can spend on acquisitions during the Relief Period to $100 million.

In addition, the amendment to the RCF Agreement provided that the margin applicable to all loans under the RCF Agreement outstanding as of April 11, 2020 was increased to 2.475%, and the amendment to the TLF Agreement provided that the margin applicable to all loans under the TLF Agreement outstanding as of April 11, 2020 was increased to 2.50%.

Term Loan Facility

The Parent is party to a senior facility agreement (the "Term Loan Facility Agreement") for a €1.5 billion term loan facility maturing in January 2023 (the "Term Loan Facility"), which must be repaid in the following installments, as detailed below:

Due Date	Amount (€ thousands)
January 25, 2020	320,000
January 25, 2021	320,000
January 25, 2022	320,000
January 25, 2023	540,000

On September 27, 2019, the Parent repaid the first €320 million installment due January 25, 2020 (resulting in €1.2 billion principal remaining) from the proceeds of the 2.375% Notes issued on September 16, 2019.

Interest on the Term Loan Facility is payable between one and six months in arrears at rates equal to the applicable LIBOR or EURIBOR plus a margin based on our long-term ratings by Moody's and S&P. At December 31, 2020 and 2019, the effective interest rate on the Term Loan Facility was 2.50% and 2.05%, respectively.

The Term Loan Facility is guaranteed by certain subsidiaries of the Parent and is secured by ownership interests of the Parent in certain of its direct subsidiaries and certain intercompany loans with principal balances in excess of $10 million.

Upon the occurrence of certain events, the Parent may be required to prepay the Term Loan Facility in full.

The Term Loan Facility Agreement contains customary covenants (including maintaining a minimum ratio of EBITDA to net interest costs and maximum ratio of total net debt to EBITDA) and events of default. At December 31, 2020, the Parent was in compliance with the covenants.

Revolving Credit Facilities

The Parent and certain of its subsidiaries are party to a senior facilities agreement (the "RCF Agreement") which provides for the following multi-currency revolving credit facilities (the "Revolving Credit Facilities"):

Maximum Amount Available (thousands)	Facility	Borrowers
$1,050,000	Revolving Credit Facility A	Parent, IGT, and IGT Global Solutions Corporation
€625,000	Revolving Credit Facility B	Parent and Lottomatica Holding S.r.l.

On July 24, 2019, the Company entered into an amendment to the Revolving Credit Facilities due July 2021. The amendment extended the final maturity date of the Revolving Credit Facilities from July 26, 2021 to July 31, 2024 and established the minimum ratio of EBITDA to total net interest costs and the maximum ratio of total net debt to EBITDA for the extended term of the revolving credit facilities. In addition, the amendment reduced the aggregate revolving facilities commitments of the lenders from $1.20 billion and €725 million to $1.05 billion and €625 million and amended the definition of "Permitted Restricted Payment" to eliminate the leverage ratio threshold condition to the payment of dividends and other restricted payments. The amendment also allowed IGT-Europe B.V. to be added as a borrower under Revolving Credit Facility B and modified certain other non-material provisions.

Interest on the Revolving Credit Facilities is payable between one and six months in arrears at rates equal to the applicable LIBOR or EURIBOR plus a margin based on the Parent's long-term ratings by Moody's and S&P. At December 31, 2020 and December 31, 2019, there was no balance for the Revolving Credit Facilities.

The RCF Agreement provides that the following fees, which are recorded in interest expense in the consolidated statements of operations, are payable quarterly in arrears:

- Commitment fees - payable on the aggregate undrawn and un-cancelled amount of the Revolving Credit Facilities depending on the Parent's long-term ratings by Moody's and S&P. The applicable rate was 0.928% at December 31, 2020.
- Utilization fees - payable on the aggregate drawn amount of the Revolving Credit Facilities at a rate ranging from 0.15% to 0.60% dependent on the percentage of the Revolving Credit Facilities utilized. There was no balance as of December 31, 2020.

The Revolving Credit Facilities are guaranteed by the Parent and certain of its subsidiaries and are secured by ownership interests of the Parent in certain of its direct subsidiaries and certain intercompany loans with principal balances in excess of $10 million.

Upon the occurrence of certain events, the borrowers may be required to repay the Revolving Credit Facilities and the lenders may have the right to cancel their commitments.

At December 31, 2020 the available liquidity under the Revolving Credit Facilities was $1.817 billion.

The RCF Agreement contains customary covenants (including maintaining a minimum ratio of EBITDA to net interest costs and a maximum ratio of total net debt to EBITDA) and events of default. At December 31, 2020, the borrowers were in compliance with the covenants.

Other Credit Facilities

The Parent and certain of its subsidiaries may borrow under senior unsecured uncommitted demand credit facilities made available by several financial institutions. At December 31, 2020 and December 31, 2019, there were no borrowings under these facilities.

Letters of Credit

The Parent and certain of its subsidiaries may obtain letters of credit under the Revolving Credit Facilities and under senior unsecured uncommitted demand credit facilities. The letters of credit secure various obligations, including obligations arising under customer contracts and real estate leases. The following table summarizes the letters of credit outstanding at December 31, 2020 and 2019 and the weighted-average annual cost of such letters of credit:

	Letters of Credit Outstanding			
($ thousands)	**Not under the Revolving Credit Facilities**	**Under the Revolving Credit Facilities**	**Total**	**Weighted-Average Annual Cost**
December 31, 2020	426,740	—	426,740	1.06 %
December 31, 2019	402,300	—	402,300	1.02 %

Interest Expense, Net

	For the year ended December 31,		
($ thousands)	**2020**	**2019**	**2018**
Senior Secured Notes	(344,286)	(351,077)	(352,293)
Term Loan Facilities	(36,665)	(36,138)	(39,462)
Revolving Credit Facilities	(31,301)	(28,160)	(27,805)
Other	(620)	(7,918)	(12,052)
Interest expense	(412,872)	(423,293)	(431,612)
Interest income	14,956	12,418	14,229
Interest expense, net	(397,916)	(410,875)	(417,383)

17. Income Taxes

The components of (loss) income from continuing operations before provision for income taxes, determined by tax jurisdiction, are as follows:

	For the year ended December 31,		
($ thousands)	**2020**	**2019**	**2018**
United Kingdom	(354,563)	35,401	195,629
United States	(776,396)	(301,307)	(363,507)
Italy	228,744	350,731	365,463
Other	54,508	43,182	(63,717)
	(847,707)	128,007	133,868

The provision for income taxes consists of:

	For the year ended December 31,		
($ thousands)	**2020**	**2019**	**2018**
Current:			
United Kingdom	(819)	1,803	3,579
United States	10,045	46,288	(12,028)
Italy	66,073	104,368	141,496
Other	30,866	49,329	45,942
	106,165	201,788	178,989
Deferred:			
United Kingdom	(190)	(78)	(282)
United States	(61,791)	(68,789)	(20,900)
Italy	(876)	914	(3,517)
Other	(15,610)	(3,078)	(10,126)
	(78,467)	(71,031)	(34,825)
	27,698	130,757	144,164

Income taxes paid, net of refunds, were $89.0 million, $196.8 million, and $178.5 million in 2020, 2019, and 2018, respectively.

The Parent is a tax resident in the United Kingdom (the "U.K."). A reconciliation of the provision for income taxes, with the amount computed by applying the U.K. statutory main corporation tax rates enacted in each of the Parent's calendar year reporting periods to (loss) income from continuing operations before provision for income taxes is as follows:

	For the year ended December 31,		
($ thousands)	**2020**	**2019**	**2018**
(Loss) income from continuing operations before provision for income taxes	(847,707)	128,007	133,868
United Kingdom statutory tax rate	19.00 %	19.00 %	19.00 %
Statutory tax expense (benefit)	(161,064)	24,321	25,435
Change in valuation allowances	127,955	507	(13,723)
Non-deductible goodwill impairment	56,240	18,810	22,420
Base erosion and anti-abuse ("BEAT") tax	12,926	31,340	13,769
Foreign tax expense, net of U.S. federal benefit	9,754	13,585	14,930
IRAP and state taxes	9,275	22,946	30,351
GILTI tax	2,517	4,575	11,079
Change in unrecognized tax benefits	1,295	6,637	9,166
Italian allowance for corporate equity	(3,841)	(2,380)	(3,328)
Foreign tax and statutory rate differential [(1)]	(13,988)	2,974	48,040
Tax Law Changes	(19,627)	—	—
Tax impact of Tax Act	—	—	(10,852)
Italian tax settlement	—	—	16,664
Non-taxable foreign exchange gain	—	(3,744)	(12,384)
Non-taxable gains on investments	—	(6,225)	—
Other	6,256	17,411	(7,403)
	27,698	130,757	144,164
Effective tax rate	(3.3)%	102.1 %	107.7 %

[(1)] Includes the effects of foreign subsidiaries' earnings taxed at rates other than the U.K. statutory rate

In 2020, our effective tax rate differed from the expected UK statutory rate of 19.00%, primarily due to increases in valuation allowances on deferred tax assets, the impact of the international provisions of the Tax Act (BEAT and GILTI), foreign rate differences, and a goodwill impairment with no associated tax benefit.

In 2019, our effective tax rate differed from the expected U.K. statutory rate of 19.00% primarily due to the impact of the international provisions of the Tax Act (BEAT and GILTI), foreign rate differences, and a goodwill impairment with no associated tax benefit.

In 2018, our effective tax rate differed from the expected U.K. statutory rate of 19.00% primarily due to the impact of the international provisions of the Tax Act (BEAT and GILTI), a goodwill impairment with no associated tax benefit, foreign rate differences, increases in uncertain tax positions, and the settlement of an Italian tax audit.

On March 27, 2020, the U.S. government enacted the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") to provide certain relief as a result of the COVID-19 outbreak. Some of the key tax-related provisions of the CARES Act benefiting the Company include temporary five-year net operating loss carryback provisions, modifications to the 30% limitation on the deductibility of business interest, and payroll tax deferral.

In the quarter ended September 30, 2020, the U.S. Treasury Department issued final regulations regarding Global Intangible Low-Taxed Income ("GILTI"). The Company will elect the GILTI high tax exception as allowed by the final regulations and will amend its 2018 and 2019 income tax returns. The benefit of the GILTI high tax exception as well as the NOL carryback provisions provided in the CARES Act resulted in a tax benefit of $12.1 million.

The components of deferred tax assets and liabilities are as follows:

	December 31,	
($ thousands)	**2020**	**2019**
Deferred tax assets:		
Net operating losses	299,885	175,342
Section 163(j) interest limitation	154,925	93,522
Provisions not currently deductible for tax purposes	88,084	127,132
Lease liabilities	70,384	79,328
Jackpot timing differences	38,724	40,550
Depreciation and amortization	26,325	30,296
Inventory reserves	2,438	3,437
Other	47,377	44,459
Gross deferred tax assets	728,142	594,066
Valuation allowance	(284,088)	(156,133)
Deferred tax assets, net of valuation allowance	444,054	437,933
Deferred tax liabilities:		
Acquired intangible assets	506,238	533,732
Depreciation and amortization	160,898	174,970
Lease right-of-use assets	65,015	74,201
Other	11,796	20,962
Total deferred tax liabilities	743,947	803,865
Net deferred income tax liability	(299,893)	(365,932)

Our net deferred income taxes are recorded in the consolidated balance sheets as follows:

	December 31,	
($ thousands)	**2020**	**2019**
Deferred income taxes - non-current asset	33,117	27,108
Deferred income taxes - non-current liability	(333,010)	(393,040)
	(299,893)	(365,932)

Net Operating Loss Carryforwards

We have a $1.3 billion gross tax loss carryforward, of which $638.4 million relates to the U.K., $331.2 million relates to U.S. Federal, and $370.7 million relates to other foreign tax jurisdictions. Carryforwards in certain tax jurisdictions begin to expire in 2031, while others have an unlimited carryforward period. A valuation allowance has been provided on $929.5 million of the gross net operating loss carryforwards. Portions of the tax loss carryforwards are subject to annual limitations, including Section 382 of the U.S. Internal Revenue Code of 1986, as amended, for U.S. tax purposes, and similar provisions under other countries' laws. In addition, as of December 31, 2020, we had U.S. state tax net operating loss carryforwards, resulting in a deferred tax asset (net of U.S. federal tax benefit) of approximately $18.3 million. U.S. state tax net operating loss carryforwards generally expire in the years 2021 through 2040.

Valuation Allowance

A reconciliation of the valuation allowance is as follows:

	December 31,		
($ thousands)	**2020**	**2019**	**2018**
Balance at beginning of year	156,133	170,831	184,554
Expiration of tax attributes	—	(15,205)	—
Net charges to (income) expense	127,955	507	(13,723)
Balance at end of year	284,088	156,133	170,831

The valuation allowance primarily relates to U.K. and foreign net operating losses that are not more likely than not expected to be realized. In addition, we also recorded a partial valuation allowance of $57.9 million relating to our business interest expense limitation carryforward. In assessing the need for a valuation allowance, we considered both positive and negative evidence for each jurisdiction including past operating results, estimates of future taxable income, and the feasibility of tax planning strategies. When we change our determination as to the amount of deferred tax assets that can be realized, the valuation allowance is adjusted with a corresponding impact to the provision for (benefit from) income taxes in the period in which such determination is made.

For the years ended December 31, 2020 and December 31, 2019, we recorded a net valuation increase (decrease) of $127.9 million and $(14.7) million, respectively.

Accounting for Uncertainty in Income Taxes

A reconciliation of the unrecognized tax benefits is as follows:

	December 31,		
($ thousands)	**2020**	**2019**	**2018**
Balance at beginning of year	29,175	26,635	20,975
Additions to tax positions - current year	498	717	11,947
Additions to tax positions - prior years	335	2,358	16,973
Reductions to tax positions - prior years	(2,259)	—	(4,610)
Settlements	—	—	(17,238)
Lapses in statutes of limitations	(525)	(535)	(1,412)
Balance at end of year	27,224	29,175	26,635

At December 31, 2020, 2019, and 2018, $27.2 million, $29.2 million, and $26.6 million, respectively, of the unrecognized tax benefits, if recognized, would affect our effective tax rates.

We recognize interest expense and penalties related to income tax matters in the provision for income taxes. For 2020, 2019, and 2018, we recognized $(0.2) million, $4.7 million, and $0.7 million, respectively, in interest expense, penalties, and inflationary adjustments. At December 31, 2020, 2019, and 2018, the gross balance of accrued interest and penalties was $20.9 million, $21.2 million, and $16.4 million, respectively.

We file income tax returns in various jurisdictions of which the United Kingdom, United States, and Italy represent the major tax jurisdictions. All years prior to 2017 are closed with the Internal Revenue Service. As of December 31, 2020, we are subject to income tax audits in various tax jurisdictions globally, most significantly in Mexico and Italy.

Mexico Tax Audit

Based on a 2006 tax examination, the Company's Mexican subsidiary, GTECH Mexico S.A. de C.V., was issued an income tax assessment of approximately Mexican peso ("MXN") 425.0 million. The assessment relates to the denial of a deduction for cost of goods sold and the taxation of intercompany loan proceeds. The Company has unsuccessfully contested the two issues in the Mexican court system receiving unfavorable decisions by the Mexican Supreme Court in June 2017 and October 2019, respectively. As of December 31, 2020, based on the unfavorable decisions received, the Company has recorded a liability of MXN 478.5 million (approximately $24.0 million), which includes additional interest, penalties, and inflationary adjustments.

Italy Tax Audits

The Company's Italian corporate income tax returns for the calendar years ended December 31, 2015 through December 31, 2019 are currently under examination. On October 19, 2020, the Italian tax authorities issued a final tax audit report for calendar year 2015 questioning the process the Company undertook to establish the interest rate on an intercompany debt agreement ("the 2015 loan"), between Lottomatica S.r.l. (the borrower) and its parent company, IGT PLC (the lender). Similar findings are expected for the 2015 loan for calendar years 2016 through 2019 as the intercompany debt remains outstanding and the Company applied the same interest rate. The Company expects that Lottomatica S.r.l will receive an assessment of taxes, interest, and potentially penalties sometime in the first half of calendar year 2021. The Company believes the interest rate applied to the intercompany debt was calculated on an arm's length basis consistent with established transfer pricing policies

and procedures. The Company is currently evaluating the options for responding to the October 19, 2020 tax audit report upon receipt of the tax assessment.

On December 21, 2017 and on March 29, 2018, the Italian Tax Authority issued a preliminary tax audit report for the 2014 and 2015 fiscal years, respectively. Both audit reports related to the reorganization of the Italian business and the merger of GTECH S.p.A. with and into the Parent effective from April 7, 2015, addressing (i) the non-deductibility of certain transaction costs, (ii) withholding taxes on bridge facility fees, and (iii) the redetermination of the taxable gains associated with the reorganization of the Italian business. The total income tax assessment for fiscal 2014 and fiscal 2015 was €13.2 million ($16.7 million), which has been settled and fully paid with the Italian Tax Authority as of December 31, 2018.

18. Commitments and Contingencies

Commitments

Jackpot Commitments

Jackpot liabilities are recorded as current and non-current liabilities as follows:

($ thousands)	December 31, 2020
Current liabilities	71,290
Non-current liabilities	147,654
	218,944

Future jackpot liabilities are due as follows:

($ thousands)	Previous Winners	Future Winners	Total
2021	35,967	35,176	71,143
2022	22,705	8,250	30,955
2023	20,440	651	21,091
2024	17,863	651	18,514
2025	15,028	651	15,679
Thereafter	84,552	9,761	94,313
Future jackpot payments due	196,555	55,140	251,695
Unamortized discounts			(32,751)
Total jackpot liabilities			218,944

Performance and other bonds

Certain contracts require us to provide a surety bond as a guarantee of performance for the benefit of customers; bid and litigation bonds for the benefit of potential customers; and WAP bonds that are used to secure our financial liability when a player elects to have their WAP jackpot winnings paid over an extended period of time.

These bonds give beneficiaries the right to obtain payment and/or performance from the issuer of the bond if certain specified events occur. In the case of performance bonds, which generally have a term of one year, such events include our failure to perform our obligations under the applicable contracts. In general, we would only be liable for these guarantees in the event of default in our performance of our obligations under each contract, the probability of which we believe is remote. Accordingly, no liability has been recorded as of December 31, 2020 and 2019 related to these bonds.

Legal Proceedings

From time to time, the Parent and/or one or more of its subsidiaries are party to legal, regulatory, or administrative proceedings regarding, among other matters, claims by and against us, and injunctions by third parties arising out of the ordinary course of business. Licenses are also subject to legal challenges by competitors seeking to annul awards made to the Company. The Parent and/or one or more of its subsidiaries are also, from time to time, subjects of, or parties to, ethics and compliance inquiries and investigations related to the Company’s ongoing operations. At December 31, 2020, provisions for litigation

matters amounted to $7.9 million. With respect to litigation and other legal proceedings where we have determined that a loss is reasonably possible but we are unable to estimate the amount or range of reasonably possible loss in excess of amounts already accrued, no additional amounts have been accrued, given the uncertainties of litigation and the inherent difficulty of predicting the outcome of legal proceedings.

Texas Fun 5's Instant Ticket Game

Five lawsuits have been filed against IGT Global Solutions Corporation (f/k/a GTECH Corporation) in Texas state court arising out of the Fun 5's instant ticket game sold by the Texas Lottery Commission ("TLC") from September 14, 2014 to October 21, 2014. Plaintiffs allege each ticket's instruction for Game 5 provided a 5x win (five times the prize box amount) any time the "Money Bag" symbol was revealed in the "5X BOX". However, TLC awarded a 5x win only when (1) the "Money Bag" symbol was revealed and (2) three symbols in a pattern were revealed.

(a) *Steele, James et al. v. GTECH Corp.*, filed on December 9, 2014 in Travis County (No. D1GN145114). Through intervenor actions, over 1,200 plaintiffs claim damages in excess of $500.0 million. GTECH Corporation's plea to the jurisdiction for dismissal based on sovereign immunity was denied. GTECH Corporation appealed. The appellate court ordered that plaintiffs' sole remaining claim should be reconsidered.

(b) *Nettles, Dawn v. GTECH Corp. et al.*, filed on January 7, 2015 in Dallas County (No. 051501559CV). Plaintiff claims damages in excess of $4.0 million. GTECH Corporation and the TLC won pleas to the jurisdiction for dismissal based on sovereign immunity. Plaintiff lost her appeal and petitioned for Texas Supreme Court review. On April 27, 2018, IGT Global Solutions Corporation petitioned for Texas Supreme Court review and the Texas Supreme Court heard arguments on December 3, 2019 in both the Nettles and Steele cases. On June 12, 2020, the Texas Supreme Court ruled that Plaintiffs in the Nettles and Steele cases could proceed with their fraud allegations in the lower courts; all other claims were dismissed. The Nettles case was dismissed on December 16, 2020 after summary judgment was awarded in favor of IGT Global Solutions Corporation.

(c) *Guerra, Esmeralda v. GTECH Corp. et al.*, filed on June 10, 2016 in Hidalgo County (No. C277716B). Plaintiff claims damages in excess of $0.5 million.

(d) *Wiggins, Mario & Kimberly v. IGT Global Solutions Corp.*, filed on September 15, 2016 in Travis County (No. D1GN16004344). Plaintiffs claim damages in excess of $1.0 million.

(e) *Campos, Osvaldo Guadalupe et al. v. GTECH Corp.*, filed on October 20, 2016 in Travis County (No. D1GN16005300). Plaintiffs claim damages in excess of $1.0 million.

We dispute the claims made in each of these cases and continue to defend against these lawsuits.

Disposition of Previously Disclosed Matters

Illinois State Lottery

On February 6, 2017, putative class representatives of retailers and lottery ticket purchasers alleged the Illinois Lottery collected millions of dollars from sales of instant ticket games and wrongfully ended certain games before all top prizes had been sold. *Raqqa, Inc. et al. v. Northstar Lottery Group, LLC.*, was filed in Illinois state court, St. Clair County (No. 17L51) against Northstar Lottery Group LLC, a consortium in which the Parent indirectly holds an 80% controlling interest. The claims included tortious interference with contract, violations of Illinois Consumer Fraud and Deceptive Practices Act, and unjust enrichment. The lawsuit was removed to the U.S. District Court for the Southern District of Illinois. On May 9, 2018, IGT Global Solutions Corporation and Scientific Games International, Inc. were added as defendants. The parties have settled the case for an amount that is not material to the Company's consolidated financial statements, and the case was dismissed in September 2020.

19. Shareholders' Equity

Shares Authorized and Outstanding

The Board of Directors of the Parent (the "Board") is authorized to issue shares of any class in the capital of the Parent. The authorized shares of the Parent consist of 1.850 billion ordinary shares with a $0.10 per share par value.

Ordinary shares outstanding were as follows:

	December 31,		
	2020	2019	2018
Balance at beginning of year	204,435,333	204,210,731	203,446,572
Shares issued under restricted stock plans	421,231	224,602	619,614
Shares issued upon exercise of stock options	—	—	144,545
Balance at end of year	204,856,564	204,435,333	204,210,731

Repurchases of Ordinary Shares

The Parent has the authority to repurchase, subject to a maximum repurchase price, a maximum of 20,474,483 ordinary shares of the Company. This authority remains valid until December 24, 2021, unless previously revoked, varied, or renewed at the 2021 annual general meeting.

The Parent did not repurchase any of its ordinary shares in 2020, 2019, or 2018.

Dividends

We declared a $0.20 cash dividend per share during the first quarter of 2020 and all four quarters of 2019 and 2018. Future dividends are subject to Board approval.

The RCF Agreement and TLF Agreement limit the aggregate amount of dividends and repurchases of the Parent's ordinary shares in each year to $300 million based on ratings by Moody's and S&P. As discussed in Note 16 - *Debt*, in May 2020, the Company entered into amendments to these agreements which include terms that prohibit restricted payments, including dividends and ordinary share repurchases, through June 30, 2021.

Accumulated Other Comprehensive Income

The following table details the changes in AOCI:

($ thousands)	Foreign Currency Translation	Unrealized Gain (Loss) on:		AOCI		
		Hedges	Other	Total	Attributable to non-controlling interests	Attributable to IGT PLC
Balance at December 31, 2017	338,146	(5,227)	6,001	338,920	1,249	340,169
Change during period	(90,309)	(163)	(4,979)	(95,451)	18,691	(76,760)
Reclassified to operations [1]	(4,254)	536	—	(3,718)	—	(3,718)
Tax effect	3,779	(1,904)	(29)	1,846	—	1,846
Other comprehensive (loss) income	(90,784)	(1,531)	(5,008)	(97,323)	18,691	(78,632)
Balance at December 31, 2018	247,362	(6,758)	993	241,597	19,940	261,537
Change during period	(18,172)	237	2,877	(15,058)	15,906	848
Reclassified to operations [1]	1,623	(2,183)	—	(560)	—	(560)
Tax effect	22	495	183	700	—	700
Other comprehensive (loss) income	(16,527)	(1,451)	3,060	(14,918)	15,906	988
Balance at December 31, 2019	230,835	(8,209)	4,053	226,679	35,846	262,525
Change during period	128,275	(674)	(269)	127,332	(59,455)	67,877
Reclassified to operations [1]	(507)	(47)	—	(554)	—	(554)
Tax effect	(217)	184	—	(33)	—	(33)
Other comprehensive income (loss)	127,551	(537)	(269)	126,745	(59,455)	67,290
Balance at December 31, 2020	358,386	(8,746)	3,784	353,424	(23,609)	329,815

[1] Foreign currency translation adjustments related to liquidated subsidiaries were reclassified into foreign exchange (loss) gain, net on the consolidated statements of operations for the years ended December 31, 2020 and 2019. Unrealized gain (loss) on hedges were reclassified into service revenue in the consolidated statements of operations for the years ended December 31, 2020, 2019, and 2018, respectively

20. Variable Interest Entities

We hold ownership interests in the following variable interest entities ("VIEs"):

Name of subsidiary	% Ownership held by the Company
Lottoitalia S.r.l. ("Lottoitalia")	61.50 %
Lotterie Nazionali S.r.l. ("LN")	64.00 %
Northstar New Jersey Lottery Group, LLC ("Northstar NJ") [1]	82.31 %

[1] Northstar New Jersey Holding Company LLC, of which we are a 50.15% shareholder, holds the 82.31% ownership in Northstar NJ

Lottoitalia holds a license to operate the Lotto game in Italy through November 2025. LN holds a license to operate the Scratch & Win instant lottery game in Italy through September 2028. Northstar NJ manages a wide range of the lottery's day-to-day operations in the State of New Jersey, as well as provides marketing and sales services under a license valid through June 2029.

We are the principal operating partner fulfilling the requirements under the licenses held by the VIEs. As such, we have the power to direct the activities that significantly affect the VIEs' economic performance, along with the right to receive benefits or the obligation to absorb losses that could potentially be significant to the VIEs. As a result, we concluded we are the primary beneficiary of the VIEs and they have been consolidated. Accordingly, the balance sheet and operating activity of the VIEs are included in our consolidated financial statements and we adjust the net income (loss) in our consolidated statement of operations to exclude the non-controlling interests' proportionate share of results. We present the proportionate share of non-controlling interests as equity in the consolidated balance sheets.

The carrying amounts and classification of these VIEs' assets and liabilities in our consolidated balance sheets at December 31, 2020 and 2019 are as follows:

	December 31,	
($ thousands)	**2020**	**2019**
Current assets	1,087,002	842,893
Non-current assets	1,556,072	1,652,641
Total assets	2,643,074	2,495,534
Total liabilities	707,530	498,681

21. Segment Information

On July 1, 2020, we adopted a new organizational structure focused on two business segments: Global Lottery and Global Gaming, along with a streamlined corporate support function. During the third quarter of 2020, our chief operating decision maker requested changes in the information that he regularly reviews for purposes of allocating resources and assessing performance. This resulted in a change in our operating segments and reporting units. As a result, beginning in the third quarter of 2020, we report our financial performance based on our July 1, 2020 new business segments, and analyze revenue and operating income as measures of segment profitability. We have recast our historically presented comparative segment information to conform to the way we internally manage and monitor segment performance.

The Global Lottery segment has full responsibility for the worldwide traditional lottery and iLottery business, including sales, operations, product development, technology, and support. The Global Gaming segment has full responsibility for the worldwide gaming business, including iGaming, sports betting, sales, product management, studios, global manufacturing, operations, and technology.

Our two business segments are supported by central corporate support functions, including a business and strategic initiatives function, finance, people and transformation, legal, marketing and communications, corporate public affairs, and strategy and corporate development. Certain support costs that are identifiable and that benefit our business segments are allocated to them. Each allocation is measured differently based on the specific facts and circumstances of the costs being allocated. Corporate support function expenses that are not allocated to the business segments, which are principally composed of selling, general and administrative expenses, are reported as Corporate and Other expenses, along with goodwill impairment and the depreciation and amortization of acquired tangible and intangible assets in connection with acquired companies.

Through our two business segments, we operate and provide an integrated portfolio of innovative gaming technology products and services including online and instant lottery systems, gaming systems, instant ticket printing, electronic gaming machines, iLottery, sports betting, iGaming, commercial services, and lottery management services.

Global Lottery

Our Global Lottery segment provides lottery products and services primarily to governmental organizations through operating contracts, facilities management contracts ("FMCs"), lottery management agreements ("LMAs"), and product sales contracts.

As part of our lottery product and services, we provide instant and draw-based lottery products, point-of-sale machines, central processing systems, software, commercial services, instant ticket printing services, and other related equipment and support services.

We categorize revenue from operating contracts, FMCs, and LMAs as "Operating and facilities management contracts" and revenue from commercial services, software hosting, software maintenance, and other services not included within operating contracts, FMCs, or LMAs as service revenue from "Systems, software, and other". Revenue included within "Operating and facilities management contracts" include all services required by the contract, including iLottery and instant ticket printing.

We categorize sales or sales-type leases of lottery terminals, lottery systems, software licenses, and instant tickets not part of "Operating and facilities management contracts" as product sales from "Lottery products".

Global Gaming

Our Global Gaming segment provides gaming products and services including software and game content, casino gaming management systems, video lottery terminals ("VLTs"), amusement with prize machines ("AWPs"), VLT central systems, sports betting, iGaming, and other related equipment and support services to commercial and tribal casino operators.

We categorize revenue from Wide Area Progressive services, and operating leases for VLTs, AWPs, and other gaming machines as service revenue from "Gaming terminal services." We categorize revenue from iGaming services, sports betting, software intellectual property licenses, and systems as service revenue from "Systems, software, and other".

Revenue from the sale or sales-type lease of gaming machines, systems, component parts, and other miscellaneous equipment and services are categorized as product sales from "Gaming terminals" and revenue from systems, software, casino gaming management systems, game content, iGaming products, and spare parts as product sales from "Gaming other".

Segment information is as follows:

	For the year ended December 31, 2020				
($ thousands)	**Global Lottery**	**Global Gaming**	**Business Segment Total**	**Corporate and Other**	**Total IGT PLC**
Service revenue	2,042,652	596,906	2,639,558	—	2,639,558
Product sales	121,346	354,552	475,898	—	475,898
Total revenue	2,163,998	951,458	3,115,456	—	3,115,456
Operating income (loss)	641,930	(205,657)	436,273	(543,738)	(107,465)
Depreciation and amortization	235,767	155,758	391,525	174,669	566,194
Expenditures for long-lived assets	(148,679)	(74,877)	(223,556)	(2,190)	(225,746)

	For the year ended December 31, 2019				
($ thousands)	**Global Lottery**	**Global Gaming**	**Business Segment Total**	**Corporate and Other**	**Total IGT PLC**
Service revenue	2,182,961	917,907	3,100,868	—	3,100,868
Product sales	109,884	821,005	930,889	—	930,889
Total revenue	2,292,845	1,738,912	4,031,757	—	4,031,757
Operating income (loss)	697,267	179,548	876,815	(398,899)	477,916
Depreciation and amortization	228,972	187,061	416,033	197,910	613,943
Expenditures for long-lived assets	(167,349)	(166,932)	(334,281)	(8,216)	(342,497)

	For the year ended December 31, 2018				
($ thousands)	**Global Lottery**	**Global Gaming**	**Business Segment Total**	**Corporate and Other**	**Total IGT PLC**
Service revenue	2,234,801	961,129	3,195,930	—	3,195,930
Product sales	126,889	658,053	784,942	—	784,942
Total revenue	2,361,690	1,619,182	3,980,872	—	3,980,872
Operating income (loss)	763,799	143,340	907,139	(433,542)	473,597
Depreciation and amortization	223,126	171,378	394,504	212,989	607,493
Expenditures for long-lived assets	(202,412)	(229,182)	(431,594)	(9,450)	(441,044)

Geographical Information

Revenue from external customers, which is based on the geographical location of our customers, is as follows:

	December 31,		
($ thousands)	**2020**	**2019**	**2018**
United States	1,666,241	2,115,791	2,063,477
Italy	895,942	989,796	973,621
United Kingdom	63,874	73,541	58,681
Rest of Europe	209,080	322,654	313,779
All other	280,319	529,975	571,314
Total	3,115,456	4,031,757	3,980,872

Revenue from one customer in the Global Lottery segment represented approximately 19%, 16%, and 16% of consolidated revenue in 2020, 2019, and 2018, respectively.

Long-lived assets, which are comprised of Systems & Equipment and PPE, are based on the geographical location of the assets as follows:

	December 31,	
($ thousands)	**2020**	**2019**
United States	841,439	928,857
Italy	176,341	187,169
United Kingdom	13,871	17,687
Rest of Europe	90,646	102,874
All other	77,426	115,060
Total	1,199,723	1,351,647

22. Stock-Based Compensation

Incentive Awards

Stock-based incentive awards are provided to directors and employees under the terms of our 2015 Equity Incentive Plan (the "Plan") as administered by the Board. Awards available under the Plan principally include stock options, performance share units, restricted share units or any combination thereof. The maximum number of new shares that may be granted under the Plan is 11.5 million shares. To the extent any award is forfeited, expires, lapses, or is settled for cash, the award is available for reissue under the Plan. We utilize authorized and unissued shares to satisfy all shares issued under the Plan.

Stock Options

Stock options are awards that allow the employee to purchase shares of our stock at a fixed price. Stock options are granted under the Plan at an exercise price not less than the fair market value of a share on the date of grant. In 2018, stock options were granted solely to our Chief Executive Officer, which will vest in 2021 subject to certain performance and other criteria, and have a contractual term of approximately six years. No stock options were granted in 2020 or 2019.

Stock Awards

Stock awards are principally made in the form of performance share units ("PSUs") and restricted share units ("RSUs"). PSUs are stock awards where the number of shares ultimately received by the employee depends on the Company's performance against specified targets, which may include Adjusted EBITDA, Adjusted Net Debt and Total Shareholder Return ("TSR") relative to the Russell Mid Cap Market Index. PSUs typically vest 50% over an approximate three-year period and 50% over an approximate four-year period (i.e. four years to vest both tranches). Dividend equivalents are not paid under the Plan. The fair value of each PSU is determined on the grant date or modification date, based on the Company's stock price, adjusted for the exclusion of dividend equivalents, and assumes that performance targets will be achieved. Over the performance period, the number of shares of stock that will be issued is adjusted based upon the probability of achievement of performance targets. The ultimate number of shares issued and the related compensation cost recognized as expense is based on a comparison of the final performance metrics to the specified targets. In 2020, no PSUs were granted.

RSUs are stock awards granted to directors that entitle the holder to shares of common stock as the award vests, typically over a one-year period, and have a contractual term of 10 years. Dividend equivalents are not paid under the Plan. In 2020, RSUs were also granted to employees, which will vest in approximately one- and two-year vesting periods.

Stock Option Activity

A summary of our stock option activity and related information is as follows:

	Stock Options	Weighted-Average Exercise Price Per Share ($)	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value ($ thousands)
Outstanding at January 1, 2020	1,140,566	20.73		
Granted	—	—		
Exercised	—	—		
Expired	(718,066)	20.29		
Outstanding at December 31, 2020	422,500	21.49	2.19	
At December 31, 2020:				
Vested and expected to vest	250,000	15.53	1.37	352
Exercisable	250,000	15.53	1.37	352

No stock options were exercised in 2020 and 2019. The total intrinsic value of stock options exercised in 2018 was $6.0 million. There were no cash proceeds from stock options exercised in 2018.

Fair Value of Stock Options Granted

We estimate the fair value of stock options at the date of grant using a valuation model that incorporates key inputs and assumptions as detailed in the table below. The weighted-average grant date fair value of stock options granted during 2018 was $6.84 per share.

	2018
Valuation model	Monte Carlo
Exercise price ($)	30.12
Expected option term (in years)	2.83
Expected volatility of the Company's stock (%)	35.00
Risk-free interest rate (%)	2.73
Dividend yield (%)	2.66

The expected volatility assumes the historical volatility is indicative of future trends, which may not be the actual outcome. The expected option term is based on historical data and is not necessarily indicative of exercise patterns that may occur. Estimates of fair value are not intended to predict actual future events or the value ultimately realized by employees who receive equity awards, and subsequent events are not indicative of the reasonableness of our original estimates of fair value.

Stock Award Activity

A summary of our stock award activity and related information is as follows:

	PSUs	Weighted- Average Grant Date Fair Value ($)	RSUs	Weighted- Average Grant Date Fair Value ($)
Nonvested at January 1, 2020	5,060,951	19.41	130,009	14.07
Granted	—	—	2,375,141	9.04
Vested	(474,399)	24.07	(136,161)	13.64
Forfeited	(1,229,586)	20.16	(2,606)	9.08
Nonvested at December 31, 2020	3,356,966	18.40	2,366,383	9.05
At December 31, 2020:				
Unrecognized cost for nonvested awards ($ thousands)	1,052		17,827	
Weighted-average future recognition period (in years)	0.27		1.93	

The total vest-date fair value of PSUs vested was $2.7 million, $3.7 million, and $24.6 million in 2020, 2019, and 2018, respectively. The total vest-date fair value of RSUs vested was $1.2 million, $0.9 million, and $3.4 million for 2020, 2019, and 2018, respectively.

Fair Value of Stock Awards Granted

We estimated the fair value of PSUs at the date of grant using a Monte Carlo simulation valuation model, as the awards include a market condition. The market condition is based on the Company's TSR relative to the Russell Midcap Market Index.

During 2020, 2019, and 2018, we estimated the fair value of RSUs at the date of grant based on our stock price. Details of the grants are as follows:

	2020	2019	2018
PSUs granted during the year	—	2,133,512	1,564,083
Weighted-average grant date fair value ($)	—	11.10	28.93
RSUs granted during the year	2,375,141	131,676	68,142
Weighted-average grant date fair value ($)	9.04	14.10	30.23

Modifications

2018

During the first quarter of 2018, we modified the measurement of a performance condition for the outstanding PSUs granted in 2015, as the original vesting conditions were not expected to be satisfied. The modification affected 301 employees and resulted in $13.2 million of compensation cost for the year ended December 31, 2018.

During the third quarter of 2018, we modified the measurement of a performance condition for the outstanding PSUs granted in 2016 and 2017, in order to better align the performance conditions with the PSUs granted in 2018. The modification affected 473 employees and resulted in $10.6 million of compensation cost for the year ended December 31, 2018.

Stock-Based Compensation Expense

Total compensation cost (recovery) for our stock-based compensation plans is recorded based on the employees' respective functions as detailed below.

	For the year ended December 31,		
($ thousands)	**2020**	**2019**	**2018**
Cost of services	(1,137)	2,131	1,923
Cost of product sales	(282)	430	445
Selling, general and administrative	(4,162)	21,409	27,702
Research and development	(1,296)	2,544	3,016
Stock-based compensation expense before income taxes	(6,877)	26,514	33,086
Income tax (provision) benefit	(1,856)	6,119	7,562
Total stock-based compensation, net of tax	(5,021)	20,395	25,524

The current year recovery results from the reversal of prior year expense due to certain PSUs that are no longer forecasted to be achieved.

23. Earnings Per Share

The following table presents the computation of basic and diluted loss per share of common stock:

	For the year ended December 31,		
($ and shares in thousands, except per share amounts)	**2020**	**2019**	**2018**
Numerator:			
Net loss from continuing operations attributable to IGT PLC	(939,331)	(128,894)	(139,380)
Net income from discontinued operations attributable to IGT PLC	41,441	109,869	118,030
Net loss attributable to IGT PLC	(897,890)	(19,025)	(21,350)
Denominator:			
Weighted-average shares - basic and diluted	204,725	204,373	204,083
Net loss from continuing operations attributable to IGT PLC per common share - basic and diluted	(4.59)	(0.63)	(0.68)
Net income from discontinued operations attributable to IGT PLC per common share - basic and diluted	0.20	0.54	0.58
Net loss attributable to IGT PLC per common share - basic and diluted	(4.39)	(0.09)	(0.10)

Certain stock options to purchase common shares were outstanding, but were excluded from the computation of diluted earnings per share, because the exercise price of the options was greater than the average market price of the common shares for the full year, and therefore, the effect would have been antidilutive.

During years when we are in a net loss position, certain outstanding stock options and unvested restricted stock awards are excluded from the computation of diluted earnings per share because including them would have had an antidilutive effect.

For the years ended December 31, 2020, 2019, and 2018, stock options and unvested restricted stock awards totaling 0.7 million shares, 1.2 million shares, and 1.6 million shares, respectively, were excluded from the computation of diluted earnings per share because including them would have had an antidilutive effect.

24. Related Party Transactions

We engage in business transactions with certain related parties which include (i) De Agostini S.p.A. ("De Agostini") or entities directly or indirectly controlled by De Agostini, (ii) other entities and individuals capable of exercising control, joint control, or significant influence over us, and (iii) our unconsolidated subsidiaries or joint ventures. Members of the Board, executives with authority for planning, directing, and controlling the activities of the Company and such Directors' and executives' close family members are also considered related parties. We may make investments in such entities, enter into transactions with such entities, or both.

De Agostini Group

We are majority-owned by De Agostini. Amounts receivable from De Agostini and subsidiaries of De Agostini (the "De Agostini Group") are non-interest bearing. Transactions with the De Agostini Group include payments for support services provided and office space rented pursuant to a lease entered into prior to the formation of the Company. In addition, certain of our Italian subsidiaries have a tax unit agreement, and in some cases, a value-added tax agreement, with De Agostini pursuant to which De Agostini consolidates certain Italian subsidiaries of De Agostini for the collection and payment of taxes to the Italian tax authority.

Related party transactions with the De Agostini Group are as follows:

	December 31,	
($ thousands)	**2020**	**2019**
Trade receivables	—	2
Tax-related receivables	—	2,031
Trade payables	5,096	3,180
Tax-related payables	18,706	17,004

Unconsolidated Subsidiaries and Joint Ventures

From time to time, we make strategic investments in publicly traded and privately held companies that develop software, hardware, and other technologies or provide services supporting its technologies. We may also purchase from or make sales to these organizations.

Ringmaster S.r.l. ("Ringmaster")

We have a 50% interest in Ringmaster, an Italian joint venture, that is accounted for using the equity method of accounting. Ringmaster provides software development services for our interactive gaming business pursuant to an agreement dated December 7, 2011. Our investment in Ringmaster was $0.8 million and $0.7 million at December 31, 2020 and 2019, respectively.

We incurred $6.6 million, $6.1 million, and $10.4 million in expenses to Ringmaster for the years ended December 31, 2020, 2019, and 2018, respectively.

Connect Ventures One LP and Connect Ventures Two LP

We have held investments in Connect Ventures One LP and Connect Ventures Two LP (the "Connect Ventures") since 2011 and 2015, respectively, that are accounted for as equity investments. De Agostini also holds investments in the Connect Ventures, and Nicola Drago, the son of director Marco Drago, holds a 10% ownership interest in, and is a non-executive member of, Connect Ventures LLP, the fund that manages the Connect Ventures. The Connect Ventures are venture capital funds that target "early stage" investment operations.

Our investment in Connect Ventures One LP was $5.1 million and $4.9 million at December 31, 2020 and 2019, respectively. Our investment in Connect Ventures Two LP was $7.3 million and $6.2 million at December 31, 2020 and 2019, respectively.

EXECUTION VERSION

CONFORMED COPY

International Game Technology PLC

as Issuer

IGT, IGT Canada Solutions ULC, IGT Foreign Holdings Corporation, IGT Germany Gaming GmbH, IGT Global Solutions Corporation, International Game Technology and Lottomatica Holding S.r.l.

as Guarantors

BNY Mellon Corporate Trustee Services Limited

as Trustee

The Bank of New York Mellon, London Branch

as Paying Agent

The Bank of New York Mellon SA/NV, Luxembourg Branch

as Registrar and Transfer Agent

and

NatWest Markets Plc

as Security Agent

INDENTURE

Dated as of June 19, 2020

5.25% Senior Secured Notes due 2029

TABLE OF CONTENTS

INDENTURE dated as of June 19, 2020 by and among International Game Technology PLC, a public limited company incorporated under the laws of England and Wales, the Initial Guarantors (as defined below), BNY Mellon Corporate Trustee Services Limited, as Trustee (the "*Trustee*"), The Bank of New York Mellon, London Branch, as Paying Agent, The Bank of New York Mellon SA/NV, Luxembourg Branch, as Registrar and Transfer Agent and NatWest Markets Plc, as Security Agent.

The Issuer has duly authorized the execution and delivery of this Indenture to provide for the issuance of its $750,000,000 5.25% Senior Secured Notes due 2029 issued on the date hereof (the "*Initial Notes*") and any additional notes that may be issued on any other issue date (the "*Additional Notes*" and together with the Initial Notes, the "*Notes*").

Each of the Issuer and the Initial Guarantors has received good and valuable consideration for the execution and delivery of this Indenture. All necessary acts and things have been done to make (i) the Initial Notes, when duly issued and executed by the Issuer and authenticated and delivered hereunder, the legal, valid and binding obligations of the Issuer, (ii) the Security Documents, when executed and delivered by the parties thereto, the legal, valid and binding agreements of the Issuer and of any relevant Guarantor and (iii) this Indenture a legal, valid and binding agreement of the Issuer and the Initial Guarantors in accordance with the terms of this Indenture. The Issuer, the Initial Guarantors, the Trustee, the Agents and the Security Agent agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders (as defined below) of the Notes.

ARTICLE 1.

DEFINITIONS

Section a. Definitions.

"*2020 5.500% Notes*" means the $300,000,000 5.500% Senior Secured Notes due June 15, 2020 issued by IGT US HoldCo (of which $27,311,000 in principal was outstanding as of March 31, 2020).

"*2022 6.250% Notes*" means the $1,500,000,000 6.250% Senior Secured Notes due February 15, 2022 issued by the Issuer.

"*2023 4.750% Notes*" means the €850,000,000 4.750% Senior Secured Notes due February 15, 2023 issued by the Issuer.

"*2023 5.350% Notes*" means the $500,000,000 5.350% Senior Secured Notes due October 15, 2023 issued by IGT US HoldCo (of which $60,567,000 in principal was outstanding as of March 31, 2020).

"*2024 3.500% Notes*" means the €500,000,000 3.500% Senior Secured Notes due July 15, 2024 issued by the Issuer.

"*2025 6.500% Notes*" means the $1,100,000,000 6.500% Senior Secured Notes due February 15, 2025 issued by the Issuer.

"*2026 3.500% Notes*" means the €750,000,000 3.500% Senior Secured Notes due June 15, 2026 issued by the Issuer.

"*2027 6.250% Notes*" means the $750,000,000 6.250% Senior Secured Notes due January 15, 2027 issued by the Issuer.

"*2028 2.375% Notes*" means the €500,000,000 2.375% Senior Secured Notes due April 15, 2028 issued by the Issuer;

"*Affiliate*" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; *provided, however, that* Beneficial Ownership of ten percent (10%) or more of the Voting Stock of a Person will be deemed to be control. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have corresponding meanings.

"*Agents*" means any Registrar, coRegistrar, Transfer Agent, Authentication Agent, Paying Agent or additional paying agent.

"*Applicable Procedures*" means with respect to any transfer or exchange of BookEntry Interests in any Global Note, the rules and procedures of DTC that apply to such transfer or exchange.

"*Applicable Law*" means, as to any Person, any statute, ordinance, law, treaty, rule or regulation or any determination, ruling or other directive by and from an arbitrator or a court or other governmental authority, in each case, applicable to or binding on such Person or any of its property or assets or to which such Person or any of its property is subject.

"*Applicable Premium*" means, with respect to any Note on any redemption date, the excess of:

(1) the present value at such redemption date of (i) the principal amount of such Note plus (ii) all required interest payments due on such Note through January 15, 2024 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; *over*

(2) the principal amount of the Note, if greater,

as calculated by the Issuer or other party appointed by it for this purpose.

"*Authorized Officer*" means, with respect to (i) delivering an Officer's Certificates pursuant to this Indenture, the chief executive officer, the president, the chief financial officer, the treasurer, the assistant treasurer, the principal accounting officer or any other executive of the Issuer having substantially the same responsibilities as the aforementioned officers and (ii) any other matter in connection with this Indenture, the chief executive officer, chief financial officer, treasurer, the assistant treasurer, general counsel or a responsible financial or accounting officer or any other executive of the Issuer having substantially the same responsibilities as the aforementioned officers.

"*Bankruptcy Law*" means Title 11 of the United States Code, 11 U.S.C. §§ 101, et seq., as amended from time to time, or any similar federal or state or other law in any jurisdiction or organization or similar foreign law (including, without limitation, the Bankruptcy (Désastre) (Jersey) Law 1990, as amended, the Italian royal decree n. 267 of 16 March 1942, Italian law n. 270 of 8 July 1999, Italian law n. 347 of 23 December 2003 and the UK Insolvency Act 1986, as amended (together with the rules and regulations made pursuant thereto)) for the relief of debtors.

"*Bail-in Legislation*" means in relation to the United Kingdom or a Member State of the European Economic Area which has implemented, or which at any time implements, the BRRD, the relevant implementing law, regulation, rule or requirement as described in the EU Bail-in Legislation Schedule from time to time.

"*Bail-in Powers*" means any Write-down and Conversion Powers as defined in relation to the relevant Bail-in Legislation.

"*Beneficial Owner*" has the meaning assigned to such term in Rule 13d3 and Rule 13d5 under the U.S. Exchange Act. The terms "Beneficially Owns" and "Beneficially Owned" have a corresponding meaning.

"*Board of Directors*" means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

"*BookEntry Interest*" means one or more beneficial interests in Global Note held by Participants.

"*BRRD*" means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

"*BRRD Liability*" has the same meaning as in such laws, regulations, rules or requirements implementing the BRRD under the applicable Bail-in Legislation.

"*BRRD Party*" means the Registrar or any other agent subject to Bail-in Powers.

"*Business Day*" means a day (other than Saturday or Sunday) on which banks and financial institutions are open in New York City, United States, and London, England.

"*Capital Stock*" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"*Change of Control*" means the occurrence of any of the following:

(1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Issuer and its Subsidiaries, taken as a whole, to any "person" (as that term is used in Section 13(d)(3) of the U.S. Exchange Act) other than the Issuer or any of its Subsidiaries or a Permitted Holder or any Subsidiary of a Permitted Holder;

(2) the consummation of any transaction (including without limitation, any merger or consolidation) the result of which is that any Person (including any "person" (as that term is used in Section 13(d)(3) of the U.S. Exchange Act)) other than a Permitted Holder becomes the "beneficial owner" as defined in Rules 13d 3 and 13d 5 under the U.S. Exchange Act of more than fifty percent (50%) of the Issuer's outstanding Voting Stock, measured by voting power rather than number of shares;

(3) the first day on which a majority of the members of the Board of Directors of the Issuer are not Continuing Directors; or

(4) the adoption of a plan relating to the liquidation or dissolution of the Issuer (other than by way of merger or consolidation in compliance with Section 5.01).

"*Continuing Director*" means, as of any date of determination, any member of the Board of Directors of the Issuer who:

(1) was a member of such Board of Directors immediately as of the Issue Date; or

(2) was nominated for election or elected to such Board of Directors with the approval of (x) one or more Permitted Holders or (y) a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination or election.

"*Code*" means the United States Internal Revenue Code of 1986, as amended.

"*Collateral*" means the Notes Collateral and Guarantee Collateral that secures, as applicable, the obligations of the Issuer under the Notes and the obligations of the Guarantors under the Guarantees pursuant to the Security Documents.

"*continuing*" means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived.

"*Custodian*" means The Bank of New York Mellon, London Branch as custodian to DTC until a successor custodian replaces it, after which "*Custodian*" shall mean such successor serving hereunder.

"*Default*" means any event, act or condition which with notice or lapse of time, or both, would (without cure or waiver hereunder) constitute an Event of Default.

"*Definitive Registered Note*" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Sections 2.06, 2.07, 2.09 and 2.10, substantially in the form of **Exhibit A** hereto and bearing the Private Placement Legend, if applicable, except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Principal Amount in the Global Note" attached thereto.

"*Depositary*" means, with respect to the Notes issuable or issued in whole or in part in global form, DTC, including any and all successors thereto appointed as Depositary hereunder and having become such pursuant to the applicable provision(s) of this Indenture.

"*Disqualified Stock*" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is ninety-one (91) days after the last date on which any outstanding Notes mature.

"*dollar*" or "*$*" means the lawful currency of the United States of America.

"*Dollar Equivalent*" means, with respect to any monetary amount in a currency other than U.S. dollars, at any time of determination thereof by the Issuer, the amount of U.S. dollars obtained by converting such currency other than U.S. dollars involved in such computation into euro at the spot rate for the purchase of U.S. dollars with the applicable currency other than U.S. dollars as published in *The Financial Times* in the "Currency Rates" section (or, if *The Financial Times* is no longer published, or if such information is no longer available in *The Financial Times*, such source as may be selected by the Issuer) on the date of such determination. Except as expressly provided otherwise, whenever it is necessary to determine whether the Issuer or any Guarantor has complied with any covenant or other provision in the Indenture or if there has occurred an Event of Default and an amount is expressed in a currency other than U.S. dollars, such amount will be treated as the Dollar Equivalent determined as of the date such amount is initially determined in such non-U.S. dollar currency.

"*DTC*" means The Depository Trust Company, a limited purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the U.S. Exchange Act.

"*Equity Interests*" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"*EU Bail-in Legislation Schedule*" means the document described as such, then in effect, and published by the Loan Market Association (or any successor person) from time to time at http://www.lma.eu.com/.

"*euro*" means the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the European Community, as amended by the Treaty on European Union.

"*Euro Equivalent*" means, with respect to any monetary amount in a currency other than euro, at any time of determination thereof by the Issuer, the amount of euro obtained by converting such currency other than euro involved in such computation into euro at the spot rate for the purchase of euro with the applicable currency other than euro as published in The Financial Times in the “Currency Rates” section (or, if The Financial Times is no longer published or if such information is no longer available in The Financial Times, such source as may be selected by the Issuer) on the date of such determination. Except as expressly provided otherwise, whenever it is necessary to determine whether the Issuer or any Guarantor has complied with any covenant or other provision in this Indenture or if there has occurred an Event of Default and an amount is expressed in a currency other than euro, such amount will be treated as

the Euro Equivalent determined as of the date such amount is initially determined in such non-euro currency.

"*Existing Notes*" means, collectively, the Existing Notes Issued in 2015, the 2024 3.500% Notes, the 2026 3.500% Notes, the 2027 6.250% Notes and the 2028 2.375% Notes.

"*Existing Notes Issued in 2015*" means, collectively, to the 2022 6.250% Notes, the 2023 4.750% Notes and the 2025 6.500% Notes.

"*Fair Market Value*" means the value that would be paid by a willing buyer to an unaffiliated willing seller in an arm's length transaction not involving distress or necessity of either party, determined in good faith by an Authorized Officer of the Issuer (unless otherwise provided in this Indenture).

"*Global Note Legend*" means the Global Notes legend set forth in **Exhibit A** hereto to be placed on all Global Notes issued under this Indenture.

"*Guarantee*" means the guarantee by each Guarantor of the Issuer's obligations under this Indenture and the Notes, executed pursuant to the provisions of this Indenture.

"Guarantee Collateral" means the collateral subject to the security interests created pursuant to the security documents described in Schedule 1-B hereto.

"*Guarantor*" means the Initial Guarantors and any of the Issuer's Subsidiaries that guarantees the Notes pursuant to the provisions of this Indenture, in each case, until the Guarantee of such Person has been released in accordance with the provisions of this Indenture.

"*Holder*" means a Person whose name is registered in the Security Register.

"*IGT Canada Solutions ULC*" means IGT Canada Solutions ULC, an unlimited liability company amalgamated under the laws of Nova Scotia and a direct, wholly owned subsidiary of the Issuer.

"*IGT Foreign Holdings Corporation*" means IGT Foreign Holdings Corporation, a corporation incorporated under the laws of Delaware and an indirect, wholly owned subsidiary of the Issuer.

"*IGT Germany Gaming GmbH*" means IGT Germany Gaming GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of the Federal Republic of Germany and an indirect, wholly owned subsidiary of the Issuer.

"*IGT Global Solutions Corporation*" means IGT Global Solutions Corporation, a corporation incorporated under the laws of Delaware and an indirect, wholly owned subsidiary of the Issuer.

"*IGT US HoldCo*" means International Game Technology, a corporation incorporated under the laws of Nevada and a wholly owned Subsidiary of the Issuer.

"*IGT US OpCo*" means IGT, a corporation incorporated under the laws of Nevada and a wholly owned Subsidiary of IGT US HoldCo.

"*Indenture*" means this Indenture as it may be amended, modified or supplemented from time to time.

"*Initial Guarantors*" means IGT US OpCo, IGT Canada Solutions ULC, IGT Foreign Holdings Corporation, IGT Germany Gaming GmbH, IGT Global Solutions Corporation, IGT US Holdco and Lottomatica Holding S.r.l.

"*Intercreditor Agreement*" means the Intercreditor Agreement dated April 7, 2015 among the Issuer as Parent; NatWest Markets Plc (formerly known as The Royal Bank of Scotland plc) as Common Security Agent; NatWest Markets Plc (formerly known as The Royal Bank of Scotland plc) as Revolving Agent; the financial institutions named on the signature pages thereof as Revolving Lenders; the financial institutions named on the signature pages thereof as Revolving Swingline Lenders; NatWest Markets Plc (formerly known as The Royal Bank of Scotland plc) as Issuing Agent; KeyBank National Association as Swingline Agent; the financial institutions named on the signature pages thereof as Revolving Arrangers; Mediobanca — Banca di Credito Finanziario S.p.A. as term agent; the financial institutions named on the signature pages thereof as term lenders; the financial institutions named on the signature pages thereof as Term Arrangers; BNY Mellon Corporate Trustee Services Limited as 2018 GTECH Notes Senior Secured Notes Trustee; BNY Mellon Corporate Trustee Services Limited as 2020 GTECH Notes Senior Secured Notes Trustee; Wells Fargo Bank, National Association as IGT Senior Secured Notes Trustee; BNY Mellon Corporate Trustee Services Limited as the New Senior Secured Notes Trustee; the companies named on the signature pages thereof as IntraGroup Lenders; and the subsidiaries of the Issuer named on the signature pages thereof as Original Debtors, as amended, restated, modified, renewed or replaced in whole or in part from time to time.

"*Investment Grade Status*" shall occur when the Notes receive both of the following:

(1) a rating of "Baa3" or higher from Moody's; and

(2) a rating of "BBB-" or higher from S&P,

or the equivalent of such rating by either such rating organization or, if no rating of Moody's or S&P then exists, the equivalent of such rating by any other Nationally Recognized Statistical Ratings Organization.

"*Issue Date*" means June 19, 2020.

"*Italian Guarantor*" means Lottomatica Holding S.r.l., a *società a responsabilità limitata* organized under the laws of Italy and a direct, wholly owned Subsidiary of the Issuer.

"*Material Subsidiary*" means any Subsidiary of the Issuer that (i) has total assets (as determined on a consolidated basis in accordance with U.S. GAAP) of five percent (5%) or more of the Issuer's consolidated total assets and (ii) has consolidated EBITDA of five percent (5%) or more of the Issuer's consolidated EBITDA, in each case measured based on the Issuer's audited annual reports delivered to the Trustee pursuant to this Indenture (the "*Annual Report*"). The determination of whether a Subsidiary is a Material Subsidiary shall be determined in good faith by a responsible financial or chief accounting officer of the Issuer (A) on the basis of management accounts based on the Annual Report and excluding intercompany balances, investments in subsidiaries and joint ventures and intangible assets and (B) by giving *pro forma* effect to any acquisitions or dispositions of companies, division or lines of business since such balance sheet date or the start of such four (4) quarter period, as applicable.

"*Moody's*" means Moody's Investors Service, Inc. or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization.

"*Nationally Recognized Statistical Rating Organization*" means a nationally recognized statistical organization within the meaning of Section 3(a)(62) under the U.S. Exchange Act.

"*Notes Collateral*" means the collateral subject to the security interests created pursuant to the security documents described in Schedule 1-A hereto.

"*Officer's Certificate*" means a certificate signed on behalf of the Issuer by an Authorized Officer of the Issuer that meets the requirements set forth in this Indenture.

"*Opinion of Counsel*" means an opinion in writing from and signed by legal counsel who is reasonably acceptable to the Trustee and that meets the requirements of Section 12.03. The counsel may be an employee of or counsel to the Issuer, the Guarantors or the Trustee.

"*outstanding*" means, in relation to the Notes as of any date of determination, all the Notes issued other than:

(1) Notes which have been redeemed pursuant to this Indenture;

(2) Notes in respect of which the date for redemption in accordance with this Indenture has occurred and the redemption moneys including premium, if any, and all interest and Additional Amounts, if any, payable thereon have been duly paid to the Trustee or to the Paying Agent in the manner provided herein (and where appropriate notice to that effect has been given to the relevant Holders) and remain available for payment against presentation of the relevant Notes;

(3) Notes which have been purchased and cancelled in accordance with Section 4.08;

(4) mutilated or defaced Notes which have been surrendered and cancelled and in respect of which replacements have been issued in accordance with Section 2.07;

(5) (for the purpose only of ascertaining the principal amount of the Notes outstanding and without prejudice to the status for any other purpose of the relevant Notes) Notes which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued; and

(6) any Global Note to the extent that it shall have been exchanged for another Global Note or for Definitive Registered Notes pursuant to its provisions,

provided that for each of the following purposes, namely:

(1) the right to vote of any Holders in respect of any direction, waiver or consent delivered in accordance with the terms of this Indenture; and

(2) the determination of how many and which Notes are for the time being outstanding for the purposes of Sections 6.01 through 6.06 (inclusive), 6.11, 7.07 and 9.02,

Notes (if any) which at such date of determination are held by or on behalf of the Issuer or any Affiliate of the Issuer shall be deemed not to remain outstanding, except that, in determining whether the Trustee will be protected in relying on any such request, demand, authorization, direction, notice, consent or waiver, only Notes which a Responsible Officer of the Trustee actually knows to be so owned will be so disregarded.

"*Permitted Holders*" means De Agostini S.p.A., its Subsidiaries or B&D Holding S.p.A. ("*B&D Holding*") or any entity controlled by one or more of the same beneficial holders that directly or indirectly control B&D Holding on the Issue Date; *provided*, *however*, that for the purposes of this definition, an entity or B&D Holding shall be treated as being controlled, directly or indirectly, by any such holder(s) if the latter (whether by way of ownership of shares, proxy, contract, agency or otherwise) have or has, as

applicable, the power to (i) appoint or remove all, or the majority, of its directors or other equivalent officers or (ii) direct its operating and financial policies.

"*Permitted Liens*" means:

(1) mortgages, security interests, charges, encumbrances, pledges and other liens securing indebtedness in an aggregate principal amount not to exceed the greater of (a) $150.0 million (or the equivalent in other currencies) and (b) one percent (1%) of Total Assets (determined at the time of incurrence of such indebtedness and without giving effect to subsequent changes);

(2) if on the date of the incurrence of such mortgage, security interest, charge, encumbrance, pledge and other lien (a) the Notes have Investment Grade Status or (b) the obligations of the Issuer and its Subsidiaries under the Senior Revolving Credit Facilities Agreement are not required to be secured by security interests in the Collateral, mortgages, security interests, charges, encumbrances, pledges and other liens securing indebtedness (other than Public Debt) in an amount not to exceed (x) the greater of (i) $1,000.0 million (or the equivalent in other currencies) and (ii) six percent (6%) of Total Assets (determined at the time of incurrence of such indebtedness and without giving effect to subsequent changes), less (y) the aggregate principal amount of indebtedness incurred by Subsidiaries of the Issuer which are not Guarantors pursuant to Section 4.11;

(3) mortgages, security interests, charges, encumbrances, pledges and other liens in favor of the Issuer or any of the Guarantors;

(4) mortgages, security interests, charges, encumbrances, pledges and other liens granted for the benefit of (or to secure) the Notes (or the applicable Guarantee(s));

(5) liens arising by operation of law and in the ordinary course of business;

(6) mortgages, security interests, charges, encumbrances, pledges and other liens on property (including Capital Stock), or property of a Person, existing at the time of acquisition of the property or the Person by the Issuer or any Subsidiary of the Issuer; *provided*, *however*, that such mortgages, security interests, charges, encumbrances, pledges and other liens were in existence (or were required to extend to such assets, including by way of an afteracquired property provision) prior to, and not incurred in contemplation of, or to finance, such acquisition;

(7) liens arising by virtue of any statutory or common law provisions relating to banker's liens, rights of setoff or similar rights and remedies as to deposit accounts or other funds maintained with a depositary or financial institution;

(8) liens for taxes, assessments or other governmental charges which are (a) being contested in good faith by appropriate proceedings, *provided*, *however*, that appropriate reserves required pursuant to U.S. GAAP have been made in respect thereof, or (b) not yet due and payable;

(9) liens arising out of judgments, decrees, orders or awards not giving rise to an Event of Default and notices of *lis pendens* and associated rights so long as any appropriate legal proceedings which may have been duly initiated for the review of such judgment, decree, order,

award or notice have not been finally terminated or the period within which such proceedings may be initiated has not expired;

(10) liens on specific items of inventory or other goods (and the proceeds therefrom) of any Person securing such Person's obligations with respect to bankers' acceptances issued or created in the ordinary course of business of such Person to facilitate the purchase, shipment or storage of such inventory or other goods and liens securing or arising by reason of any netting or setoff arrangement entered into in the ordinary course of banking, hedging or other trading activities;

(11) liens arising out of conditional sale, title retention, hire purchase, consignment or similar arrangements for the sale or supply of goods entered into in the ordinary course of business, and pledges of goods, the related documents of title or other related documents arising or created in the ordinary course of business or operations as liens only for indebtedness to a bank or financial institution directly relating to the goods or documents on or over which the pledge exists;

(12) liens arising in connection with, and deposits made to secure the payment and performance of bids, trade contracts (other than for borrowed money), contracts or licenses with respect to the business of the Issuer and its Subsidiaries, leases, statutory obligations, surety and appeal bonds, performance bonds, indemnity agreements in favor of issuers of bonds and other obligations of a like nature, and rights of usufruct and similar rights to continued use and possession of lottery equipment or other property in favor of lottery customers, in each case incurred in the ordinary course of business;

(13) encumbrances and liens existing on the Issue Date;

(14) security interests, charges, pledges and other liens securing hedging obligations not entered into for speculative purposes; and

(15) mortgages, security interests, charges, encumbrances, pledges and other liens to secure refinancing indebtedness incurred to renew, refund, refinance, replace, exchange, defease or discharge other indebtedness (other than intercompany indebtedness); *provided*, *however*, that (a) the new mortgage, security interest, charge, encumbrance, pledge and other lien is limited to all or part of the same property and assets that secured the indebtedness being refinanced and (b) the indebtedness secured by the new mortgage, security interest, charge, encumbrance, pledge and other lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the indebtedness being refinanced and (y) an amount necessary to pay any fees and expenses, including premiums, related to such refinancing.

For the avoidance of doubt, the Security Interests with respect to indebtedness of the Issuer or a Guarantor will constitute "Permitted Liens" for purposes of this Indenture.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"*Private Placement Legend*" means the restricted Notes legend set forth in **Exhibit A** hereto to be placed on all Notes, if applicable, issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

"*Public Debt*" means any debt securities consisting of bonds, debentures, notes or other similar instruments issued in (1) a public offering registered under the U.S. Securities Act or (2) a private placement to institutional investors that is underwritten for resale in accordance with Rule 144A under the U.S. Securities Act or Regulation S under the U.S. Securities Act, whether or not it includes registration rights entitling the holders of such securities to registration thereof with the SEC for public resale.

"*QIB*" means a "qualified institutional buyer" as defined in Rule 144A.

"*Qualifying Equity Interests*" means Equity Interests of the Issuer other than Disqualified Stock.

"Registrar" means an office or agency for the registration of the Notes and of their transfer or exchange, including any Registrar named herein or any additional registrar.

"*Regulation S*" means Regulation S promulgated under the Securities Act.

"*Relevant Resolution Authority*" means the resolution authority with the ability to exercise any Bail-in Powers in relation to the relevant BRRD Party.

"*Responsible Officer*", when used with respect to the Trustee or the Security Agent (or any successor of the Trustee or the Security Agent), means any vice president, assistant vice president, director, associate director, assistant secretary, assistant treasurer or trust officer within the Corporate Trust Administration Group of the Trustee (or any successor group of the Trustee) or the Security Agent (or any successor group of the Security Agent) or any other officer or assistant officer of the Trustee or the Security Agent customarily performing functions similar to those performed by any of the above designated officers with direct responsibility for the administration of this Indenture and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"*Rule 144A*" means Rule 144A promulgated under the Securities Act.

"*Rule 903*" means Rule 903 promulgated under the Securities Act.

"*S&P*" means S&P Global Ratings, a division of S&P Global Inc., or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization.

"*SEC*" means the U.S. Securities and Exchange Commission.

"*Security Agent*" means NatWest Markets Plc until a successor security agent replaces it in accordance with the applicable provisions of this Indenture, after which "*Security Agent*" shall mean such successor.

"*Security Documents*" means the certain security agreements, pledge agreements, collateral assignments and any other instrument and document executed and delivered pursuant to this Indenture or otherwise or any of the foregoing, as the same may be amended, supplemented or otherwise modified from time to time, creating the security interests in the Collateral as contemplated by this Indenture.

"*Security Interests*" means the security interest in the Collateral securing the obligations of the Issuer under the Notes and this Indenture.

"*Senior Revolving Credit Facilities*" means the $1,050,000,000 and €625,000,000 multicurrency revolving credit facilities available to the Issuer and certain of its Subsidiaries under the Senior Revolving Credit Facilities Agreement.

"*Senior Revolving Credit Facilities Agreement*" means the senior facilities agreement dated November 4, 2014 among the Issuer, as the Parent and a Borrower; IGT Global Solutions Corporation, as a Borrower; J.P. Morgan Limited and Mediobanca—Banca di Credito Finanziario S.p.A., as the Global Coordinators, Bookrunners and Mandated Lead Arrangers; the entities listed in Part III of Schedule 1 thereto, as the Bookrunners and Mandated Lead Arrangers; the entities listed in Part IV of Schedule 1 thereto, as the Mandated Lead Arrangers; the entities listed in Part V of Schedule 1 thereto, as the Arrangers; the financial institutions listed in Part II of Schedule 1 thereto, as the Original Lenders; The Royal Bank of Scotland plc, as the Agent; The Royal Bank of Scotland plc, as the Issuing Agent; and the other parties thereto, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

"*Senior Term Loan Facility Agreement*" means the senior facility agreement dated July 25, 2017 for the €1,500,000,000 senior term loan facility among the Issuer, as the Borrower; certain Subsidiaries of the Issuer listed in Part I of Schedule 1 thereto, as the Original Guarantors; Bank of America Merrill Lynch International Limited and Mediobanca—Banca di Credito Finanziario S.p.A., as the Global Coordinators, Bookrunners and Mandated Lead Arrangers; the entities listed in Part III of Schedule 1 thereto as the Bookrunners and Mandated Lead Arrangers; the entities listed in Part IV of Schedule 1 thereto as the Mandated Lead Arrangers; the financial institutions listed in Part II of Schedule 1, as the Original Lenders; and Mediobanca — Banca di Credito Finanziario S.p.A., as the Agent, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

"*Significant Subsidiary*" means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 102 of Regulation SX, promulgated pursuant to the U.S. Securities Act, as such Regulation is in effect on the Issue Date.

"*Stated Maturity*" means, with respect to any installment of interest or principal on any series of indebtedness, the date on which the payment of interest or principal is scheduled to be paid in the documentation governing such indebtedness, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"*Subsidiary*" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than fifty percent (50%) of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or shareholders' or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

"*Total Assets*" means, as of any date of determination, the total consolidated assets of the Issuer and its Subsidiaries, determined in accordance with U.S. GAAP, as shown on the most recent publicly available balance sheet of the Issuer, and after giving *pro forma* effect to any acquisition or disposal of any property or assets consummated after the date of the applicable balance sheet and on or prior to the date of determination.

"*Transfer Agent*" means an office or agency where the Notes may be transferred or exchanged, including any additional transfer agent.

"*Treasury Rate*" means, the weekly average for each Business Day during the most recent week that has ended at least two Business Days prior to the applicable redemption date of the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the Federal Reserve Statistical Release H. 15 (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from such redemption date to January 15, 2024; *provided, however*, that if the period from such redemption date to January 15, 2024, as applicable, is less than one year, the weekly average yield on actively traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"*U.S. Exchange Act*" means the U.S. Securities Exchange Act of 1934, as amended.

"*U.S. GAAP*" means accounting principles generally accepted in the United States.

"U.S. Government Obligations" means securities that are (a) direct obligations (or certificates representing an ownership interest in such obligations) of the United States of America, for the timely payment of which its full faith and credit is pledged or (b) obligations (or certificates representing an ownership interest in such obligations) of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America, rated at least "A 1" by S&P or "P 1" by Moody's, and which are not callable or redeemable at the option of the issuer thereof.

"*U.S. Securities Act*" means the U.S. Securities Act of 1933, as amended.

"*U.S. Trust Indenture Act*" means the U.S. Trust Indenture Act of 1939, as amended.

"*Voting Stock*" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person (including any other interest or participation in such Person that confers on another Person such entitlement).

Section b. Other Definitions.

Term	Defined in Section
"*2002 Law*"	10.04
"*Additional Amounts*"	4.10
"*Additional Notes*"	Recitals
"*Authentication Agent*"	2.02
"*Authentication Order*"	2.02
"*Authorized Agent*"	12.05
"*BNYM Entities*"	7.13
"*Change in Tax Law*"	3.08
"*Change of Control Offer*"	4.08
"*Change of Control Payment*"	4.08
"*Change of Control Payment Date*"	4.08
"*Covenant Defeasance*"	8.03
"*Defaulted Interest*"	2.12
"*Event of Default*"	6.01
"*Global Notes*"	2.01
"*Initial Notes*"	Recitals
"*Intra-Group Liabilities*"	10.04
"*Issuer*"	Recitals
"*Italian Civil Code*"	10.03
"*Judgment Currency*"	12.14
"*Legal Defeasance*"	8.02
"*Limited Guarantee*"	10.04
"*Luxembourg Guarantor*"	10.04
"*Notes*"	Recitals
"*Participants*"	2.01
"*Payment Default*"	6.01
"*Paying Agent*"	2.03
"*Pro Rata Share*"	10.03
"*Qualifying Guarantees*"	10.03
"*Relevant Notes*"	10.03
"*Regulation S Global Note*"	2.01
"*Required Currency*"	12.14
"*Restricted Global Note*"	2.01
"*Security Register*"	2.03
"*Senior Liabilities*"	10.03
"*Suspension Event*"	4.07
"*Taxes*"	4.10
"*Tax Jurisdiction*"	4.10
"*Tax Redemption Date*"	3.08
"*Trustee*"	Recitals

Section c. Rules of Construction.

Unless the context otherwise requires:

(i)a term has the meaning assigned to it;

(ii)an accounting term not otherwise defined has the meaning assigned to it in accordance with U.S. GAAP;

(iii)"or" is not exclusive;

(iv)words in the singular include the plural, and in the plural include the singular;

(v)provisions apply to successive events and transactions;

(vi)references to sections of or rules under the U.S. Securities Act shall be deemed to include substitute, replacement or successor sections or rules adopted by the SEC from time to time;

(vii)all references to the principal, premium, interest or any other amount payable pursuant to this Indenture shall be deemed also to refer to any Additional Amounts which may be payable hereunder in respect of payments of principal, premium, interest and any other amounts payable pursuant to this Indenture or any undertakings given in addition thereto or in substitution therefor pursuant to this Indenture and express reference to the payment of Additional Amounts in any provisions hereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express reference is not made;

(viii)except as otherwise provided, whenever an amount is denominated in U.S. dollars, it shall be deemed to include the U.S. Dollar Equivalent amounts denominated in other currencies; and

(ix)to the extent the web address "www.ise.ie" is replaced by "https://www.euronext.com/en/euronext-dublin" or another address, references herein shall refer to such replacement address.

ARTICLE 2.

THE NOTES

Section a. Form and Dating.

(i)The Notes and the Trustee's or Authentication Agent's certificate of authentication thereon shall be substantially in the form of **Exhibit A** hereto with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture. The Notes may have notations, legends or endorsements required by law, the rules of any securities exchange or usage. The Issuer shall approve the form of the Notes. Each Note shall be dated the date of its authentication. The terms and provisions contained in the Notes shall constitute and are hereby expressly made a part of this Indenture and, to the extent applicable, the Issuer, the Guarantors, the Security Agent, the Paying Agent, the Registrar and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

The Notes initially will be represented by global notes (the "*Global Notes*") and will be issued only in fully registered form without coupons and only in minimum denominations of $200,000 and integral multiples of $1,000 in excess thereof.

(ii)Global Notes. Notes issued in global form will be substantially in the form of **Exhibit A** hereto (including the Global Note Legend thereon and the "Schedule of Principal Amount in the Global Note" attached thereto). Each Global Note will represent such of the outstanding Notes as will be specified therein and each shall provide that it represents the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions and purchases and cancellations. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Registrar at the direction of the Transfer Agent (with a copy to the Trustee), in accordance with instructions given by the Holder thereof as required by Section 2.06 hereof.

Notes offered and sold in reliance on Regulation S shall be issued initially in the form of a Global Note substantially in the form of **Exhibit A** hereto, with such applicable legends as are provided in **Exhibit A** hereto, except as otherwise permitted herein (the "*Regulation S Global Note*"), which shall be deposited on behalf of the purchasers of the Notes represented thereby with a Custodian for DTC, duly executed by the Issuer and authenticated by the Trustee or the Authentication Agent as hereinafter provided. The aggregate principal amount of the Regulation S Global Notes may from time to time be increased or decreased by adjustments made by the Registrar on Schedule A to each such Regulation S Global Note and recorded in the Security Register, as hereinafter provided.

Notes offered and sold within the United States to QIBs in reliance on Rule 144A shall be issued initially in the form of a Global Note substantially in the form of **Exhibit A** hereto, with such applicable legends as are provided in **Exhibit A** hereto, except as otherwise permitted herein (the "*Restricted Global Note*"), which shall be deposited on behalf of the purchasers of the Notes represented thereby with a Custodian, for DTC, duly executed by the Issuer and authenticated by the Trustee or its Authentication Agent as hereinafter provided. The aggregate principal amount of the Restricted Global Notes may from time to time be increased or decreased by adjustments made by the Registrar on Schedule A to each such Restricted Global Note and recorded in the Security Register, as hereinafter provided.

(iii)Definitive Registered Notes. Definitive Registered Notes issued upon transfer of a BookEntry Interest or a Definitive Registered Note, or in exchange for a BookEntry Interest or a Definitive Registered Note, shall be issued in accordance with this Indenture. Notes issued in definitive registered form will be substantially in the form of **Exhibit A** hereto (excluding the Global Note Legend thereon and without the "Schedule of Principal Amount in the Global Note" in the form of Schedule A attached thereto).

(iv)BookEntry Provisions. The Applicable Procedures shall be applicable to BookEntry Interests in the Global Notes that are held by Participants through DTC.

Members of, or participants and account holders in, DTC ("*Participants*") shall have no rights under this Indenture with respect to any Global Note held on their behalf by DTC or its nominees or custodians under such Global Note, and DTC or its nominees or custodian may be treated by the Issuer, the Trustee and any agent of the Issuer or the Trustee as the sole owner of such Global Note for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Issuer, the Trustee or any agent of the Issuer or the Trustee from giving effect to any written certification, proxy or other authorization furnished by DTC or its nominees, or impair, as between DTC and the Participants, the

operation of customary practices of such persons governing the exercise of the rights of a Holder of a beneficial interest in any Global Note.

Subject to the provisions of Section 2.10(b), the registered Holder of a Global Note may grant proxies and otherwise authorize any Person, including Participants and Persons that may hold interests through Participants, to take any action that a Holder is entitled to take under this Indenture or the Notes.

Except as provided in Section 2.10, owners of a beneficial interest in Global Notes will not be entitled to receive physical delivery of certificated Notes.

Section b. Execution and Authentication.

An Authorized Officer or director of the Issuer shall sign the Notes on behalf of the Issuer by manual or facsimile signature.

If an authorized member of the Issuer's board of directors, an executive officer whose signature is on a Note no longer holds that office at the time a Note is authenticated, the Note shall be valid nevertheless. The Trustee shall be entitled to rely on such signature as authentic and shall be under no obligation to make any investigation in relation thereto.

A Note shall not be valid until an authorized signatory of the Trustee or the Authentication Agent manually signs the certificate of authentication on the Note. The signature shall be conclusive evidence that the Note has been authenticated under this Indenture. Notwithstanding the foregoing, if any Note shall have been authenticated and delivered hereunder but never issued and sold by the Issuer, the Issuer shall deliver such Note to the Trustee for cancellation pursuant to Section 2.11.

The Trustee will, upon receipt of a written order of the Issuer signed by an Authorized Officer (an "*Authentication Order*"), authenticate or cause the Authentication Agent to authenticate (i) Notes, on the date hereof, for original issue up to an aggregate principal amount of $750,000,000 and (ii) Additional Notes, from time to time, subject to compliance at the time of issuance of such Additional Notes with the provisions of Section 2.15. The aggregate principal amount of Notes outstanding at any time may not exceed the aggregate principal amount of Notes authorized for issuance by the Issuer pursuant to one or more Authentication Orders, except as provided in Section 2.07 hereof.

The Trustee may appoint one or more authentication agents (each, an "*Authentication Agent*") reasonably acceptable to the Issuer to authenticate the Notes. Such Authentication Agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by any such agent. An Authentication Agent has the same rights as any Agent to deal with Holders or an Affiliate of the Issuer.

The Trustee and the Authentication Agent shall have the right to decline to authenticate and deliver any Additional Notes under this Section 2.02 if the Trustee or the Authentication Agent, being advised by counsel, determines that such action may not lawfully be taken or if the Trustee or the Authentication Agent in good faith shall determine that such action would expose the Trustee or the Authentication Agent to personal liability to existing Holders.

Section c. Registrar, Transfer Agent and Paying Agent.

The Issuer shall maintain a paying agent (the "*Paying Agent*"), an office or agency where the Notes may be presented for payment and through which the Issuer will make payments on the Notes and an office or agency where notices or demands to or upon the Issuer in respect of the Notes may be served. The Issuer shall maintain a Paying Agent for the Notes in London, England. The Issuer shall appoint a

Registrar, a Transfer Agent and a Paying Agent. The Issuer or any or its Affiliates may act as Registrar, Transfer Agent, Paying Agent and agent for service of notices and demands in connection with the Notes.

The Issuer shall also maintain a registrar (the "*Registrar*") for the Notes. The Issuer shall also maintain a transfer agent (the "*Transfer Agent*"). The Registrar will maintain a register (the "*Security Register*") for the Notes reflecting ownership of Notes of the currency outstanding from time to time. The Paying Agent will make payments on the Notes and the Transfer Agent will facilitate transfer of Definitive Registered Notes on the behalf of the Issuer. The Registrar or Transfer Agent (as the case may be) will promptly inform the Issuer of any changes to the Security Register. Each Transfer Agent shall perform the functions of a transfer agent.

The Issuer hereby initially appoints (i) The Bank of New York Mellon, London Branch as Paying Agent located at: One Canada Square, London, E14 5AL, United Kingdom and (ii) The Bank of New York Mellon SA/NV, Luxembourg Branch, as Registrar and Transfer Agent located at: 2-4 rue Eugène Ruppert, L-2453 Luxembourg, Luxembourg; and each hereby accepts such appointment.

The Issuer shall enter into an appropriate agency agreement with any Paying Agent or Registrar not a party to this Indenture. The agreement shall implement the provisions of this Indenture that relate to such agent. The Issuer shall notify the Trustee in writing of the name and address of any such agent. If the Issuer fails to maintain a Paying Agent, the Trustee may appoint a Paying Agent which shall be entitled to appropriate compensation from the Issuer therefor pursuant to Section 7.06.

Upon notice to the Trustee, the Issuer may change any Paying Agent, Registrar or Transfer Agent without prior notice to the Holders of Notes. However, for so long as Notes are listed on Euronext Dublin and the rules of Euronext Dublin so require, the Issuer will publish notice of any change of Paying Agent, Registrar or Transfer Agent on the official website of Euronext Dublin (*www.ise.ie*) in accordance with Section 12.01, or, to the extent and in the manner permitted by the rules of Euronext Dublin, such notice of the change in a Paying Agent, Registrar or Transfer Agent may instead be published in a daily newspaper with general circulation in Ireland (which is expected to be the *Irish Times*).

In addition, the Issuer or any of its Subsidiaries may act as paying agent in connection with the Notes other than for the purposes of effecting a redemption described under Section 3.07 or Section 3.11 or an offer to purchase the Notes described under Section 4.08. The Issuer will make payments on the Global Notes to the Paying Agent for further credit to DTC which will in turn, distribute such payments in accordance with its procedures.

Section d. Paying Agent to Hold Money.

The Issuer shall require each Paying Agent (other than the Trustee) to agree that such Paying Agent will hold for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal of, interest and premium, if any, Additional Amounts, if any, on the Notes, and shall promptly notify the Trustee of any Default by the Issuer in making any such payment. While any such Default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Issuer at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Issuer or any of its Subsidiaries) shall have no further liability for the money. If the Issuer or any of its Subsidiaries acts as Paying Agent, it will segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent. Upon any insolvency, bankruptcy or reorganization proceedings relating to the Issuer including, without limitation, its bankruptcy, voluntary or judicial liquidation, composition with creditors, reprieve from payment, controlled management, fraudulent conveyance, general settlement with creditors, reorganization or similar laws affecting the rights of creditors generally, the Paying Agent shall serve as an agent of the Trustee for the Notes. The Issuer shall no later than 10:00 a.m. (London time) on the

second Business Day prior to the day on which the Paying Agent is to receive payment, procure that the bank effecting payment for it confirms via fax or tested SWIFT MT100 message to the Paying Agent the payment instructions relating to such payment. A Paying Agent shall not be obliged to pay the Holders of the Notes (or make any other payment) unless and until such time as it has confirmed receipt of funds sufficient to make the relevant payment.

Section e. Holder Lists.

The Registrar shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Holders. If the Trustee or any Paying Agent is not the Registrar, the Issuer shall furnish, or cause the Registrar to furnish, to the Trustee and each Paying Agent in writing no later than two (2) Business Days before each record date for each interest payment date and at such other times as the Trustee or the Paying Agent may request in writing, a list in such form and as of such record date as the Trustee or the Paying Agent may reasonably require of the names and addresses of Holders, including the aggregate principal amount of Notes held by each Holder.

Section f. Transfer and Exchange.

(i)Where Notes are presented to the Registrar with a request to register a transfer or to exchange them for an equal principal amount of Notes of other denominations, such Registrar shall register the transfer or make the exchange in accordance with the requirements of this Section 2.06. To permit registrations of transfers and exchanges, the Issuer shall execute and the Trustee or the Authentication Agent shall, upon receipt of an Authentication Order, authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes, of any authorized denominations and of a like aggregate principal amount, at the Registrar's request.

No service charge shall be made by the Issuer or the Registrar to the Holders of the Notes for any registration of transfer or exchange of Notes (except as otherwise expressly permitted herein), but the Issuer may require payment of a sum sufficient to cover any stamp duty, stamp duty reserve, documentary or other similar tax or governmental charge or similar charge payable in connection with any such registration of transfer or exchange of Notes (other than any agency fee or similar charge payable upon exchanges pursuant to Sections 2.10, 3.06 or 9.04) or in connection with a Change of Control Offer pursuant to Section 4.08 not involving a transfer.

Upon presentation for exchange or transfer of any Note as permitted by the terms of this Indenture and by any legend appearing on such Note, such Note shall be exchanged or transferred upon the Security Register and one or more new Notes shall be authenticated and issued in the name of the Holder (in the case of exchanges only) or the transferee, as the case may be. No exchange or transfer of a Note shall be effective under this Indenture unless and until such Note has been registered in the name of such Person in the Security Register. Furthermore, the exchange or transfer of any Note shall not be effective under this Indenture unless the request for such exchange or transfer is made by the Holder or by a duly authorized attorney-in-fact at the office of the Registrar.

Every Note presented or surrendered for registration of transfer or for exchange shall (if so required by the Issuer or the Registrar) be duly endorsed, or be accompanied by a written instrument or transfer, in form satisfactory to the Issuer and the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing.

All Notes issued upon any registration of transfer or exchange of Notes shall be the valid obligations of the Issuer evidencing the same indebtedness, and entitled to the same benefits under this Indenture, as the Notes surrendered upon such registration of transfer or exchange.

Neither the Issuer nor the Trustee, the Registrar or any Paying Agent shall be required to issue, register the transfer of, or exchange any Note (i) for a period of fifteen (15) days preceding (A) the record date for any payment of interest on the Notes, (B) any date fixed for redemption of the Notes or (C) the date fixed for selection of the Notes to be redeemed in part or (ii) which the Holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer.

(ii)Notwithstanding any provision to the contrary herein, so long as a Global Note remains outstanding and is held by or on behalf of DTC, transfers of a Global Note, in whole or in part, or of any beneficial interest therein, shall only be made in accordance with Section 2.01(c), Section 2.06(a) and this Section 2.06(b); *provided, however,* that a beneficial interest in a Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Global Note in accordance with the transfer restrictions set forth in the restricted Note legend on the Note, if any.

(1) Except for transfers or exchanges made in accordance with clauses (B) and (C) of this Section 2.06(b), transfers of a Global Note shall be limited to transfers of such Global Note in whole, but not in part, to nominees of the Depositary or to a successor of the Depositary or such successor's nominee.

(2) *Restricted Global Note to Regulation S Global Note*. If the Holder of a beneficial interest in a Restricted Global Note at any time wishes to exchange its interest in such Restricted Global Note for an interest in a Regulation S Global Note, or to transfer its interest in such Restricted Global Note to a Person who wishes to take delivery thereof in the form of a beneficial interest in a Regulation S Global Note, such transfer or exchange may be effected, only in accordance with this clause (B) and the rules and procedures of DTC. Upon receipt by the Registrar (with a copy to the Trustee) from the Transfer Agent of (i) instructions directing the Registrar to credit or cause to be credited an interest in a Regulation S Global Note in a specified principal amount and to cause to be debited an interest in a Restricted Global Note in such specified principal amount, and (ii) a certificate in the form of **Exhibit B** attached hereto given by the Holder of such beneficial interest stating that the transfer of such interest has been made in compliance with the transfer restrictions applicable to the Global Notes and (x) pursuant to and in accordance with Regulation S or (y) that the Note being transferred is being transferred in a transaction permitted by Rule 144, then the Registrar shall reduce or cause to be reduced the principal amount of such Restricted Global Note and the Registrar shall increase or cause to be increased the principal amount of such Regulation S Global Note by the aggregate principal amount of the interest in such Restricted Global Note to be exchanged.

(3) *Regulation S Global Note to Restricted Global Note*. If the Holder of a beneficial interest in a Regulation S Global Note (other than a Holder that is an Affiliate of the Issuer) at any time wishes to transfer such interest to a Person who wishes to exchange its interest in such Regulation S Global Note for an interest in a Restricted Global Note, or to take delivery thereof in the form of a beneficial interest in a Restricted Global Note, such transfer may be effected only in accordance with this clause (C) and the rules and procedures of DTC. Upon receipt by the Registrar (with a copy to the Trustee) from the Transfer Agent of (i) instructions directing the Registrar to credit or cause to be credited an interest in the Restricted Global Note in a specified principal amount and to cause to be debited an interest in the Regulation S Global Note in such specified principal amount, and (ii) a certificate in the form of **Exhibit C** attached hereto given by the Holder of such beneficial interest stating that the transfer of such interest has been made in compliance with the transfer restrictions applicable to the Global Notes and stating that (x) the Person transferring such interest reasonably believes that the Person acquiring such interest is a QIB and is obtaining such interest in a transaction meeting the requirements of Rule 144A and any applicable securities laws of any state of the United States or (y) that the Person transferring such interest is relying on an exemption other than Rule 144A from the registration requirements

of the U.S. Securities Act and, in such circumstances, such Opinion of Counsel as the Issuer or the Trustee or the Registrar may reasonably request to ensure that the requested transfer or exchange is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act, then the Registrar shall reduce or cause to be reduced the principal amount of the Regulation S Global Note and the Registrar shall increase or cause to be increased the principal amount of the Restricted Global Note by the aggregate principal amount of the interest in the Regulation S Global Note to be exchanged or transferred.

(iii)If Notes are issued upon the transfer, exchange or replacement of Notes bearing the Private Placement Legend, the Notes so issued shall bear such legend, and a request to remove such legend from Notes shall not be honored unless there is delivered to the Issuer such satisfactory evidence, which may include an Opinion of Counsel, as may be reasonably required by the Issuer, that neither the legend nor the restrictions on transfer set forth therein are required to ensure that transfers thereof comply with the provisions of Rule 144A under the U.S. Securities Act. Upon provision of such satisfactory evidence, the Trustee, at the direction of the Issuer, shall or shall cause the Authentication Agent to authenticate and deliver Notes that do not bear the legend.

(iv)The Trustee shall have no responsibility for any actions taken or not taken by DTC or for any intra-note transfers.

(v)In the case of the issuance of certificated Notes pursuant to Section 2.10, the Holder of a certificated Note may transfer such Note by surrendering it to the Registrar or a coRegistrar. In the event of a partial transfer or a partial redemption of a holding of certificated Notes represented by one certificated Note, a certificated Note shall be issued to the transferee in respect of the part transferred, and a new certificated Note in respect of the balance of the holding not transferred or redeemed shall be issued to the transferor or the Holder, as applicable; *provided* that only certificated Notes in denominations of $200,000 and integral multiples of $1,000 in excess thereof shall be issued. The Issuer shall bear the cost of preparing, printing, packaging and delivering the certificated Notes.

(vi)The Trustee, any Agent, the Issuer and any Guarantor may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal, premium, Additional Amounts, if any, and interest on such Notes and for all other purposes, and none of the Trustee, any Agent, the Issuer or the Guarantors shall be affected by notice to the contrary. Notwithstanding the foregoing, nothing herein shall prevent the Trustee, any Agent, the Issuer and any Guarantor from giving effect to any written certification, proxy or other authorization furnished by DTC or its nominee, or impair, as between DTC or its nominee and the Participants, the operation of customary practices governing the exercise of the rights of a holder of an interest in any Global Note.

(vii)All certifications, certificates and Opinions of Counsel required to be submitted to the Issuer, the Trustee or the applicable Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile with originals to be delivered promptly thereafter to the Issuer, the Trustee or the applicable Registrar (as the case may be).

Section g. Replacement Notes.

If any mutilated certificated Note is surrendered to the Registrar, the Trustee or the Issuer and the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Note, the Issuer shall issue and the Trustee, upon receipt of an Authentication Order, shall authenticate, or cause the Authentication Agent to authenticate, a replacement Note in exchange and substitution for, and in such form as the Note mutilated, lost, destroyed or wrongfully taken if the Holder satisfies any other

requirements of the Issuer and the Trustee. If required by the Trustee, the Registrar or the Issuer, such Holder shall furnish an indemnity bond or other indemnity sufficient in the judgment of the Issuer, the Registrar and the Trustee to protect the Issuer, the Trustee and the Agents, from any loss that any of them may suffer if a Note is replaced. The Issuer and the Trustee may charge the Holder for their expenses in replacing a Note, including fees and expenses of counsel and any tax that may be imposed in replacing such Note.

Every replacement Note issued pursuant to this Section 2.07 shall be an additional obligation of the Issuer and will be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Notwithstanding the foregoing, in case any such mutilated, destroyed, lost or stolen certificated Note has become or is about to become due and payable, or is about to be redeemed or purchased by the Issuer pursuant to the provisions herein, the Issuer in its discretion may, instead of issuing a new certificated Note, pay, redeem or purchase such certificated Note, as the case may be.

Section h. Outstanding Notes.

The Notes outstanding at any time are all Notes authenticated and delivered by the Trustee or the Authentication Agent except for those cancelled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Registrar in accordance with the provisions hereof, and those described in this Section 2.08 as not outstanding. Except as set forth in Section 2.09 hereof, a Note does not cease to be outstanding because the Issuer or an Affiliate of the Issuer holds the Note, however, Notes held by the Issuer or an Affiliate of any thereof shall not be deemed to be outstanding for purposes of Section 2.09.

If a Note is replaced pursuant to Section 2.07, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the Note that has been replaced is held by a protected purchaser.

If the principal amount of any Note is considered paid under Section 4.01 hereof, it ceases to be outstanding and interest on it ceases to accrue.

If the Trustee or the Paying Agent (other than the Issuer, a Subsidiary or an Affiliate thereof) holds, in accordance with this Indenture, on a redemption date or maturity date money sufficient to pay all principal, interest and Additional Amounts, if any, payable on that date with respect to the Notes (or portions thereof) to be redeemed or maturing, as the case may be, and the Trustee or Paying Agent, as the case may be, is not prohibited from paying such money to the Holders on that date pursuant to the terms of this Indenture, then on and after that date such Notes (or portions thereof) will be deemed no longer outstanding and interest on them will cease to accrue.

Section i. Notes Held by the Issuer.

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent or any amendment, modification or other change to this Indenture, Notes owned by the Issuer or by an Affiliate of the Issuer shall be disregarded and treated as if they were not outstanding, except that for the purposes of determining whether the Trustee shall be protected in relying on any such direction, waiver or consent or any amendment, modification or other change to this Indenture, only Notes which a Responsible Officer of the Trustee actually knows are so owned shall be so disregarded. Notes so owned which have been pledged in good faith shall not be disregarded if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to the Notes and that the pledgee is not the Issuer or an Affiliate of the Issuer.

Section j. Certificated Notes.

(i)A Global Note deposited with DTC pursuant to Section 2.01 shall be exchanged or transferred in whole to the beneficial owners thereof in the form of certificated Notes only if such transfer complies with Section 2.06 and (i) if DTC notifies the Issuer that it is unwilling or unable to continue to act as depositary and a successor depositary is not appointed by the Issuer within 120 days, (ii) in whole, but not in part, if the Issuer so requests, or (iii) if a beneficial owner of the Notes requests such exchange in writing delivered through DTC following an Event of Default if enforcement action is being taken in respect thereof hereunder. Notice of any such transfer shall be given by the Issuer in accordance with the provisions of Section 12.01(a).

(ii)Any Global Note that is exchangeable to the beneficial owners thereof in the form of certificated Notes pursuant to this Section 2.10 shall be surrendered by Custodian to the Transfer Agent, to be so transferred, in whole or from time to time in part, without charge, and the Trustee shall, or shall cause the Authentication Agent to, authenticate and deliver, upon receipt of an Authentication Order, upon such transfer of each portion of such Global Note, an equal aggregate principal amount at maturity of Notes of authorized denominations in the form of certificated Notes. Any portion of a Global Note transferred or exchanged pursuant to this Section 2.10 shall be executed, authenticated and delivered only in registered form, in minimum denominations of $200,000 and integral multiples of $1,000 in excess thereof and registered in such names as DTC shall direct. Subject to the foregoing, a Global Note is not exchangeable except for a Global Note of like denomination to be registered in the name of DTC or its nominee. In the event that a Global Note becomes exchangeable for certificated Notes, payment of principal, premium and Additional Amounts, if any, and interest on the certificated Notes shall be payable, and the transfer of the certificated Notes shall be registrable, at the office or agency of the Issuer maintained for such purposes in accordance with Section 2.03. Such certificated Notes shall bear the applicable legends set forth in **Exhibit A** hereto, as applicable.

(iii)In the event of the occurrence of any of the events specified in Section 2.10(a), the Issuer shall promptly make available to the Trustee a reasonable supply of certificated Notes in definitive, fully registered form without interest coupons.

(iv)In the event that certificated Notes are not issued to each owner of beneficial interests in Global Notes promptly after any of the events specified in Section 2.10(a), the Issuer explicitly acknowledges, with respect to the right of any Holder to pursue a remedy pursuant to Section 6.06 or 6.07 hereof, the right of any beneficial owner in any Global Note to pursue such remedy with respect to the portion of the Global Note that represents such beneficial owner's Notes as if such certificated Notes had been issued.

(v)Neither the Issuer nor the Trustee, the Registrar or any Paying Agent shall be required to register the transfer or exchange of certificated Notes (i) for a period of fifteen (15) days preceding (A) the record date for any payment of interest on the Notes, (B) any date fixed for redemption of the Notes or (C) the date fixed for selection of the Notes to be redeemed in part or (ii) which the Holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer.

(vi)In the event of the transfer of any certificated Note, the Issuer, the Trustee, the Registrar or any Paying Agent may require a Holder, among other things, to furnish appropriate endorsements and transfer documents as described herein. The Issuer may require a Holder to pay any taxes and fees required by law and permitted herein and by the Notes.

Section k. Cancellation.

The Issuer at any time may deliver Notes to the Registrar for cancellation. The Trustee, Transfer Agent and Paying Agent will forward to the Registrar any Notes surrendered to them for registration of transfer, exchange, replacement, cancellation or payment. The Registrar or, at the direction of the Registrar, the Paying Agent, and no one else shall cancel (subject to the Registrar's retention policy) all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and dispose of such cancelled Notes in its customary manner and subject to the record retention requirement of the U.S. Exchange Act. Except as otherwise provided in this Indenture, the Issuer may not issue new Notes to replace Notes it has redeemed, paid or delivered to the Registrar for cancellation. The Issuer undertakes to promptly inform Euronext Dublin (as long as the Notes are listed on Euronext Dublin and the rules of Euronext Dublin so require) of any such cancellation.

Section l. Defaulted Interest.

(i)Any interest on any Note that is payable, but is not punctually paid or duly provided for, on the dates and in the manner provided in the Notes and this Indenture (all such interest herein called "*Defaulted Interest*") shall forthwith cease to be payable to the Holder on the relevant record date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Issuer, at its election in each case, as provided in clauses (b) or (c) below.

(ii)The Issuer may elect to make payment of any Defaulted Interest to the Persons in whose names the Notes are registered at the close of business on a special record date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Issuer shall notify the Trustee and the Paying Agent as soon as practicable in writing of the amount of Defaulted Interest proposed to be paid on each Note and the date of the proposed payment, and at the same time the Issuer may deposit with the Trustee or as directed by the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee and the Paying Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. In addition, the Issuer shall fix, or cause to be fixed, a special record date and payment date for the payment of such Defaulted Interest, such date to be not more than fifteen (15) days and not less than ten (10) days prior to the proposed payment date and not less than fifteen (15) days after the receipt by the Trustee and the Paying Agent of the notice of the proposed payment date. The Issuer shall promptly but, in any event, not less than fifteen (15) days prior to the special record date, notify the Trustee and the Paying Agent of such special record date and, the Issuer (or, upon written request of the Issuer, the Paying Agent in the name and at the expense of the Issuer) shall cause notice of the proposed payment date of such Defaulted Interest, the special record date therefor and the amount of the Defaulted Interest to be paid to be mailed firstclass, postage prepaid to each Holder as such Holder's address appears in the Security Register, not less than ten (10) days prior to such special record date or, if the Notes are in global form, the Issuer will deliver such notice to DTC. Notice of the proposed payment date of such Defaulted Interest and the special record date therefor having been so mailed or delivered, such Defaulted Interest shall be paid to the Persons in whose names the Notes are registered at the close of business on such special record date.

(iii)The Issuer may make payment of any Defaulted Interest on the Notes in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Issuer to the Trustee and the Paying Agent of the proposed payment date pursuant to this Section 2.12, such manner of payment shall be reasonably practicable.

(iv)Subject to the foregoing provisions of this Section 2.12, each Note delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Note shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Note.

(v)The Issuer undertakes to promptly inform Euronext Dublin (as long as the Notes are listed on Euronext Dublin and the rules of the Euronext Dublin so require) of any such special record date.

Section m. Computation of Interest.

Interest on the Notes shall be computed on the basis of a 360day year comprised of twelve 30day months.

Section n. ISIN and CUSIP Numbers.

The Issuer, in issuing the Notes, may use ISIN and CUSIP numbers (if then generally in use), and, if so, such ISIN and CUSIP numbers, as appropriate, shall be included in notices of redemption or exchange as a convenience to Holders; *provided*, *however*, that no representation is made as to the correctness or accuracy of such numbers or codes either as printed on the Notes or as contained in any notice and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption or exchange shall not be affected by any defect in or omission of such numbers. The Issuer shall promptly notify the Trustee and the Agents of any change in the ISIN or CUSIP numbers.

Section o. Issuance of Additional Notes.

From time to time, subject to the Issuer's compliance with the covenants contained in this Indenture, the Issuer is permitted to issue Additional Notes in accordance with the procedures of Section 2.02. Such Additional Notes shall have terms substantially identical to the Notes, as applicable, except with respect to any of the following terms which shall be set forth in an Officer's Certificate supplied to the Trustee:

(i)the title of such Additional Notes;

(ii)the aggregate principal amount of such Additional Notes;

(iii)the date or dates on which such Additional Notes will be issued;

(iv)the rate or rates (which may be fixed or floating) at which such Additional Notes shall bear interest and, if applicable, the interest rate basis, formula or other method of determining such interest rate or rates, the date or dates from which such interest shall accrue, the interest payment dates on which such interest shall be payable or the method by which such dates will be determined, the record dates for the determination of holders thereof to whom such interest is payable and the basis upon which such interest will be calculated;

(v)the currency or currencies in which such Additional Notes shall be denominated and the currency in which cash or government obligations in connection with such series of Additional Notes may be payable;

(vi)the date or dates and price or prices at which, the period or periods within which, and the terms and conditions upon which, such Additional Notes may be redeemed, in whole or in part;

(vii)if other than denominations of $200,000 and in integral multiples of $1,000 in excess thereof in relation to Additional Notes denominated in U.S. dollars, as applicable, the denominations in which such Additional Notes shall be issued and redeemed; and

(viii)the ISIN, CUSIP or other securities identification numbers with respect to such Additional Notes.

Such Additional Notes will be treated, along with all other series of the Notes, as a single class for the purposes of this Indenture with respect to waivers, amendments and all other matters which are not specifically distinguished for such series. Unless the context otherwise requires, for all purposes of this Indenture references to "Notes" shall be deemed to include references to the Initial Notes as well as any Additional Notes. In the event that any Additional Notes are not fungible for U.S. federal income tax purposes with any Notes previously issued, such non-fungible Additional Notes shall be issued with a separate ISIN, CUSIP or other securities identification number, as applicable, so that they are distinguishable from such previously issued Notes.

Section p. Deposits of Money.

Prior to 10:00 a.m. (London time) one Business Day prior to each interest payment date, the maturity date and each payment date relating to a Change of Control Offer, and on the Business Day immediately following any acceleration of the Notes pursuant to Section 6.02, the Issuer shall deposit with the Paying Agent in immediately available funds money in U.S. dollars sufficient to make cash payments, if any, due on such day or date, as the case may be. Subject to actual receipt of such funds as provided by this Section 2.16 by the designated Paying Agent, such Paying Agent shall make payments on the Notes to the Holders on such day or date, as the case may be, to the persons and in accordance with the provisions of this Indenture and the Notes. The principal and interest on Global Notes shall be payable to DTC or its nominee, as the case may be, as the sole registered owner and the sole Holder of the Global Notes represented thereby. The principal and interest on Notes in certificated form shall be payable at the office of the Paying Agent. The Issuer shall promptly notify the Trustee and the Paying Agent of its failure to so act.

Section q. Agents' Interest.

(i)The rights, powers, duties and obligations and actions of each Agent under this Indenture are several and not joint or joint and several. Each Agent shall only be obligated to perform the duties set forth in this Indenture and the Notes and shall have no implied duties.

(ii)The Issuer, each Guarantor and the Agents acknowledge and agree that in the event of a Default or Event of Default, the Trustee may, by notice in writing to each of the Issuer, the Guarantors and the Paying Agent, require that the Paying Agent act as an agent of, and take instructions exclusively from, the Trustee.

(iii)Other than as set forth in clause (b) above, the Agents shall act solely as agents of the Issuer and the Guarantors and in no event shall be agents of the Holders.

(iv)Any obligation the Agents may have to publish or mail a notice to Holders on behalf of the Issuer shall have been met upon delivery of the notice to the relevant clearing system while the Notes are in global form.

ARTICLE 3.

REDEMPTION AND PREPAYMENT

Section a. Notices to Trustee.

If the Issuer elects to redeem Notes in full or in part pursuant to any redemption provision of this Indenture, it shall deliver to the Trustee in accordance with Section 12.01, at least ten (10) days but not more than sixty (60) days before the redemption date, an Officer's Certificate setting forth:

(1) the section of this Indenture pursuant to which the redemption shall occur;

(2) the redemption date and the record date;

(3) the principal amount of Notes to be redeemed;

(4) the redemption price; and

(5) the ISIN and or CUSIP numbers of the Notes, as applicable.

Section b. Selection of Notes to Be Redeemed.

If less than all of a series of Notes are to be redeemed at any time, the Trustee will select Notes for redemption on a *pro rata* basis to the extent practicable or such other method as is customary with the procedures of DTC, including the application of a "pool factor" to the nominal amount of each Notes, unless otherwise required by law or applicable stock exchange requirements. The Trustee shall not be liable for selections made by it in accordance with this Section 3.02.

No Note of $200,000 in aggregate principal amount or less shall be redeemed in part and only Notes in integral multiples of $1,000 will be redeemed.

Notices of purchase or redemption shall be given to each Holder pursuant to Sections 3.03 and 12.01.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount of that Note that is to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of Notes called for redemption unless the Issuer defaults in making such redemption payment.

In relation to Definitive Registered Notes, a new Note in principal amount equal to the unpurchased or unredeemed portion of any Note purchased or redeemed in part will be issued in the name of the Holder thereof upon cancellation of the original Note. On or after any purchase or redemption date, unless the Issuer defaults in payment of the purchase or redemption price, interest shall cease to accrue on Notes or portions thereof tendered for purchase or called for redemption.

Section c. Notice of Redemption.

(i)At least ten (10) days but not more than sixty (60) days before a redemption date, the Issuer shall notify the Trustee of the redemption date and deliver, pursuant to Section 12.01, a notice of redemption to each Holder whose Notes are to be redeemed, except that redemption notices may be mailed more than sixty (60) days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or the satisfaction and discharge of this Indenture pursuant to Articles 8 or 11. For Notes which are represented by global certificates held on behalf of DTC, notices may be given by delivery of the relevant notices to DTC for communication to entitled account holders in substitution for the aforesaid mailing.

For so long as the Notes are listed on Euronext Dublin and the rules of Euronext Dublin so require, the Issuer shall publish notice of redemption in a daily newspaper with general circulation in Ireland (which is expected to be the *Irish Times*) and in addition to such publication, not less than ten (10) nor more than sixty (60) days prior to the redemption date, mail such notice to Holders by firstclass mail, postage prepaid, at their respective addresses as they appear on the registration books of the Registrar. Such notice of redemption may instead be published on the website of the Euronext Dublin (*www.ise.ie*). Notices of redemption may be conditional.

(ii)The notice shall identify the Notes to be redeemed and corresponding ISIN or CUSIP numbers, as applicable, and shall state:

(1) the redemption date and the record date;

(2) the redemption price and the amount of accrued interest, if any, and Additional Amounts, if any, to be paid (subject to the right of Holders of record of certificated Notes on the relevant record date to receive interest and Additional Amounts, if any, due on the relevant interest payment date);

(3) if any Global Note is being redeemed in part, the portion of the principal amount of such Global Note to be redeemed and that, after the redemption date upon surrender of such Global Note, the principal amount thereof will be decreased by the portion thereof redeemed pursuant thereto;

(4) if any Definitive Registered Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed, and that, after the redemption date, upon surrender of such Note, a new Definitive Registered Note or Definitive Registered Notes in principal amount equal to the unredeemed portion thereof shall be issued in the name of the Holder thereof upon cancellation of the Definitive Registered Note;

(5) the name and address of the Paying Agent(s) to which the Notes are to be surrendered for redemption;

(6) that Notes called for redemption must be surrendered to the relevant Paying Agent to collect the redemption price, plus accrued and unpaid interest, if any, and Additional Amounts, if any;

(7) that, unless the Issuer defaults in making such redemption payment, interest, and Additional Amounts, if any, on Notes called for redemption cease to accrue on and after the redemption date;

(8) the paragraph of the Notes or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed; and

(9) that no representation is made as to the correctness or accuracy of the ISIN or CUSIP numbers, if any, listed in such notice or printed on the Notes.

(iii)At the Issuer's request, the Paying Agent shall give the notice of redemption in the Issuer's name and at its expense in accordance with Section 12.01; *provided*, *however*, that the Issuer shall have delivered to the Paying Agent, at least forty-five (45) days prior to the redemption date, an Officer's Certificate requesting that the Paying Agent give such notice and setting forth the information to be stated in such notice as provided in Section 3.03(b).

(iv)The Trustee will not be liable for selection made by it as contemplated in this Section 3.03.

Section d. Effect of Notice of Redemption.

Once notice of redemption is given in accordance with Section 3.03 and Section 12.01, Notes called for redemption become due and payable on the redemption date at the redemption price stated in the notice. A notice of redemption may be subject to one or more conditions precedent, at the Issuer's discretion. If such redemption is subject to the satisfaction of one or more conditions precedent, such notice shall state that, in the Issuer's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied (or waived by the Issuer in its sole discretion), such redemption may not occur and such notice may be rescinded in the event that any or all of such conditions shall not have been satisfied (or waived by the Issuer in its sole discretion) by the redemption date, or by the redemption date so delayed.

On and after a redemption date, interest shall cease to accrue on such Notes or the portion of them called for redemption.

Section e. Deposit of Purchase or Redemption Price.

(i)No later than 10:00 a.m. (London time) on the Business Day prior to the purchase or redemption date, the Issuer shall deposit with the Paying Agent (or, if requested by the Trustee, with or as delivered by the Trustee) with respect to the Notes, money in U.S. dollars sufficient to pay the redemption price of, and accrued interest, premium and Additional Amounts (if any) on, all Notes to be redeemed on that date. The Trustee or Paying Agent shall promptly return to the Issuer any money deposited with the Trustee or Paying Agent, as applicable, by the Issuer in excess of the amounts necessary to pay the redemption or purchase price of, and accrued interest on, all Notes to be purchased or redeemed. The Issuer shall, no later than 10:00 a.m. (London time) on the second Business Day prior to the date on which the applicable Paying Agent receives payment, procure that the bank effecting payment for it confirms by email, fax or tested SWIFT MT100 message to the relevant Paying Agent (or the Trustee, as the case may be) that an irrevocable instruction has been given.

(ii)If the Issuer complies with the provisions of Section 3.05(a), on and after the redemption date, interest shall cease to accrue on the Notes or the portions of Notes called for redemption. If a Note is redeemed on or after a record date for the payment of interest but on or prior to the related interest payment date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption shall not be so paid upon surrender for redemption because of the failure of the Issuer to comply with Section 3.05(a), interest shall be paid on the unpaid principal, from the redemption date until such principal is paid, and to the extent lawful on any interest not so paid, in each case at the rate provided in the Notes and Section 4.01.

Section f. Notes Redeemed in Part.

Upon surrender of a Definitive Registered Note that is redeemed in part, the Issuer shall issue and, upon receipt of an Authentication Order, the Trustee or the Authentication Agent shall authenticate for (and in the name of) the Holder at the expense of the Issuer a new Note equal in principal amount to the unredeemed portion of the Note surrendered; *provided* that any Definitive Registered Note shall be in a principal amount of $200,000 or an integral multiple of $1,000 above $200,000.

Section g. Optional Redemption.

(i)At any time prior to January 15, 2024, the Issuer may on any one or more occasions redeem all or a part of the Notes, upon not less than ten (10) nor more than sixty (60) days' prior notice, at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus the Applicable Premium as of and accrued and unpaid interest, if any, to but excluding the redemption date, subject to the rights of Holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date.

(ii)On or after January 15, 2024, the Issuer may on any one or more occasions redeem all or a part of the Notes, upon not less than ten (10) nor more than sixty (60) days' prior notice, at a redemption price equal to the prices (expressed as percentages of the outstanding principal amount on the redemption date) set forth below, plus accrued and unpaid interest, if any, on the Notes redeemed to, but excluding, the redemption date, if redeemed during the twelve-month period beginning on January 15 of the years indicated below, subject to the rights of Holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date.

Year	**Redemption Price**
2024.....	102.625%
2025.....	101.313%
2026 and thereafter.....	100.000%

(iii)Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(iv)Any redemption or notice pursuant to this Section 3.07 may, at the Issuer's discretion, be subject to one or more conditions precedent.

Section h. Redemption for Changes in Withholding Taxes.

The Issuer may redeem the Notes, in whole but not in part, at its discretion at any time upon giving not less than ten (10) nor more than sixty (60) days' prior notice to the Holders of such series of Notes (which notice will be irrevocable and given in accordance with the procedures described in Sections 3.03 and 12.01), at a redemption price equal to 100% of the aggregate principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed by the Issuer for redemption (a "*Tax Redemption Date*") and all Additional Amounts (if any) then due and which will become due on the Tax Redemption Date as a result of the redemption or otherwise (subject to the right of Holders of such Notes on the relevant record date to receive interest due on the relevant interest payment date and Additional Amounts (if any) in respect thereof), if on the next date on which any amount would be payable with respect to such Notes, the Issuer or any Guarantor is or would be required to pay Additional Amounts and (a) the Issuer or the relevant Guarantor cannot avoid such requirement by taking reasonable measures available to it (including the designation of a different paying agent), (b) in the case of a Guarantor, such amounts cannot be paid by the Issuer or any other Guarantor who in turn can pay such amounts without the obligation to pay Additional Amounts and (c) the requirement arises as a result of:

(1) any amendment to, or change in, the laws or treaties (or any regulations or rulings promulgated thereunder) of a relevant Tax Jurisdiction which change or amendment

becomes effective on or after the Issue Date (or, if the applicable Tax Jurisdiction became a Tax Jurisdiction on a date after the Issue Date, such later date); or

(2) any amendment to, or change in, an official written interpretation or application of such laws, treaties, regulations or rulings (including by virtue of a holding, judgment or order by a court of competent jurisdiction or a change in published administrative practice) which amendment or change becomes effective on or after the Issue Date (or, if the applicable Tax Jurisdiction became a Tax Jurisdiction on a date after the Issue Date, such later date) (each of the foregoing clauses (1) and (2), a "*Change in Tax Law*").

The Issuer will not give any such notice of redemption earlier than sixty (60) days prior to the earliest date on which the Issuer or the relevant Guarantor would be obligated to make such payment or withholding if a payment with respect to such Notes was then due and the obligation to pay Additional Amounts must be in effect at the time such notice is given. Prior to the publication or, where relevant, mailing of any notice of redemption of such Notes pursuant to the foregoing, the Issuer will deliver to the Trustee an opinion of independent tax counsel to the effect that the Issuer is or would be obligated to pay Additional Amounts as a result of a Change in Tax Law. In addition, before the Issuer publishes or mails notice of redemption of the Notes as described above, it will deliver to the Trustee an Officer's Certificate to the effect that (a) it or the relevant Guarantor cannot avoid its obligation to pay Additional Amounts by the Issuer or the relevant Guarantor taking reasonable measures available to it and (b) in the case of a Guarantor, the amounts giving rise to such obligation cannot be paid by the Issuer or any other Guarantor without the obligation to pay Additional Amounts.

The Trustee will accept and shall be entitled to conclusively rely without further inquiry on such Officer's Certificate and Opinion of Counsel as sufficient evidence of the existence and satisfaction of the conditions precedent as described above, in which event it will be conclusive and binding on the Holders of the applicable Notes.

The foregoing will apply mutatis mutandis to any jurisdiction under the laws of which any successor Person to the Issuer is incorporated or organized or in which any successor Person to the Issuer is engaged in business or resident for tax purposes or any jurisdiction from or through which payment is made by or on behalf of such Person on the Notes and any political subdivision thereof or therein.

Section i. Mandatory Redemption, Open market repurchases.

The Issuer is not required to make mandatory redemption or sinking fund payments with respect to the Notes. The Issuer and any of its Subsidiaries may at any time and from time to time purchase Notes in the open market or otherwise.

ARTICLE 4.

COVENANTS

Section a. Payment of Notes.

No later than 10 a.m. (London time) on the Business Day prior to a payment date, the Issuer shall pay or cause to be paid the principal of, interest and premium and Additional Amounts, if any, on the Notes on the dates and in the manner provided in the Notes and this Indenture.

Principal, interest, premium and Additional Amounts, if any, shall be considered paid on the date due if the Paying Agent receives such payment by such time in the manner provided in the Notes. Principal, premium, if any, Additional Amounts, if any, and interest shall be considered paid on the date due if the Issuer holds, in an account with the Paying Agent, if other than the Issuer or a Subsidiary

thereof, by 10 a.m. (London time) on the Business Day prior to the due date, money deposited by the Issuer.

Principal of, interest, premium and Additional Amounts, if any, on the Notes will be payable at the corporate trust office or agency of the Paying Agent maintained in London, England, for such purposes. All payments on the Global Notes shall be made by transfer of immediately available funds to an account of the Holder of the Global Notes in accordance with instructions given by that Holder.

Principal of, interest, premium and Additional Amounts, if any, on any Definitive Registered Notes will be payable at the corporate trust office or agency of any Paying Agent in any location required to be maintained for such purposes pursuant to Section 2.03. In addition, interest on Definitive Registered Notes may be paid by check mailed to the person entitled thereto as shown on the Security Register for such Definitive Registered Notes.

The Issuer shall pay interest (including postpetition interest in any proceeding under any Bankruptcy Law) on overdue principal at the rate equal to one percent (1%) per annum in excess of the then applicable interest rate on the Notes to the extent lawful. The Issuer shall pay interest (including post petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest (without regard to any applicable grace period) at the same rate to the extent lawful.

Section b. Maintenance of Office or Agency.

Subject to Section 5.01, the Issuer shall maintain the offices and agencies specified in Section 2.03. The Issuer shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Issuer shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the corporate trust office of the Trustee (the address of which is specified in Section 12.01). Notwithstanding the foregoing, the Trustee need not act as the Registrar.

The Issuer may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided*, *however*, that no such designation or rescission shall in any manner relieve the Issuer of its obligation to maintain an office or agency in London, England for such purposes. The Issuer shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Issuer hereby designates the corporate trust office of the Trustee (the address of which is specified in Section 12.01) as one such office or agency of the Issuer in accordance with Section 2.03.

Section c. Reports.

(i)Whether or not required by the SEC's rules and regulations, so long as any Notes are outstanding, the Issuer will furnish to the Trustee and the Holders of Notes, within the time periods (including any extensions thereof) specified in the SEC's rules and regulations:

(A) all annual reports of the Issuer that would be required to be filed with the SEC on Form 20F if the Issuer were required to file such reports; and

(B) all quarterly and current reports of the Issuer that would be required to be furnished with the SEC on Form 6K if the Issuer were required to furnish such reports.

All such reports will be prepared in all material respects in accordance with all of the rules and regulations applicable to such reports. Each annual report on Form 20F will include a report on the Issuer's consolidated financial statements by the Issuer's independent registered public accounting firm. To the extent such filings are made with the SEC, the reports will be deemed to have been furnished to the Trustee and Holders of Notes. The Issuer agrees that it will not take any action for the purpose of causing the SEC not to accept any such filings.

If, notwithstanding the foregoing, the SEC will not accept the Issuer's filings for any reason, the Issuer will (i) post (or cause to be posted) the reports referred to in this Section 4.03(a) on its website with no password protection within the time periods that would apply if the Issuer were required to file those reports with the SEC, (ii) not later than ten (10) Business Days after the time the Issuer posts its quarterly and annual reports on its website, hold (or cause to be held) a quarterly conference call to discuss the information contained in such reports and (iii) no fewer than two (2) Business Days prior to the date of the conference call required to be held in accordance with clause (ii) above, issue (or cause to be issued) a news release to appropriate wire services announcing the time and date of such conference call and either including all information necessary to access the call or directing the Holders or beneficial owners of, and prospective investors in, the Notes and securities analysts and market makers to contact an individual at the Issuer (for whom contact information shall be provided in such news release) to obtain the information on how to access such conference call.

(ii)In addition, the Issuer agrees that, for so long as any Notes remain outstanding, at any time it is not required to file the reports required by the preceding paragraphs with the SEC, it will furnish to the Holders and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the U.S. Securities Act.

Section d. Compliance Certificate.

(i)The Issuer shall deliver to the Trustee, within 120 days after the end of each fiscal year (without the need for any request by the Trustee), an Officer's Certificate stating as to such Authorized Officer signing such certificate, that to the best of his or her knowledge the Issuer is not (and has not been since the date of the last such certificate, or if none, since the Issue Date) in Default in the performance or observance of any of the terms, provisions and conditions of this Indenture (or, if a Default or Event of Default shall have occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Issuer is taking or proposes to take with respect thereto).

Section e. Stay, Extension and Usury Laws.

The Issuer covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Issuer hereby expressly waives all benefit or advantage of any such law, and covenants that it shall not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but shall suffer and permit the execution of every such power as though no such law has been enacted.

Section f. Limitation on Liens.

(i)The Issuer will not and will not permit any Guarantor to, create, incur, assume or suffer to exist or become effective any mortgage, security interest, charge, encumbrance, pledge or other lien (other than Permitted Liens) upon the whole or any part of their present or future business, undertakings, assets or revenues (including uncalled capital) not constituting the Collateral to secure indebtedness for borrowed

money represented by notes, bonds, debentures or indebtedness under credit or other debt facilities (including the Senior Revolving Credit Facilities Agreement) with banks or other institutions providing for revolving credit or term loans, unless all payments due under this Indenture and the Notes are secured on an equal and ratable basis with the indebtedness so secured. Any such mortgage, security interest, charge, encumbrance, pledge or other lien granted or made to secure the Notes will be automatically and unconditionally released and discharged (i) upon the release and discharge of the initial mortgage, security interest, charge, encumbrance, pledge or other lien to which it relates and (ii) otherwise as set forth under Section 13.05.

Section g. Additional Guarantees.

(i)The Issuer will not permit any Subsidiary that is not a Guarantor, directly or indirectly, to guarantee, assume or in any other manner become liable for the payment of (i) any indebtedness under the Senior Revolving Credit Facilities Agreement or (ii) any Public Debt of the Issuer or any Guarantor (other than the Notes), in each case in excess of $120.0 million (or the equivalent in other currencies) in aggregate principal amount, unless:

(1) such Subsidiary simultaneously executes and delivers a supplemental indenture to this Indenture providing for a Guarantee of payment of the Notes by such Subsidiary on the same terms as the guarantee of such indebtedness; and

(2) with respect to any guarantee of subordinated indebtedness by such Subsidiary, any such guarantee shall be subordinated to such Subsidiary's Guarantee with respect to the Notes at least to the same extent as such subordinated debt is subordinated to the Notes.

(ii)In addition, the Issuer shall cause each Material Subsidiary that is not a Guarantor (as determined based on the audited annual reports referred to below) and which has become a borrower under the Senior Revolving Credit Facilities Agreement or has guaranteed any indebtedness under the Senior Revolving Credit Facilities Agreement, to execute and deliver a supplemental indenture substantially in the form of **Exhibit D** hereto providing for such Material Subsidiary's Guarantee on the same terms and conditions as those applicable to the Guarantors under the Indenture, within 30 days of delivery of the Issuer's audited annual reports to the Trustee pursuant to this Indenture, and will deliver to the Trustee an Opinion of Counsel that such supplemental indenture has been duly authorized, executed and delivered and constitute a legally valid and enforceable obligation (subject to customary qualifications and exceptions). Thereafter, such Material Subsidiary will be a Guarantor with respect to the Notes until such Material Subsidiary's Guarantee with respect to the Notes is released in accordance with this Indenture.

(iii)If on any date following the Issue Date, the Notes have achieved Investment Grade Status and no Default or Event of Default has occurred and is continuing (a "*Suspension Event*"), then, beginning on that day and continuing until such time, if any, at which the Notes cease to have Investment Grade Status (the "*Reversion Date*"), Sections 4.07(a) and 4.07(b) will cease to be effective and will not be applicable to the Issuer and its Subsidiaries. Sections 4.07(a) and 4.07(b) and any related default provisions will again apply according to its terms from the first day on which a Suspension Event ceases to be in effect. Sections 4.07(a) and 4.07(b) will not, however, be of any effect with regard to actions of the Issuer properly taken during the continuance of the Suspension Event, and no action taken prior to the Reversion Date will constitute a Default or Event of Default. The Issuer or any of its Subsidiaries may honor without causing a Default or Event of Default, any contractual commitments or take actions in the future after any date on which the Notes cease to have an Investment Grade Status as long as the contractual commitments were entered into during the Suspension Event and not in anticipation of the Notes no longer having an Investment Grade Status.

(iv)The obligations of each additional Guarantor under its Guarantee may be limited to an amount not to exceed the maximum amount that can be guaranteed by such Guarantor without resulting in its obligations under its Guarantee being voidable or unenforceable under applicable law (including those relating to fraudulent conveyance or transfer, corporate benefit or purpose, financial assistance, capital maintenance, voidable preference, thin capitalization or guidance and coordination or affecting the rights of creditors generally) or the maximum amount otherwise permitted by applicable law.

(v)Notwithstanding the foregoing, the Issuer shall not be obligated to cause such Subsidiary to guarantee the Notes to the extent that the granting of such Guarantee could give rise to or result in: (1) any breach or violation of Applicable Law (including those relating to fraudulent conveyance or transfer, corporate benefit or purpose, financial assistance, capital maintenance, voidable preference, thin capitalization or guidance and coordination or affecting the rights of creditors generally); (2) any risk or liability for the officers, directors or (except in the case of a Subsidiary that is a partnership) shareholders of such Subsidiary (or, in the case of a Subsidiary that is a partnership, directors or shareholders of the partners of such partnership); or (3) significant costs, expenses, liability or obligations (including with respect to any Taxes) directly associated with the granting of such Guarantee (but excluding any reasonable guarantee or similar fee payable to the Issuer or a Guarantor) which are disproportionate to the benefit obtained by the Holders of Notes from such Guarantee in the good faith judgment of a responsible officer of the Issuer; *provided, however*, that the Issuer will procure that the relevant Subsidiary becomes a Guarantor at such time as such restriction would no longer apply to the providing of the Guarantee or no longer would prohibit such Subsidiary from becoming a Guarantor (or prevent the Issuer from causing such Subsidiary to become a Guarantor).

Section h. Purchase of Notes upon Change of Control.

(i)If a Change of Control occurs, each Holder of Notes will have the right to require the Issuer to repurchase all or any part (equal to $200,000 in principal amount and integral multiples of $1,000 in excess thereof) of such Holder's Notes pursuant to a change of control offer (the "*Change of Control Offer*") on the terms set forth in this Indenture. In the Change of Control Offer, the Issuer will offer a payment (the "*Change of Control Payment*") in cash equal to 101% of the aggregate principal amount of the Notes repurchased, plus accrued and unpaid interest, if any, on the Notes to but excluding the date of purchase, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date. Within 30 days following any Change of Control, the Issuer will mail (or deliver electronically) a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes on the date for payment specified in the notice (the "*Change of Control Payment Date*"), which date will be no earlier than 30 days and no later than sixty (60) days from the date such notice is mailed or delivered, pursuant to the procedures required by this Indenture and described in such notice.

(ii)The Issuer will comply with the requirements of Rule 14e1 under the U.S. Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of this Indenture, the Issuer's compliance with the applicable securities laws and regulations will not constitute a breach of its obligations under the Change of Control provisions of this Indenture.

(iii)Except as otherwise provided herein, no later than the date that is sixty (60) days after any Change of Control, the Issuer will mail the Change of Control Offer to each Holder of Notes, with a copy to the Trustee:

(A) stating that a Change of Control has occurred or may occur and that such Holder has the right to require the Issuer to purchase all or any part of such Holder's Notes at a purchase price in cash equal to 101% of the principal amount of such Notes plus accrued and unpaid interest and Additional Amounts, if any, to, but not including, the date of purchase (subject to the right of Holders of record on a record date to receive interest on the relevant interest payment date) (the "*Change of Control Payment*");

(B) stating the repurchase date (which shall be no earlier than ten (10) days nor later than sixty (60) days from the date such notice is mailed) (the "*Change of Control Payment Date*") and the record date;

(C) stating that any Note accepted for payment pursuant to the Change of Control Offer will cease to accrue interest on the Change of Control Payment Date unless the Change of Control Payment is not paid, and that any Notes or part thereof not tendered will continue to accrue interest;

(D) describing the circumstances and relevant facts regarding the transaction or transactions that constitute the Change of Control;

(E) describing the procedures determined by the Issuer, consistent with this Indenture, that a Holder must follow to have its Notes repurchased; and

(F) if such notice is mailed prior to the occurrence of a Change of Control, stating that the Change of Control Offer is conditional on the occurrence of such Change of Control.

(iv)On the Change of Control Payment Date, the Issuer will, to the extent lawful:

(A) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(B) deposit with the paying agent an amount equal to the Change of Control Payment with respect to all Notes or portions of Notes properly tendered; and

(C) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Issuer.

(v)The Paying Agent will promptly mail to each Holder of Notes properly tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book-entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided*, *however*, that each new Note will be in a minimum principal amount of $200,000 or an integral multiple of $1,000 in excess thereof. The Issuer will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(vi)The provisions of this Section 4.08 that require the Issuer to make a Change of Control Offer following a Change of Control will be applicable whether or not any other provisions of this Indenture are applicable.

(vii)The Issuer will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer or (2) notice of redemption has been given pursuant to this Indenture as described in Section 3.07 unless and until there is a default in payment of the applicable redemption price. A Change of Control Offer may be made in advance of a Change of Control, with the obligation to pay and the timing of payment conditioned upon the occurrence of a Change of Control, if a definitive agreement to effect a Change of Control is in place at the time the Change of Control Offer is made.

(viii)For so long as the Notes are listed on the Euronext Dublin and the rules of such exchange so require, the Issuer will publish notices relating to the Change of Control Offer in a daily newspaper with general circulation in Ireland (which is expected to be the *Irish Times*) or to the extent and in the manner permitted by such rules, post such notices on the official website of the Euronext Dublin (*www.ise.ie*).

Section i. Impairment of Security Interests.

(i)The Issuer shall not, and shall not permit any Guarantor to, take or omit to take any action that would have the result of materially impairing the Security Interests (subject to Section 4.09(b), the incurrence of Permitted Liens with respect to the Collateral shall not be deemed to materially impair the Security Interests) and the Issuer shall not, and shall not permit any Guarantor to, grant to any Person other than the Security Agent, for the benefit of the Trustee and the Holders of Notes and the other beneficiaries described in the Security Documents and the Intercreditor Agreement or any Additional Intercreditor Agreement, any interest whatsoever in any of the Collateral (except Permitted Liens).

(ii)Notwithstanding Section 4.09(a) above, (i) nothing in this covenant shall restrict the discharge and release of any Security Interest in accordance with this Indenture and the Intercreditor Agreement or any Additional Intercreditor Agreement and (ii) the Security Interests and the related Security Documents may be amended, extended, renewed, restated, supplemented or otherwise modified or released (followed by an immediate retaking of a lien of at least equivalent ranking over the same assets) if, (except with respect to any amendments, extensions, renewals, restatements, modifications, discharge or release in accordance with this Indenture, the incurrence of Permitted Liens or any action expressly permitted by this Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement) contemporaneously with any such action, the Issuer delivers to the Trustee and the Security Agent, either (1) a solvency opinion from an independent financial advisor, accounting firm, appraiser or investment bank of international standing which confirms the solvency of the Issuer and its Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, renewal, restatement, replacement, supplement, modification or release (followed by an immediate retaking of a lien of at least equivalent ranking over the same assets), (2) a certificate from the board of directors or officer of the relevant Person which confirms the solvency of the Person granting such Security Interest after giving effect to any transactions related to such amendment, extension, renewal, restatement, replacement, supplement, modification or release, or (3) an Opinion of Counsel confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, replacement, supplement, modification or release (followed by an immediate retaking of a lien of at least equivalent ranking over the same assets), the lien created under the applicable Security Document, so amended, extended, renewed, restated, supplemented, modified or released and replaced is a valid lien not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such lien was not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification or replacement.

(iii)At the direction of the Issuer and without the consent of the Holders of Notes, the Security Agent may from time to time enter into one or more amendments to the Security Documents or enter into additional or supplemental Security Documents to: (i) cure any ambiguity, omission, defect or inconsistency therein, (ii) add to the Collateral or (iii) make any other change thereto that does not adversely affect the rights of the Holders of Notes in any material respect.

(iv)In the event that the Issuer complies with the requirements of this Section 4.09, the Trustee and the Security Agent shall (subject to customary protections and indemnifications) consent to such amendment, extension, renewal, restatement, supplement, modification or release and replacement without the need for instructions from the Holders of Notes.

Section j. Additional Amounts.

(i)All payments made under or with respect to the Notes or any Guarantee will be made free and clear of and without withholding or deduction for, or on account of, any present or future tax, duty, levy, assessment or other governmental charge, including any related interest, penalties or additions to tax ("*Taxes*") unless the withholding or deduction of such Taxes is then required by law or by the official interpretation or administration thereof. If any deduction or withholding for, or on account of, any Taxes imposed or levied by or on behalf of (1) any jurisdiction under the laws of which the Issuer or any Guarantor is then incorporated or organized or in which the Issuer or any Guarantor is engaged in business for tax purposes or resident for tax purposes or any political subdivision or governmental authority thereof or therein having power to tax or (2) any jurisdiction from or through which payment is made by or on behalf of the Issuer or any Guarantor (including, without limitation, the jurisdiction of any paying agent for the Notes) or any political subdivision thereof or therein (each, a "*Tax Jurisdiction*") will at any time be required to be made from any payments made under or with respect to the Notes or any Guarantee, including, without limitation, payments of principal, redemption price, interest or premium, then the Issuer or the relevant Guarantor, as applicable, will pay such additional amounts (the "*Additional Amounts*") as may be necessary in order that the net amounts received with respect to such payments by each Holder of Notes after such withholding or deduction (including any such withholding or deduction from such Additional Amounts) will equal the respective amounts that would have been received with respect to such payments in the absence of such withholding or deduction; *provided, however*, that no Additional Amounts will be payable with respect to:

(1) any Taxes, to the extent such Taxes would not have been imposed but for the existence of any actual or deemed present or former connection between the Holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over the relevant Holder, if the relevant Holder is an estate, nominee, trust, partnership, limited liability company or corporation) or the Beneficial Owner of Notes and the relevant Tax Jurisdiction (including, without limitation, being or having been a citizen, resident or national thereof or being or having been present or engaged in a trade or business therein or having or having had a permanent establishment therein), other than connections arising from the acquisition or holding of such Note or a Guarantee, the exercise or enforcement of rights under such Note or under a Guarantee or the receipt of any payments with respect to such Note or a Guarantee;

(2) any Taxes, to the extent such Taxes were imposed as a result of the presentation of a Note for payment (where Notes are in the form of certificated Notes and presentation is required) more than 30 days after the relevant payment is first made available for payment to the Holder (except to the extent that the Holder would have been entitled to Additional Amounts had the Note been presented on the last day of such 30 day period);

(3) any estate, inheritance, gift, sales, transfer, personal property or similar Taxes imposed on transfers;

(4) any Taxes payable other than by deduction or withholding from payments under, or with respect to, the Notes or with respect to any Guarantee;

(5) any Taxes to the extent such Taxes are imposed or withheld by reason of the failure of the Holder or beneficial owner of Notes to comply with any reasonable written request of the Issuer addressed to the Holder or beneficial owner and made at least sixty (60) days before any such withholding or deduction would be payable to satisfy any certification, identification, information or other reporting requirements, whether required by statute, treaty, regulation or administrative practice of the relevant Tax Jurisdiction, as a precondition to exemption from or reduction in the rate of deduction or withholding of, Taxes imposed by such Tax Jurisdiction (including, without limitation, a certification that the Holder or beneficial owner is not resident in the Tax Jurisdiction), but in each case, only to the extent the Holder or beneficial owner is legally eligible to provide such certification or documentation;

(6) any Taxes that are imposed or withheld pursuant to Sections 1471 through 1474 of the Code, as of the Issue Date (or any amended or successor version of such sections), any regulations promulgated thereunder, any official interpretations thereof, any similar law or regulation adopted pursuant to an intergovernmental agreement between a non-U.S. jurisdiction and the United States with respect to the foregoing or any agreements entered into pursuant to Section 1471(b)(1) of the Code; or

(7) any combination of items (1) through (6) above.

Such Additional Amounts will also not be payable where, had the beneficial owner of the applicable Note been the holder of such Note, it would not have been entitled to payment of Additional Amounts by reason of any of clauses (1) to (7) inclusive above.

(ii)In addition to the foregoing, the Issuer and the Guarantors, as the case may be, will also pay and indemnify the Holder for any present or future stamp, issue, registration, court or documentary Taxes, or any other excise or property Taxes, charges or similar levies (including penalties, interest and any other reasonable expenses related thereto) which are levied by any Tax Jurisdiction on the execution, delivery, issuance, sale, enforcement or registration of the Notes, this Indenture, any Guarantee or any other document or instrument referred to therein, or the receipt of any payments with respect thereto, (limited, solely in the case of taxes attributable to the receipt of any payments with respect thereto, to any such taxes imposed in a Tax Jurisdiction that are not excluded under clauses (1) through (3) or (5) through (6) above or any combination thereof).

(iii)If the Issuer or any Guarantor, as the case may be, becomes aware that it will be obligated to pay Additional Amounts with respect to any payment under or with respect to any series of Notes or any related Guarantee, each of the Issuer or the relevant Guarantor, as the case may be, will deliver to the Trustee on a date that is at least 30 days prior to the date of that payment (unless the obligation to pay Additional Amounts arises less than 30 days prior to that payment date, in which case the Issuer or the relevant Guarantor shall notify the Trustee promptly thereafter) an Officer's Certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable. The Officer's Certificate must also set forth any other information reasonably necessary to enable the Paying Agent to pay such Additional Amounts to Holders on the relevant payment date. The Trustee shall be entitled to rely solely on such Officer's Certificate as conclusive proof that such payments are necessary.

(iv)The Issuer or the relevant Guarantor will make all withholdings and deductions required by Applicable Law and will remit the full amount deducted or withheld to the relevant Tax authority in accordance with Applicable Law. The Issuer or the relevant Guarantor will use its reasonable efforts to obtain Tax receipts from each Tax authority evidencing the payment of any Taxes so deducted or withheld. The Issuer or the relevant Guarantor will furnish to the Trustee (or to a Holder or beneficial owner upon written request), within a reasonable time after the date the payment of any Taxes so deducted or withheld is made, certified copies of Tax receipts evidencing payment by the Issuer or a Guarantor, as the case may be, or if, notwithstanding such entity's efforts to obtain receipts, receipts are not obtained, other evidence of payments (reasonably satisfactory to the Trustee) by such entity. Upon reasonable request, copies of Tax receipts or other evidence of payments, as the case may be, will be made available by the Trustee to the Holders or beneficial owners of the Notes.

(v)Whenever in this Indenture there is mentioned, in any context, the payment of amounts based upon the principal amount of the Notes or of principal, interest or of any other amount payable under, or with respect to, any of the Notes or any Guarantee, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

(vi)The above obligations will survive any termination, defeasance or discharge of this Indenture, and any transfer by a Holder or beneficial owner of its Notes, and will apply, *mutatis mutandis*, to any jurisdiction under the laws of which any successor Person to the Issuer or any Guarantor is incorporated or organized or in which any successor Person to the Issuer or any Guarantor is engaged in business for tax purposes or resident for tax purposes (and any political subdivision or governmental authority thereof or therein having power to tax) and any jurisdiction from or through which payment is made by or on behalf of such Person on the Notes or any Guarantee and any political subdivision thereof or therein.

Section k. Limitation on Non-Guarantor Subsidiary Indebtedness.

The Issuer will not permit any of its Subsidiaries which is not a Guarantor to incur any indebtedness; *provided, however*, that an aggregate principal amount of indebtedness at any time outstanding not in excess of the greater of (i) $1,000.0 million (or the equivalent in other currencies) and (ii) six percent (6%) of Total Assets may be incurred by its Subsidiaries which are not Guarantors.

Section l. Maintenance of Listing.

The Issuer will use its commercially reasonable efforts to obtain and, for so long as the Notes are outstanding, maintain the listing of such Notes on Euronext Dublin or, if at any time the Issuer determines that it will not obtain or maintain such listing on Euronext Dublin, it will use its commercially reasonable efforts to obtain (prior to delisting) and thereafter maintain a listing of the Notes on another "recognised stock exchange" as defined in Section 1005 of the Income Tax Act 2007 of the United Kingdom.

Section m. Post-Closing Matters.

As soon as reasonably possible, and in any event within 90 days of the Issue Date, the Issuer shall ensure that an extension or confirmation of the pledge of the quotas of the Italian Guarantor is executed to secure the Issuer's obligations under the Notes and to obtain all approvals, make all filings and take all other actions necessary to give effect to the foregoing.

As soon as reasonably possible, and in any event within 90 days of the Issue Date, the Issuer shall ensure that an extension or confirmation of the pledge of all of the issued and outstanding shares of

common stock of IGT US Holdco is executed to secure the Issuer's obligations under the Notes and to obtain all approvals, make all filings and take all other actions necessary to give effect to the foregoing.

Section n. Additional Intercreditor Agreements.

(i)At the request of the Issuer and without the consent of the Holders of Notes, in connection with the incurrence by the Issuer or the Guarantors of indebtedness permitted under this Indenture, the Issuer, the Guarantors, the Trustee and the Security Agent shall enter into with the holders of such indebtedness (or their duly authorized representatives) an intercreditor agreement (an "*Additional Intercreditor Agreement*") or a restatement, amendment or other modification of the Intercreditor Agreement, in each case on substantially the same terms as the Intercreditor Agreement (or terms not materially less favorable to the Holders of Notes), including containing substantially the same terms with respect to release of Guarantees and priority and release of the Security Interests; *provided*, *however*, that such Additional Intercreditor Agreement will not impose any personal obligations on the Trustee or Security Agent or, in the opinion of the Trustee or Security Agent, as applicable, adversely affect the rights, duties, liabilities or immunities of the Trustee or Security Agent under this Indenture or the Intercreditor Agreement.

(ii)At the written direction of the Issuer and without the consent of the Holders of Notes, the Trustee and the Security Agent shall from time to time enter into one or more amendments to any Intercreditor Agreement to: (1) cure any ambiguity, omission, defect or inconsistency of any such agreement, (2) increase the amount or types of indebtedness covered by any such agreement that may be incurred by the Issuer or a Guarantor that is subject to any such agreement (including with respect to any Intercreditor Agreement or Additional Intercreditor Agreement, the addition of provisions relating to new indebtedness ranking junior or *pari passu* in right of payment to the Notes), (3) add Guarantors to the Intercreditor Agreement or an Additional Intercreditor Agreement, (4) further secure the Notes, (5) make provision for equal and ratable security interests in the Collateral to secure Additional Notes, (6) implement any Permitted Liens (including junior liens, *pari passu* liens and liens benefiting from priority rights of turnover with respect to proceeds from enforcement), (7) amend the Intercreditor Agreement or any Additional Intercreditor Agreement in accordance with the terms thereof or (8) make any other change to any such agreement that does not adversely affect the Holders of Notes in any material respect. The Issuer shall not otherwise direct the Trustee or the Security Agent to enter into any amendment to the Intercreditor Agreement or any Additional Intercreditor Agreement without the consent of the Holders of the majority in aggregate principal amount of the Notes then outstanding, except as otherwise permitted under Article 9 of this Indenture and as permitted under the Intercreditor Agreement or any Additional Intercreditor Agreement and the Issuer may only direct the Trustee and the Security Agent to enter into any amendment to the extent such amendment does not impose any personal obligations on the Trustee or Security Agent or, in the opinion of the Trustee or Security Agent, adversely affect their respective rights, duties, liabilities or immunities under this Indenture or the Intercreditor Agreement or any Additional Intercreditor Agreement.

(iii)In relation to the Intercreditor Agreement or any Additional Intercreditor Agreement, the Trustee (and Security Agent, if applicable) shall consent on behalf of the Holders of Notes to the payment, repayment, purchase, repurchase, defeasance, acquisition, retirement or redemption of any obligations subordinated to the Notes or the Guarantees thereby.

(iv)Each Holder of Notes, by accepting a Note, shall be deemed to have agreed to and accepted the terms and conditions of the Intercreditor Agreement and any Additional Intercreditor Agreement (whether then entered into or entered into in the future pursuant to the provisions described herein) and to have

directed the Trustee or Security Agent, as applicable, to enter into (or accede to) the Intercreditor Agreement and any such Additional Intercreditor Agreement.

ARTICLE 5.

SUCCESSORS

Section a. Consolidation, Merger and Sale of Assets.

(i)The Issuer may not, directly or indirectly: (i) consolidate or merge with or into another Person (whether or not the Issuer is the surviving corporation), or (ii) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Issuer and its Subsidiaries, taken as a whole, in one or more related transactions, to another Person; unless:

(1) either (a) the Issuer is the surviving corporation or (b) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or to which such sale, assignment, transfer, conveyance or other disposition has been made is a corporation, partnership or limited liability company incorporated or organized under the laws of any member state of the European Union, any member of the United Kingdom, Switzerland, Canada, the United States, any state of the United States or the District of Columbia; *provided*, *however*, that if the Person is a partnership or limited liability company, then a corporation whollyowned by such Person incorporated or organized under the laws of any member state of the European Union, any member of the United Kingdom, Switzerland, Canada, the United States, any state of the United States or the District of Columbia that does not and will not have any material assets or operations shall become a coissuer of the Notes pursuant to supplemental indentures duly executed by the Trustee;

(2) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made assumes all the obligations of the Issuer under this Indenture and the Notes pursuant to documents in such form as are reasonably satisfactory to the Trustee; and

(3) immediately after such transaction, no Default or Event of Default exists.

(ii)In addition, the Issuer may not, directly or indirectly, lease all or substantially all of its and its Subsidiaries' properties or assets, taken as a whole, in one or more related transactions, to any other Person.

(iii)A Guarantor may not sell or otherwise dispose of all or substantially all of its assets to, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person, other than the Issuer or a Guarantor, unless immediately after giving effect to that transaction, no Default or Event of Default exists.

(iv)Section 5.01 will not apply to:

(1) a merger of the Issuer with an Affiliate solely for the purpose of reincorporating the Issuer in another jurisdiction or forming a direct holding company of the Issuer; and

(2) any sale, transfer, assignment, conveyance, lease or other disposition of assets between or among the Issuer and its Subsidiaries, including by way of merger or consolidation.

Section b. Successor Corporation Substituted.

Upon any consolidation or merger or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the properties or assets of the Issuer or the Guarantors, in a transaction that is subject to, and that complies with the provisions of, Section 5.01, the successor Person formed by such consolidation or into or with which the Issuer or the Guarantors, as applicable, is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition, the provisions of this Indenture referring to the "Issuer" or the "Guarantors", as applicable, shall refer instead to the successor Person and not to the Issuer or the relevant Guarantor, as applicable), and may exercise every right and power of the predecessor Issuer or Guarantor, as applicable, under the Notes, this Indenture and the Security Documents with the same effect as if such successor Person had been named as Issuer or Guarantor, as applicable, herein and therein and the predecessor Issuer or Guarantor, as applicable, shall be discharged from all obligations under the Notes, this Indenture, the Security Documents and any supplemental indenture, as applicable; *provided*, *however*, that the predecessor Issuer shall not be relieved from the obligation to pay the principal of and interest on the Notes except in the case of a sale, conveyance, transfer or lease of all of the assets of or a consolidation or merger of the Issuer in a transaction that is subject to, and that complies with the provisions of, Section 5.01.

ARTICLE 6.

DEFAULTS AND REMEDIES

Section a. Events of Default.

Each of the following is an "*Event of Default*" with respect to the Notes:

(i)default for thirty (30) days in the payment when due of interest on the Notes;

(ii)default in payment when due of the principal of, or premium, if any, on the Notes;

(iii)failure by the Issuer or a Guarantor to comply with any covenant in this Indenture (other than a default specified in clause (A) or (B) above) for sixty (60) days after written notice specified in Section 6.02(b) below;

(iv)default under any document evidencing any indebtedness for borrowed money by the Issuer or any Guarantor, whether such indebtedness now exists or is created after the Issue Date, if that default:

(1) is caused by a failure to pay principal when due at final (and not any interim) maturity on or prior to the expiration of any grace period provided in such indebtedness (a "*Payment Default*"); or

(2) results in the acceleration of such indebtedness prior to its express maturity (without such acceleration having been rescinded, annulled or otherwise cured),

and, in each case, the principal amount of any such indebtedness, together with the principal amount of any other such indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated (without such acceleration having been rescinded, annulled or otherwise cured), aggregates $120.0 million (or the equivalent in other currencies) or more; *provided*, *however*, that this clause (d) shall not apply to (i) secured indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such indebtedness and (ii) any indebtedness that is required to

be converted into Qualifying Equity Interests upon the occurrence of certain designated events so long as no payments in cash or otherwise are required to be made in accordance with such conversion);

(v)failure by the Issuer or any Significant Subsidiary or group of Guarantors that, taken as a whole would constitute a Significant Subsidiary, to pay final judgments, orders or decrees (not subject to appeal) entered by a court or courts of competent jurisdiction aggregating in excess of $120.0 million (or the equivalent in other currencies) (exclusive of any amounts covered by insurance policies issued by reputable and creditworthy insurance companies), which judgments shall not have been discharged or waived and there shall have been a period of 60 consecutive days or more during which a stay of enforcement of such judgment, order or decree (by reason of pending appeal, waiver or otherwise) shall not have been in effect;

(vi)the Security Interests purported to be created under any Security Document (other than in accordance with the terms of the relevant Security Document, the Intercreditor Agreement, any Additional Intercreditor Agreement and this Indenture) in any of the Collateral having a Fair Market Value in excess of $30.0 million (or the equivalent in other currencies) will, at any time, cease to be in full force and effect and constitute a valid and perfected security interest or pledge with the priority required by the applicable Security Document, the Intercreditor Agreement or any Additional Intercreditor Agreement for any reason other than the satisfaction in full of all obligations under this Indenture and discharge of this Indenture or in accordance with the terms of the Intercreditor Agreement, any Additional Intercreditor Agreement or the Security Documents or any Security Interest purported to be created under any Security Document is declared invalid or unenforceable or the Issuer or any Guarantor granting such Security Interest asserts, in any pleading in any court of competent jurisdiction, that any such Security Interest is invalid or unenforceable and such failure to be in full force and effect or such assertion has continued uncured for a period of fifteen (15) days;

(vii)except as permitted by this Indenture, any Guarantee of any Guarantor (or any group of Guarantors) that constitutes a Significant Subsidiary shall be held in any final and non-appealable judicial proceeding to be unenforceable or invalid or shall cease for any reason (other than in accordance with its terms) to be in full force and effect or any Guarantor (or any group of Guarantors) that constitutes a Significant Subsidiary, or any Person acting on behalf of any Guarantor (or any group of Guarantors) that constitutes a Significant Subsidiary, shall deny or disaffirm in writing its or their obligations under its or their Guarantees; and

(viii)the Issuer or any of its Subsidiaries that is a Significant Subsidiary or any group of its Subsidiaries that, taken together, would constitute a Significant Subsidiary pursuant to or within the meaning of any Bankruptcy Law:

(1) commences a voluntary case;

(2) consents to the entry of an order for relief against it in an involuntary case;

(3) consents to the appointment of a custodian of it or for all or substantially all of its property;

(4) makes a general assignment for the benefit of its creditors;

(5) admits in writing its inability to pay its debts generally as they become due; or

(ix)a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Issuer or any of its Subsidiaries that is a Significant Subsidiary or any group of its Subsidiaries that, taken together, would constitute a Significant Subsidiary in an involuntary case;

(B) appoints a custodian or administrator of the Issuer or any of its Subsidiaries that is a Significant Subsidiary or any group of its Subsidiaries that, taken together, would constitute a Significant Subsidiary or for all or substantially all of the property of the Issuer or any of its Subsidiaries that is a Significant Subsidiary or any group of its Subsidiaries that, taken together, would constitute a Significant Subsidiary; or

(C) orders the liquidation of the Issuer or any of its Subsidiaries that is a Significant Subsidiary or any group of its Subsidiaries that, taken together, would constitute a Significant Subsidiary,

and the order or decree remains unstayed and in effect for sixty (60) consecutive days.

Section b. Acceleration.

(i)If an Event of Default specified in clause (h) or (i) of Section 6.01 occurs and is continuing, then the principal of, premium, if any, and Additional Amounts and accrued and unpaid interest on all the outstanding Notes shall become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

(ii)If an Event of Default (other than as specified in clause (h) or (i) of Section 6.01 above) occurs and is continuing, the Trustee or the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Notes then outstanding by written notice to the Issuer (and to the Trustee if such notice is given by the Holders) may, and the Trustee, upon the written request of such Holders, shall, declare the principal of, premium, if any, and any Additional Amounts and accrued interest on all the outstanding Notes immediately due and payable, and upon any such declaration all such amounts payable in respect of the Notes will become immediately due and payable.

Section c. Other Remedies.

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal of, interest, premium and Additional Amounts, if any, on the Notes or to enforce the performance of any provision of this Indenture. Subject to the provisions of the Intercreditor Agreement and any Additional Intercreditor Agreement, the Trustee may direct the Security Agent to take enforcement action with respect to the Collateral upon an Event of Default.

All rights of action and claims under this Indenture or the Notes may be prosecuted and enforced by the Trustee, and all rights of action and claims under the Security Documents may be prosecuted or enforced under the Security Documents by the Security Agent as directed by the Trustee, without the possession of any of the Notes or the production thereof in any proceeding relating thereto, and any such proceeding instituted by any of the Trustee shall be brought in its own name and as trustee of an express trust, and any recovery of judgment shall be distributed in accordance with Section 6.10 hereof.

A delay or omission by the Trustee, the Security Agent or any Holder of a Note in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. No right or remedy is intended to be exclusive of any other right or remedy, and all rights and remedies (whether provided hereunder or now or hereafter existing at law or in equity or otherwise) are cumulative to the extent permitted by law. Every right and

remedy given by this Article 6 to the Trustee, the Security Agent or to the Holders may be exercised from time to time, concurrently and as often as may be deemed expedient by the Trustee, the Security Agent or the Holders, as the case may be.

Prior to taking any action hereunder, the Trustee shall be entitled to indemnification or security satisfactory to it in its sole discretion against all losses, liabilities and expenses caused by taking or not taking such action.

Section d. Waiver of Past Defaults.

Holders of not less than a majority in aggregate principal amount of the then outstanding Notes by notice to the Trustee may on behalf of the Holders of all of the Notes waive any existing Default or Event of Default and its consequences hereunder, except a continuing Default or Event of Default in the payment of the principal of, premium, if any, or interest on, the Notes (including in connection with an offer to purchase); *provided*, *however*, that the Holders of a majority in aggregate principal amount of the then outstanding Notes may rescind an acceleration and its consequences, including any related payment default that resulted from such acceleration. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture, but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section e. Control by Majority.

Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture or that the Trustee determines may be unduly prejudicial to the rights of other Holders of Notes or that may involve the Trustee in personal liability.

The Trustee may withhold from Holders notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to payment of principal, interest or Additional Amounts or premium, if any.

Section f. Limitation on Suits.

In case an Event of Default occurs and is continuing under this Indenture, the Trustee will be under no obligation to exercise any of the rights or powers under this Indenture at the request or direction of any Holders of the Notes unless such Holders have offered to the Trustee indemnity or security satisfactory to the Trustee against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium (if any) or interest when due, no Holder of a Note may pursue any remedy with respect to this Indenture unless:

(i)such Holder has previously given the Trustee notice that an Event of Default is continuing;

(ii)Holders of at least twenty-five percent (25%) in aggregate principal amount of the Notes that are then outstanding have requested the Trustee to pursue the remedy;

(iii)such Holders have offered the Trustee reasonable security or indemnity against any loss, liability or expense;

(iv)the Trustee has not complied with such request within sixty (60) days after the receipt thereof and the offer of security or indemnity; and

(v)Holders of a majority in aggregate principal amount of the Notes that are then outstanding have not given the Trustee a direction inconsistent with such request within such 60day period.

A Holder of a Note may not use this Indenture to prejudice the rights of another Holder of a Note or to obtain a preference or priority over another Holder of a Note.

Section g. Rights of Holders of Notes to Receive Payment.

Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of principal of, interest and premium, Additional Amounts, if any, on the Note, on or after the respective due dates expressed in the Note (including in connection with an offer to purchase), or to bring proceedings for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of Holders of not less than ninety percent (90%) of the then outstanding aggregate principal amount of the Notes.

Section h. Collection Suit by Trustee.

If an Event of Default specified in Section 6.01 occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Issuer for the whole amount of principal of, premium, if any, and interest remaining unpaid on the Notes and interest on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel. The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding.

Section i. Trustee May File Proofs of Claim.

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders of the Notes allowed in any judicial proceedings relative to the Issuer, any Guarantor or any other obligor upon the Notes, their creditors or property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.06. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.06 out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section j. Priorities.

Subject to the Security Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement, all moneys received by the Trustee or the Security Agent under this Indenture or any Security Document shall be held by the Trustee or the Security Agent, as applicable, in trust to apply them (subject to any legal privilege (if any) pursuant to any applicable Bankruptcy Law or any other applicable law):

First: to the Trustee, the Security Agent and any of their respective agents and attorneys for amounts due under Section 7.06, including payment of all compensation, expenses and liabilities incurred, and all advances, if any, made, by the Trustee or the Security Agent and the costs and expenses of collection;

Second: to Holders for amounts due and unpaid on the Notes, on the principal of, or premium, interest, Additional Amounts, if any, on the Notes, *pari passu* and ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes, on the principal of, premium, interest, Additional Amounts, if any, respectively; and

Third: to the Issuer, any Guarantor or to such party as a court of competent jurisdiction shall direct.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 6.10. This Section 6.10 is subject at all times to the provisions set forth in Section 13.02. For the avoidance of doubt, in the event of any conflict between this Section 6.10 and the Security Documents, the Security Documents shall prevail.

Section k. Undertaking for Costs.

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee or the Security Agent for any action taken or omitted by it as a Trustee or as the Security Agent, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee or the Security Agent, a suit by a Holder pursuant to Section 6.07, or a suit by Holders of more than ten percent (10%) in principal amount of the then outstanding Notes.

Section l. Agents.

The Trustee shall be entitled to require the Paying Agent to act under its direction following the occurrence and continuance of a Default or Event of Default.

Section m. Restoration of Rights and Remedies.

If the Trustee, the Security Agent or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined in a final judgment adversely to the Trustee or to the Security Agent or to such Holder, then and in every such case, subject to any determination in such proceeding, the Issuer, any Guarantor, the Trustee, the Security Agent and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee, the Security Agent and the Holders shall continue as though no such proceeding had been instituted.

ARTICLE 7.

TRUSTEE AND SECURITY AGENT

Section a. Duties of Trustee.

(i)If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs. The Trustee may refuse to follow any direction that conflicts with law or this Indenture or that the Trustee determines as unduly prejudicial to the rights of any other Holder or that would involve the Trustee in personal liability. Prior to taking any action under this Indenture, the Trustee will be entitled to indemnification or security satisfactory to it in its sole discretion against all losses, liabilities, fees and expenses caused by taking or not taking such action in accordance with Section 7.06 hereof.

(ii)Except during the continuance of an Event of Default:

(1) the duties of the Trustee and the Security Agent shall be determined solely by the express provisions of this Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents and the Trustee and the Security Agent need perform only those duties that are specifically set forth in this Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreement and no others, and no implied covenants or obligations shall be read into this Indenture or the Security Documents against the Trustee or the Security Agent; and

(2) the Trustee and the Security Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and the Security Agent and conforming to the requirements of this Indenture or the relevant Security Documents. However, the Trustee and the Security Agent shall examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture or the Security Documents, as applicable (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein) and shall be entitled to seek advice from legal counsel in relation thereto.

(iii)Each Holder, by its holding of a Note is deemed to direct the Security Agent to execute and deliver, if necessary, and act as beneficiary under, the Security Documents to which the Security Agent is a party on behalf of the Holders under this Indenture. The Security Agent shall only act at the direction of the Trustee, subject to its rights herein and in the Security Documents. The Security Agent shall be merely an agent and have no fiduciary duties to the Trustee or the Holders.

(iv)Each Holder, by its acceptance of any Notes and the Guarantees of the Notes by the Guarantors, consents to the terms of the Intercreditor Agreement, any Additional Intercreditor Agreement and any other Security Documents to which the Trustee may be a party (including, without limitation, the provisions providing for foreclosure and release of Collateral) as the same may be in effect or as may be amended from time to time in accordance with their terms and authorizes and directs the Trustee to enter into and perform its obligations and exercise its rights under the Intercreditor Agreement, any Additional Intercreditor Agreement and such Security Documents in accordance therewith, to bind the Holders on the terms set forth in the Intercreditor Agreement, any Additional Intercreditor Agreement and such Security Documents and to execute any and all documents, amendments, waivers, consents, releases or other instruments authorized or required to be executed by it pursuant to the terms thereof.

(v)The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act or its own willful misconduct except that:

(1) this Section 7.01(e) does not limit the effect of Section 7.01(b);

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05.

(vi)Whether or not therein expressly so provided, every provision of this Indenture and the Security Documents that in any way relates to the Trustee or the Security Agent, as applicable, is subject to clauses (a), (b), (d), (e) and (g) of this Section 7.01.

(vii)No provision of this Indenture or any Security Document shall require the Trustee, any Agent or the Security Agent to expend or risk its own funds or incur any liability in the performance of any of its duties hereunder or under the Security Documents.

(viii)None of the Trustee, the Security Agent or any Agent shall be liable for interest on any money received by it or to make any investments except as the Trustee or the Security Agent, as applicable, may agree in writing with the Issuer. Money held in trust by the Trustee, the Security Agent or Agents, as applicable, need not be segregated from other funds except to the extent required by law.

(ix)Neither the Trustee nor the Security Agent shall be deemed to have notice or any knowledge of any matter (including without limitation Defaults or Events of Default) unless a Responsible Officer of the Trustee or the Security Agent, as applicable, has received written notice thereof (addressed as provided in Section 12.01), as applicable, and such notice clearly references the Notes, the Issuer or this Indenture.

(x)The rights, privileges and protections of the Trustee and the Security Agent set forth in this Article 7 shall apply equally in respect of the any other document to which the Trustee or the Security Agent is a party.

Section b. Rights of Trustee and the Security Agent.

(i)The Trustee and the Security Agent may conclusively rely upon and will be protected in acting or refraining from acting upon, whether in its original, facsimile or other electronic form, any document believed by them to be genuine and to have been signed or presented by the proper Person. Neither the Trustee nor the Security Agent need investigate any fact or matter stated in the document (regardless of whether any such document is subject to any monetary or other limit).

(ii)Before the Trustee or the Security Agent acts or refrains from acting, it may require an Officer's Certificate or an Opinion of Counsel or both. The Trustee and the Security Agent shall not be liable for any action taken or not taken in good faith in reliance on such Officer's Certificate or Opinion of Counsel, as the case may be. The Trustee and the Security Agent may consult with professional advisers (including counsel) and the advice or written advice of such professional adviser or any Opinion of Counsel shall be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by them hereunder in good faith and in reliance thereon.

(iii)The Trustee and the Security Agent may act through their attorneys and agents and shall not be responsible for the misconduct or negligence of any agent appointed with due care. In addition, the Security Agent may delegate duties as provided in the Security Documents.

(iv)Neither the Trustee nor the Security Agent shall be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(v)Unless otherwise specifically provided in this Indenture or the relevant Security Document, any demand, request, direction or notice from the Issuer shall be sufficient if signed by an Authorized Officer of the Issuer or a member of the Issuer's board of directors.

(vi)Neither the Trustee nor the Security Agent shall be under any obligation to exercise any of the rights or powers vested in it by this Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security Document at the request or direction of any Holder unless such Holder shall have offered to the Trustee or the Security Agent, as applicable, security or indemnity satisfactory to them against the losses, liabilities and expenses that might be incurred by them in compliance with such request or direction.

(vii)Neither the Trustee nor the Security Agent shall have any duty to inquire as to the performance of the covenants of the Issuer or its Subsidiaries in Article 4. In addition, neither the Trustee nor the Security Agent shall be deemed to have knowledge of any Default or Event of Default except any Default or Event of Default of which a Responsible Officer shall have received written notification. Delivery of reports, information and documents to the Trustee under Section 4.03 is for informational purposes only and the Trustee's receipt of the foregoing shall not constitute actual or constructive notice of any information contained therein or determinable from information contained therein, including the Issuer's compliance with any of their covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officer's Certificates).

(viii)Neither the Trustee nor the Security Agent shall have any obligation or duty to monitor, determine or inquire as to compliance, and shall not be responsible or liable for compliance with restrictions on transfer, exchange, redemption, purchase or repurchase, as applicable, of minimum denominations imposed under this Indenture or under applicable law or regulation with respect to any transfer, exchange, redemption, purchase or repurchase, as applicable, of any interest in any Notes.

(ix)The rights, privileges, protections, immunities and benefits given to the Trustee or the Security Agent, including their right to be indemnified or secured, are extended to, and shall be enforceable by, each of The Bank of New York Mellon, London Branch, and The Bank of New York Mellon SA/NV, Luxembourg Branch, in each case in each of its respective capacities hereunder, and each agent, custodian and other person employed to act hereunder. Absent willful misconduct or negligence, each Paying Agent, Registrar and Transfer Agent shall not be liable for acting in good faith on instructions believed by it to be genuine and from the proper party. Each Agent's obligations and duties are several and not joint.

(x)If any Guarantor is substituted to make payments on behalf of the Issuer pursuant to Article 10, the Issuer shall promptly notify the Trustee of such substitution.

(xi)In the event the Trustee receives inconsistent or conflicting requests and indemnity from two (2) or more groups of Holders, each representing less than a majority in aggregate principal amount of the Notes then outstanding, pursuant to the provisions of this Indenture and the Security Documents, the

Trustee in its sole discretion, may determine what action, if any, will be taken and shall not incur any liability for its failure to act until such inconsistency or conflict is, in its reasonable opinion, resolved.

(xii)Neither the Trustee nor the Security Agent is required to give any bond or surety with respect to the performance or its duties or the exercise of its powers under this Indenture or the Notes.

(xiii)The permissive right of the Trustee and the Security Agent to take the actions permitted by this Indenture or the Security Documents shall not be construed as an obligation or duty to do so.

(xiv)Neither the Trustee nor the Security Agent will be liable to any person if prevented or delayed in performing any of its obligations or discretionary functions under this Indenture or the Security Documents by reason of any present or future law applicable to it, by any governmental or regulatory authority or by any circumstances beyond its control.

(xv)Neither the Trustee nor the Security Agent shall under any circumstances be liable for any consequential loss (being loss of business, goodwill, opportunity or profit of any kind) of the Issuer, any Guarantor, any Subsidiary or any other Person (or, in each case, any successor thereto), even if advised of it in advance and even if foreseeable.

(xvi)Neither the Trustee nor the Security Agent shall be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee and the Security Agent, in their sole discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee or the Security Agent shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Issuer personally or by agent or attorney.

(xvii)The Trustee or the Security Agent may request that the Issuer deliver an Officer's Certificate setting forth the names of the individuals or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Officer's Certificate may be signed by any person authorized to sign an Officer's Certificate, including any person specified as so authorized in any such certificate previously delivered and not superseded.

(xviii)No provision of this Indenture or any Security Document shall require the Trustee or the Security Agent to do anything which, in its opinion, may be illegal or contrary to applicable law or regulation.

(xix)The Trustee or the Security Agent may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion, based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction or, to the extent applicable, the State of New York.

(xx)The Trustee and the Security Agent may retain professional advisors to assist them in performing their duties under this Indenture and the Security Documents. The Trustee and the Security Agent may consult with such professional advisors or with counsel, and the advice or opinion of such professional advisors or counsel with respect to legal or other matters relating to this Indenture, the Notes and the Security Documents shall be full and complete authorization and protection from liability in respect of any action taken, omitted or suffered by them hereunder in good faith and in reliance on the advice or opinion of such counsel.

(xxi)The Trustee and the Security Agent may assume without inquiry in the absence of actual knowledge that each of the Issuer and the Guarantors is duly complying with its obligations contained in

this Indenture and the Security Documents required to be performed and observed by it, and that no Default or Event of Default or other event which would require repayment of the Notes has occurred.

(xxii)The Security Agent shall accept without investigation, requisition or objection such right and title as the Issuer may have to any of the Collateral and shall not be bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer to the Collateral or any part thereof, whether such defect or failure was known to the Security Agent or might have been discovered upon examination or enquiry and whether capable of remedy or not, and shall have no responsibility for the validity, value or sufficiency of the Collateral.

(xxiii)Without prejudice to the provisions hereof, neither the Trustee nor the Security Agent shall be under any obligation to insure any of the Collateral or any certificate, note, bond or other evidence in respect thereof, or to require any other Person to maintain any such insurance and neither shall be responsible for any loss, expense or liability which may be suffered as a result of any assets comprised in the Collateral being uninsured or inadequately insured.

(xxiv)Neither the Trustee nor the Security Agent shall be responsible for any loss, expense or liability occasioned to the Collateral, howsoever caused, by the Security Agent or by any act or omission on the part of any other Person (including any bank, broker, depositary, warehouseman or other intermediary or by any clearing system or other operator thereof), or otherwise, unless such loss is occasioned by the willful misconduct or fraud of the Security Agent or the Trustee, as the case may be.

(xxv)Beyond the exercise of reasonable care in the custody thereof, the Security Agent shall have no duty or liability as to the Collateral (if any) in its possession or control or in the possession or control of any agent or bailee or any income thereon or as to preservation of rights against prior parties or any other rights pertaining thereto and the Security Agent shall not be responsible for filing any financing or continuation statements or recording any documents or instruments in any public office at any time or times or otherwise perfecting or maintaining the priority, perfection or validity of any security interest in the Collateral. The Security Agent shall be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords its own property and shall not be liable or responsible for any loss or diminution in the value of any of the Collateral by reason of the act or omission of any carrier, forwarding agency or other agent or bailee selected by the Security Agent in good faith.

(xxvi)At any time that the security granted pursuant to the Security Documents has become enforceable and the Holders have given a direction to the Trustee to enforce such security, the Trustee is not required to give any direction to the Security Agent with respect thereto unless it has been indemnified or secured to its satisfaction in accordance with this Indenture. In any event, in connection with any enforcement of such security, the Trustee is not responsible for:

(1) any failure of the Security Agent to enforce such security within a reasonable time or at all;

(2) any failure of the Security Agent to pay over the proceeds of enforcement of the security;

(3) any failure of the Security Agent to realize such security for the best price obtainable;

(4) monitoring the activities of the Security Agent in relation to such enforcement;

(5) taking any enforcement action itself in relation to such security;

(6) agreeing to any proposed course of action by the Security Agent which could result in the Trustee incurring any liability for its own account; or

(7) paying any fees, costs or expenses of the Security Agent.

Section c. Individual Rights of Trustee and the Security Agent.

The Trustee or the Security Agent in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Issuer, any Guarantor or any Affiliate of the Issuer or any Guarantor with the same rights it would have if it were not Trustee or Security Agent. However, in the event that the Trustee acquires any conflicting interest as such term is used in Section 310(b) of the U.S. Trust Indenture Act of 1940, as amended, it must eliminate such conflict within ninety (90) days or resign. Any Agent may do the same with like rights and duties. The Trustee is also subject to Section 7.09 and Section 7.10 hereof.

Section d. Disclaimer for Trustee and Security Agent.

Neither the Trustee nor the Security Agent shall be responsible for and neither the Trustee nor the Security Agent makes any representation as to the validity or adequacy of this Indenture, the Notes, any Security Document or the Collateral. Neither the Trustee nor the Security Agent shall be accountable for the Issuer's use of the proceeds from the Notes and neither shall be responsible for any statement or recital herein or any statement in the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture or any Security Document other than its certificate of authentication. The Trustee and the Security Agent shall be entitled to assume without inquiry that the Issuer has performed in accordance with all the provisions in this Indenture, unless notified to the contrary.

Section e. Notice of Defaults.

Subject to Section 7.02(g), if a Default or an Event of Default occurs and is continuing and is known to the Trustee, the Trustee will mail to each Holder notice of the Default or Event of Default within ninety (90) Business Days after it becomes known to the Trustee. Except in the case of a Default or an Event of Default in payment of principal of, premium, if any, Additional Amounts or interest on any Notes, the Trustee may withhold the notice to the Holders of such Notes if a committee of its trust officers in good faith determines that withholding the notice is in the interests of the Holders of the Notes.

Section f. Compensation and Indemnity.

(i)The Issuer and each Guarantor, jointly and severally, shall pay to each of the Trustee, the Security Agent and Agents from time to time such compensation as shall be agreed in writing for their respective services hereunder. None of the Trustee's, the Security Agent's or the Agents' compensation shall be limited by any law on compensation of a trustee of an express trust. The Issuer, and each Guarantor, jointly and severally, shall reimburse each of the Trustee and the Security Agent promptly upon request for all disbursements, advances (if any) and expenses incurred or made by them in addition to the compensation for their services. Such expenses shall include the compensation, disbursements and expenses of the Trustee's and the Security Agent's respective agents and counsel.

(ii)The Issuer and each Guarantor, jointly and severally, shall indemnify each of the Trustee and the Security Agent (which for purposes of this Section 7.06(b) shall include their respective officers, directors, employees and agents) against any and all losses, liabilities, charges or expenses incurred by them arising out of, or in connection with, the acceptance or administration of their duties (including any

management time spent) under this Indenture, the Security Documents, the Intercreditor Agreement, any Additional Intercreditor Agreement, any supplemental indenture, supplemental intercreditor agreement, supplemental additional intercreditor agreements or accession agreement or the Notes or in any other role performed by the Trustee or the Security Agent, as applicable, under said documents, including the costs and expenses of, and taxes paid by the Trustee or the Security Agent in connection with, enforcing this Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents against the Issuer and the Guarantors (including this Section 7.06(b)) and defending themselves against any claim (whether asserted by the Issuer, the Guarantors or any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder or under the Security Documents, except to the extent any such loss, liability or expense may be attributable to (x) in the case of the Trustee, the Trustee's willful misconduct, gross negligence or bad faith or (y) in the case of the Security Agent, the Security Agent's willful misconduct, gross negligence or bad faith. Except where the interests of the Issuer and the Guarantors, on the one hand, and the Trustee or the Security Agent, as applicable, on the other hand, may be adverse, the Trustee or the Security Agent, as applicable, shall notify the Issuer promptly of any claim for which it may seek indemnity. Failure by the Trustee or the Security Agent, as applicable, to so notify the Issuer shall not relieve the Issuer or any of the Guarantors of its obligations hereunder. Neither the Issuer nor any Guarantor need pay for any settlement made without its consent, which consent shall not be unreasonably withheld.

(iii)To secure the Issuer's and any Guarantor's payment obligations in this Section 7.06, the Trustee and the Security Agent shall have a lien prior to the Notes on all money or property held or collected by the Trustee or the Security Agent, in their capacity as Trustee and Security Agent, except on money or property held in trust to pay principal of, premium, if any, Additional Amounts, if any, and interest on particular Notes. Such lien shall survive the satisfaction and discharge of this Indenture.

(iv)Without prejudice to any other rights available to the Trustee or Security Agent, when the Trustee or the Security Agent incurs expenses or renders services after an Event of Default specified in Section 6.01 occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

(v)The indemnity contained in this Section 7.06 shall survive the discharge or termination of this Indenture and shall continue for the benefit of the Trustee, the Security Agent and each Agent notwithstanding its resignation or retirement.

For the avoidance of doubt, the rights, privileges, protections, immunities and benefits given to the Trustee and the Security Agent in this Section 7.06, including their right to be indemnified, are extended to, and shall be enforceable by, The Bank of New York Mellon, London Branch and The Bank of New York Mellon SA/NV, Luxembourg Branch and Persons employed by the Trustee to act hereunder.

Section g. Replacement of Trustee.

(i)A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.07.

(ii)The Trustee may resign in writing at any time and be discharged from the trust hereby created by so notifying the Issuer. The Holders of a majority in principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Issuer in writing. The Issuer may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.09;

(2) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(3) a custodian or public officer takes charge of the Trustee or its property; or

(4) the Trustee becomes incapable of acting.

(iii)If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Issuer shall promptly appoint a successor Trustee. Within one (1) year after the successor Trustee takes office, the Holders of a majority in principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Issuer.

(iv)If a successor Trustee does not take office within sixty (60) days after the retiring Trustee resigns or is removed, (i) the retiring Trustee, the Issuer or the Holders of at least ten percent (10%) in principal amount of the then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee or (ii) the retiring Trustee may appoint a successor Trustee at any time prior to the date on which a successor Trustee takes office; *provided, however,* that such appointment shall be reasonably satisfactory to the Issuer.

(v)If the Trustee, after written request by any Holder who has been a Holder for at least six (6) months, fails to comply with Section 7.09, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(vi)A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Issuer. Thereupon, the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a notice of its succession to the Holders. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee; *provided*, *however*, that all sums owing to the Trustee hereunder have been paid and subject to the lien provided for in Section 7.06. Notwithstanding replacement of the Trustee pursuant to this Section 7.07, the Issuer's and each Guarantor's obligations under Section 7.06 shall continue for the benefit of the retiring Trustee.

Section h. Successor Trustee or Security Agent by Merger.

If the Trustee or the Security Agent consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another entity, the successor entity without any further act shall be the successor Trustee or Security Agent.

Section i. Eligibility; Disqualification.

There will at all times be a Trustee hereunder that is an entity organized and doing business under the laws of England and Wales, the United States of America or of any state thereof or any country within the European Union and which is authorized under such laws to exercise corporate trustee power and is generally recognized as an entity which customarily performs such corporate trustee roles and provides such corporate trustee services in transactions similar in nature to the offering of the Notes as described in the Offering Memorandum.

Section j. Certain Provisions.

Each Holder by accepting a Note authorizes and directs on his or her behalf the Trustee to enter into and to take such actions and to make such acknowledgements as are set forth in this Indenture and the Intercreditor Agreement or other documents entered into in connection therewith.

The Trustee shall not be responsible for the legality, validity, effectiveness, suitability, adequacy or enforceability of the Security Documents or any obligation or rights created or purported to be created thereby or pursuant thereto or any security or the priority thereof constituted or purported to be constituted thereby or pursuant thereto, nor shall it be responsible or liable to any Person because of any invalidity of any provision of such documents or the unenforceability thereof, whether arising from statute, law or decision of any court. The Trustee shall be under no obligation to monitor or supervise the functions of the Security Agent under the Security Documents and shall be entitled to assume that the Security Agent is properly performing its functions and obligations thereunder and the Trustee shall not be responsible for any diminution in the value of or loss occasioned to the assets subject thereto by reason of the act or omission by the Security Agent in relation to its functions thereunder. The Trustee shall have no responsibility whatsoever to the Issuer, any Guarantor or any Holder as regards any deficiency which might arise because the Trustee is subject to any tax in respect of the Security Documents, the security created thereby or any part thereof or any income therefrom or any proceeds thereof.

Section k. Agents.

Any Agent may resign and be discharged from its duties under this Indenture at any time by giving thirty (30) days' prior written notice of such resignation to the Trustee and the Issuer. The Issuer may remove any Agent at any time by giving thirty (30) days' prior written notice to any Agent. Upon such notice, a successor Agent shall be appointed by the Issuer, who shall provide written notice of such to the Trustee. Such successor Agent shall become the Agent hereunder upon the resignation or removal date specified in such notice. If the Issuer is unable to replace the resigning Agent within thirty (30) days after such notice, the Agent may, in its sole discretion, deliver any funds then held hereunder in its possession to the Trustee or may apply to a court of competent jurisdiction for the appointment of a successor Agent or for other appropriate relief. The costs and expenses (including its counsels' fees and expenses) incurred by the Agent in connection with such proceeding shall be paid by the Issuer. Upon receipt of the identity of the successor Agent, the Agent shall deliver any funds then held hereunder to the successor Agent, less the Agent's fees, costs and expenses or other obligations owed to the Agent. Upon its resignation and delivery any funds, the Agent shall be discharged of and from any and all further obligations arising in connection with this Indenture, but shall continue to enjoy the benefit of Section 7.06.

Section l. Force Majeure.

In no event shall the Trustee, the Security Agent and Agents be responsible or liable for any failure or delay in the performance of their obligations hereunder arising out of or caused by acts of war or terrorism involving the United States, the United Kingdom or any member state of the European Monetary Union or any other national or international calamity or emergency (including natural disasters or acts of God), it being understood that the Trustee, the Security Agent and Agents, as applicable, shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section m. USA Patriot Act.

The Issuer and the Guarantors acknowledge that in accordance with Section 326 of the USA Patriot Act, BNY Mellon Corporate Trustee Services Limited, The Bank of New York Mellon, London

Branch and The Bank of New York Mellon SA/NV, Luxembourg Branch (together the "*BNYM Entities*"), like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account. The Issuer and the Guarantors undertake to provide the BNYM Entities with such information as it may request in order for the BNYM Entities to satisfy the requirements of the USA Patriot Act, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

Section n. Tax Compliance.

In order to comply with applicable tax laws (inclusive of rules, regulations and interpretations promulgated by competent authorities) in effect from time to time ("*Applicable Tax Law*") that a foreign financial institution, issuer, trustee, paying agent or other party is or has agreed to be subject to, the Issuer agrees (i) to provide to the Trustee and the Paying Agent sufficient information about the parties or transactions (including any modification to the terms of such transactions) so the Trustee and the Paying Agent can determine whether it has tax related obligations under Applicable Tax Law and (ii) that the Trustee and the Paying Agent shall be entitled to make any withholding or deduction from payments to the extent necessary to comply with Applicable Tax Law for which the Trustee and the Paying Agent shall not have any liability. The terms of this Section 7.14 shall survive the termination of this Indenture.

Section o. Contractual Recognition of Bail-In Powers.

Notwithstanding any other term of this Indenture or any other agreements, arrangements, or understanding between the parties, each counterparty to a BRRD Party under this Indenture acknowledges, accepts, and agrees to be bound by:

(i)the effect of the exercise of Bail-in Powers by the Relevant Resolution Authority in relation to any BRRD Liability of any BRRD Party to it under this Indenture, that (without limitation) may include and result in any of the following, or some combination thereof:

(1) the reduction of all, or a portion, of the BRRD Liability or outstanding amounts due thereon;

(2) the conversion of all, or a portion, of the BRRD Liability into shares, other securities or other obligations of the relevant BRRD Party or another person (and the issue to or conferral on it of such shares, securities or obligations);

(3) the cancellation of the BRRD Liability;

(4) the amendment or alteration of the amounts due in relation to the BRRD Liability, including any interest, if applicable, thereon, the maturity or the dates on which any payments are due, including by suspending payment for a temporary period; and

(ii)the variation of the terms of this Indenture, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of Bail-in Powers by the Relevant Resolution Authority.

ARTICLE 8.

LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section a. Option to Effect Legal Defeasance or Covenant Defeasance.

The Issuer may, at its option evidenced by a resolution of its board of directors set forth in an Officer's Certificate, at any time, elect to have either Section 8.02 or Section 8.03 applied to all outstanding Notes upon compliance with the conditions set forth below in this Article 8.

Section b. Legal Defeasance and Discharge.

Upon the Issuer's exercise under Section 8.01 of the option applicable to this Section 8.02, the Issuer and the Guarantors, subject to the satisfaction of the conditions set forth in Section 8.04, will be deemed to have been discharged from their obligations with respect to all or any series of Notes issued under this Indenture and the Guarantees, respectively, and to have cured all then existing Events of Default on the date the conditions set forth below are satisfied (hereinafter, "*Legal Defeasance*"). For this purpose, Legal Defeasance means that the Issuer shall be deemed to have paid and discharged the entire indebtedness represented by the outstanding Notes, which shall thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 and the other Sections of this Indenture referred to in clauses (A) and (B) below, and to have satisfied all its other obligations under this Indenture, the Notes and any supplemental indenture (and the Trustee, on demand of and at the expense of the Issuer, shall execute proper instruments acknowledging the same), except for the following provisions which shall survive until otherwise terminated or discharged hereunder:

(1) the rights of Holders of the applicable series of Notes that are then outstanding to receive payments with respect to the principal of, or interest or premium on such Notes when such payments are due from the trust referred to in Section 8.04;

(2) the Issuer's obligations with respect to the applicable series of Notes under Article 2 and Section 4.02;

(3) the rights, powers, trusts, duties and immunities of the Trustee, the Security Agent and the Agents and the obligations of the Issuer and the Guarantors in connection therewith (including Section 7.06); and

(4) this Article 8.

Subject to compliance with this Article 8, the Issuer may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03.

Section c. Covenant Defeasance.

Upon the Issuer's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, the Issuer shall, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from each of their obligations under the covenants contained in Article 4 (other than Sections 4.01, 4.02 (solely to the extent necessary to carry out its obligations that remain under this Indenture), 4.04 (solely with respect to obligations under covenants that are not released) and 4.05) with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 hereof are satisfied (hereinafter, "*Covenant Defeasance*"), and the Notes will thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but will continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes will not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes and any supplemental indenture, the Issuer may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of

any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply will not constitute a Default or an Event of Default under Section 6.01 with respect to the applicable series of Notes, but, except as specified above, the remainder of this Indenture and such Notes and any supplemental indenture shall be unaffected thereby. In addition, upon the Issuer's exercise under Section 8.01 of the option applicable to this Section 8.03, subject to the satisfaction of the conditions set forth in Section 8.04, the Events of Default set forth in Section 6.01 (except those relating to payments on the Notes or, solely with respect to the Issuer, clauses (h) and (i) of Section 6.01) shall not constitute Events of Default with respect to the applicable series of Notes.

Section d. Conditions to Legal or Covenant Defeasance.

To exercise either Legal Defeasance or Covenant Defeasance:

(1) the Issuer must irrevocably deposit with, or as directed by, the Trustee, in trust, for the benefit of the Holders of the Notes, cash in U.S. dollars or U.S. Government Obligations or a combination thereof, in amounts as will be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants to pay the principal of, or interest and premium on such Notes that are then outstanding on the Stated Maturity or on the applicable redemption date, as the case may be, and the Issuer must specify whether such Notes are being defeased to maturity or to a particular redemption date;

(2) in the case of Legal Defeasance, the Issuer has delivered to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that (a) the Issuer has received from, or there has been published by, the Internal Revenue Service a ruling or (b) since the Issue Date, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel will confirm that, the beneficial owners of the Notes that are then outstanding will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuer has delivered to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the beneficial owners of the Notes that are then outstanding will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default with respect to the Notes has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit);

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under any material agreement or instrument (other than this Indenture) to which the Issuer or any of its Subsidiaries is a party or by which the Issuer or any of its Subsidiaries is bound;

(6) the Issuer must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Issuer with the intent of preferring the Holders of the Notes over the other creditors of the Issuer with the intent of defeating, hindering, delaying or defrauding creditors of the Issuer or others; and

(7) the Issuer must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Section e. Deposited Money and U.S. Government Obligations Held in Trust; Other Miscellaneous Provisions.

(i)Subject to Section 8.06, all money and noncallable U.S. Government Obligations (including the proceeds thereof) deposited with or as directed by the Trustee (or with another qualifying trustee, collectively for purposes of this Section 8.05, the "*Trustee*") pursuant to Section 8.04 in respect of the outstanding Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Issuer acting as Paying Agent) as the Trustee may determine, to the Holders of the Notes of all sums due and to become due thereon in respect of principal, premium, interest and Additional Amounts, if any, but such money need not be segregated from other funds except to the extent required by law.

(ii)The Issuer shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or noncallable U.S. Government Obligations, as applicable, deposited pursuant to Section 8.04 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

(iii)Notwithstanding anything in this Article 8 to the contrary, the Trustee shall deliver or pay to the Issuer from time to time upon the request of the Issuer any money or noncallable U.S. Government Obligations, as applicable, held by it as provided in Section 8.04 which, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(A)), are in excess of the amount thereof that would then be required to be deposited to effect a Legal Defeasance or Covenant Defeasance, as applicable, of the type and scope originally effected by the Issuer pursuant to this Article 8.

Section f. Repayment to the Issuer.

Any money deposited with the Trustee or any Paying Agent, or then held by the Issuer, in trust for the payment of the principal of, premium, interest or Additional Amounts on any Note and remaining unclaimed for two (2) years after such principal or interest (and Additional Amounts or premium, if any) has become due and payable shall be paid to the Issuer on its request or (if then held by the Issuer) shall be discharged from such trust; and the Holder of such Note shall thereafter look only to the Issuer for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Issuer as trustee thereof, shall thereupon cease; *provided*, *however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may, at the expense of the Issuer, give notice to the Holders in accordance with Section 12.01 that such money remains unclaimed and that, after a date specified therein, which shall not be less than thirty (30) days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Issuer.

Section g. Reinstatement.

If the Trustee or Paying Agent is unable to apply any U.S. dollars or noncallable U.S. Government Obligations, as applicable, in accordance with Section 8.02 or 8.03, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Issuer's and the Guarantors' obligations under this

Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.02 or 8.03, as the case may be; *provided, however*, that, if the Issuer makes any payment of principal of, premium, interest or Additional Amounts on any Note following the reinstatement of its obligations, the Issuer shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

ARTICLE 9.

AMENDMENT, SUPPLEMENT AND WAIVER

Section a. Without Consent of Holders of Notes.

(i)Notwithstanding Section 9.02 of this Indenture, the Issuer, the Security Agent and the Trustee (as applicable) may modify, amend or supplement this Indenture, the Notes, any Security Document, the Guarantees, the Intercreditor Agreement, any Additional Intercreditor Agreement or any supplemental indenture without the consent of any Holder:

(1) to cure any ambiguity, omission, defect, error or inconsistency;

(2) to provide for uncertificated Notes in addition to or in place of the certificated Notes;

(3) to provide for the assumption of the Issuer's or a Guarantor's obligations to Holders of Notes in the case of a merger or consolidation or sale of all or substantially all of the Issuer's or such Guarantor's assets;

(4) to make any change that would provide any additional rights or benefits to the Holders of Notes or that does not adversely affect the legal rights under this Indenture of any such Holder;

(5) to conform the text of this Indenture or the Notes to any provision of the sections titled "Description of the Notes", taken together, in the Offering Memorandum to the extent that such provision in such sections of the Offering Memorandum was intended to be a verbatim or substantially verbatim recitation of a provision of this Indenture, such Notes or the Guarantees;

(6) to release any Guarantee in accordance with the terms of this Indenture;

(7) to evidence and provide for the acceptance and appointment under this Indenture of a successor trustee or security agent pursuant to the requirements thereof;

(8) to the extent necessary to grant a Security Interest, *provided, however,* that the granting of such Security Interest is not prohibited by this Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement and Section 4.09 is complied with;

(9) make any change to the extent permitted by the covenant described under Section 4.14;

(10) to provide for the issuance of additional series of Notes in accordance with the limitations set forth in this Indenture; or

(11) to allow any Guarantor to execute a supplemental indenture or a joinder, as applicable, with respect to the Notes.

(ii)For the avoidance of doubt, no amendment to or deletion of, or actions taken in compliance with, the covenants described herein shall be deemed to impair or affect any rights of Holders of Notes to receive payment of principal of, or premium, if any, or interest on, the Notes.

(iii)In formulating its decision on such matters, the Trustee and the Security Agent shall be entitled to require and rely absolutely on such evidence as it deems appropriate, including an Opinion of Counsel and an Officer's Certificate on which the Trustee and the Security Agent may solely rely.

(iv)The consent of the Holders of Notes is not necessary under this Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment. A consent to any amendment or waiver under this Indenture by any Holder of Notes given in connection with a tender of such Holder's Notes will not be rendered invalid by such tender.

(v)Upon the request of the Issuer, and upon receipt by the Trustee and the Security Agent of the documents described in Section 7.02(b), the Trustee and the Security Agent will join with the Issuer in the execution of any amended or supplemental indenture or other document authorized or permitted by the terms of this Indenture and to make any further appropriate agreements and stipulations that may be therein contained, but neither the Trustee nor the Security Agent will be obligated to enter into such amended or supplemental indenture or other document that affects its own rights, duties, protections, privileges, indemnities or immunities under this Indenture.

(vi)For so long as the Notes are listed on Euronext Dublin and the rules of such exchange so require, the Issuer will publish notice of any amendment, supplement and waiver in Ireland in a daily newspaper with general circulation in Ireland (which is expected to be the Irish Times). Such notice of any amendment, supplement and waiver may instead be published on the website of Euronext Dublin (*www.ise.ie*).

Section b. With Consent of Holders of Notes.

(i)Except as provided otherwise in Section 9.01 and this Section 9.02, the Issuer, the Trustee and the Security Agent (as applicable) may amend or supplement this Indenture, the Notes, the Guarantees, the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security Document with the consent of the Holders of a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes), and any existing default or compliance with any provision of this Indenture, the Notes or the Guarantees may be waived with the consent of the Holders of a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes).

(ii)Upon the request of the Issuer, and upon receipt by the Trustee of the documents described in Sections 9.05 and 12.02, the Trustee and the Security Agent will join with the Issuer in the execution of such amended or supplemental indenture or other document unless such amended or supplemental indenture or other document directly affects the Trustee's or the Security Agent's own rights, duties, protections, privileges, indemnities or immunities under this Indenture, or otherwise, in which case the Trustee or the Security Agent (as the case may be) may in its discretion, but will not be obligated to, enter into such amended or supplemental indenture or other document.

(iii)It shall not be necessary for the consent of the Holders of Notes under this Section 9.02 to approve the particular form of any proposed amendment, supplement or waiver, but it is sufficient if such consent approves the substance thereof.

(iv)After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Issuer will mail or otherwise deliver to the Holders of Notes affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Issuer to mail or otherwise deliver such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such amended or supplemental indenture or waiver. Subject to Sections 6.04 and 6.07, the Holders of a majority in aggregate principal amount of such series of Notes then outstanding may waive compliance in a particular instance by the Issuer with any provision of this Indenture, the Notes, any Security Document or any supplemental indenture. However, unless consented to by the Holders of at least ninety percent (90%) of the aggregate principal amount of the Notes outstanding affected (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes), without the consent of each Holder of Notes affected, an amendment, supplement or waiver may not (with respect to any Notes held by a non-consenting Holder):

(1) reduce the principal amount of any Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or extend the fixed maturity of such Notes or alter the provisions with respect to the redemption of such Notes (other than provisions relating to Section 4.08 and provisions relating to the number of days of notice to be given in the event of a redemption);

(3) reduce the rate of or change the stated time for payment of interest on such Notes;

(4) waive a Default or Event of Default in the payment of principal of, or interest or premium on such Notes (except pursuant to a rescission of acceleration of such Notes by the Holders of a majority in aggregate principal amount of such Notes and a waiver of the payment default that resulted from such acceleration);

(5) make such Notes payable in currency other than that stated in such Notes;

(6) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders of such Notes to receive payments of principal of, or interest or premium on such Notes;

(7) waive a redemption payment with respect to any such Notes (other than a payment required by Section 4.08);

(8) impair the right of any Holder to receive payment of principal of and interest or Additional Amounts, if any, on such Notes on or after the due dates therefor or to institute suit for the enforcement of any such payment on or with respect to such Notes;

(9) make any change in Section 4.10 that adversely affects the right of any Holder of such Notes in any material respect or amends the terms of such Notes in a way that would result in a loss of an exemption from any of the Taxes described thereunder or an exemption from any obligation to withhold or deduct Taxes so described thereunder unless the Issuer agrees to pay Additional Amounts, if any, in respect thereof;

(10) release all or substantially all of the Security Interests other than in accordance with the terms of the Security Documents, the Intercreditor Agreement, any applicable Additional Intercreditor Agreement or this Indenture;

(11) release any Guarantor from any of its obligations under its Guarantee or this Indenture, except in accordance with the terms of this Indenture; or

(12) make any change in the preceding amendment and waiver provisions.

(v)Any amendment, supplement or waiver consented to by at least ninety percent (90%) of the aggregate principal amount of the then outstanding Notes will be binding against any non-consenting Holders.

Section c. Revocation and Effect of Consents.

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Note is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder of a Note or subsequent Holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date of the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

Section d. Notation on or Exchange of Notes.

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Issuer, in exchange for Notes, may issue and the Trustee shall, upon receipt of an Authentication Order, authenticate, or cause the Authentication Agent to authenticate, the new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note will not affect the validity and effect of such amendment, supplement or waiver.

Section e. Trustee and Security Agent to Sign Amendments.

The Trustee or the Security Agent, as the case may be, will sign any amended or supplemental indenture or other document authorized pursuant to this Article 9 if the amendment or supplement or other document does not adversely affect the rights, duties, protections, privileges, indemnities, liabilities or immunities of the Trustee or the Security Agent, as the case may be. In formulating its opinion on any of the matters in Section 9.01 and 9.02 and in executing any amended or supplemental indenture or other document, the Trustee and the Security Agent will be entitled to receive and (subject to Section 7.01) will be fully protected in relying upon, in addition to the documents required by Section 12.02, (i) indemnity deemed satisfactory to them in their sole discretion; and (ii) an Officer's Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture or other document is authorized or permitted by this Indenture and that such amendment is the legal, valid and binding obligation of the Issuer and the Guarantors, enforceable against them in accordance with its terms, subject to customary exceptions, and complies with the provisions of this Indenture.

ARTICLE 10.

GUARANTEES

Section a. Guarantee.

(i)Subject to this Article 10, each of the Guarantors hereby, jointly and severally, absolutely unconditionally and irrevocably guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the obligations of the Issuer hereunder or thereunder, that:

(1) the principal of, premium on, if any, interest and Additional Amounts, if any, on, the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, premium on, if any, interest and Additional Amounts, if any, on, the Notes, if lawful, and all other obligations of the Issuer to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and

(2) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise.

(ii)Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors will be jointly and severally obligated to pay the same immediately. Each Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

(iii)Subject to this Article 10, the Guarantors hereby agree that their obligations hereunder are unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture the validity, perfection, non-perfection, lapse in perfection or priority of any security interest securing any of the obligations guaranteed by the Guarantors, the absence of any action to enforce the same, any waiver or consent by any Holder with respect to any provisions hereof or thereof, the recovery of any judgment against the Issuer, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. Without limiting the generality of the foregoing, each Guarantor's liability under this Guarantee shall extend to all obligations under the Notes and this Indenture (including, without limitation, interest, fees, costs and expenses) that would be owed but for the fact that they are unenforceable or not allowable due to any proceeding under Bankruptcy Law involving the Issuer or any Guarantor. Each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Issuer, any right to require a proceeding first against the Issuer, protest, notice and all demands whatsoever and covenant that this Guarantee will not be discharged except by complete performance of the obligations contained in the Notes and this Indenture.

(iv)If any Holder or the Trustee is required by any court or otherwise to return to the Issuer, the Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Issuer or the Guarantors, any amount paid by either to the Trustee or such Holder, this Guarantee, to the extent theretofore discharged, will be reinstated in full force and effect, subject to this Article 10.

(v)Each Guarantor agrees that it will not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment and performance in full of all obligations guaranteed hereby. Each Guarantor further agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (1) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article 6 hereof for the purposes of this Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the

obligations guaranteed hereby, and (2) in the event of any declaration of acceleration of such obligations as provided in Article 6 hereof, such obligations (whether or not due and payable) will forthwith become due and payable by the Guarantors for the purpose of this Guarantee. The Guarantors will have the right to seek contribution from any nonpaying Guarantor so long as the exercise of such right does not impair the rights of the Holders under the Guarantee or the limitations contained in this Article 10.

Section b. Limitation on Guarantor Liability.

(i)Any term or provision of this Indenture to the contrary notwithstanding, the maximum aggregate amount of the obligations guaranteed hereunder by any Guarantor shall not exceed the maximum amount that can be hereby guaranteed by the applicable Guarantor without rendering the Guarantee, as it relates to such Guarantor, voidable under Applicable Laws relating to fraudulent conveyance, fraudulent transfer, improper corporate benefit, financial assistance or similar laws affecting the rights of creditors generally.

(ii)Limitations on the obligations of any Subsidiary that becomes a Guarantor after the Issue Date which are necessary to avoid any of the scenarios contemplated in clause (a) of this Section 10.02 may be set forth in a supplemental indenture hereto relating to such Guarantor and, for the avoidance of doubt, such limitations shall for all purposes have the same effect as if set out in full in this Section 10.02.

Section c. Limitations on Guarantor Liability – Italy.

(i)Notwithstanding anything to the contrary provided in this Indenture, the maximum amount that the Italian Guarantor will be required to pay under its Guarantee with respect to the obligations of the Issuer and any Subsidiary of the Issuer which is not a Subsidiary of the Italian Guarantor will be limited to the Pro Rata Share (as defined below) of:

(1) the principal amount of the indebtedness of the Italian Guarantor (or any Subsidiary of the Italian Guarantor) as "Borrower" under and as defined in the Senior Revolving Credit Facilities Agreement and the Senior Term Loan Facility Agreement (including any refinancing thereof); and

(2) the principal amount of all intercompany loans (whether documented by an intercompany loan agreement, a promissory note or otherwise) advanced (or granted) to the Italian Guarantor (or any Subsidiary of the Italian Guarantor) by the Issuer or any Subsidiary of the Issuer after the date of the Senior Revolving Credit Facilities Agreement,

in each case under clauses (A) and (B) above, as such amounts are outstanding on the first date on which a demand is made upon the Italian Guarantor to pay under a Qualifying Guarantee (as defined below).

(ii)In any event, for the sole purposes of complying with Article 1938 of the Italian Civil Code, the maximum amount that the Italian Guarantor may be required to pay with respect to its obligations as Guarantor under this Guarantee shall not exceed $825,000,000 (or its equivalent in another currency).

(iii)If any creditor or class of creditors of Senior Liabilities irrevocably and unconditionally waives such Senior Liabilities (as defined below) or agrees not to make a demand or fails to file a claim or a demand in the context of an insolvency, bankruptcy or similar proceedings resulting in the final and irrevocable discharge of such Senior Liabilities or finally and irrevocably barring any further right to claim for payments under the relevant Qualifying Guarantee, the Pro Rata Share will be recalculated as of

the initial calculation date to exclude the Senior Liabilities owed to such creditor or class of creditors on such date and the Italian Guarantor will pay any additional amounts then due under its Guarantee.

(iv)The amount payable under the Guarantee of the Italian Guarantor will be calculated by reference to the amounts of the Senior Liabilities which are outstanding on the first date on which a demand is made upon the Italian Guarantor to pay under a Qualifying Guarantee of those Senior Liabilities. For the purposes of such calculation amounts which are not denominated in euro will be converted into the Euro Equivalent. The Issuer agrees to provide evidence of its indebtedness for the purposes of the calculation and to ensure that all relevant creditors are under an obligation to provide information to it so that it can comply with this obligation.

For purposes of Section 10.03(a) through (d), the following definitions shall mean:

"*Italian Civil Code*" means the Italian civil code (*codice civile*), enacted by Royal Decree No. 22 of March 16, 1942, as subsequently amended and supplemented.

"*Pro Rata Share*" means the proportion that the aggregate amount of the Senior Liabilities owed to the Holders of Notes bears to the amount of all outstanding Senior Liabilities guaranteed by Qualifying Guarantees by the Italian Guarantor, as such Senior Liabilities are outstanding on the first date on which a demand is made upon the Italian Guarantor to pay under a Qualifying Guarantee.

"*Qualifying Guarantees*" means guarantees permitted or not prohibited to be given by the Italian Guarantor under the Senior Revolving Credit Facilities Agreement, the Senior Term Loan Facility Agreement and the Relevant Notes (including any Additional Notes), copies of which have been provided to the Security Agent, with respect to indebtedness which is permitted or not prohibited to be incurred by the Issuer and any Subsidiary of the Issuer under the Senior Revolving Credit Facilities Agreement, the Senior Term Loan Facility Agreement and the Relevant Notes (including any Additional Notes) and which contain a limitation equivalent to the limitation in the Guarantee of the Italian Guarantor (as certified by the Issuer to the Security Agent).

"Relevant *Notes*" means the Notes and the Existing Notes.

"*Senior Liabilities*" means all amounts that are "Senior Secured Liabilities" under and as defined in the Intercreditor Agreement or which do not constitute such liabilities solely because they are unsecured and the holders thereof have accordingly not become parties to the Intercreditor Agreement.

Section d. Limitations on Guarantor Liability – Luxembourg.

(i)Notwithstanding any other provision to the contrary provided in this Indenture, the Guarantee granted by any Guarantor which is incorporated and established in the Grand-Duchy of Luxembourg (a "*Luxembourg Guarantor*") under this Article 10 for the obligations of any entity which is not a direct or indirect subsidiary of such Luxembourg Guarantor (the "*Limited Guarantee*") shall, together with any similar guarantee obligations of such Luxembourg Guarantor under the Debt Documents (as defined in the Intercreditor Agreement), be limited at any time to an aggregate amount not exceeding the higher of:

(1) ninety-five percent (95%) of such Luxembourg Guarantor's *capitaux propres* (as referred to in article 34 of the Luxembourg law dated 19 December 2002 on the commercial register and annual accounts, as amended (the "*2002 Law*")) determined as at the date on which a demand is made under the Limited Guarantee as stated in the Luxembourg Guarantor's then most

recently approved financial statements, increased by the amount of any Intra-Group Liabilities; and

(2) ninety-five percent (95%) of such Luxembourg Guarantor's *capitaux propres* (as referred to in article 34 of the 2002 Law) determined as at the date of this Indenture as stated in the Luxembourg Guarantor's most recently approved financial statements at such date, increased by the amount of any Intra-Group Liabilities.

(ii)For the purpose of Section 10.04(a), "*Intra-Group Liabilities*" shall mean any amounts owed by the Luxembourg Guarantor to any other member of the group of companies to which it belongs and that have not been financed (directly or indirectly) by a borrowing under the Debt Documents.

(iii)In addition, the above limitation shall not apply to (a) any amounts (if any) borrowed directly or indirectly by or made available by whatever means to that Luxembourg Guarantor or any of its direct or indirect subsidiaries under the Debt Documents and (b) any amounts borrowed under the Debt Documents and on-lent to the Luxembourg Guarantor or any of its direct or indirect subsidiaries (in any form whatsoever).

Section e. Limitations on Guarantor Liability – Germany.

(i)The enforcement of the Guarantee created under Section 10.01 and any indemnity owing under this Indenture by a Guarantor incorporated and existing as a German limited liability company (*Gesellschaft mit beschränkter Haftung*) (a "*German GmbH Guarantor*"), shall be subject to the following limitations:

(ii)To the extent that the Guarantee secures, or to the extent that any indemnity of a German GmbH Guarantor would result in a payment of, liabilities of its direct or indirect shareholder(s) (an "*Up-stream Guarantee*") or its affiliated companies (*verbundenes Unternehmen*) within the meaning of section 15 of the German Stock Corporation Act (*Aktiengesetz*) (other than Subsidiaries of that German GmbH Guarantor) (a "*Cross-stream Guarantee*") (save for any guarantees or indemnity in respect of funds to the extent they are on-lent, or otherwise passed on, and/or they replace or refinance funds which were on-lent, or otherwise passed on, in each case to that German GmbH Guarantor or its Subsidiaries, and such amount on-lent or otherwise passed on is not returned (if returned, a limitation will only apply to the extent the repayment has been proved by an up-to-date balance sheet)), the Guarantee or such indemnity shall not be enforced at the time of the respective Payment Demand (as defined below) if and only to the extent the German GmbH Guarantor demonstrates that the enforcement would have the effect of:

(1) causing the relevant German GmbH Guarantor's Net Assets to be reduced to an amount less than its stated share capital (*Stammkapital*), or

(2) (if its Net Assets are already below its stated share capital) causing such amount to be further reduced,

and thereby affecting its assets required for the maintenance of its stated share capital (*Stammkapital*) pursuant to sections 30, 31 German Limited Liability Company Act (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung*) ("*GmbHG*") (as applicable at the time of enforcement) (each of the circumstances set out in sub-paragraphs (A) and (B) above, respectively a "*Capital Impairment*").

(iii)"*Net Assets*" means the relevant company's net assets (*Nettovermögen*) the value of which shall generally be determined in accordance with the German Commercial Code (*Handelsgesetzbuch*) ("*HGB*")

consistently applied by the German GmbH Guarantor in preparing its unconsolidated balance sheets (*Jahresabschluss* according to Section 42 GmbHG, Sections 242, 264 HGB) in previous years, save that:

(1) the amount of any increase of the stated share capital (*Erhöhung des Stammkapitals*) after the date of this Indenture (1) that has been effected out of retained earnings (*Kapitalerhöhung aus Gesellschaftsmitteln*) or (2) to the extent that it is not fully paid up, shall be deducted from the stated share capital;

(2) loans received by, and other contractual liabilities of, the relevant German GmbH Guarantor which are subordinated within the meaning of section 39 sub-section 1 no. 5 or section 39 sub-section 2 of the German Insolvency Code (*Insolvenzordnung*) (contractually or by law) shall be disregarded;

(3) loans and other contractual liabilities incurred by the relevant German GmbH Guarantor in violation of the provisions of this Indenture, the Notes, the Guarantees, the Security Documents and the Intercreditor Agreement shall be disregarded; and

(4) the costs of the Auditors' Determination (as defined below) shall be taken into account either as a reduction of assets or as an increase of liabilities.

(iv)The limitations set out in Section 10.05(b) only apply if within ten (10) Business Days following receipt from the Trustee or, in case the Holders are entitled to demand payment, from a Holder, of a notice stating that it demands payment under the Guarantee or indemnity from the relevant German GmbH Guarantor (the "*Payment Demand*") (during which up to ten (10) Business Days period (but no longer than until the receipt of the Management Determination) the enforcement shall be excluded), the managing director(s) of such German GmbH Guarantor has (have) confirmed in writing to the Trustee or, in case the Holders are entitled to demand payment, to the demanding Holder(s) (the "*Management Determination*"):

(1) to what extent the Guarantee or indemnity is an Up-stream Guarantee or a Cross-stream Guarantee as described in Section 10.05(b) above; and

(2) in case the German GmbH Guarantor claims the occurrence of a Capital Impairment, which amount of such Up-stream Guarantee and/or Cross-stream Guarantee cannot be enforced as the respective German GmbH Guarantor's Net Assets are below its stated share capital or such enforcement would cause such German GmbH Guarantor's Net Assets to be reduced to an amount below its stated share capital, as a result of which such enforcement would lead to a violation of the capital maintenance rules as set out in sections 30, 31 GmbHG, and such confirmation is supported by an up-to-date balance sheet of such German GmbH Guarantor together with a detailed calculation of the amount of such German GmbH Guarantor's Net Assets taking into account the adjustments and obligations set forth in Section 10.05(c) above.

The Management Determination shall be prepared as of the date of the Payment Demand. The Trustee or, in case the Holders are entitled to demand payment of the Guarantee, a Holder, shall then be entitled to enforce the Guarantee or indemnity in an amount which would, in accordance with the Management Determination, not result in a Capital Impairment.

(v)Following the Trustee's or the Holder's receipt, as applicable, of the Management Determination, the relevant German GmbH Guarantor shall deliver to the Trustee or, in case the Holders are entitled to demand payment, to the demanding Holder(s), within twenty (20) Business Days of the Trustee's or a Holder's request an up-to-date balance sheet together with a detailed calculation of the amount of the Net Assets of the German GmbH Guarantor, drawn-up by an auditor of international standard and reputation

appointed by the relevant German GmbH Guarantor taking into account the adjustments and obligations as set forth in Sections 10.05(c) and 10.05(d) above (the "*Auditors' Determination*"). The Auditors' Determination shall be prepared as of the date of the Payment Demand in accordance with the accounting principles as consistently applied and shall be binding on the Trustee and the Holders. The Trustee or, in case the Holders are entitled to demand payment, a Holder shall then be entitled to enforce the Guarantee or indemnity in an amount which would, in accordance with the Auditor's Determination, not result in a Capital Impairment.

(vi)Each German GmbH Guarantor shall use its best efforts to realize within three (3) months after receipt of the Payment Demand and of a request from the Trustee or, in case the Holders are entitled to demand payment, from a Holder, to the extent legally permitted, any and all of its assets that are (i) shown in the balance sheet with a book value (*Buchwert*) that is substantially lower (at least thirty percent (30%) lower) than the market value of the assets and (ii) not required for continuing its business (*betriebsnotwendig*), if the German GmbH Guarantor claims the occurrence of a Capital Impairment. After the expiry of such three (3) months period the German GmbH Guarantor shall, within ten (10) Business Days, notify the Trustee or, in case the Holders are entitled to demand payment, the demanding Holder(s) of (i) the amount of the proceeds from the sale and (ii) submit a statement setting forth a new calculation of the amount of the Net Assets of the German GmbH Guarantor taking into account such proceeds (the "*New Calculation*"). The New Calculation shall, upon the request from the Trustee or, in case the Holders are entitled to demand payment, from a Holder, be confirmed by the auditors referred to in Section 10.05(e) above within a period of twenty (20) Business Days following the request (the "*Audited New Calculation*"). The Audited New Calculation shall be binding on the Trustee and the Holders. The Trustee or, in case the Holders are entitled to demand payment, a Holder shall then be entitled to enforce the Guarantee or indemnity in an amount which would, in accordance with the New Calculation or, if an Audited New Calculation has been requested, with the Audited New Calculation, not result in a Capital Impairment.

(vii)The restrictions set forth Section 10.05(b) above shall only apply, if so long as and to the extent that:

1. the relevant German GmbH Guarantor has complied with its obligations pursuant to Sections 10.05(d) through 10.05(f) above;

2. the relevant German GmbH Guarantor is not a party to a profit and loss sharing agreement (*Gewinnabführungsvertrag*) and/or a domination agreement (*Beherrschungsvertrag*) where the relevant German GmbH Guarantor is the dominated entity (*beherrschtes Unternehmen*) and/or the entity being obliged to share its profits with the other party of such profit and loss sharing agreement which agreement provides the relevant German GmbH Guarantor with a fully valuable (*werthaltig*) compensation claim against the dominating entity (*herschendes Unternehmen*), provided that such fully valuable compensation claim shall no longer be required (and the absence of such claim would not hold up the applicability of any limitations hereunder) if, at the time of enforcement, section 30 sub-section 1 sentence 2 (first alternative) GmbHG has been construed by a ruling of the German Federal Court of Justice (*Bundesgerichtshof*) in a way that such compensation claim is not required for the application of section 30 sub-section 1 sentence 2 (first alternative) GmbHG; and

3. the relevant German GmbH Guarantor does, at the time of the Payment Demand, not hold a fully recoverable indemnity or claim for refund (*vollwertiger Gegenleistungs-oder Rückgewähranspruch*) of any amount so paid against the relevant shareholder.

1. No limitations under this Section 10.05 will prejudice the rights of the Trustee and the Holders to enforce the Guarantee and any indemnity again at any time (subject always to the operation of the limitations set forth above at the time of such further enforcement).

2. This Section 10.05 shall apply *mutatis mutandis* to a Guarantor organized and existing as a partnership with a German limited liability company as unlimited liable partner (e.g., GmbH & Co. KG), provided that in such case and for the purpose of this Section 10.05 only, any reference to such Guarantor's net assets (*Reinvermögen*) shall be deemed to be a reference to the net assets (*Reinvermögen*) of such unlimited liable partner in the form of limited liability company.

3. For the purpose of this Section 10.05, the Trustee may rely on Article 7 of this Indenture.

Section f. Execution and Delivery of Guarantee.

Neither the Issuer nor any Guarantor shall be required to make a notation on the Notes to reflect any Guarantee or any release, termination or discharge thereof.

Each Guarantor agrees that its Guarantee set forth in Section 10.01 hereof will remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Guarantee.

In the event that any Subsidiary of the Issuer is required to by Section 4.12 to become a Guarantor, the Issuer will cause such Subsidiary to: (i) execute a supplemental indenture in the form of **Exhibit D** to this Indenture and (ii) comply with the provisions of Section 4.12 hereof and this Article 10, to the extent applicable.

Section g. Successor Guarantor Substituted.

In case of any consolidation, merger, sale or conveyance in compliance with Section 5.01(2) and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the Guarantee endorsed upon the Notes and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Guarantor, such successor Person will succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the Guarantees to be endorsed upon all of the Notes issuable hereunder which theretofore shall not have been signed by the Issuer and delivered to the Trustee. All the Guarantees so issued will in all respects have the same legal rank and benefit under this Indenture as the Guarantees theretofore and thereafter issued in accordance with the terms of this Indenture as though all of such Guarantees had been issued at the date of the execution hereof.

Section h. Releases.

4. The Guarantee of a Guarantor will terminate and be released automatically:

4. in connection with any sale or disposition of all or substantially all of the assets of the applicable Guarantor (including by way of merger or consolidation) or Capital Stock of the applicable Guarantor (and the applicable Guarantor ceases to be a Subsidiary of the Issuer), in each case to a Person other than the Issuer or another Guarantor, if the sale or other disposition does not violate this Indenture;

5. in accordance with an enforcement action pursuant to the provisions of the Intercreditor Agreement or any Additional Intercreditor Agreement;

6. upon the Notes having achieved Investment Grade Status, so long as no other indebtedness is at that time guaranteed by the relevant Guarantor in a manner that would require the granting of a Guarantee pursuant to Section 4.12 of this Indenture; *provided* that at any time the Notes cease to have Investment Grade Status, to the extent permitted by Applicable Law, such Guarantee will be reinstated with respect to the Notes subject to any applicable limitations pursuant to Section 4.12 of this Indenture, and if and only to the extent such Guarantor also guarantees the Senior Revolving Credit Facilities;

7. with respect to the Guarantee of any Guarantor (including any Guarantor that was required to provide such Guarantee pursuant to Section 4.12(a)), upon such Guarantor being unconditionally released and discharged from its liability with respect to the indebtedness giving rise (or that would have given rise if granted subsequent to the Issue Date) to the requirement to provide such Guarantee (including, for the avoidance of doubt, any Guarantee in existence on the Issue Date);

8. as described under Article 9 of this Indenture; or

9. upon defeasance or satisfaction and discharge of the Notes as provided under Article 8 and Section 11.01 of this Indenture.

5. Upon any occurrence giving rise to a release of a Guarantee as specified above, as specified in this Section 10.08, the Trustee will, at the request and cost of the Issuer, execute any documents reasonably required to evidence or effect such release, discharge and termination with respect to such Guarantee. Each of the releases set forth above shall be effected by the Trustee without the consent of the Holders or any other action or consent on the part of the Trustee. Neither the Issuer, the Trustee nor any Guarantor will be required to make a notation on the Notes to reflect any such release, discharge or termination.

6. Any Guarantor not released from its obligations under its Guarantee as provided in this Section 10.08 will remain liable for the full amount of principal of, premium on, if any, interest and Additional Amounts, if any, on, the Notes and for the other obligations of any Guarantor under this Indenture as provided in this Article 10.

ARTICLE 11.

SATISFACTION AND DISCHARGE

Section a. Satisfaction and Discharge.

7. This Indenture, the Notes and all liens on Collateral created pursuant to the Security Documents (solely to the extent such liens are for the benefit of the Trustee and the Holders) shall be discharged and will cease to be of further effect as to any series of Notes issued thereunder, when:

10. either:

(1) all Notes of such series that have been authenticated, except lost, stolen or destroyed Notes of such series that have been replaced or paid and Notes of such series for whose payment money has been deposited in trust and thereafter repaid to the Issuer, have been delivered to the Trustee for such series of Notes for cancellation; or

(2) all Notes of such series that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one (1) year and the

Issuer or any Guarantor has irrevocably deposited or caused to be deposited with or as directed by the Trustee as trust funds in trust solely for the benefit of the holders of such series of Notes, cash in U.S. dollars or U.S. Government Obligations or a combination thereof, in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire indebtedness on such series of Notes not delivered to the Trustee for cancellation for principal, premium and accrued interest to the date of maturity or redemption;

11. no Default or Event of Default under this Indenture has occurred and is continuing on the date of the deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Issuer or any Guarantor is a party or by which the Issuer or any Guarantor is bound;

12. the Issuer or any Guarantor has paid or caused to be paid all sums payable by it under this Indenture; and

13. the Issuer has delivered irrevocable written instructions to the Trustee under this Indenture to apply the deposited money toward the payment of such series of Notes at maturity or the redemption date, as the case may be.

In addition, the Issuer must deliver an Officer's Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied; *provided, however,* that any such counsel may rely on any Officer's Certificate as to matters of fact (including as to compliance with the foregoing clauses (A), (B), (C) and (D) of this Section 11.01(a)).

8. With respect to the termination of obligations with respect to Section 11.01(a)(A)(1), the obligations of the Issuer under Section 7.06 shall survive. With respect to the termination of obligations with respect to Section 11.01(a)(A)(2), the obligations of the Issuer in Sections 2.02, 2.03, 2.04, 2.06, 2.07, 2.11, 4.01, 4.02, 4.05, 7.06, 7.07, 8.05 and 8.07 shall survive until the Notes are no longer outstanding. Thereafter, only the obligations of the Issuer in Sections 7.06, 7.07 and 8.07 shall survive. After any such irrevocable deposit, the Trustee upon request shall acknowledge in writing the discharge of the obligations of the Issuer and the Guarantors under this Indenture, the Notes, the Guarantees and, to the extent relating to the Trustee and the Notes, the Guarantees and the Security Documents and any supplemental indenture, except for those surviving obligations specified above.

9. Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to Section 11.01(a)(A)(2), the provisions of Sections 8.06 and 11.02 will survive. In addition, nothing in this Section 11.01 will be deemed to discharge those provisions of Section 7.06, that, by their terms, survive the satisfaction and discharge of this Indenture.

Section b. Application of Trust Money.

10. Subject to the provisions of Section 8.05, all money deposited with or as directed by the Trustee pursuant to Section 11.01 shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Issuer acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal, Additional Amounts and premium, if any, and interest for whose payment such money has been deposited with or as directed by the Trustee; but such money need not be segregated from other funds except to the extent required by law.

11. If the Trustee or Paying Agent is unable to apply any money or U.S. Government Obligations in accordance with this Section 11.02 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Issuer's and any Guarantor's obligations under this Indenture, the Security Documents and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 11.01; *provided, however,* that if the Issuer or a Guarantor has made any payment of principal of, premium, if any, or interest on any Notes because of the reinstatement of its obligations, the Issuer or the Guarantor, as applicable, shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money or U.S. Government Obligations, as applicable, held by the Trustee or Paying Agent.

ARTICLE 12.

MISCELLANEOUS

Section a. Notices.

12. Any notice or communication by the Issuer, any Guarantor or the Trustee to the others is duly given if in writing in the English language and delivered in person or mailed by first class mail (registered or certified, return receipt requested), telecopy or facsimile transmission or overnight air courier guaranteeing next day delivery, or delivered electronically, to the others' address:

If to the Issuer or a Guarantor:

International Game Technology PLC

c/o IGT Global Solutions Corporation
IGT Center
10 Memorial Boulevard
Providence, Rhode Island
02903-1160 USA
Facsimile No.: +1 (401) 392-0391
Attn: General Counsel

With a copy to:

White & Case LLP
5 Old Broad Street
London EC2N 1DW
United Kingdom
Facsimile No.: +44 (0) 20 7532 1001
Attn: Michael Immordino

If to the Trustee:

BNY Mellon Corporate Trustee Services Limited
One Canada Square
London E14 5AL
United Kingdom
Facsimile No.: +44 (0) 207 964 2509
Attn: Transaction Administration Manager

With a copy to:

The Bank of New York Mellon SA/NV, Milan Branch
Via Mike Bongiorno 13 - 5th Floor - 20124 Milano
Italy
Facsimile No.: +39 02 8790 9851
E-mail: milan_gcs@bnymellon.com

If to the Paying Agent:

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom
Facsimile No.: +44 (0) 1202 689 660
Attn: Corporate Trust Administration

If to the Registrar and Transfer Agent:

The Bank of New York Mellon SA/NV, Luxembourg Branch
2-4 rue Eugène Ruppert
L-2453 Luxembourg
Luxembourg
Facsimile No.: +352 2452 4204
Attn: Corporate Trust Administration

If to the Security Agent:

NatWest Markets Plc
250 Bishopsgate
London EC2M 4AA
United Kingdom
Facsimile No.: +44 (0) 20 7678 8727
Attn: Steve Swann, Syndicate Loans Agency

13. The Issuer, any Guarantor, the Security Agent or the Trustee, by notice to the others, may designate additional or different addresses for subsequent notices or communications.

14. All notices and communications (other than those sent to Holders) shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five (5) Business Days after being deposited in the mail, postage prepaid, if mailed and confirmed by facsimile; when receipt acknowledged, if telecopied or transmitted by facsimile; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery.

15. All notices to the Holders (while any Notes are represented by one or more Global Notes) shall be delivered to DTC for communication to entitled account holders. For so long as any of the Notes are listed on Euronext Dublin and the rules of Euronext Dublin so require, notices of the Issuer with respect to the Notes will be published on the website of the Euronext Dublin (*www.ise.ie*), or, to the extent permitted or required by the rules of the Euronext Dublin, such notices may instead be published in a daily newspaper with general circulation in Ireland (which is expected to be the *Irish Times*) or if, in the opinion of the Issuer such publication is not practicable, in an English language newspaper having general circulation in Europe.

16. Each such notice shall be deemed to have been given on the date of such publication or, if published more than once on different dates, on the first date on which publication is made; *provided*, *however*, that, if notices are mailed, such notice shall be deemed to have been given on the later of such publication and the seventh day after being so mailed. If a notice or communication is given in via DTC, it is duly given on the day the notice is given to DTC. Any notice or communication mailed to a Holder shall be mailed to such Holder by firstclass mail or other equivalent means and shall be sufficiently given to such Holder if so mailed within the time prescribed. Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it. Notices given by first class mail, postage paid, will be deemed given seven (7) days after mailing whether or not the addressee receives it.

17. If the Issuer or any Guarantor mails a notice or communication to Holders or delivers a notice or communication to Holders of BookEntry Interests, it shall mail a copy to the Trustee and each Agent at the same time.

Section b. Certificate and Opinion as to Conditions Precedent.

Upon any request or application by the Issuer or any Guarantor to the Trustee to take any action under this Indenture, the Issuer shall furnish to the Trustee:

18. an Officer's Certificate in form and substance reasonably satisfactory to the Trustee (which shall include the statements set forth in Section 12.03) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been complied with; and

19. an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which shall include the statements set forth in Section 12.03) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been complied with.

Section c. Statements Required in Certificate or Opinion.

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

20. a statement that the Person making such certificate or opinion has read such covenant or condition;

21. a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

22. a statement that, in the opinion of such Person, such Person has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

23. a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied.

Section d. Rules by Trustee and Agents.

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar and Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section e. Agent for Service; Submission to Jurisdiction; Waiver of Immunities.

The Issuer and each of the Guarantors agree that any suit, action or proceeding against the Issuer or any of the Guarantors brought by any Holder or the Trustee arising out of or based upon this Indenture or the Notes may be instituted in any state or Federal court in the Borough of Manhattan, New York, New York, and any appellate court from any thereof, and each of them irrevocably submits to the nonexclusive jurisdiction of such courts in any suit, action or proceeding. The Issuer and each of the Guarantors irrevocably waive, to the fullest extent permitted by law, any objection to any suit, action, or proceeding that may be brought in connection with this Indenture or the Notes, including such actions, suits or proceedings relating to securities laws of the United States of America or any state thereof, in such courts whether on the grounds of venue, residence or domicile or on the ground that any such suit, action or proceeding has been brought in an inconvenient forum. The Issuer and each of the Guarantors agree that final judgment in any such suit, action or proceeding brought in such court shall be conclusive and binding upon the Issuer and any of the Guarantors, as the case may be, and may be enforced in any court to the jurisdiction of which the Issuer or any of the Guarantors, as the case may be, are subject by a suit upon such judgment; *provided, however,* that service of process is effected upon the Issuer or any of the Guarantors in the manner provided by this Indenture. The Issuer and each of the Guarantors have appointed IGT Global Solutions Corporation, or any successor, as its authorized agent (the "*Authorized Agent*"), upon whom process may be served in any suit, action or proceeding arising out of or based upon this Indenture or the Notes or the transactions contemplated herein which may be instituted in any state or Federal court in the Borough of Manhattan, New York, New York, by any Holder or the Trustee, and expressly accepts the nonexclusive jurisdiction of any such court in respect of any such suit, action or proceeding. The Issuer and each of the Guarantors hereby represent and warrant that the Authorized Agent has accepted such appointment and has agreed to act as said agent for service of process, and the Issuer agrees to take any and all action, including the filing of any and all documents that may be necessary to continue such respective appointment in full force and effect as aforesaid. Service of process upon the Authorized Agent shall be deemed, in every respect, effective service of process upon the Issuer or any of the Guarantors. Notwithstanding the foregoing, any action involving the Issuer or any of the Guarantors arising out of or based upon this Indenture or the Notes may be instituted by any Holder or the Trustee in any other court of competent jurisdiction.

Section f. No Personal Liability of Directors, Officers, Employees and Stockholders.

No director, officer, employee, incorporator, shareholder or stockholder of the Issuer or any Guarantor, as such, will have any liability for any obligations of the Issuer or the Guarantors under the Notes, this Indenture or the Guarantees, or for any claim based on, with respect to, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the sale of the Notes. Such waiver may not be effective to waive liabilities under the U.S. federal securities laws and it is the view of the SEC that such a waiver is against public policy.

Section g. Governing Law.

THIS INDENTURE AND THE NOTES SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT

THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

Section h. Waiver of Trial by Jury.

EACH OF THE PARTIES TO THIS INDENTURE AND ANY SUPPLEMENTAL INDENTURE (AND EACH HOLDER AND OWNER OF A BENEFICIAL INTEREST IN A NOTE BY ITS ACCEPTANCE OF A NOTE OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO) IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS INDENTURE AND ANY SUPPLEMENTAL INDENTURE AND FOR ANY COUNTERCLAIM RELATING THERETO.

Section i. No Adverse Interpretation of Other Agreements.

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Issuer, any Guarantor or any of their respective Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section j. Successors.

All agreements of the Issuer and each of the Guarantors in this Indenture and the Notes shall bind successors. All agreements of the Trustee in this Indenture shall bind its successors.

Section k. Severability.

In case any provision in this Indenture or in the Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section l. Counterpart Originals.

The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. This Indenture shall become effective only after each of the parties has signed a counterpart of this Indenture and all the counterparts have been assembled and delivered to each party. This Indenture shall be deemed to have been executed and become effective in the place such signed counterparts are assembled.

Section m. Table of Contents, Headings.

The Table of Contents and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and shall in no way modify or restrict any of the terms or provisions hereof.

Section n. Currency Indemnity.

Any payment on account of an amount that is payable in U.S. dollars (the "*Required Currency*"), which is made to or for the account of any Holder of Notes or the Trustee in lawful currency of any other jurisdiction (the "*Judgment Currency*"), whether as a result of any judgment or order or the enforcement thereof or the liquidation of the Issuer or a Guarantor, shall constitute a discharge of the Issuer's or such Guarantor's obligation under this Indenture and the Notes or the Guarantee, as the case may be, only to the extent of the amount of the Required Currency with such Holder or the Trustee or its designee, as the case may be, could purchase in the London foreign exchange markets with the amount of the Judgment

Currency in accordance with normal banking procedures at the rate of exchange prevailing on the first (1st) Business Day following receipt of the payment in the Judgment Currency. If the amount of the Required Currency that could be so purchased is less than the amount of the Required Currency originally due to such Holder or the Trustee, as the case may be, then the Issuer and the Guarantors, jointly and severally, shall indemnify and hold harmless the Holder or the Trustee, as the case may be, from and against all loss or damage arising out of, or as a result of, such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in this Indenture, the Notes or the Guarantee, as the case may be, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder or the Trustee from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum with respect to an amount due hereunder or under any judgment or order.

Section o. Prescription.

Claims against the Issuer or any Guarantor for the payment of principal or Additional Amounts, if any, on the Notes will be prescribed ten (10) years after the applicable due date for payment thereof. Claims against the Issuer or any Guarantor for the payment of interest on the Notes will be prescribed six (6) years after the applicable due date for payment of interest.

Section p. Electronic Communications.

In no event shall the Trustee be liable for any claims, losses, liabilities, damages, costs, expenses and judgments (including legal fees and expenses) arising to it from receiving or transmitting any data from the Issuer via any non-secure method of transmission or communication, including, without limitation, by facsimile or e-mail. The Issuer accepts that some methods of communication are not secure, and the Trustee shall incur no liability for receiving instructions via any such non-secure method. The Trustee is authorized to comply with and rely on any such notice, instructions or other communications believed by it to have been sent by the Issuer or any other authorized person. The Issuer shall use all reasonable endeavors to ensure that instructions are complete and correct. Any instructions given by the Issuer to the Trustee under this Indenture shall be conclusively deemed to be valid instructions from the Issuer to the Trustee for purposes of this Indenture.

ARTICLE 13.

SECURITY

Section a. Collateral and Security Documents.

24. (i) The payment obligations of the Issuer under the Notes and this Indenture will benefit from the Notes Collateral (created by the collateral documents described in Schedule 1) and required to be granted under Section 4.13 (within 90 days from the Issue Date), and (ii) the payment obligations of the Guarantors under the Guarantees and this Indenture will benefit from the Guarantee Collateral (created by the collateral documents described in Schedule 1) and required to be granted under Section 4.13 (within 90 days from the Issue Date).

25. The Issuer will deliver to the Trustee copies of all documents delivered to the Security Agent pursuant to the Security Documents, and the Issuer will, and will cause each of its Subsidiaries to, do or cause to be done all such acts and things as may be necessary or proper, or as may be required by the provisions of the Security Documents, to assure and confirm to the Trustee that the Security Agent holds, for the benefit of the Trustee and the Holders, duly created, enforceable and perfected liens as contemplated hereby and by the Security Documents, so as to render the same available for the security and benefit of this Indenture and of the Notes secured thereby, according to the intent and purposes herein

expressed. Neither the Trustee nor the Security Agent nor any of their respective officers, directors, employees, attorneys or agents will be responsible or liable for the existence, genuineness, value or protection of any property securing the Notes and the Guarantees, for the legality, enforceability, effectiveness or sufficiency of the Security Documents, for the creation, perfection, priority, sufficiency or protection of any lien, or for any defect or deficiency as to any such matters, or for any failure to demand, collect, foreclose or realize upon or otherwise enforce any of the liens or Security Documents or any delay in doing so.

26. The Security Documents and the Collateral will be administered by the Security Agent, in each case pursuant to the Intercreditor Agreement for the benefit of all holders of secured obligations.

27. Each of the Issuer, the Trustee and the Holders agree that the Security Agent shall be the joint creditor (together with the Holders) of each and every obligation of the parties hereto under the Notes and this Indenture, and that accordingly the Security Agent will have its own independent right to demand performance by the Issuer of those obligations, except that such demand shall only be made with the prior written notice to the Trustee and as permitted under the Intercreditor Agreement. However, any discharge of such obligation to the Security Agent, on the one hand, or to the Trustee or the Holders, as applicable, on the other hand, shall, to the same extent, discharge the corresponding obligation owing to the other.

28. The Security Agent agrees that it will hold the security interests in the Collateral created under the Security Documents to which it is a party as contemplated by this Indenture and the Intercreditor Agreement, and any and all proceeds thereof, for the benefit of, among others, the Trustee and the Holders, without limiting the Security Agent's rights including under Section 13.02, to act in preservation of the security interest in the Collateral. The Security Agent will, subject to being indemnified or secured in accordance with the Intercreditor Agreement, take action or refrain from taking action in connection therewith only as directed by the Trustee, subject to the terms of the Intercreditor Agreement.

29. Each Holder, by accepting a Note, shall be deemed (i) to have consented and agreed to the terms of the Security Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement entered into in compliance with Section 4.14 (including, without limitation, the provisions providing for foreclosure and release of the Collateral and authorizing the Security Agent to enter into the Security Documents on its behalf) as the same may be in effect or may be amended from time to time in accordance with their terms and authorizes and directs the Security Agent to enter into the Security Documents and to perform its obligations and exercise its rights thereunder in accordance therewith, (ii) to have authorized the Issuer, the Trustee and the Security Agent, as applicable, to enter into the Security Documents, any Additional Intercreditor Agreements and the Intercreditor Agreement and to be bound thereby and (iii) to have irrevocably appointed and authorized the Security Agent and the Trustee to give effect to the provisions in the Intercreditor Agreement, any Additional Intercreditor Agreements and the Security Documents. Each Holder, by accepting a Note, appoints the Security Agent as its trustee under the Security Documents and authorizes it to act on such Holder's behalf, including by entering into and complying with the provisions of the Intercreditor Agreement. The Security Agent is hereby authorized to exercise such rights, powers and discretions as are specifically delegated to it by the terms of the Security Documents, including the power to enter into the Security Documents, as trustee on behalf of the Holders and the Trustee, together with all rights, powers and discretions as are reasonably incidental thereto or necessary to give effect to the trusts created thereunder. The Security Agent shall, however, at all times, subject to Section 13.04, be entitled to seek directions from the Trustee and shall be obligated to follow those directions if given; *provided that*, the Trustee shall not be obligated to give such

directions unless directed in accordance with this Indenture. The Security Agent hereby accepts its appointment as the trustee of the Holders and the Trustee under the Security Documents, and its authorization to so act on such Holders' and the Trustee's behalf. The claims of Holders will be subject to the Intercreditor Agreement and any Additional Intercreditor Agreement entered into in compliance with Section 4.14.

30. Subject to Section 4.09, the Issuer is permitted to pledge the Collateral in connection with future issuances of its indebtedness or indebtedness of its Subsidiaries, including any Additional Notes, in each case, permitted under this Indenture and on terms consistent with the relative priority of such indebtedness.

Section b. Suits to protect the Collateral.

Subject to the provisions of the Security Documents and the Intercreditor Agreement, the Security Agent shall have power to institute and to maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Collateral by any acts which may be unlawful or in violation of any of the Security Documents or this Indenture, and such suits and proceedings as the Security Agent, in its sole discretion, may deem expedient to preserve or protect the security interests in the Collateral created under the Security Documents (including power to institute and maintain suits or proceedings to restrain the enforcement of or compliance with any legislative or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid if the enforcement of, or compliance with, such enactment, rule or order would impair the lien on the Collateral or be prejudicial to the interests of the Holders or the Trustee).

Section c. Resignation and Replacement of Security Agent.

Any resignation or replacement of the Security Agent shall be made in accordance with the Intercreditor Agreement.

Section d. Amendments.

Subject to the rights and obligations of the Security Agent under the terms of the Intercreditor Agreement and any Additional Intercreditor Agreement, the Security Agent agrees that it will enter into an amendment to the Intercreditor Agreement or enter into or amend any other Additional Intercreditor Agreement entered into in accordance with Section 4.14 upon a direction of the Issuer to do so, given in accordance with Section 4.14. The Security Agent shall sign any amendment authorized pursuant to Article 9 to the extent such amendment does not impose any personal obligations on the Security Agent or, in the opinion of the Security Agent, adversely affect the rights, duties, liabilities or immunities of the Security Agent under this Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement, subject to the rights and obligations of the Security Agent under the terms of the Intercreditor Agreement.

Section e. Release of the Collateral.

The Collateral will be automatically and unconditionally released:

31. in connection with any sale, assignment, transfer, conveyance or other disposition of such property or assets to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Subsidiary, if the sale or other disposition does not violate this Indenture;

32. in connection with any sale, transfer or other disposition of Capital Stock of a Guarantor or any holding company of such Guarantor to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Subsidiary, if the sale, transfer or other disposition does not violate this Indenture, and the Guarantor ceases to be a Guarantor as a result of the sale, transfer or other disposition;

33. in accordance with an enforcement action pursuant to the provisions of the Intercreditor Agreement or any Additional Intercreditor Agreement;

34. upon the Notes having achieved Investment Grade Status, so long as no other indebtedness is at that time secured in a manner that would require the granting of a mortgage, security interest, charge, encumbrance, pledge or other lien pursuant to Section 4.11 of this Indenture; *provided*, *however*, that at any time the Notes receive both a rating of "Ba2" or lower from Moody's and a rating of "BB" or lower from S&P, or the equivalent of such rating by either such rating organization or, if no rating of Moody's or S&P then exists, the equivalent of such rating by any other Nationally Recognized Statistical Ratings Organization, to the extent permitted by Applicable Law, such mortgage, security interest, charge, encumbrance, pledge or other lien will be regranted or made to secure the obligations under the Notes;

35. if any of the Security Interests no longer secure the Senior Revolving Credit Facilities (or any refinancing thereof) (in which case release will be of the Security Interests with respect to the relevant Collateral), so long as no other indebtedness is at that time secured in a manner that would require the granting of a mortgage, security interest, charge, encumbrance, pledge or other lien pursuant Section 4.11 of this Indenture;

36. in accordance with Article 9 of this Indenture;

37. upon Legal Defeasance, Covenant Defeasance or satisfaction and discharge of this Indenture as provided under Article 8 and Section 11.01;

38. in accordance with the covenant described under Section 4.09;

39. at the option of the Issuer (as confirmed in an Officer's Certificate), over any intercompany loan or note to the extent that the amount outstanding under such intercompany loan or note does not exceed $10.0 million (or the equivalent in other currencies);

40. upon repayment in full of the Notes; and

41. otherwise in accordance with the terms of this Indenture.

The Security Agent will take all necessary action reasonably required, at the cost and request of the Issuer, to effectuate any release of the Security Interests in accordance with the provisions of this Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement and the relevant Security Document. Each of the releases set forth above shall be effected by the Security Agent without the consent of the Holders or any action on the part of the Trustee.

Section f. Compensation and Indemnity.

42. The Issuer, failing which the Guarantors to the extent legally possible, shall pay to the Security Agent from time to time compensation for its services, subject to any terms of the Intercreditor Agreement as in effect from time to time which may address the compensation of the Security Agent.

The Security Agent's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Issuer and each Guarantor, jointly and severally, to the extent legally possible, shall reimburse the Security Agent upon request for all out-of-pocket expenses properly incurred or made by it (as evidenced in an invoice from the Security Agent), including, without limitation, costs of collection, in addition to the compensation for its services. Such expenses shall include the properly incurred compensation and expenses, disbursements and advances of the Security Agent's agents, counsel, accountants and experts. The Issuer and each Guarantor, jointly and severally shall indemnify the Security Agent and its officers, directors, agents and employers against any and all loss, liability or expense (including properly incurred attorneys' fees) incurred by or in connection with its rights, duties, and obligations under this Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement or the Security Documents, as the case may be, including the properly incurred costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any such rights, powers or duties. The Security Agent shall notify the Issuer of any claim for which it may seek indemnity promptly upon obtaining actual knowledge thereof; *provided*, *however*, that any failure so to notify the Issuer shall not relieve the Issuer or any Guarantor of its indemnity obligations hereunder, under the Intercreditor Agreement, any Additional Intercreditor Agreement or the Security Documents, as the case may be. The Issuer shall defend the claim and the indemnified party shall provide cooperation at the Issuer's and any Guarantor's expense in the defense. Notwithstanding the foregoing, such indemnified party may, in its sole discretion, assume the defense of the claim against it and the Issuer and each Guarantor, shall, jointly and severally, pay the properly incurred fees and expenses of the indemnified party's defense (as evidenced in an invoice from the Security Agent). Such indemnified parties may have separate counsel of their choosing and the Issuer and the Guarantors, jointly and severally, to the extent legally possible, shall pay the properly incurred fees and expenses of such counsel (as evidenced in an invoice from the Security Agent). The Issuer need not pay for any settlement made without its consent, which consent shall not be unreasonably withheld. The Issuer need not reimburse any expense or indemnify against any loss, liability or expense incurred by an indemnified party through such party's own willful misconduct or gross negligence.

43. To secure the Issuer's and any Guarantor's payment obligations under this Section 13.06, the Security Agent shall subject to the Intercreditor Agreement and any Additional Intercreditor Agreement, have a lien on the Notes Collateral and Guarantee Collateral, respectively, and the proceeds of the enforcement of the Collateral for all monies payable to it under this Section 13.06.

44. The Issuer's and any Guarantor's payment obligations pursuant to this Section 13.06 and any lien arising hereunder shall, if any, to the extent legally possible, survive the satisfaction or discharge of this Indenture, any rejection or termination of this Indenture under any Bankruptcy Law or the resignation or removal of the Security Agent. Without prejudice to any other rights available to the Security Agent under Applicable Law, when the Security Agent incurs expenses after the occurrence of a Default specified in Section 6.01(h) or Section 6.01(i) with respect to the Issuer, the expenses are intended to constitute expenses of administration under the Bankruptcy Law.

Section g. Conflicts.

Each of the Issuer, the Guarantors, the Trustee and the Holders acknowledge and agree that the Security Agent is acting as security agent and trustee not just on their behalf but also on behalf of the creditors named in the Intercreditor Agreement and acknowledge and agree that pursuant to the terms of the Intercreditor Agreement, the Security Agent may be required by the terms thereof to act in a manner which may conflict with the interests of the Issuer, the Issuer, the Guarantors, the Trustee and the Holders (including the Holders' interests in the Collateral and the Guarantees) and that it shall be entitled to do so in accordance with the terms of the Intercreditor Agreement.

(*Signature pages follow*)

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as of the date first written above.

International Game Technology PLC, as Issuer

By: /s/ LUKE HERBERT

Name: Luke Herbert
Title: Attorney-in-fact

IGT, as Guarantor

By: /s/ LUKE HERBERT

Name: Luke Herbert
Title: Authorized signatory

IGT Canada Solutions ULC, as Guarantor

By: /s/ LUKE HERBERT

Name: Luke Herbert
Title: Authorized signatory

IGT Foreign Holdings Corporation, as Guarantor

By: /s/ LUKE HERBERT

Name: Luke Herbert
Title: Authorized signatory

IGT Germany Gaming GmbH, as Guarantor

By: /s/ LUKE HERBERT

Name: Luke Herbert
Title: Attorney-in-fact

IGT Global Solutions Corporation, as Guarantor

By: /s/ LUKE HERBERT

Name: Luke Herbert
Title: Authorized signatory

International Game Technology, as Guarantor

By: /s/ LUKE HERBERT

Name: Luke Herbert
Title: Authorized signatory

Lottomatica Holding S.r.l., as Guarantor

By: /s/ LUKE HERBERT

Name: Luke Herbert
Title: Attorney-in-fact

STATE OF RHODE ISLAND
COUNTY OF NEWPORT

In Newport on the 19th day of June, 2020, before me, the undersigned notary public, personally appeared Luke Herbert, Attorney-in-fact for each of International Game Technology PLC, IGT Germany Gaming GmbH, IGT, IGT Canada Solutions ULC, IGT Foreign Holdings Corporation, IGT Global Solutions Corporation and International Game Technology and Lottomatica Holding S.r.l., to me known and known by me to be the person who executed the foregoing document in such capacities in my presence.

/s/ Kathleen Stubbs
Notary Public
Print Name Kathleen Stubbs
ID Number #751233

My Commission Expires 12/11/2021

BNY Mellon Corporate Trustee Services Limited, as Trustee

By: /s/ MARILYN CHAU

Name: Marilyn Chau
Authorized Signatory

The Bank of New York Mellon, London Branch,

as Paying Agent

(Signature Page to Indenture)

By: /s/ MARILYN CHAU

Name: Marilyn Chau
Authorized Signatory

The Bank of New York Mellon SA/NV, Luxembourg Branch, as Registrar and Transfer Agent

By: /s/ MARILYN CHAU

Authorized Signatory

(Signature Page to Indenture)

NatWest Markets Plc,

as Security Agent

By: /s/ SILVIA RENNA

Authorized Signatory

(Signature Page to Indenture)

EXHIBIT A

[FORM OF FACE OF NOTE]

INTERNATIONAL GAME TECHNOLOGY PLC

CUSIP Number [RegS: G4863AAM0 / 144A: 460599AE3]

ISIN Number [RegS: USG4863AAM02/ 144A: US460599AE31]
No. [ ]

[*Insert the following Global Notes Legend, if applicable pursuant to the provisions of the Indenture:* UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY GLOBAL NOTE ISSUED IS REGISTERED IN THE NAME OF DTC OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO DTC OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, DTC, HAS AN INTEREST HEREIN.]

[*Insert the following Global Notes Legend, if applicable pursuant to the provisions of the Indenture:* THIS GLOBAL NOTE IS HELD BY DTC (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE REGISTRAR MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06 OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR OF DTC.]

[THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "*U.S. SECURITIES ACT*"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT) PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT IN ACCORDANCE WITH THE PURCHASE AGREEMENT AND (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE U.S. SECURITIES ACT, (4) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT (IF AVAILABLE) OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER

THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE PURCHASE AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).][1] [THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "*U.S. SECURITIES ACT*"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE PURCHASE AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING AND THE COMPLETION OF THE DISTRIBUTION OF ALL OF THE NOTES.][2]

5.25% SENIOR SECURED NOTES DUE 2029

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[1] Use for Rule144A Global Notes.

[2] Use for Regulation S Global Notes.

International Game Technology PLC, a public limited company incorporated under the laws of England and Wales, for value received promises to pay to CEDE & CO or registered assigns the principal sum of [ ] [or such greater or lesser amount as indicated on the Security Register (as defined in the Indenture referred to on the reverse hereof)][3] on January 15, 2029.

From [ ] or from the most recent interest payment date to which interest has been paid or provided for, cash interest on this Note will accrue at 5.25%, payable semiannually in arrear on January 15 and July 15 of each year, beginning on [ ] to the Person in whose name this Note (or any predecessor Note) is registered at the close of business [on the Business Day preceding January 15 and July 15][4] [on the preceding January 1 or July 1][5] (the "*Record Dates*"), as the case may be.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

Unless the certificate of authentication hereon has been executed by the Trustee or the Authentication Agent by manual signature of an authorized signatory, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof and to the provisions of the Indenture, which provisions shall for all purposes have the same effect as if set forth at this place.

IN WITNESS WHEREOF, International Game Technology PLC has caused this Note to be signed manually or by facsimile by the duly authorized officer referred to below.

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[3] Use for Notes in Global Form

[4] Use for Notes in Global Form

[5] Use for Notes in Definitive Registered Form

International Game Technology PLC,

as Issuer

By: ____

Name:
Title:

This is one of the Notes referred to

in the withinmentioned Indenture.

Authenticated by:

BNY Mellon Corporate Trustee Services Limited,
not in its individual capacity but solely as Trustee
By: __

Authorized Signatory

[FORM OF REVERSE SIDE OF NOTE]

5.25% SENIOR SECURED NOTES DUE 2029

Capitalized terms used herein have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

1. Interest

International Game Technology PLC, a public limited company incorporated under the laws of England and Wales (such company, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "*Issuer*"), for value received promises to pay or cause to be paid interest on the principal amount of this Note from June 19, 2020 until maturity, at the rate per annum shown above. Interest will be computed on the basis of a 360day year comprised of twelve 30day months. The Issuer will pay interest semiannually in arrear on January 15 and July 15 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each, an "*Interest Payment Date*"). Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; *provided* that if there is no existing Default in the payment of interest, and if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; *provided*, *further*, that the first Interest Payment Date shall be January 15, 2021. The Issuer will pay interest (including postpetition interest in any proceeding under any Bankruptcy Law) on overdue principal at the rate equal to one percent (1%) per annum in excess of the then applicable interest rate on the Notes to the extent lawful, and it shall pay interest on overdue installments of interest at the same rate compounded semiannually to the extent lawful.

2. Method of Payment

The Issuer will pay interest on this Note (except defaulted interest) to the Persons who are registered Holders of this Note at the close of business on the Record Date for the next Interest Payment Date even if this Note is cancelled after the Record Date and on or before the Interest Payment Date. The Issuer shall pay principal, premium, Additional Amounts, if any, and interest in U.S. dollars as provided in the Indenture.

The amount of payments in respect of interest on each Interest Payment Date shall correspond to the aggregate principal amount of Notes represented by the Global Note, as established by the Registrar at the close of business on the relevant Record Date. Payments of principal shall be made upon surrender of the Global Note to the Paying Agent.

3. Paying Agent, Registrar and Transfer Agent

Initially, The Bank of New York Mellon, London Branch, will act as Paying Agent. The Bank of New York Mellon SA/NV, Luxembourg Branch, will act as Registrar and Transfer Agent. Upon notice to the Trustee, the Issuer may change any Paying Agent, Registrar or Transfer Agent.

4. Indenture

The Issuer issued the Notes under an indenture dated as of June 19, 2020 (the "*Indenture*"), among the Issuer, certain subsidiaries named therein as guarantors, BNY Mellon Corporate Trustee Services Limited, as trustee (the "*Trustee*"), The Bank of New York Mellon, London Branch, as Paying Agent, The Bank of New York Mellon SA/NV, Luxembourg Branch, as Registrar and Transfer Agent and NatWest Markets Plc, as security agent (the "*Security Agent*"). The terms of the Notes include those stated in the Indenture. Terms defined in the Indenture and not defined herein have the meanings ascribed thereto in the Indenture. The Notes are subject to all such terms, and Holders are referred to the Indenture for a statement of those terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling.

5. Optional Redemption

(a) At any time prior to January 15, 2024, the Issuer may on any one or more occasions redeem all or a part of the Notes, upon not less than ten (10) nor more than sixty (60) days' prior notice, at a redemption price equal to 100% of the principal amount of Notes redeemed, plus the Applicable Premium as of, and accrued and unpaid interest, if any, to but excluding the redemption date, subject to the rights of Holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date.

(b) On or after January 15, 2024, the Issuer may on any one or more occasions redeem all or a part of the Notes, upon not less than ten (10) nor more than sixty (60) days' prior notice, at a redemption price equal to the prices (expressed as percentages of the outstanding principal amount on the redemption date) set forth below, plus accrued and unpaid interest, if any, on the Notes redeemed to, but excluding, the redemption date, if redeemed during the twelve month period beginning on January 15 of the years indicated below, subject to the rights of the Holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date.

Year	**Redemption Price**
2024.....	102.625%
2025.....	101.313%
2026 and thereafter.....	100.000%

6. Redemption for Changes in Taxes

The Issuer may redeem the Notes, in whole but not in part, at its discretion at any time upon giving not less than ten (10) nor more than sixty (60) days' prior notice to the Holders of such series of Notes (which notice will be irrevocable and given in accordance with the procedures described in Sections 3.03 and 12.01 of the Indenture), at a redemption price equal to 100% of the aggregate principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed by the Issuer for redemption (a "*Tax Redemption Date*") and all Additional Amounts (if any) then due and which will become due on the Tax Redemption Date as a result of the redemption or otherwise (subject to the right of Holders of such Notes on the relevant record date to receive interest due on the relevant interest payment date and Additional Amounts (if any) in respect thereof), if on the next date on which any amount would be payable with respect to such Notes, the Issuer or any Guarantor is or would be required to pay Additional Amounts, and (a) the Issuer or the relevant Guarantor cannot avoid such requirement by taking reasonable measures available to it (including the designation of a different paying agent), (b) in the case of a Guarantor, such amounts cannot be paid by the Issuer or any other Guarantor who in turn can pay such amounts without the obligation to pay Additional Amounts and (c) the requirement arises as a result of:

(1) any amendment to, or change in, the laws or treaties (or any regulations or rulings promulgated thereunder) of a relevant Tax Jurisdiction which change or amendment becomes effective on or after the Issue Date (or, if the applicable Tax Jurisdiction became a Tax Jurisdiction on a date after the Issue Date, such later date); or

(2) any amendment to, or change in, an official written interpretation or application of such laws, treaties, regulations or rulings (including by virtue of a holding, judgment or order by a court of competent jurisdiction or a change in published administrative practice) which amendment or change becomes effective on or after the Issue Date (or, if the applicable Tax

Jurisdiction became a Tax Jurisdiction on a date after the Issue Date, such later date) (each of the foregoing clauses (1) and (2), a "*Change in Tax Law*").

The Issuer will not give any such notice of redemption earlier than sixty (60) days prior to the earliest date on which the Issuer or the relevant Guarantor would be obligated to make such payment or withholding if a payment with respect to such Notes was then due, and the obligation to pay Additional Amounts must be in effect at the time such notice is given. Prior to the publication or, where relevant, mailing of any notice of redemption of such Notes pursuant to the foregoing, the Issuer will deliver to the Trustee an opinion of independent tax counsel to the effect that the Issuer is or would be obligated to pay Additional Amounts as a result of a Change in Tax Law. In addition, before the Issuer publishes or mails notice of redemption of the Notes as described above, it will deliver to the Trustee an Officer's Certificate to the effect that (a) it or the relevant Guarantor cannot avoid its obligation to pay Additional Amounts by the Issuer or the relevant Guarantor taking reasonable measures available to it and (b) in the case of a Guarantor, the amounts giving rise to such obligation cannot be paid by the Issuer or any other Guarantor without the obligation to pay Additional Amounts.

The Trustee will accept and shall be entitled to conclusively rely without further inquiry on such Officer's Certificate and Opinion of Counsel as sufficient evidence of the existence and satisfaction of the conditions precedent as described above, in which event it will be conclusive and binding on the Holders of the applicable Notes.

7. Notice of Redemption

At least ten (10) days but not more than sixty (60) days before a date for redemption of Notes, the Issuer shall deliver, pursuant to Section 12.01 of the Indenture, a notice of redemption to each Holder whose Notes are to be redeemed, except that redemption notices may be mailed more than sixty (60) days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or the satisfaction and discharge of the Indenture.

8. Mandatory Redemption

Except as provided in Section 3.08 of the Indenture, the Issuer shall not be required to make any mandatory redemption or sinking fund payments with respect to the Notes. The Issuer and any of its Subsidiaries may at any time and from time to time purchase Notes in the open market or otherwise.

9. Repurchase at the Option of Holders

Upon the occurrence of a Change of Control, each Holder of Notes shall have the right to require the Issuer to repurchase all or any part (equal to $200,000 in principal amount and integral multiples of $1,000 in excess thereof) of such Holder's Notes pursuant to a change of control offer (the "*Change of Control Offer*") on the terms set forth in this Indenture. In the Change of Control Offer, the Issuer will offer a payment (the "*Change of Control Payment*") in cash equal to 101% of the aggregate principal amount of the Notes repurchased, plus accrued and unpaid interest, if any, on the Notes to but excluding the date of purchase, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date. Within thirty (30) days following any Change of Control, the Issuer will mail (or deliver electronically) a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes on the date for payment specified in the notice (the "*Change of Control Payment Date*"), which date will be no earlier than ten (10) days and no later than sixty (60) days from the date such notice is mailed or delivered, pursuant to the procedures required by the Indenture and described in such notice.

10. Denominations

The Global Notes are in registered form without interest coupons attached. The Notes are in denominations of $200,000 and integral multiples of $1,000 in excess thereof of principal amount at maturity. The Global Notes will represent the aggregate principal amount of all the Notes issued and not yet cancelled other than Definitive Registered Notes. The transfer of Notes may be registered, and Notes may be exchanged, as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture.

11. Unclaimed Money

All moneys paid by the Issuer to the Trustee or a Paying Agent for the payment of the principal of, or premium, if any, or interest on, any Notes that remain unclaimed at the end of two (2) years after such principal, premium or interest has become due and payable may be repaid to the Issuer, subject to Applicable Law, and the Holder of such Note thereafter may look only to the Issuer for payment thereof.

12. Discharge and Defeasance

Subject to certain conditions, the Issuer at any time may terminate some or all of its obligations under the Notes and all obligations of any Guarantor, the Indenture and all liens on Collateral created pursuant to the Security Documents (solely to the extent such liens are for the benefit of the Trustee and the Holders of the Notes) if the Issuer irrevocably deposits with the Trustee, U.S. dollars or U.S. Government Obligations (or a combination thereof) for the payment of principal and interest on the Notes to redemption or maturity, as the case may be.

13. Amendment, Supplement and Waiver

Subject to certain exceptions, the Indenture, the Notes, the Guarantees, the Intercreditor Agreement, any Additional Intercreditor Agreement, any Security Document and any supplemental indenture may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the Notes then outstanding of such series (including, without limitation, consents obtained in connection with a purchase of or tender offer or exchange offer for, such series of Notes) and, subject to Sections 6.04 and 6.07 of the Indenture, any existing Default or Event of Default (other than a continuing Default of Event of Default in the payment of the principal of, interest and premium and Additional Amount, if any, on the Notes, except a payment default resulting from an acceleration that has been rescinded) or compliance with any provision of the Indenture, the Notes, the Guarantees, the Intercreditor Agreement, any Additional Intercreditor Agreement, any Security Document and any supplemental indenture may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes of such series (including, without limitation, consents obtained in connection with a purchase of or tender offer or exchange offer for, such series of Notes). In certain circumstances, the Indenture, the Notes, the Guarantees, the Intercreditor Agreement, any Additional Intercreditor Agreement, any Security Document and any supplemental indenture may be amended or supplemented without the consent of any Holder, including to cure any ambiguity, defect or inconsistency.

14. Defaults and Remedies

The Notes have the Events of Default as set forth in Section 6.01 of the Indenture. If an Event of Default (other than as specified in Section 6.01(h) or (i) of the Indenture) shall occur and be continuing, the Trustee or the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Notes then outstanding by written notice to the Issuer (and to the Trustee if such notice is given by the Holders) may, and the Trustee, upon the written request of such Holders, shall declare the principal of,

premium, if any, and any Additional Amounts and accrued interest on all outstanding Notes immediately due and payable and upon any such declaration all such amounts payable in respect of the Notes will become due and payable immediately.

If an Event of Default specified in Section 6.01(h) or (i) of the Indenture occurs and is continuing, then the principal of, premium, if any, and Additional Amounts and accrued and unpaid interest on all the outstanding Notes shall become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder of Notes.

Holders of the Notes may not enforce the Indenture, the Notes or the Security Documents except as provided in the Indenture. The Trustee and the Security Agent may refuse to enforce the Indenture, the Notes or the Security Documents unless they receive an indemnity or security satisfactory to them. Holders of a majority in aggregate principal amount of the Notes may direct the Trustee in its exercise of any trust or power. The above description of Events of Default and remedies is qualified by reference, and subject in its entirety, to the provisions of the Indenture.

15. Security

This Note and the other Notes will be secured by the Security Interests in the Collateral. Reference is made to the Indenture for terms relating to such security, including the release, termination and discharge thereof. The Security Documents and the Collateral will be administered by the Security Agent (or in certain circumstances a subagent) pursuant to the Security Documents for the benefit of all Holders of the Notes. The Issuer shall not be required to make any notation on this Note to reflect any grant of such security or any such release, termination or discharge.

16. Trustee and Security Agent Dealings with the Issuer

Each of the Trustee and the Security Agent under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Issuer, any Guarantor or any of their Affiliates with the same rights it would have if it were not Trustee or Security Agent. Any Paying Agent, Registrar, coRegistrar or coPaying Agent may do the same with like rights.

17. No Recourse Against Others

A director, officer, employee, incorporator, member or shareholder, as such, of the Issuer or any Guarantor, any of its parent companies or any of their respective Subsidiaries or Affiliates, as such, shall not have any liability for any obligations of the Issuer or any Guarantor the Notes, the Security Documents or the Indenture for any claim based on, in respect of, or by reason of, such obligations or their creation. By accepting a Note, each Holder shall waive and release all such liability. The waiver and release are part of the consideration for the issue of the Notes.

18. Authentication

This Note shall not be valid until an authorized officer of the Trustee or, as the case may be, an authenticating agent manually signs the certificate of authentication on the other side of this Note.

19. ISIN and Common Code Numbers

The Issuer has caused Common Code numbers to be printed on the Notes and the Trustee may use Common Code numbers in notices of redemption as a convenience to Holders of the Notes. In addition, the Issuer has caused ISIN numbers to be printed on the Notes and the Trustee may use ISIN numbers in notices of redemption as a convenience to Holders of the Notes. No representation is made as

to the accuracy of any such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

20. Intercreditor Agreement

This Note and the Indenture are entered into with the benefit of and subject to the terms of the Intercreditor Agreement and any Additional Intercreditor Agreement. In the event of any conflict between this Note, the Indenture and the Intercreditor Agreement or any Additional Intercreditor Agreement, the terms of the Intercreditor Agreement or any Additional Intercreditor Agreement, as applicable, shall apply.

The Issuer shall furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture.

Requests may be made to:

International Game Technology PLC

c/o IGT Global Solutions Corporation
IGT Center
10 Memorial Boulevard
Providence, Rhode Island
02903-1160 USA
Facsimile No.: +1 (401) 392-0391
Attn: General Counsel

ASSIGNMENT FORM

To assign and transfer this Note, fill in the form below:

(I) or (we) assign and transfer this Note to

____

(Insert assignee's social security or tax I.D. no.)

____

(Print or type assignee's name, address and postal code)
and irrevocably appoint _____ to transfer this Note on the books of the Issuer. The agent may substitute another to act for him.

Your Signature: ____
(Sign exactly as your name appears on the other side of this Note)

Signature Guarantee*: __

* (Participant in a recognized signature guarantee medallion program or other signature guarantor acceptable to the Trustee)

Date: _____

Certifying Signature:

CHECK ONE BOX BELOW

(1) to the Issuer; or

(2) pursuant to and in compliance with Rule 144A under the Securities Act of 1933 (the "Securities Act"); or

(3) pursuant to and in compliance with Regulation S under the Securities Act; or

(4) pursuant to another available exemption from the registration requirements of the Securities Act; or

(5) pursuant to an effective registration statement under the Securities Act.

Unless one of the boxes is checked, the Registrar shall refuse to register any of the Notes evidenced by this certificate in the name of any person other than the registered Holder thereof; *provided*, *however*, that if box (2) is checked, by executing this form, the Transferor is deemed to have certified that such Notes are being transferred to a person it reasonably believes is a "qualified institutional buyer" as defined in Rule 144A under the Securities Act who has received notice that such transfer is being made in reliance on Rule 144A; and, if box (3) is checked, by executing this form, the Transferor is deemed to have certified that such transfer is made pursuant to an offer and sale that occurred outside the United States in compliance with Regulation S under the Securities Act.

Signature: _____

Signature Guarantee:

__

(Participant in a recognized signature guarantee medallion program)
Certifying Signature: _____ Date: _____

Signature Guarantee: __

(Participant in a recognized signature guarantee medallion program)

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note or a portion thereof purchased pursuant to Section 4.08 of the Indenture, check the appropriate box below:

Section 4.08

If the purchase is in part, indicate the portion (in denominations of $200,000 or integral multiples of $1,000 in excess thereof) to be purchased:

$_____

Date: _____

Your signature: __

(Sign exactly as your name appears on the other side of this Note)
Date: _____

Certifying Signature: _____

SCHEDULE A

SCHEDULE OF PRINCIPAL AMOUNT IN THE GLOBAL NOTE

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Registered Note, or exchanges of a part of another Global Note or Definitive Registered Note for an interest in this Global Note, have been made:

Date of Decrease/Increase	Amount of Decrease in Principal Amount	Amount of Increase in Principal Amount	Principal Amount Following such Decrease/Increase	Signature of authorized officer of Registrar

EXHIBIT B

FORM OF TRANSFER CERTIFICATE FOR TRANSFER FROM RESTRICTED GLOBAL NOTE TO REGULATION S GLOBAL NOTE

(Transfers pursuant to § 2.06(b) of the Indenture)

The Bank of New York Mellon SA/NV, Luxembourg Branch

2-4 rue Eugène Ruppert
L-2453 Luxembourg
Luxembourg
Facsimile No.: +352 2452 4204
Attn: Corporate Trust Administration Re: $750,000,000 5.25% Senior Secured Notes due 2029

Reference is made to the indenture dated as of June 19, 2020 (the "*Indenture*"), among the Issuer, certain subsidiaries named therein as guarantors, BNY Mellon Corporate Trustee Services Limited, as trustee (the "*Trustee*"), The Bank of New York Mellon, London Branch, as Paying Agent, The Bank of New York Mellon SA/NV, Luxembourg Branch, as Registrar and Transfer Agent and NatWest Markets Plc, as security agent (the "*Security Agent*"). Capitalized terms used but not defined herein shall have the meanings given them in the Indenture.

This letter relates to up to $[ ] aggregate principal amount of Notes that are held as a beneficial interest in the form of the Restricted Global Note (ISIN No: [ ]; CUSIP: [ ]) with DTC in the name of [ ] (the "*Transferor*"). The Transferor has requested an exchange or transfer of such beneficial interest for an equivalent beneficial interest in the Regulation S Global Note (ISIN No: [ ]; CUSIP: [ ]).

In connection with such request, the Transferor does hereby certify that such transfer has been effected in accordance with the transfer restrictions set forth in the Notes and:

(a) with respect to transfers made in reliance on Regulation S ("*Regulation S*") under the U.S. Securities Act of 1933, as amended (the "*Securities Act*"), does certify that:

(i) the offer of the Notes was not made to a person in the United States;

(ii) either (i) at the time the buy order is originated the transferee is outside the United States or the Transferor and any person acting on its behalf reasonably believe that the transferee is outside the United States; or (ii) the transaction was executed in, on or through the facilities of a designated offshore securities market described in paragraph (b) of Rule 902 of Regulation S and neither the Transferor nor any person acting on its behalf knows that the transaction was prearranged with a buyer in the United States;

(iii) no directed selling efforts have been made in the United States by the Transferor, an affiliate thereof or any person their behalf in contravention of the requirements of Rule 903 or 904 of Regulation S, as applicable;

(iv) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act; and

(v) the Transferor is not the Issuer, a distributor of the Notes, an affiliate of the Issuer or any such distributor (except any officer or director who is an affiliate solely by virtue of holding such position) or a person acting on behalf of any of the foregoing.

(b) with respect to transfers made in reliance on Rule 144 the Transferor certifies that the Notes are being transferred in a transaction permitted by Rule 144 under the Securities Act.

You, the Issuer, the Trustee, the Transfer Agent and the Registrar are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby. Terms used in this certificate have the meanings set forth in Regulation S.

[Name of Transferor]

By: ____

Name:
Title:
Date:

cc:

Attn:

EXHIBIT C

FORM OF TRANSFER CERTIFICATE FOR TRANSFER FROM REGULATION S GLOBAL NOTE TO RESTRICTED GLOBAL NOTE

(Transfers pursuant to § 2.06(b) of the Indenture)

The Bank of New York Mellon SA/NV, Luxembourg Branch

2-4 rue Eugène Ruppert
L-2453 Luxembourg
Luxembourg
Facsimile No.: +352 2452 4204
Attn: Corporate Trust Administration
Re: $750,000,000 5.25% Senior Secured Notes due 2029

Reference is made to the indenture dated as of June 19, 2020 (the "*Indenture*"), among the Issuer, certain subsidiaries named therein as guarantors, BNY Mellon Corporate Trustee Services Limited, as trustee (the "*Trustee*"), The Bank of New York Mellon, London Branch, as Paying Agent, The Bank of New York Mellon SA/NV, Luxembourg Branch, as Registrar and Transfer Agent and NatWest Markets Plc, as security agent (the "*Security Agent*"). Capitalized terms used but not defined herein shall have the meanings given them in the Indenture.

This letter relates to up to $[ ] aggregate principal amount of Notes that are held as a beneficial interest in the form of the Restricted Global Note (ISIN No: [ ]; CUSIP No: [ ]) with DTC in the name of [ ] (the "*Transferor*"). The Transferor has requested an exchange or transfer of such beneficial interest for an equivalent beneficial interest in the Regulation S Global Note (ISIN No: [ ]; CUSIP No: [ ]).

In connection with such request, and with respect to such Notes the Transferor does hereby certify that such Notes are being transferred in accordance with the transfer restrictions set forth in the Notes and that:

CHECK ONE BOX BELOW:

the Transferor is relying on Rule 144A under the Securities Act of 1933, as amended (the "*Securities Act*") for exemption from such Act's registration requirements; it is transferring such Notes to a person it reasonably believes is a "qualified institutional buyer" as defined in Rule 144A that purchases for its own account, or for the account of a qualified institutional buyer, and to whom the Transferor has given notice that the transfer is made in reliance on Rule 144A and the transfer is being made in accordance with any applicable securities laws of any state of the United States; or

the Transferor is relying on an exemption other than Rule 144A from the registration requirements of the Securities Act.

You, the Issuer, the Trustee, the Transfer Agent and the Registrar are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

[Name of Transferor]

By: ____

Name:
Title:
Date:

cc:

Attn:

EXHIBIT D

FORM OF SUPPLEMENTAL INDENTURE
TO BE DELIVERED BY SUBSEQUENT GUARANTORS

Supplemental Indenture (this "*Supplemental Indenture*"), dated as of _____, among _____, a company organized and existing under the laws of _____ (the "*Subsequent Guarantor*"), a subsidiary of International Game Technology PLC (or its permitted successor), a public limited company incorporated under the laws of England and Wales (the "*Issuer*"), BNY Mellon Corporate Trustee Services Limited, as Trustee (the "*Trustee*"), The Bank of New York Mellon, London Branch, as Paying Agent, The Bank of New York Mellon SA/NV, Luxembourg Branch, as Transfer Agent Registrar and NatWest Markets Plc, as Security Agent.

W I T N E S S E T H

WHEREAS, the Issuer has heretofore executed and delivered to the Trustee an indenture (the "*Indenture*"), dated as of June 19, 2020, providing for the issuance of $750,000,000 5.25% Senior Secured Notes due 2029 issued on the date hereof (the "*Initial Notes*") and any additional notes that may be issued on any other issue date (the "*Additional Notes*" and together with the Initial Notes, the "*Notes*");

WHEREAS, the Indenture provides that under certain circumstances the Subsequent Guarantor shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Subsequent Guarantor shall unconditionally guarantee all of the Issuer's obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "*Guarantee*"); and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Issuer, the Guarantors and the Trustee are authorized to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Subsequent Guarantor and the Trustee mutually covenant and agree for their benefit and the equal and ratable benefit of the Holders of the Notes as follows:

1. Capitalized Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee. The Subsequent Guarantor hereby agrees to provide an unconditional Guarantee on the terms and subject to the provisions set forth in the Guarantee and in the Indenture including but not limited to Article 10 thereof.

3. Execution and Delivery.

(a) The Subsequent Guarantor hereby agrees that its Guarantee shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Guarantee.

(b) If an Authorized Officer whose signature is on this Supplemental Indenture no longer holds that office at the time the Trustee procures the authentication of the Note, the Guarantee shall be valid nevertheless.

(c) Upon execution of this Supplemental Indenture, the delivery of any Note by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Guarantee set forth in this Supplemental Indenture on behalf of the Subsequent Guarantor.

4. No Recourse Against Others. No past, present or future director, officer, employee, incorporator, stockholder or agent of any Subsequent Guarantor, as such, shall have any liability for any obligations of the Issuer or any Subsequent Guarantor under the Notes, the Indenture, the Guarantees or this Supplemental Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

5. Incorporation by Reference. Section 12.05 of the Indenture is incorporated by reference to this Supplemental Indenture as if more fully set out herein.

6. NEW YORK LAW TO GOVERN. THIS SUPPLEMENTAL INDENTURE AND THE NOTES SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

7. Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

8. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

9. The Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Subsequent Guarantor and the Issuer.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

Dated: _____

[SUBSEQUENT GUARANTOR]

By: _____
Name:
Title:

INTERNATIONAL GAME TECHNOLOGY PLC,

as Issuer

By: _____

Name:
Title:

BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED,

as Trustee

By: _____

Authorized Signatory

NATWEST MARKETS plc,

as Security Agent

By: _____

Authorized Signatory

SCHEDULE 1

COLLATERAL DOCUMENTS

Schedule 1-A: Notes Collateral Documents:

1. Sixth Supplemental Deed of Assignment dated June 19, 2020, to the English law governed Deed of Assignment dated April 7, 2015, between the Issuer as assignor and the Security Agent, pursuant to which the Issuer assigned absolutely to the Security Agent for the benefit of the Holders of the Notes and the other secured parties named therein, all of the Issuer's present and future rights, claims, title, interest and benefit in and to, amongst other things, the intercompany loan agreement described therein;

2. Sixth Supplemental Deed of Assignment dated June 19, 2020, to the English law governed Deed of Assignment dated April 7, 2015, between GTECH Canada ULC as assignor and the Security Agent, pursuant to which GTECH Canada ULC assigned absolutely to the Security Agent for the benefit of the Holders of the Notes and the other secured parties named therein, all of the Issuer's present and future rights, claims, title, interest and benefit in and to, amongst other things, the intercompany loan agreement described therein;

3. Sixth Security and Pledge Confirmation dated June 19, 2020, to the New York law governed Security Agreement dated April 7, 2015, between IGT US OpCo, IGT US Holdco, GTECH Rhode Island LLC, GTECH Corporation (collectively, as "*Common Transaction Security Grantors*") and the Security Agent, pursuant to which each Common Transaction Security Grantor assigned and pledged to the Security Agent for the benefit of the Holders of the Notes and the other secured parties named therein, a continuing security interest in all of such Common Transaction Security Grantor's right, title and interest in, to and under, amongst other things, the intercompany loan agreements described therein and to which it is a party;

4. Sixth Security and Pledge Confirmation dated June 19, 2020, to the New York law governed Security Agreement dated April 7, 2015, between the Issuer and GTECH Canada ULC (collectively, as "*Restricted Security Grantors*") and the Security Agent, pursuant to which each Restricted Security Grantor assigned and pledged to the Security Agent for the benefit of the Holders of the Notes and the other secured parties named therein, a continuing security interest in all of such Restricted Security Grantor's right, title and interest in, to and under, amongst other things, the intercompany loan agreements described therein and to which it is a party; and

5. Sixth Confirmation of Pledge dated June 19, 2020, to the Nevada law governed Pledge Agreement dated April 7, 2015, between the Issuer as grantor and the Security Agent, pursuant to which the Issuer granted to the Security Agent for the benefit of the Holders of the Notes and the other secured parties named therein, a security interest in all of the capital stock of IGT US Holdco; and

6. Partial Release, Confirmation and Extension to the Italian law governed Deed of Pledge on Investment in Limited Liability Company dated April 7, 2015, between, *inter alios*, the Issuer and the Security Agent, pursuant to which the Issuer granted to the Security Agent for the benefit of the Holders of the Notes and the other secured parties named therein, a pledge over the quotas of Lottomatica Holding S.r.l.

Schedule 1-B: Guarantee Collateral Documents:

1. Sixth Supplemental Deed of Assignment dated June 19, 2020, to the English law governed Deed of Assignment dated April 7, 2015, between the Issuer as assignor and the Security Agent, pursuant to which the Issuer assigned absolutely to the Security Agent for the benefit of the Holders of the Notes and the other secured parties named therein, all of the Issuer's present and future rights, claims, title, interest and benefit in and to, amongst other things, the intercompany loan agreement described therein;

2. Sixth Supplemental Deed of Assignment dated June 19, 2020, to the English law governed Deed of Assignment dated April 7, 2015, between GTECH Canada ULC as assignor and the Security Agent, pursuant to which GTECH Canada ULC assigned absolutely to the Security Agent for the benefit of the Holders of the Notes and the other secured parties named therein, all of the Issuer's present and future rights, claims, title, interest and benefit in and to, amongst other things, the intercompany loan agreement described therein;

3. Sixth Security and Pledge Confirmation dated June 19, 2020, to the New York law governed Security Agreement dated April 7, 2015, between IGT US OpCo, IGT US Holdco, GTECH Rhode Island LLC, GTECH Corporation (collectively, as "*Common Transaction Security Grantors*") and the Security Agent, pursuant to which each Common Transaction Security Grantor assigned and pledged to the Security Agent for the benefit of the Holders of the Notes and the other secured parties named therein, a continuing security interest in all of such Common Transaction Security Grantor's right, title and interest in, to and under, amongst other things, the intercompany loan agreements described therein and to which it is a party;

4. Sixth Security and Pledge Confirmation dated June 19, 2020, to the New York law governed Security Agreement dated April 7, 2015, between the Issuer and GTECH Canada ULC (collectively, as "*Restricted Security Grantors*") and the Security Agent, pursuant to which each Restricted Security Grantor assigned and pledged to the Security Agent for the benefit of the Holders of the Notes and the other secured parties named therein, a continuing security interest in all of such Restricted Security Grantor's right, title and interest in, to and under, amongst other things, the intercompany loan agreements described therein and to which it is a party; and

5. Sixth Confirmation of Pledge dated June 19, 2020, to the Nevada law governed Pledge Agreement dated April 7, 2015, between the Issuer as grantor and the Security Agent, pursuant to which the Issuer granted to the Security Agent for the benefit of the Holders of the Notes and the other secured parties named therein, a security interest in all of the capital stock of IGT US Holdco.

Exhibit 4.2

International Game Technology PLC (the "Parent") had the following classes of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934 as of December 31, 2020: ordinary shares, par value U.S. $0.10 each (the "ordinary shares").

The Parent's ordinary shares are listed on the New York Stock Exchange (the "NYSE") under the symbol "IGT."

Additional Information

Memorandum and Articles of Association

The Parent is a public limited company registered in England and Wales under company number 09127533. Its objects are unrestricted, in line with the default position under the Companies Act 2006, as amended. The following is a summary of certain provisions of the Articles of Association of the Parent adopted on June 25, 2020 (the "Articles") and of the applicable laws of England. The following is a summary and, therefore, does not contain full details of the Articles, which are attached as Exhibit 1.1 to the annual report on Form 20-F to which this exhibit is filed.

Compliance with NYSE Rules

For as long as the Parent's ordinary shares are listed on the NYSE, the Parent will comply with all NYSE corporate governance standards set forth in Section 3 of the NYSE Listed Company Manual applicable to non-controlled domestic U.S. issuers, regardless of whether the Parent is a foreign private issuer.

Classes of shares

The Parent has three classes of shares in issue. This includes the ordinary shares; special voting shares, par value U.S. $0.000001 each (the "Special Voting Shares"); and sterling non-voting shares, par value £1.00 each (the "Sterling Non-Voting Shares").

Dividends and distributions

Subject to the CA 2006, the Parent's shareholders may declare a dividend on the Parent's ordinary shares by ordinary resolution, and the Board may decide to pay an interim dividend to holders of the Parent's ordinary shares in accordance with their respective rights and interests in the Parent, and may fix the time for payment of such dividend. Under English law, dividends may only be paid out of distributable reserves, defined as accumulated realized profits (so far as not previously utilized by distribution or capitalization) less accumulated realized losses (so far as not previously written off in a reduction or reorganization of capital duly made), and not out of share capital, which includes the share premium account. The Special Voting Shares and Sterling Non-Voting Shares do not entitle their holders to dividends.

If 12 years have passed from the date on which a dividend or other sum from the Parent became due for payment and the distribution recipient has not claimed it, the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Parent.

The Articles also permit a scrip dividend scheme under which the directors may, with the prior authority of an ordinary resolution of the Parent, allot to those holders of a particular class of shares who have elected to receive them further shares of that class or ordinary shares in either case credited as fully paid instead of cash in respect of all or part of a dividend or dividends specified by the resolution.

Voting rights

Subject to any rights or restrictions as to voting attached to any class of shares and subject to disenfranchisement in the event of non-payment of any call or other sum due and payable in respect of any shares not fully paid, the voting rights of shareholders of the Parent in a general meeting are as follows:

1. On a show of hands,

    a. the shareholder of the Parent who (being an individual) is present in person or (being a corporation) is present by a duly authorized corporate representative at a general meeting of the Parent will have one vote; and

    b. every person present who has been appointed by a shareholder as a proxy will have one vote, except where:

        i. that proxy has been appointed by more than one shareholder entitled to vote on the resolution; and

        ii. the proxy has been instructed:

            A. by one or more of those shareholders to vote for the resolution and by one or more of those shareholders to vote against the resolution; or

            B. by one or more of those shareholders to vote in the same way on the resolution (whether for or against) and one or more of those shareholders has permitted the proxy discretion as to how to vote,

        in which case, the proxy has one vote for and one vote against the resolution.

2. On a poll taken at a meeting, every shareholder present and entitled to vote on the resolution has one vote for every ordinary share of the Parent of which he, she, or it is the holder, and 0.9995 votes for every Special Voting Share for which he, she, or it is entitled under the terms of the Parent's loyalty voting structure to direct the exercise of the vote.

Under the Articles, a poll on a resolution may be demanded by the chairperson, the directors, five or more people having the right to vote on the resolution, or a shareholder or shareholders (or their duly appointed proxies) having not less than 10% of either the total voting rights or the total paid up share capital. Once a resolution is declared, such persons may demand the poll both in advance of, and during, a general meeting, either before or immediately after a show of hands on such resolution.

In the case of joint holders, only the vote of the senior holder who votes (or any proxy duly appointed by him) may be counted by the Parent.

The necessary quorum for a general shareholder meeting is the shareholders who together represent at least a majority of the voting rights of all the shareholders entitled to vote at the meeting, present in person or by proxy, save that if the Parent only has one shareholder entitled to attend and vote at the general meeting, one shareholder present in person or by proxy at the meeting and entitled to vote is a quorum.

In case of a meeting requisitioned by the shareholders, where the quorum is not met the meeting is dissolved. In case of other meetings, where the quorum is not met, the meeting is adjourned. If a meeting is adjourned for lack of quorum, the quorum of the adjourned meeting will be one shareholder present in person or by proxy.

The Sterling Non-Voting Shares carry no voting rights (save where required by law).

Winding up

On a return of capital of the Parent on a winding up or otherwise, the holders of the Parent's ordinary shares (and any other shares outstanding at the relevant time which rank equally with such shares) will share equally, on a share for share basis, in the Parent's assets available for distribution, after paying:

- the holders of the Special Voting Shares who will be entitled to receive out of the assets of the Parent available for distribution to its shareholders the sum of, in aggregate, U.S. $1.00 but shall not be entitled to any further participation in the assets of the Parent; and

- the holders of the Sterling Non-Voting Shares who will be entitled to receive out of the assets of the Parent available for distribution to its shareholders the sum of, in aggregate, £1.00 but shall not be entitled to any further participation in the assets of the Parent.

Redemption provisions

The Parent's ordinary shares are not redeemable.

The Special Voting Shares may be redeemed by the Parent for nil consideration in certain circumstances (as set out in the Articles).

The Sterling Non-Voting Shares may be redeemed by the Parent for nil consideration at any time.

Sinking fund provisions

None of the Parent's shares are subject to any sinking fund provision under the Articles or as a matter of English law.

Liability to further calls

No holder of any share in the Parent is liable to make additional contributions of capital in respect of its shares.

Discriminating provisions

There are no provisions discriminating against a shareholder because of his or her ownership of a particular number of shares.

Variation of class rights

The Articles treat the Parent's ordinary shares and the Special Voting Shares as a single class for the purposes of voting. Any special rights attached to any shares in the Parent's capital may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, either while the Parent is a going concern or during or in contemplation of a winding up, with the consent in writing of those entitled to attend and vote at general meetings of the Parent representing 75.0% of the voting rights attaching to the Parent's ordinary shares and the Special Voting Shares, in aggregate, which may be exercised at such meetings, or with the sanction of 75% of those votes attaching to the Parent's ordinary shares and the Special Voting Shares, in aggregate, cast on a special resolution proposed at a separate general meeting of all those entitled to attend and vote at the Parent's general meetings, but not otherwise.

The CA 2006 allows an English company to vary class rights of shares by a resolution of 75.0% of the shareholders of the class in question.

A resolution to vary any class rights relating to the giving, variation, revocation or renewal of any authority of the directors to allot shares or relating to a reduction of the Parent's capital may only be varied or abrogated in accordance with the CA 2006 but not otherwise.

The rights attached to a class of shares are not, unless otherwise expressly provided for in the rights attaching to those shares, deemed to be varied by the creation, allotment, or issue of further shares ranking *pari passu* with or subsequent to them or by the purchase or redemption by the Parent of its own shares in accordance with the CA 2006.

Limitations on rights to own shares

There are no limitations imposed by the Articles or the applicable laws of England on the rights to own shares, including the right of non-residents or foreign persons to hold or vote the Parent's shares, other than limitations that would generally apply to all shareholders.

Change of control

There is no specific provision in the Articles that directly would have an effect of delaying, deferring, or preventing a change in control of the Parent and that would operate only with respect to a merger, acquisition, or corporate restructuring involving the Parent or any of its subsidiaries. However, the loyalty voting structure may make it more difficult for a third party to acquire, or attempt to acquire, control of the Parent. As a result of the loyalty voting structure, it is possible that a relatively large portion of the voting rights of the Parent could be concentrated in a relatively small number of holders who would have significant influence over the Parent. Such shareholders participating in the loyalty voting structure could reduce the likelihood of change of control transactions that may otherwise benefit holders of the Parent's ordinary shares. For a discussion of this risk, see "Item 3. Key Information - D. Risk Factors" of the annual report on Form 20-F to which this exhibit is filed.

Disclosure of ownership interests in shares

Under the Articles, shareholders must comply with the notification obligations to the Parent contained in Chapter 5 (*Vote Holder and Issuer Notification Rules*) of the Disclosure Guidance and Transparency Rules ("DTR") (including, without limitation, the provisions of DTR 5.1.2) as if the Parent were an issuer whose home member state is in the United Kingdom, save that the obligation arises if the percentage of voting rights reaches, exceeds, or falls below 1% and each one percent threshold thereafter (up or down) up to 100%. In effect, this means that a shareholder must notify the Parent if the percentage of voting rights in the Parent it holds reaches 1% and crosses any one percent threshold thereafter (up or down).

Section 793 of the CA 2006 gives the Parent the power to require persons whom it knows have, or whom it has reasonable cause to believe have, or within the previous three years have had, any ownership interest in any shares of the Parent to disclose specified information regarding those shares. Failure to provide the information requested within the prescribed period (or knowingly or recklessly providing false information) after the date the notice is sent can result in criminal or civil sanctions being imposed against the person in default.

Under the Articles, if any shareholder, or any other person appearing to be interested in the Parent's shares held by such shareholder, fails to give the Parent the information required by a section 793 notice, then the Board may withdraw voting rights, and place restrictions on the rights to receive dividends and transfer of such shares (including any shares allotted or issued after the date of the Section 793 notice in respect of those shares).

Changes in share capital

The Articles authorize the Company to allot (with or without conferring rights of renunciation), issue, grant options over or otherwise deal with or dispose of shares in the capital of the Company and to grant rights to subscribe for, or to convert any security into, shares in the capital of the Company to such persons, at such times and upon such terms as the directors may decide, provided that no share may be issued at a discount. Pursuant to a shareholder resolution passed on June 25, 2020, for a period expiring (unless previously revoked, varied or renewed) at the end of the next annual general meeting of the Company or, if sooner, on September 24, 2021, directors are authorized to:

(i) allot ordinary shares in the Parent, or to grant rights to subscribe for or to convert or exchange any security into ordinary shares in the Parent, up to an aggregate nominal amount (i.e., par value) of U.S. $6,824,827.70 and up to a further aggregate nominal amount of $6,824,827.70 where the allotment is in connection with an offer by way of a rights issue;

(ii) allot Special Voting Shares and to grant rights to subscribe for, or to convert any security into, Special Voting Shares, up to a maximum aggregate nominal amount of $136.50; and

(iii) exclude pre-emption rights: first, in relation to offers of equity securities by way of rights issue; second, in relation to the allotment of equity securities for cash up to an aggregate nominal amount (i.e., par value) of U.S. $1,023,724.20; and third, in relation to an acquisition or other capital investment up to an aggregate nominal amount (i.e., par value) of U.S. $1,023,724.20.

These provisions are more restrictive than required under English law which does not prescribe a limit for the maximum amounts for allotment of shares or exclusion of pre-emption rights.

Pursuant to a shareholder resolution passed on June 25, 2020, for a period expiring (unless previously revoked, varied or renewed) at the end of the next annual general meeting of the Company or, if sooner, on December 24, 2021, the Parent is authorized to purchase its own ordinary shares on the terms of the share repurchase contracts approved by the shareholders, provided that:

1. the maximum aggregate number of the Parent's ordinary shares authorized to be purchased equals 20,474,483, representing 10% of the total issued ordinary shares;

2. the minimum price (exclusive of expenses) which may be paid by the Company for each ordinary share shall be U.S. $0.10; and

the maximum price (exclusive of expenses) which may be paid to purchase an ordinary share of the Parent is 105% of the average market value of an ordinary share for the five business days prior to the day the purchase is made (subject to any further price restrictions contained in any share repurchase contract)

These provisions are more restrictive than required under English law which does not prescribe a limit for the maximum aggregate number or price paid for an "off market" repurchase of its shares

Loyalty Plan

Scope

The Parent has implemented a loyalty plan (the “Loyalty Plan”), the purpose of which is to reward long-term ownership of the Parent's ordinary shares and promote stability of the Parent's shareholder base by granting long-term shareholders, subject to certain terms and conditions, with the equivalent of 1.9995 votes for each ordinary share that they hold. The Loyalty Plan is governed by the provisions of the Articles and the Loyalty Plan Terms and Conditions from time to time adopted by the Board, a copy of which is available on the Company's website, together with some Frequently Asked Questions.

Characteristics of Special Voting Shares

Each Special Voting Share carries 0.9995 votes. The Special Voting Shares and ordinary shares will be treated as if they are a single class of shares and not divided into separate classes for voting purposes (save upon a resolution in respect of any proposed termination of the Loyalty Plan).

The Special Voting Shares have only minimal economic entitlements. Such economic entitlements are designed to comply with English law but are immaterial for investors.

Issue

The number of Special Voting Shares on issue equals the number of ordinary shares on issue. A nominee appointed by the Parent (the "Nominee"), which is currently Computershare Company Nominees Limited, holds the Special Voting Shares on behalf of the shareholders of the Parent as a whole, and will exercise the voting rights attached to those shares in accordance with the Articles.

Participation in the Loyalty Plan

In order to become entitled to elect to participate in the Loyalty Plan, a person must maintain ownership in accordance with the Loyalty Plan for a continuous period of three years or more (an "Eligible Person").

An Eligible Person within the Loyalty Plan Terms and Conditions may elect to participate in the Loyalty Plan by submitting a validly completed and signed election form (the "Election Form") and, if applicable, the requisite custodial documentation, to the Parent's designated agent (the "Agent"). The Election Form is available on the Company's website. Upon receipt of a valid Election Form and, if applicable, custodial documentation, the Agent will register the relevant ordinary shares on a separate register (the "Loyalty Register"). In order for an Eligible Person's ordinary shares to remain on the Loyalty Register, they may not be sold, disposed of, transferred, pledged or subjected to any lien, fixed or floating charge or other encumbrance, except in very limited circumstances.

Voting arrangements

The Nominee will exercise the votes attaching to the Special Voting Shares held by it from time to time at a general meeting or a class meeting: (a) in respect of any Special Voting Shares associated with ordinary shares held by an Eligible Person, in the same manner as the Eligible Person exercises the votes attaching to those IGT PLC ordinary shares; and (b) in respect of all other Special Voting Shares, in the same percentage as the outcome of the vote of any general meeting (taking into account any votes exercised pursuant to (a) above).

The proxy or voting instruction form in respect of an Eligible Person's ordinary shares will contain an instruction and authorization in favor of the Nominee to exercise the votes attaching to the Special Voting Shares associated with those ordinary shares in the same manner as that Eligible Person exercises the votes attaching to those ordinary shares.

Transfer or withdrawal

If, at any time and for any reason, one or more ordinary shares are de-registered from the Loyalty Register, or any ordinary shares held by an Eligible Person on the Loyalty Register are sold, disposed of, transferred (other than with the benefit of a waiver in respect of certain permitted transfers), pledged or subjected to any lien, fixed or floating charge or other encumbrance, the Special Voting Shares associated with those ordinary shares will cease to confer on the Eligible Person any voting rights (or any other rights) in connection with those Special Voting Shares and such person will cease to be an Eligible Person in respect of those Special Voting Shares.

A shareholder may request the de-registration of their ordinary shares from the Loyalty Register at any time by submitting a validly completed Withdrawal Form to the Agent. The Agent will release the ordinary shares from the Loyalty Register within three business days thereafter. Upon de-registration from the Loyalty Register, such ordinary shares will be freely transferable. From the date on which the Withdrawal Form is processed by the Agent, the relevant shareholder will be considered to have waived their rights in respect of the relevant Special Voting Shares.

Termination of the Plan

The Loyalty Plan may be terminated at any time with immediate effect by a resolution passed on a poll taken at a general meeting with the approval of members representing 75% or more of the total voting rights attaching to the ordinary shares of members who, being entitled to vote on that resolution, do so in person or by proxy. For the avoidance of doubt, the votes attaching to the Special Voting Shares will not be exercisable upon such resolution.

Upon termination of the Loyalty Plan, the directors may elect to redeem or repurchase the Special Voting Shares, from the Nominee for nil consideration and cancel them, or convert the Special Voting Share into deferred shares carrying no voting rights and no economic rights (or any other rights), save that on a return of capital or a winding up, the holder of the deferred shares shall be entitled to, in aggregate, $1.00.

Transfer

The Special Voting Shares may not be transferred, except in exceptional circumstances, e.g., for transfers between Loyalty Plan nominees.

Repurchase or redemption

Special Voting Shares may only be purchased or redeemed by the Parent in limited circumstances, including to reduce the number of Special Voting Shares held by the Nominee in order to align the aggregate number of ordinary shares and Special Voting Shares in issue from time to time or upon termination of the Loyalty Plan. Special Voting Shares may be redeemed or repurchased for nil consideration.

Dated 6 December 2020

Share Sale and Purchase Agreement

relating to the sale and acquisition of Lottomatica Videolot Rete S.p.A. and Lottomatica Scommesse S.r.l.

among

Lottomatica Holding S.r.l.
as the Seller

International Game Technology PLC
as the Guarantor

and

Gamenet Group S.p.A.
as the Buyer

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This SHARE SALE AND PURCHASE AGREEMENT (this "**Agreement**") is entered into on 6 December 2020 by and among Lottomatica Holding S.r.l., a *società a responsabilità limitata* incorporated under the laws of Italy, having its registered office at Viale del Campo Boario 56/D, 00154 Rome, Italy, and registered with the Companies Register of Rome (*Registro delle Imprese di Roma*) under no. 13044331000 (the "**Seller**"); International Game Technology PLC, a public limited company incorporated under the laws of England and Wales, having its registered office at Marble Arch House, Second Floor, 66 Seymour Street, London W1H 5BT, England, and registered with Companies House under no. 09127533 (the "**Guarantor**"); and Gamenet Group S.p.A., a *società per azioni* incorporated under the laws of Italy, having its registered office at Via degli Aldobrandeschi, 300, 00163 Rome, Italy, and registered with Companies Register of Rome (*Registro delle Imprese di Roma*) under no. 13917321005 (the "**Buyer**").

W I T N E S S E T H:

WHEREAS, the particulars of the Acquired Entities (as defined below) are set out in Schedule 1 (*The Acquired Entities*);

WHEREAS, the Seller has agreed to sell and the Buyer has agreed to purchase and pay for (i) all of the issued shares in the capital of Lottomatica Videolot Rete S.p.A., a *società per azioni* incorporated under the laws of Italy ("**LVR**"), further details of which are set out in Schedule 1 (*The Acquired Entities*) (the "**LVR Shares**"); and (ii) all of the issued quotas in the capital of Lottomatica Scommesse S.r.l., a *società a responsabilità limitata* incorporated under the laws of Italy ("**Scommesse**"), further details of which are set out in Schedule 1 (*The Acquired Entities*) (the "**Scommesse Quotas**") (the LVR Shares and the Scommesse Quotas are, collectively, the "**Transfer Interests**"), in each case on the terms and subject to the conditions of this Agreement;

WHEREAS, the Seller has agreed to provide, directly or through other Seller Group Companies (as defined below), certain transitional services to the Acquired Entities (as defined below) and their successors or one or more Buyer Group Companies (as applicable) following Closing (as defined below) on the terms and subject to the conditions of the TSAs (as defined below); and

WHEREAS, the Guarantor has agreed to guarantee the obligations of the Seller on the terms and subject to the conditions of this Agreement and to give the warranties referenced in Clause 8.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants, warranties and agreements herein contained, the Parties, intending to be legally bound, agree as follows:

1. Definitions, Construction; Schedules

1.1 Certain Defined Terms

When used in this Agreement, the following terms shall have the respective meanings specified therefor below.

"**2015 Italian Budget Law**" means the Italian Law no. 190 of 23 December 2014;

"**Accounting Principles**" means as of a particular time, the IFRS applicable to the Acquired Entities and Optima, respectively;

"**Acquired Business**" means the following business segments of the Seller Group on the date of this Agreement in Italy:

(a) VLT and AWP concessionaire operations, street operations and gaming halls operations;

(b) interactive (i.e., digital, internet and mobile) gaming operations; and

(c) sports betting operations;

"**Acquired Entities**" means LVR, Scommesse and Big Easy and "**Acquired Entity**" shall be construed accordingly;

"**Acquired Entities' Concessions**" means the concessions set out in Schedule 11 (*Acquired Entities' Concessions*);

"**Acquired Entities' Concessions Condition**" means the Condition set out in paragraph 3 of Schedule 1 (*Conditions*);

"**Actual Cash Pooling Balance**" means an amount equal to the actual net cash balances (whether positive or negative) attributable to either the Seller Group Companies or the Acquired Entities as of the Closing Date under the Cash Pooling Arrangements;

"**ADM**" means Customs and Monopolies Agency (*Agenzia delle Dogane e dei Monopoli*);

"**ADM Condition**" means the Condition set out in paragraph 1 of Schedule 1 (*Conditions*);

"**Affiliated Person**" means: (a) in relation to any person, a person that directly, or indirectly through one or more intermediaries or intermediate entities, Controls, is Controlled by, or is under common Control with, such person; (b) in relation to a fund or investment vehicle, any other fund or investment vehicle that is managed or advised by the same investment manager or advisor, or by an investment manager or advisor that Controls, is Controlled by, or is under common Control with, such investment manager or advisor and (c) any connected person within the meaning of section 252 of the Companies Act 2006 of such Affiliated Person; *provided* however that with respect to the Buyer, Apollo Global Management and the Apollo Group, the foregoing shall exclude any portfolio company (as this term is used in the context of private equity business) in which any investment fund managed by Apollo Global Management or any of its subsidiaries is invested (other than the Buyer Group);

"**Agents**" means, in relation to a person, that person's directors, officers, employees and, to the extent acting at the direction of such person, its advisers and representatives;

"**Agreed Leakage Amount**" has the meaning given to that term in Clause 4.3(a);

"**AntiBribery Laws**" means, in each case to the extent that they have been applicable to any Acquired Entity or a Seller Group Company (as the case may be) at any time prior to the date of this Agreement:

(a) the UK Bribery Act 2010;

(b) the U.S. Foreign Corrupt Practices Act of 1977;

(c) any applicable law, rule, or regulation promulgated to implement the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed on 17 December 1997;

(d) all applicable Italian laws and regulations governing anti-bribery and anti-corruption matters, including the Italian Criminal Code (approved by Royal Decree no. 1398 dated 19 October 1930), the Italian Legislative Decree no. 231 dated 8 June 2001 and the Italian Law no. 190 dated 6 November 2012, each as subsequently amended; and

(e) any other applicable law, rule or regulation of similar purpose and scope in any jurisdiction, including books and records offences relating directly or indirectly to a bribe;

"**Anti-Money Laundering Laws**" means laws, regulations, rules or guidelines relating to money laundering, including financial recordkeeping and reporting requirements, which apply to the business and dealings of any Acquired Entity, including the Italian Legislative Decree no. 231 dated 21 November 2007, as amended, the Italian Legislative Decree no. 231 dated 8 June 2001, all money laundering-related laws and regulations of any jurisdictions where any of the Acquired Entities conduct business or own assets, and any related or similar law issued, administered or enforced by any Governmental Authority;

"**Antitrust Condition**" means the Condition set out in paragraph 2 of Schedule 1 (*Conditions*) to the extent such Condition relates to any necessary consent, approval, clearance, confirmation or licence under the applicable competition, antitrust and merger control laws, statutes and regulations which is required from the relevant Regulatory Authority with respect to the change of the ownership structure of the Acquired Entities arising as a result of the Transaction;

"**Apollo Global Management**" means Apollo Global Management, Inc., a corporation incorporated under the laws of Delaware, having its registered address at c/o Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States and registered with the entity registration number 4382726;

"**Apollo Group**" shall mean Apollo Global Management and Affiliated Persons of Apollo Global Management;

"**Associated Person**" has the meaning given to that term in paragraph 23.2 of Schedule 4 (*Seller's Warranties*);

"**Auditors**" means the statutory auditors (*sindaci*);

"**AWPs**" means amusement with prize machines;

"**Big Easy**" means Big Easy S.r.l., *società a responsabilità limitata* incorporated under the laws of Italy, further details of which are set out in Schedule 1 (*The Acquired Entities*);

"**Big Easy Loan**" means the loan from the Guarantor to Big Easy evidenced by the Big Easy Loan Document, the outstanding principal balance of which is €10,500,000 (*ten million five hundred thousand Euros*) as of the date of this Agreement;

"**Big Easy Loan Document**" means the promissory note dated 18 March 2019 issued by Big Easy, as borrower, to the Guarantor, as lender, in the original principal amount of €12,500,000 (*twelve million five hundred thousand Euros*), as subsequently amended;

"**Books and Records**" has the meaning given to that term in Clause 8.10(d);

"**Books and Records Retention Period**" has the meaning given to that term in Clause 8.10(d);

"**Bridge Period Expiration Date**" has the meaning given to that term in paragraph 1 of Schedule 21 (*Specified Credit Support Instruments*).

"**Business Day**" means a day (other than a Saturday or Sunday or a public holiday) when commercial banks are open for ordinary banking business in Luxembourg, Grand Duchy of Luxembourg, Rome, Italy, London, England, and New York, New York, United States of America;

"**Business Intellectual Property**" means the Intellectual Property (including the Registered Intellectual Property) owned or to be owned by Closing by any of the Acquired Entities and used or held for use for the purposes of the Acquired Business and required in all material respects to conduct the Acquired Business, details of which are set out in Part 1 of Schedule 9 (*Intellectual Property*);

"**Buyer**" has the meaning given to that term in the introductory paragraph;

"**Buyer Group**" means the Buyer and its Subsidiary Undertakings, as the *case* may be from time to time (and including, after Closing, the Acquired Entities) and the expressions "**Buyer Group Company**" and "**Buyer Group Companies**" shall be construed accordingly;

"**Buyer Key Worker**" means any employee or worker of the Buyer Group, whose total gross annual remuneration exceeds €75,000 (*seventy-five thousand Euros*);

"**Buyer's Lawyers**" means (i) Paul, Weiss, Rifkind, Wharton & Garrison LLP of Alder Castle, 10 Noble Street, London EC2V 7JU, England and (ii) Latham & Watkins LLP of Corso Matteotti, 22, 20121, Milan, Italy;

"**Buyer's Warranties**" means the warranties referred to in Clause 10 and as set out in Schedule 1 (*Buyer's Warranties*);

"**Cartalis**" means Cartalis S.p.A., a *società per azioni* incorporated under the laws of Italy, having its registered office at Viale del Campo Boario, 56/d, Rome (Italy), and registered with the Register of Enterprises of Rome under no. 08658331007;

"**Carve-Out**" means the contribution of assets, liabilities and employees of the Seller that are associated with the Acquired Business as a going concern from the Seller to LVR and Scommesse, in each case as set forth in Schedule 18 (*Carve-Out*);

"**Carve-Out Financials**" has the meaning given to that term in Clause 8.1(a);

"**Cash Pooling Adjustment Payment**" has the meaning given to that term in Clause 8.3(a);

"**Cash Pooling Arrangements**" means the cash pooling arrangements in place at the date of this Agreement between each Acquired Entity and a Seller Group Company governed by an intercompany agreement and between each Acquired Entity and a bank governed by an agreement, in each case as Disclosed;

"Chubb Policies" means the Existing Credit Support Instruments described in Clauses (a), (b) and (c) of the definition of Existing Credit Support Instruments;

"**Chubb Seller Waiver**" means a waiver executed by Chubb pursuant to which Chubb irrevocably waives any right Chubb has to request the relevant Acquired Entity to procure the release of any relevant Chubb Policy to which such Acquired Entity is party or to pay any amount to Chubb under the relevant Chubb Policy (i.e., post cash), in each case in connection with:

(a) any litigation, lawsuit or other proceeding where Chubb is involved as a guarantor (*chiamata in garanzia*) upon request by the ADM;

(b) any insolvency of, protests (*protesti*), precautionary seizures or enforcement proceedings against the Seller;

(c) (A) any winding-up or dissolution of the Seller, (B) any change of control of the Seller (i.e. transfer of the majority shareholding of the Seller to a non-affiliated third party), (C) any transfer of the Seller's business, (D) conversion of the Seller's legal form or (E) any worsening of the financial or economic condition of the Seller;

(d) any failure to pay the premium relating to any such Chubb Policy (or any of its adjustments, increases or extensions);

(e) any failure by the Seller to reimburse to Chubb (or any of its Affiliated Persons belonging to Chubb's group) the amounts paid by Chubb (or its Affiliated Persons) in connection with obligations guaranteed by Chubb in general (i.e., not only those obligations guaranteed under the relevant Chubb Policy); and/or

(f) any other breach by the Seller (or its Affiliated Persons, other than the Acquired Entities) of any relevant Chubb Policy;

"**Chubb Transaction Waiver**" means a waiver executed by Chubb pursuant to which Chubb irrevocably waives any right Chubb has to request the relevant Acquired Entity to procure the release of any relevant Chubb Policy to which such Acquired Entity is party or to pay any amount to Chubb under the relevant Chubb Policy (i.e., post cash), in each case in connection with:

(a) any worsening of the financial or economic condition of such Acquired Entity as a result of, in connection with or in relation to Closing; and/or

(b) any change of control of such Acquired Entity as a result of, in connection with or in relation to Closing;

"**Chubb Triggering Event**" means a request by Chubb that the relevant Acquired Entity procure the release of any relevant Chubb Policy to which such Acquired Entity is party or to pay any amount to Chubb under the relevant Chubb Policy (i.e., post cash), in each case in connection with the following:

(a) any worsening of the financial or economic condition of such Acquired Entity as a result of, in connection with or in relation to Closing;

(b) any change of control of such Acquired Entity as a result of, in connection with or in relation to Closing;

(c) any litigation, lawsuit or other proceeding where Chubb is involved as a guarantor (*chiamata in garanzia*) upon request by the ADM, other than to the extent the reason for such litigation, lawsuit or other proceeding solely relates to an Acquired Entity's business or an Acquired Entity's Concession;

(d) any insolvency of, protests (*protesti*), precautionary seizures or enforcement proceedings against the Seller;

(e) (A) any winding-up or dissolution of the Seller, (B) any change of control of the Seller (i.e. transfer of the majority shareholding of the Seller to a non-affiliated third party), (C) any transfer of the Seller's business, (D) conversion of the Seller's legal form or (E) any worsening of the financial or economic condition of the Seller;

(f) any failure to pay the premium relating to any such Chubb Policy (or any of its adjustments, increases or extensions) that is payable by any Seller Group Company;

(g) any failure by the Seller to reimburse to Chubb (or any of its Affiliated Persons belonging to Chubb's group) the amounts paid by Chubb (or its Affiliated Persons) in connection with obligations guaranteed by Chubb in general (i.e., not only those obligations guaranteed under the relevant Chubb Policy) other than to the extent the amounts paid by Chubb in connection with obligations guaranteed by Chubb are solely for a reason related to an Acquired Entity's business or an Acquired Entity's Concession; and/or

(h) any other breach by the Seller (or its Affiliated Persons, other than the Acquired Entities) of any relevant Chubb Policy;

"**Claim**" means any claim made by the Buyer or the Seller (as the context requires) under this Agreement and "**Claims**" shall mean all such claims;

"**Closing**" means completion of the sale and purchase of the Transfer Interests under this Agreement;

"**Closing Cash Pooling Balance**" means an amount equal to the projected net cash balances (whether positive or negative) attributable to either the Seller Group Companies or Acquired Entities as of the Closing Date under the Cash Pooling Arrangements;

"**Closing Date**" means the date which is twelve (12) Business Days following the date on which the last of the ADM Condition, the Antitrust Condition and the Collection Mandates Condition is satisfied or waived, provided that at Closing, each of the Acquired Entities' Concessions Condition and the Legal Impediment Condition is satisfied or waived, or such other date as the Seller and the Buyer agree in writing;

"**Closing Payment**" has the meaning given to that term in Clause 3.1(a);

"**Collection Mandates Condition**" means the Condition set out in paragraph 5 of Schedule 1 (*Conditions*);

"**Commitment Letters**" means the Equity Commitment Letter and the Debt Commitment Letter;

"**Conditions**" means the conditions referred to in Clause 5.1 (*Conditions*) and set out in Schedule 1 (*Conditions*), each being a "**Condition**";

"**Confidentiality Agreements**" means each of:

(a) the confidentiality letter agreement dated 16 December 2019 between the Guarantor and Apollo Management International LLP;

(b) the confidentiality letter agreement dated 9 January 2020 between Guarantor and the Buyer; and

(c) the clean team confidentiality agreement dated 21 October 2020 between the Guarantor, Apollo Management International LLP and the Buyer;

"**Consideration**" means the sum of the consideration for the Transfer Interests as set out in Clause 3.1 (i.e., €950,000,000 (*nine hundred fifty million Euros*));

"**Continuing Provisions**" means Clause 1 (*Definitions, Construction; Schedules*); the last sentence of Clause 8.1(c); Clause 8.1(d); Clause 8.10(a) (*Release*); Clause 9.1(e); Clause 12 (*No Right to Rescind or Terminate*), Clause 13 (*Confidentiality*), Clause 14 (*Announcements*), Clause 15 (*Guarantee and Indemnity*), Clause 17.1 (*Notices*), Clause 17.4 (*Assignment*), Clause 17.6 (*Severance and Validity*), Clause 17.9 (*Remedies and Waivers*), Clause 17.11 (*Third Party Rights*), Clause 17.12 (*Counterparts*), Clause 17.14 (*Governing Law and Jurisdiction*) and Clause 17.15 (*Agent for Service of Process*), all of which shall continue to apply after the termination of this Agreement pursuant to Clause 5.5(d) without limit in time;

"**Control**" means, in relation to a person:

(a) holding or controlling, directly or indirectly, a majority of the voting rights exercisable at ordinary shareholder meetings (or the equivalent) of that person; or

(b) having, directly or indirectly, the right to appoint or remove directors holding a majority of the voting rights exercisable at meetings of the board of directors (or the equivalent) of that person;

(c) having, directly or indirectly, the ability to direct or procure the direction of the management and policies of that person, whether through the ownership of shares, by contract or otherwise; or

(d) having the ability, directly or indirectly, whether alone or together with another, to ensure that the affairs of that person are conducted in accordance with his, her or its wishes,

(i) the terms "**Controlling**" and "**Controlled**" shall be construed accordingly and (ii) any two or more persons acting together to secure or exercise Control of another person shall be considered as Controlling that other person;

"**Data Room**" means the virtual data room hosted by SmartRoom (www.smartroom.com) under the project name "Iota" comprising copies of documents and other information relating to the Acquired Business and the Acquired Entities made available by the Seller to the Buyer online from 1 September 2020, with respect to (i) the documents contained in folders 16.4 and 16.5 of such virtual data room, 11:59:59 pm CET on 4 December 2020 and (ii) with respect to all other documents made available through such virtual data room, 11:59:59 pm CET on 1 December 2020, in each case as is itemised in the data room index set out in Appendix 1 (*Data Room Index*) and as recorded on a USB stick, a true and complete copy of which (together with an official certificate from SmartRoom certifying its contents as of the Closing Date) shall be delivered on or before the date which is three (3) Business Days following the date of this Agreement to the Buyer's Lawyers;

"**Debt Commitment Letter**" the debt commitment letter dated and delivered on the date of this Agreement, pursuant to which Debt Financing Sources commit to provide debt financing to the Buyer in connection with the Transaction, as may be replaced, assigned, amended, modified or waived in accordance with Clause 6.5(b);

"**Debt Financing**" has the meaning given to that term in Clause 6.5(a);

"**Debt Financing Agreements**" has the meaning given to that term in paragraph 3.1 of Schedule 7 (*Buyer's Warranties*);

"**Debt Financing Sources**" means the Persons that have committed to provide or arrange or otherwise have entered into agreements in connection with the Debt Financing, including the financing sources party to the Debt Commitment Letter, and any security or other agent or trustee in respect of such financing, and the parties to any joinder agreements, indentures or credit agreements entered pursuant thereto or relating thereto, together with their respective Affiliated Persons and their and their respective Affiliated Persons' offices, directors, employees, agents and representatives and their respective successors and assigns;

"**Disclosed**" means, when used with respect to any event, circumstance, fact, loss or other matter in relation to any Seller's Warranty, that such event, circumstance, fact, loss or other matter was disclosed in:

(a) a Transaction Document; or

(b) when used with respect to a disclosure to the Buyer, the Data Room,

in each case in a manner sufficient to allow a reasonable and prudent purchaser to reasonably identify and understand the nature of such event, circumstance, fact, loss or other matter;

"**Disclosure Letter**" means the letter of today's date from the Seller to the Buyer in the agreed form;

"**Dispute**" has the meaning given to that term in Clause 17.14(c);

"**Dispute Notice**" has the meaning given to that term in Clause 17.14(c);

"**Duties**" means any stamp, transaction, transfer or registration duty or similar charge imposed by any Governmental Authority and includes any interest, fine, penalty charge or other amount imposed in respect of any of them, but excludes Tax;

"**EBITDA**" means net profit (loss) for the period adjusted for: (i) income tax expense; (ii) finance income; (iii) finance expenses; (iv) share of loss of equity accounted investments; (v) impairment of financial assets; (vi) depreciation, amortization and impairments; (vii) reclassification to profit or loss of multiannual prepayments; and (viii) income and expenses that by their nature are not reasonably expected to re-occur in future periods;

"**Encumbrance**" means any pledge, charge, lien, mortgage, debenture, hypothecation, security interest, preemption right or option;

"**Environment**" means all or any of the following media (alone or in combination): air (including the air within buildings and the air within other natural or manmade structures whether above or below ground); water (including water under or within land or in drains or sewers); soil and land and any ecological systems and living organisms supported by these media;

"**Environmental Law**" means all applicable laws, statutes, regulations, statutory guidance notes and final and binding court and other tribunal decisions whose purpose is to protect, or prevent pollution of, the Environment or to regulate emissions, discharges or releases of Hazardous Substances into the Environment, or to regulate the use, treatment, storage, burial, disposal, transport or handling of Hazardous Substances, and all bylaws, codes, regulations with any of therein, decrees or orders issued or promulgated or approved under or in connection with any of them;

"**Equity Commitment Letter**" an equity commitment letter dated and delivered on the date of this Agreement, pursuant to which the Investors commit to provide equity financing in connection with the payment of each component of the Consideration as required under the terms of the Transaction and under which the Seller is a third party beneficiary and has step in rights to compel the Investors to pay the committed equity financing as set forth in the equity commitment letter;

"**Equity Financing**" has the meaning given to that term in Clause 6.5(a);

"**Existing Collection Mandates**" has the meaning given to that term in Clause 6.7(a);

"**Existing Credit Support Instruments**" has the meaning given to that term in paragraph 1 of Schedule 21 (*Specified Credit Support Instruments*);

"**Financial Debt**" means all borrowings and other indebtedness by way of overdraft, acceptance credit, bonds, debentures, notes, finance leases or sale and lease back arrangements or any other similar arrangements the purpose of which is to borrow money, together with any derivative instruments, as well as any other liabilities that would be classified as debt on a balance sheet;

"**First Deferred Payment**" has the meaning given to that term in Clause 3.1(b);

"**Gaming and Betting Laws**" means any act, statute or rule or regulation of any Governmental Authority relating to gaming (including online gaming), betting (including online betting) or gambling activities;

"**Gamma Bidco**" means Gamma Bidco S.p.A., a *società per azioni* incorporated under the laws of Italy, having its registered office at Via Alessandro Manzoni, 38, 20121 Milan, Italy, and registered with the Register of Enterprises of Milan, Monza-Brianza, Lodi under no. 11008390962;

"**Governmental Authority**" means any supranational, national, federal, regional, provincial, state local or other court, government or governmental, administrative, regulatory, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity in any relevant part of the world;

"**Gratta e Vinci Concession**" means the "*convenzione per il rapporto di concessione dell'esercizio dei giochi pubblici denominati Lotterie Nazionali ad estrazione istantanea"*, entered into by and between the ADM and Lotterie Nazionali S.r.l. in 2010;

"**Guarantor**" has the meaning given to that term in the introductory paragraph;

"**Hazardous Substances**" means any wastes, pollutants, contaminants and any other natural or artificial substance (whether in the form of a solid, liquid, gas or vapour) which is capable of causing harm or damage to the Environment or a nuisance or injury to any person;

"**IFRS**" means International Financial Reporting Standards, International Accounting Standards and interpretations of those standards issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee and their predecessor bodies as adopted by the European Union, applicable from time to time;

"**Incoming Licences**" has the meaning given to that term in paragraph 21.10 of Schedule 4 (*Seller's Warranties*);

"**Indemnified Person**" has the meaning given to that term in Clause 8.1(c);

"**Independent Leakage Expert**" has the meaning given to that term in Clause 4.6(a);

"**Intellectual Property**" means trademarks, service marks, logos, patents, designs, trade and business names, domain names, copyright and know-how;

"**Intercompany Contracts**" means the contracts set out in Part 1 of Schedule 17 (*Service Agreements*);

"**Interim Period**" means the period commencing on the date of this Agreement (including) and expiring on the earlier of (including):

(a) the date on which this Agreement is terminated in accordance with Clause 5.5(d); and

(b) the Closing Date;

"**Investors**" has the meaning given to that term in the Equity Commitment Letter;

"**IT Contracts**" means any material written agreements, arrangements or licences relating to IT Systems including all hire purchase contracts or leases of hardware owned or used by an Acquired Entity and licences of software owned or used by an Acquired Entity for the purposes of the Acquired Business (but excluding any shrinkwrapped, clickwrapped or other software commercially available offtheshelf) and which are required in all material respects to conduct the Acquired Business;

"**IT Systems**" means computer hardware and software (excluding shrinkwrapped, clickwrapped or other software commercially available offtheshelf) which in each case is owned by an Acquired Entity and used or held for use for the purposes of the Acquired Business and required in all material respects to conduct the Acquired Business;

"**Last Accounts**" means the standalone statutory financial statements of each Acquired Entity and Optima as of and for the twelve (12) month period ended on the Locked Box Date prepared in accordance with the Accounting Principles, which financial statements shall include income statements, balance sheets and cash flow statements along with associated note disclosures;

"**Leakage**" means:

(a) any payment made or agreed to be made or value or assets transferred or agreed to be transferred by or on behalf of an Acquired Entity to, or for the benefit of, the Seller or any of its Affiliated Persons;

(b) any dividend or equity distribution or any return of capital (including redemption or buyback of shares or other shareholder funding instruments) paid or made by or on behalf of the Acquired Entities to or for the benefit of the Seller or any of its Affiliated Persons;

(c) any assumption, indemnification, discharge, guarantee or payment of any liability by an Acquired Entity to, or for the benefit of, the Seller or any of its Affiliated Persons;

(d) any waiver or discount, deferral or release by or on behalf of an Acquired Entity of any amount, obligation or claim (however arising) owed to such Acquired Entity by the Seller or any of its Affiliated Persons;

(e) any professional advisors fee, bonuses and other payments and expenses paid or incurred by or on behalf of an Acquired Entity in connection with the Carve-Out or the Transaction (including any payment to the directors, the Seller or any of its Affiliated Persons); or

(f) any Taxes arising from any of the items listed in paragraphs (a) through (e),

but, in each case, not including any Permitted Leakage;

"**Legal Impediment Condition**" means the Condition set out in paragraph 4 of Schedule 1 (*Conditions*);

"**Licences**" has the meaning given to that term in paragraph 11.1 of Schedule 4 (*Seller's Warranties*);

"**Licensed Source Code**" means the source code owned by one or more Seller Group Companies used in the Acquired Business other than the source code related to poker and bingo platforms and casino content owned by one or more Seller Group Companies;

"**Locked Box Accounts**" means the aggregation of the Last Accounts, as set out in Schedule 9 (*Locked Box Accounts*);

"**Locked Box Date**" means 31 December 2019;

"**Long Stop Date**" means the date which is six (6) months following the date of this Agreement as may be extended pursuant to Clause 5.5(c);

"**Loss**" or "**Losses**" means all losses, liabilities, actions and claims, including charges, costs, damages, fines, penalties, interest and all legal and other professional fees and expenses, including, in each case, all related Taxes, provided that Loss or Losses shall not include any loss of profit, loss of goodwill, indirect or consequential losses;

"**Lotto Concession**" means the "*atto di convenzione per il rapporto di concessione dell'esercizio della gestione del servizio del gioco del Lotto automatizzato e degli altri giochi numerici a quota fissa*" executed on 2016 by and between the ADM and Lottoitalia S.r.l.;

"**LVR**" has the meaning given to that term in the second recital;

"**LVR Shares**" has the meaning given to that term in the second recital;

"**Merger**" means the contemplated merger of Gamma Bidco with and into the Buyer;

"**MSLOT**" means M. SLOT S.r.l., *a società a responsabilità limitata* incorporated under the laws of Italy, having its registered office at Contrada Martini 3, 73055, Racale (Lecce, Italy) and registered with the Companies Register of Lecce (*Registro delle Imprese di Lecce*) under no. 04434610756;

"**MSLOT Receivable**" means, at a given time, the aggregate amount of the receivables owed by MSLOT to LVR which, as at the date of this Agreement, is equal to €973.909.91 (*nine hundred seventy-three thousand nine hundred nine 91/100 Euros*);

"**New Collection Mandates**" has the meaning given to that term in Clause 6.7(a);

"**Non-Compete Period**" has the meaning given to that term in Clause 8.8(a);

"**Non-Solicit Period**" has the meaning given to that term in Clause 8.6;

"**Optima**" means Optima Gaming Service S.r.l., a *società a responsabilità limitata* incorporated under the laws of Italy, having its registered office at Viale del Campo Boario, 56/d, Rome (Italy) and registered with the Register of Enterprises of Rome under no. 12938091001;

"**Other Hydra Entities**" means the entities from time to time involved in the so called "Hydra" investigation (other than MSLOT), including Oxo;

"**Other Hydra Receivables**" means, at a given time, the aggregate amount of the receivables owed by the Other Hydra Entities to LVR (if any);

"**Overprovision**" has the meaning given to that term in paragraph 14(a)(ii) of Schedule 6 (*Seller's and Guarantor's Limitations of Liability*);

"**Oxo**" means Oxo Games S.r.l., a *società a responsabilità limitata* incorporated under the laws of Italy, having its registered office at Via Monte Fumaiolo – Zona Ind. 8, 73040, Melissano (Lecce, Italy) and registered with the Companies Register of Lecce (*Registro delle Imprese di Lecce*) under no. 04655690750;

"**Parent Undertaking**" means an Undertaking which, in relation to another Undertaking, a "**Subsidiary Undertaking**":

(a) holds a majority of the voting rights at ordinary shareholder meetings of the Undertaking; or

(b) is a member of the Undertaking and has the right to appoint or remove a majority of its board of directors (or analogous body, including a management board and supervisory council); or

(c) has the right to exercise a dominant influence over the Undertaking, by virtue of provisions contained in its constitutional documents or elsewhere; or

(d) is a member of the Undertaking and controls alone, pursuant to an agreement with the other shareholders or members, a majority of the voting rights in the Undertaking,

and an Undertaking shall be treated as the Parent Undertaking of any Undertaking in relation to which any of its Subsidiary Undertakings is, or is to be treated as, Parent Undertaking, and "**Subsidiary Undertaking**" shall be construed accordingly;

"**Party**" means a party to this Agreement and "**Parties**" shall mean the parties to this Agreement;

"**Payee**" has the meaning given to that term in Clause 3.4(b);

"**Payor**" has the meaning given to that term in Clause 3.4(b);

"**Permitted Encumbrances**" means security interests (i) arising by operation of law; (ii) under equipment leases with third parties entered into in the ordinary course of business; or (iii) for Taxation and other governmental charges which are not due and payable or which may be paid without penalty after they become due and payable;

"**Permitted Leakage**" means:

(a) payment of any amount owed by any Acquired Entity to a Seller Group Company pursuant to the Cash Pooling Arrangements;

(b) repayment of the Big Easy Loan in accordance with the terms of the Big Easy Loan Document;

(c) any payment made or agreed to be made of any amount (inclusive of VAT) owed by an Acquired Entity to a Seller Group Company pursuant to (i) an Intercompany Contract in the ordinary course of business consistent with past practice or (ii) a purchase order, invoice or similar instrument on arms' length terms and conditions in the ordinary course of business and consistent with past practice and in any event no more than €2,000,000 (*two million Euros*);

(d) any reimbursement made or agreed to be made by an Acquired Entity of any amount (inclusive of VAT) paid by a Seller Group Company on behalf of an Acquired Entity for goods or services received by such Acquired Entity from a Third Party Service Provider on arm's length terms and conditions in the ordinary course of business and consistent with past practice;

(e) cash dividend distribution made by the Acquired Entities in an amount equal to €249,000,000 (*two hundred forty-nine million Euros*), which was distributed on 31 August 2020;

(f) any amounts incurred, paid or agreed to be paid or payable or liability, cost or expense incurred, in each case, directly in respect of any matter undertaken at the express prior written request of, or with the prior written consent of, the Buyer and which has been specifically acknowledged by the Buyer as Permitted Leakage;

(g) any compensation paid to any directors of the Acquired Entities (other than the employees of the Seller Group who are directors of the Acquired Entities) in the ordinary course of business up to an aggregate amount equal to €42,000 (*forty-two thousand Euros*) per month (inclusive of Tax);

(h) any fees paid in connection with and pursuant to the PWC Engagement Letter; or

(i) payments, or accruals in respect of payments, to be made by any Acquired Entity, to the extent that such payments have been specifically provided or reserved for in the Locked Box Accounts;

"**PREU**" means the *prelievo erariale unico* Tax;

"**PREU Liabilities**" has the meaning given to that term in paragraph 6 of Schedule 5 (*Seller Specific Indemnities*);

"**Proceedings**" has the meaning given to that term in Clause 17.14(b);

"**PWC Engagement Letter**" has the meaning given to that term in Clause 8.1(a);

"**Registered Intellectual Property**" means patents, registered trademarks and service marks, registered designs, domain name registrations (and applications for any of the same);

"**Regulatory Authority**" means the European Commission and the relevant government agency, court or body acting pursuant to any competition, antitrust or merger control law, statute or regulation in Italy, save that, if any other government agency, court or body acting pursuant to any competition, antitrust or merger control law, statute or regulation issues a request or an enquiry relating to the Transaction and the other transactions contemplated by this Agreement, such government agency, court or body shall be deemed to be a Regulatory Authority for the purposes of this Agreement;

"**Related Persons**" has the meaning given to that term in Clause 17.8(e);

"**Released Persons**" has the meaning given to that term in Clause 8.10(a);

"**Relevant Party's Group**" means, in relation to the Buyer, the Buyer Group and in relation to the Seller and the Guarantor, the Seller Group;

"**Retained Business**" means the business of the Seller Group excluding the Acquired Business, which includes the following business segments in Italy:

(a) operating lotteries (e.g. lotto, online and instant ticket (scratch and win));

(b) manufacturing and distribution of AWPs and VLTs and development and distribution of AWP and VLT game content to third parties; and

(c) providing commercial/payment services;

"**Reverse TSAs**" means the reverse transitional services agreements between the relevant Acquired Entity and the relevant Seller Group Companies, of which agreed terms are included in Schedule 8 (*TSAs and Reverse TSAs*);

"**Sales Representatives**" means, in relation to a person, that person's Workers and representatives (including contractors) who undertake sales and marketing responsibilities with respect to such person's business, in each case, other than those Workers set forth in Schedule 14 (*Sales Representatives for Retail Business*);

"**Sanctioned Person**" has the meaning given to that term in paragraph 23.5 of Schedule 4 (*Seller's Warranties*);

"**Sanctions**" has the meaning given to that term in paragraph 23.5 of Schedule 4 (*Seller's Warranties*);

"**Savings**" has the meaning given to that term in paragraph 14(a)(i) of Schedule 6 (*Seller's and Guarantor's Limitations of Liability*);

"**Scommesse**" has the meaning given to that term in the second recital;

"**Scommesse Quotas**" has the meaning given to that term in the second recital;

"**Second Deferred Payment**" has the meaning given to that term in Clause 3.1(c);

"**Seller**" has the meaning given to that term in the introductory paragraph;

"**Seller Group**" means the Seller, its Subsidiary Undertakings, any Parent Undertaking of the Seller and all other Subsidiary Undertakings of any such Parent Undertaking as the case may be from time to time (but excluding the Acquired Entities), and on the basis that, for the purposes of this definition of "**Seller Group**", the ultimate parent undertaking of the Seller shall be the Guarantor, and the expressions "**Seller Group Company**" and "**Seller Group Companies**" shall be construed accordingly;

"**Seller Group Credit Support Documents**" has the meaning given to that term in paragraph 1 of Schedule 21 (*Specified Credit Support Instruments*);

"**Seller Information**" has the meaning given to that term in paragraph 4 of Schedule 6 (*Seller's and Guarantor's Limitations of Liability*);

"**Seller Key Worker**" means:

(a) when used in the context of Clause 8.7 (*Restrictions on the Buyer*), any Seller Group Worker who is located or ordinarily resides in Italy and whose total gross annual remuneration exceeds €75,000 (*seventy-five thousand Euros*); or

(b) when used in this Agreement other than in the context of Clause 8.7 (*Restrictions on the Buyer*), any Acquired Entity whose total gross annual remuneration exceeds €75,000 (*seventy-five thousand Euros*);

"**Seller Specific Indemnities**" means the specific indemnities of the Seller set forth in Schedule 5 (*Seller Specific Indemnities*);

"**Seller's Designated Account**" means the Seller's bank account, details of which shall be notified to the Buyer by the Seller at least five (5) Business Days prior to the Closing Date;

"**Seller's Fundamental Warranties**" means those Seller's Warranties set out in paragraphs 1, 2 and 3 of Schedule 3 (*Seller's Warranties*);

"**Seller's Knowledge Group**" means each of:

(a) Alessandro Paciucci, Gaming Machines SVP, LVR;

(b) Alessandro Fiumara, PlayDigital & Sport Italy Senior Director, Scommesse;

(c) Primiano De Maria, Deputy General Counsel, Vice President Legal Italy, the Seller;

(d) Roberto Saracino, Chief Technology Officer of Italy & Global Communication, Senior Vice President, the Seller;

(e) Barbara Bozzelli, Planning & Control, Vice President, the Seller;

(f) Cristian Gabriele, Tax, Senior Director, the Guarantor; and

(g) Paolo De Blasio, HR Business Partner, Vice President, the Seller;

"**Seller's Lawyers**" means White & Case LLP of 5 Old Broad Street, London EC2N 1DW, England;

"**Seller's Tax Claim**" means a Claim in relation to or in connection to the Seller's Tax Warranties;

"**Seller's Tax Warranties**" means the Seller's Warranties set out in paragraph 20 of Schedule 1 (*Seller's Warranties*);

"**Seller's Warranties**" means the warranties referred to in Clause 9.1 and set out in Schedule 1 (*Seller's Warranties*) and "**Seller's Warranty**" shall mean any one of them and a reference to a numbered Seller's Warranty is a reference to the paragraph of that number in Schedule 1 (*Seller's Warranties*);

"**Source Code License Agreements**" means the licence agreements between one or more Seller Group Companies, as licensor, and one or more Buyer Group Companies, including current and future Subsidiary Undertakings, as licensee, pursuant to which each licensor grants a worldwide, perpetual, royalty free and non-exclusive license to the Licensed Source Code to the applicable licensee for business to consumer purposes and inclusive of such terms that grant the licensees a right to develop and own Intellectual Property derived from the Licensed Source Code, substantially in the agreed form set out in Schedule 12 (*Form of Source Code License Agreement*);

"**Straddle Period**" has the meaning given to that term in paragraph 15(b) of Schedule 6 (*Seller's and Guarantor's Limitations of Liability)*;

"**Subsidiary Undertaking**" means any Undertaking in relation to which another Undertaking is its Parent Undertaking;

"**Tax**" or "**Taxation**" means and includes all forms of taxation and statutory and governmental, state, provincial, local governmental or municipal taxes, levies or charges of any kind and description, including any income, corporate, capital gains, substitute tax, excise, export/import, the PREU, transfer, property taxes, contributions and levies, withholdings and deductions or other tax of any nature whatsoever, including Duties and VAT, in each case whether of Italy or elsewhere and whenever due, payable, imposed, levied or assessed by any national, regional or municipal Taxation Authority, and all related penalties, charges, fines, costs and interest thereon;

"**Tax Gross-Up**" has the meaning given to that term in Clause 3.4(b);

"**Tax Refund**" has the meaning given to that term in paragraph 14(a)(iii) of Schedule 6 (*Seller's and Guarantor's Limitations of Liability*);

"**Tax Relief**" has the meaning given to that term in paragraph 14(a)(i) of Schedule 6 (*Seller's and Guarantor's Limitations of Liability*);

"**Taxation Authority**" means any governmental or other authority competent to impose, collect or assess Taxation whether in Italy or elsewhere;

"**Taxation Authority Claim**" means a claim, assessment, notice, demand or other document issued or action taken by and on behalf of any Taxation Authority whether before or after the date hereof from which it appears that an Acquired Entity has or may have a liability for Tax (whether or not the payment is primarily payable by the relevant Acquired Entity and whether or not the relevant Acquired Entity has or may have a right of reimbursement against another person), which may lead to a Claim;

"**Third Party Claim**" has the meaning given to that term in paragraph 13 of Schedule 6 (*Seller's and Guarantor's Limitations of Liability*);

"**Third Party Contract**" means a contract between a person which is not a Seller Group Company and an Acquired Entity;

"**Third Party Service Providers**" means those entities specified in Part 2 of Schedule 17 (*Service Agreements*);

"**Transaction**" means the sale and purchase of the Transfer Interests in accordance with the terms of this Agreement;

"**Transaction Documents**" means each of:

(a) this Agreement;

(b) the Disclosure Letter;

(c) the Commitment Letters;

(d) Source Code License Agreements; and

(e) the TSAs and the Reverse TSAs,

and "**Transaction Document**" shall mean any one of them;

"**Transfer Interests**" has the meaning given to that term in the second recital;

"**TSAs**" means the transitional services agreements between certain Seller Group Companies and the relevant Acquired Entities or Buyer Group Companies (as applicable), substantially in the agreed form set out in Schedule 8 (*TSAs and Reverse TSAs*);

"**Undertaking**" means a body corporate or partnership or an unincorporated association carrying on trade or business;

"**Unrelated Credit Support Instruments**" means:

(a) bank guarantee no. 460831339556 in the amount of €4,000.00 (*four thousand and 00/100 Euros*) issued by UniCredit S.p.A. on behalf of Scommesse for the benefit of Eni S.p.A.;

(b) bank guarantee no. 7010101/1 in the amount of €1,342,970.16 (*one million three hundred forty-two thousand nine hundred seventy and 16/100 Euros*) issued by Banca Monte dei Paschi di Siena S.p.A. on behalf of Scommesse for the benefit of the ADM;

(c) bank guarantee no. 896BGI1601392 in the amount of €759,407.25 (*seven hundred fifty-nine thousand four hundred seven and 25/100 Euros*) issued by Deutsche Bank S.p.A. on behalf of Scommesse for the benefit of the ADM; and

(d) bank guarantee no. 416066/a in the amount of €69,881.12 (*sixty-nine thousand eight hundred eighty-one and 12/100 Euros*) issued by Banca Nazionale del Lavoro S.p.A. on behalf of Scommesse for the benefit of the ADM;

"**VAT**" means any Taxation levied by reference to added value or any sales or turnover tax of a similar nature;

"**VLTs**" means video lottery terminals; and

"**Workers**" means any employees, directors, officers, workers and self-employed contractors of the specified Party or group (as applicable) and "**Worker**" shall mean any one of them.

1.2 **Construction**

(a) The expression "**in the agreed form**" means in the form agreed between the Buyer and the Seller and signed for the purpose of identification by or on behalf of the Buyer and the Seller.

(b) Any reference to "**agreement**" or "**contract**" means such agreement or contract with its exhibits, schedules or annexes as may be amended and/or varied pursuant to its terms.

(c) Any reference to "**writing**" or "**written**" means any method of reproducing words in a legible and nontransitory form (excluding, for the avoidance of doubt, email).

(d) References to "**include**" or "**including**" are to be construed without limitation.

(e) References to a "**company**" include any company, corporation or other body corporate wherever and however incorporated or established.

(f) References to a "**person**" include any individual, company, partnership, joint venture, firm, association, trust, governmental or regulatory authority or other body or entity (whether or not having separate legal personality).

(g) References to a "**day**" is to a calendar day.

(h) The table of contents and headings are inserted for convenience only and do not affect the construction of this Agreement.

(i) Unless the context otherwise requires, words in the singular include the plural and vice versa and a reference to any gender includes all other genders.

(j) References to Clauses, paragraphs, Schedules and Appendices are to clauses and paragraphs of, and schedules and appendices to, this Agreement.

(k) References to any act, statute or statutory provision include a reference to that statute or statutory provision as amended, consolidated or replaced from time

to time (whether before or after the date of this Agreement) and include any subordinate legislation made under the relevant statute or statutory provision.

(l) References to any English legal term for any action, remedy, method of financial proceedings, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be deemed to include what most nearly approximates in that jurisdiction to the English legal term.

(m) References to "**material**" mean, save where the context requires otherwise, material having regard to the business, profits or assets of the Acquired Entities taken as a whole.

(n) References to "**substantiated**" in the context of a Claim means a Claim for which the Seller or the Buyer (as applicable) may be liable and which is admitted or proved in a court of competent jurisdiction with all rights of appeal having been exhausted.

(o) References to "**ordinary course**" shall include actions, measures or conduct consistent with past practice and taken or implemented to ensure the preservation of assets, licenses and relationships with customers, vendors, suppliers and Workers of the relevant person and shall also include actions, measures or conduct:

(i) to comply with any enforceable and binding legal requirements with respect to COVID-19 (coronavirus disease) that have been issued pursuant to legislation or regulation or consistent with the guidelines or recommendations prepared by the World Health Organisation or a Governmental Authority which has authority over the geographical region to which the action, measure or conduct relates;

(ii) to comply with the 2015 Italian Budget Law; and

(iii) to prorogate of the Acquired Entities' Concessions, as applicable, granted by the ADM.

(p) The use of the word "or" to connect two or more words or phrases shall be construed as each word or phrase independently as well as inclusive of all such words or phrases (*e.g.*, "A or B" means "A or B or both A and B").

(q) Any reference to a Party using, or an obligation on a Party to use, its "**reasonable endeavours**" shall not oblige that Party to incur material expenditure save as expressly provided under the terms of this Agreement or to take any action which would be commercially onerous or unreasonable or detrimental to its material commercial interests.

(r) All payments required in accordance with this Agreement shall be made in Euro. For the purposes of applying a reference to a monetary sum expressed in Euro, an amount in a different currency shall be converted into Euro on a particular date at an exchange rate equal to the mid-point closing rate for converting that currency into Euro on that date as quoted in the London edition of the Financial Times first next published (or, if no such rate is quoted

in the Financial Times, the mid-point closing rate quoted by Barclays Bank PLC in London). In relation to a Claim, the date of such conversion shall be the date of receipt of notice of that Claim in accordance with Schedule 6 (*Seller's and Guarantor's Limitations of Liability*).

(s) This Agreement shall be binding on and be for the benefit of the successors of the Parties including, with respect to the Seller, the *società per azioni* arising from the conversion of the Seller from a *società a responsabilità limitata* to a *società per azioni* and, with respect to the Buyer, the surviving entity of the Merger.

1.3 **Schedules and Appendices**

The Schedules and Appendices are incorporated into and form an integral part of this Agreement.

1.4 **Obligations of the Guarantor**

The obligations of the Guarantor under this Agreement are limited to its performance of Clause 13 (*Confidentiality*), Clause 14 (*Announcements*), Clause 15 (*Guarantee and Indemnity*) and Clause 17 (*Miscellaneous*).

2. Sale and Purchase

2.1 The Seller shall sell and the Buyer shall purchase the Transfer Interests with all rights now or in the future attaching to them (including the right to receive all dividends, distributions and interest or any return of capital declared, made or paid on or after the date of this Agreement), and shall transfer legal and beneficial title to the Transfer Interests to the Buyer free from all Encumbrances, pursuant to the terms of this Agreement.

2.2 The Seller hereby waives and shall procure the waiver of any restrictions on transfer (including all preemption rights) which may exist in relation to the Transfer Interests.

2.3 Neither the Seller nor the Buyer shall be obligated to complete the sale and purchase of either of the Transfer Interests unless the sale and purchase of all Transfer Interests is completed simultaneously.

2.4 On the date of this Agreement, the Buyer has provided the Seller with the Equity Commitment Letter and the Debt Commitment Letter.

3. Consideration

3.1 **Consideration and Closing Payments**

The consideration for the sale and purchase of the Transfer Interests shall be the cash payment by the Buyer to the Seller or its nominee of the Consideration, as follows:

(a) at Closing, the cash payment by the Buyer to the Seller of the sum of €725,000,000 (*seven hundred twenty-five million Euros*) (the "**Closing Payment**"); plus

(b) on (or prior to, if so elected by the Buyer in its sole discretion) 31 December 2021, the cash payment by the Buyer to the Seller of the sum of €100,000,000 (*one hundred million Euros*) (the "**First Deferred Payment**"); plus

(c) on (or prior to, if so elected by the Buyer in its sole discretion) 30 September 2022, the cash payment by the Buyer to the Seller of the sum of €125,000,000 (*one hundred twenty-five million Euros*) (the "**Second Deferred Payment**").

3.2 **Cash Pooling Balance**

At Closing, an amount equal to the Closing Cash Pooling Balance notified pursuant to Clause 6.4(a)(i) shall be paid as follows:

(a) to the extent that the Closing Cash Pooling Balance contemplates an amount attributable to the Acquired Entities, the Seller shall procure that an amount in cash equal to balances attributable to the Acquired Entities are transferred to the Acquired Entities in accordance with paragraph 5 of Part 1 of Schedule 3 (*Closing Arrangements*);

(b) to the extent that the Closing Cash Pooling Balance contemplates an amount attributable to the Seller Group, the Buyer shall procure that an amount in cash equal to the Closing Cash Pooling Balance shall be transferred to the Seller's Designated Account by telegraphic transfer in immediately available cleared funds; or

(c) to the extent that the Closing Cash Pooling Balance is zero (0), no payment shall be required to be made.

3.3 **LVR Shares and Scommesse Quotas Sale Price**

(a) The consideration for the LVR Shares is €690,000,000 (*six hundred ninety million Euros*); and

(b) The consideration for the Scommesse Quotas is €260,000,000 (*two hundred sixty million Euros*).

3.4 **Other Payments and Gross-up**

(a) Notwithstanding anything to the contrary in this Agreement or otherwise, any payment to be made by any Party or Acquired Entity in respect of any Claim or breach of this Agreement (including any breach of a Seller's Warranty or a Buyer's Warranty) shall be determined and paid net of (i) any Tax deduction, saving or benefit available to the other Party or the relevant Acquired Entity in connection with the event which has given rise to such payment and (ii) any amount in respect of VAT which is recoverable as input tax by such other Party or the relevant Acquired Entity in respect of such Claim.

(b) Subject to Clause 3.4(a), any payment due by a Party in respect of any Claim or any breach of this Agreement (including any breach of a Seller's Warranty or a Buyer's Warranty), under any indemnity (including pursuant to Schedule 5 (*Seller Specific Indemnities*)), shall be increased by any amount necessary, on a Euro-for-Euro basis, to ensure that, after any such payment having been subject to Taxation, the other Party is left with the same amount it would have

had if the payment was not subject to Taxation ("**Tax Gross-Up**"). Upon written request of the Party making a payment contemplated by this Clause 3.4(b) (the "**Payor**"), the Party having received a Tax Gross-Up payment (the "**Payee**") shall instruct its auditors to provide a statement to the Payor on such payment having been subject to Taxation. If any Tax controversy arises with any Taxation Authority with respect to the Tax treatment of any such payment, the Parties shall co-operate in good faith and take all reasonable actions to secure that a Tax deduction for income tax purposes, or a Tax refund or Tax relief, as the case may be, is granted in connection with such payment; it being understood that once a Party receives a Tax refund or is entitled to a Tax relief on the basis of a final non-appealable Taxation Authority or court decision, the Tax Gross-Up payment shall be reimbursed to the Payor solely for an amount corresponding to any Tax refund (or portion thereof) being paid or such Tax relief (or portion thereof) being utilized by the Payee. For the avoidance of doubt, in the event either Party assigns its rights or obligations under this Agreement, the Payor shall only be obligated to apply the Tax Gross-Up in the maximum amount such Tax Gross-Up would have been due had such assignment not taken place.

4. Leakage

4.1 Warranty and Undertaking

(a) The Seller:

(i) warrants to the Buyer that, during the period commencing on the date immediately following the Locked Box Date and expiring on the date immediately preceding the date of this Agreement, there has been; and

(ii) undertakes to the Buyer that, during the Interim Period, there shall be,

no Leakage provided that the Seller shall have no liability to the Buyer under this Clause 4.1 or Clause 4.4 if Closing does not occur.

(b) Compliance by the Seller with its obligations under Clause 6 (*PreClosing Obligations*) does not prevent something that would otherwise be Leakage from being Leakage.

4.2 Notification of Leakage

The Seller undertakes to notify the Buyer as soon as is reasonably practicable upon becoming aware of any Leakage having taken place at any time during the period set out in Clause 4.1(a)(i) and Clause 4.1(a)(ii).

4.3 Adjustment for Leakage

(a) If any Leakage is notified or comes to the attention of the Buyer on or prior to Closing then, subject to the Seller agreeing that Leakage has occurred and agreeing to the amount to be paid by the Seller pursuant to Clause 4.4 in respect of such Leakage (an "**Agreed Leakage Amount**"), the Buyer shall be entitled to reduce the Closing Payment to be paid to the Seller pursuant to Clause 3.1 by the full amount of such Agreed Leakage Amount (and the

payment of the amount of the Closing Payment so reduced shall be an absolute discharge of the Buyer's obligations hereunder in respect of the Closing Payment to be paid to the Seller pursuant to this Agreement).

(b) For the avoidance of doubt:

(i) the fact that any Leakage is notified or comes to the attention of the Buyer on or prior to Closing but no Agreed Leakage Amount is agreed in respect of it pursuant to this Clause 4.3 shall not affect the Seller's obligations or the Buyer's rights pursuant to Clause 4.1 and Clause 4.4 or otherwise under this Agreement in respect of that Leakage; and

(ii) the fact that an Agreed Leakage Amount has been agreed pursuant to this Clause 4.3 in respect of known items of Leakage shall not preclude the Buyer from recovering any further amounts payable under Clause 4.4 in respect of any other items of Leakage not fully taken into account in the Agreed Leakage Amount(s).

4.4 **Payment for Leakage**

If any Leakage occurs, the Seller shall pay to the Buyer, or if so designated by the Buyer, to a Subsidiary Undertaking or a Parent Undertaking of the Buyer, an amount in cash equal, on a Euro-for-Euro basis to the amount of such Leakage, save that, for the avoidance of doubt, any amount already taken into account in the calculation of any Agreed Leakage Amount that has in turn been taken into account in the determination of the Closing Payment pursuant to Clause 4.3 shall not be recoverable under this Clause 4.4 after Closing.

4.5 **Limitations**

(a) The liability of the Seller under this Clause 4 shall terminate on the date which is one hundred eighty (180) days following the Closing Date, save in respect of any claim for breach of Clause 4 of which the Buyer has given notice to the Seller before the expiration of such period containing reasonable details of the relevant breach and, if practical, of the calculation of the amounts claimed.

(b) The aggregate liability of the Seller in respect of all claims under this Clause 4 shall not exceed the amount of Leakage.

4.6 **Expert Determination of Leakage**

(a) In the event of any Leakage, without prejudice to Clause 4.3, the Seller and the Buyer shall endeavour to agree the amount payable pursuant to Clause 4.4 in relation to that Leakage on or before the date which is ten (10) Business Days following notice that such Leakage has taken place by the Buyer to the Seller or vice versa. Failing agreement on that amount of such Leakage, either the Buyer or the Seller may on or before the date which is ten (10) Business days following the expiration of such period refer the disagreement in relation to the Leakage for resolution to an independent accountant (the "**Independent Leakage Expert**") appointed in accordance with Clause 4.6(b). The Independent Leakage Expert shall act as an expert and not an arbitrator.

(b) The Independent Leakage Expert shall be Binder Dijker Otte or, if Binder Dijker Otte refuses to act or, if at the time of such disagreement Binder Dijker Otte is no longer independent of each Party, the Independent Leakage Expert shall be an independent expert with appropriate qualifications and experience to be agreed by the Seller and the Buyer (or in the absence of such agreement on or before the date which is five (5) Business Days following Binder Dijker Otte's refusal to act, a firm of chartered accountants designated by the then President of the Institute of Chartered Accountants in England and Wales or his or her deputy upon the application of the Buyer or the Seller).

(c) The Seller and the Buyer shall instruct the Independent Leakage Expert to consider only those items and amounts as to which the Buyer and the Seller have not resolved their disagreement in relation to the Leakage. The Independent Leakage Expert shall further be instructed to deliver to the Buyer and the Seller as promptly as practicable and in no event later than twenty (20) Business Days after its appointment a written report setting forth the resolution of any such disagreement concerning the relevant Leakage (the "**Leakage Report**"). The Leakage Report shall be final and binding upon the Parties in the absence of fraud or manifest error.

(d) The Independent Leakage Expert shall be entitled to interpret the provisions of this Agreement to the extent necessary to render its determinations hereunder.

(e) The Seller and the Buyer shall be entitled to make written submissions to the Independent Leakage Expert and shall cooperate with the Independent Leakage Expert with such information and assistance as it may reasonably require for purposes of reaching its decision, including the Buyer and Seller shall procure that the Independent Leakage Expert has reasonable access to all relevant books, records, financial statements, data and other relevant information and documentation and personnel of the Acquired Entities or the Seller Group, as applicable, and their respective auditors, subject to any confidentiality or privilege or privacy law limitations and compliance with any requirement imposed by applicable law.

(f) The Independent Leakage Expert shall have the right to seek such professional assistance and advice as he or she may reasonably require.

(g) The fees and other reasonable out-of-pocket documented disbursements of the Independent Leakage Expert shall be paid by the relevant Parties in inverse proportion to the determination by the Independent Leakage Expert of the overall amount of Leakage (which was the subject of the disagreement of the Leakage) to be reimbursed to the Buyer, compared to the amount of such Leakage asserted by the other Party.

5. Conditions

5.1 Conditions Precedent

The obligations of the Seller and the Buyer to complete the Transaction are in all respects conditional on the satisfaction (or waiver, as the case may be) of those matters set out in Schedule 1 (*Conditions*) (the "**Conditions**").

5.2 Efforts to Satisfy

(a) The Buyer shall use reasonable endeavours to ensure that each of the ADM Condition and the Antitrust Condition are satisfied as expeditiously as possible, and in any event before the Long Stop Date.

(b) The Seller shall use reasonable endeavours to ensure that the Collection Mandates Condition is satisfied as expeditiously as possible, and in any event before the Long Stop Date.

(c) The Seller shall use reasonable endeavours to ensure that the Acquired Entities' Concessions Condition remains satisfied during the Interim Period and as of the Closing Date.

(d) The Seller and the Buyer shall each use reasonable endeavours to ensure that the Legal Impediment Condition remains satisfied as of Closing.

5.3 Waiver

(a) The ADM Condition, the Antitrust Condition and the Acquired Entities' Concessions Condition are each for the sole benefit of the Buyer and each may only be waived by the Buyer in writing.

(b) The Legal Impediment Condition and the Collection Mandates Condition are for the benefit of both the Seller and the Buyer and each may only be waived by written agreement between the Seller and the Buyer.

5.4 Regulatory Efforts

(a) In relation to the ADM Condition and the Antitrust Condition, the Seller shall and shall procure that each other Seller Group Company cooperates with the Buyer (and its Agents) and each applicable Regulatory Authority, to the extent necessary and on a confidential basis, and provide all necessary information and assistance reasonably required by the Buyer or by each Regulatory Authority in relation to the ADM Condition and the Antitrust Condition as soon as reasonably practical upon being requested to do so, *provided* that any information provided in relation to the Seller's Parent Undertaking and its Affiliated Persons that is commercially sensitive and not concerning or relating to the Acquired Entities may be provided only to the Buyer's legal advisors on a confidential basis. Further, to the extent the ADM requires the PREU Liabilities to be settled as a condition to their approval as required by the ADM Condition, the Seller shall cause the PREU Liabilities to be discharged prior to Closing.

(b) The Buyer shall:

(i) submit draft filings to the ADM and each Regulatory Authority in respect of the ADM Condition and the Antitrust Condition, respectively, as soon as practicable following the date of this Agreement and in any event on or before the date which is thirty (30) days following the date of this Agreement and submit the final filings as soon as permitted thereafter by the ADM or each Regulatory Authority (as applicable);

(ii) invite the Seller to participate in any call or meeting with the ADM or each Regulatory Authority, promptly inform the Seller of the content of any meeting, material conversation and any material other communication which takes place between the Buyer (or its Agents) and the ADM or each Regulatory Authority in which the Seller did not participate and provide copies or, in the case of nonwritten communications, a written summary, to the Seller; and

(iii) procure that the Seller is given a reasonable opportunity to review and comment on drafts of all material written notifications, filings and submissions before they are submitted to the ADM or the relevant Regulatory Authority and provide the Seller with final copies of all such material written notifications, filings and submissions (it being acknowledged that certain such drafts or documents may be shared on a confidential basis only with outside counsel) and take account of any reasonable comments,

provided that the Buyer shall in any event be entitled to redact any personal information and commercially sensitive information concerning or relating to the Apollo Group and its Affiliated Persons.

(c) The Buyer shall:

(i) take, and shall procure that each other Buyer Group Company takes, all steps necessary to secure the satisfaction of each of the ADM Condition and the Antitrust Condition by the end of the initial period of review of the ADM or each Regulatory Authority (as applicable) (including without the need for a second phase of investigation). Such steps shall include, but are not limited to, proposing, negotiating, offering to commit and agreeing, in each case where necessary to ensure that each of the ADM Condition and the Antitrust Condition (as applicable) is satisfied prior to the Long Stop Date with the ADM or any Regulatory Authority (as applicable), to effect (and if such offer is accepted, commit to effect), by agreement, order or otherwise the sale, divestiture, license, or disposition of any necessary assets or businesses by the Buyer or by any other Buyer Group Company; and

(ii) use its reasonable endeavours to avoid any declaration of incompleteness by the ADM or any Regulatory Authority or any other suspension of the periods for clearance.

(d) If the ADM or any Regulatory Authority requests any divestitures or disposals of all (or any portion) of the Acquired Business or other behavioural remedies to occur prior and as a condition to Closing, the Seller shall, and shall procure that each other Seller Group Company shall, in full cooperation and with the approval of the Buyer and at the Buyer's cost, procure that the relevant Acquired Entity divest or dispose of such assets or otherwise comply with such behavioural remedies to allow the ADM Condition or the Antitrust Condition (as applicable) to be satisfied. The Buyer shall:

(i) reimburse reasonable third party out-of-pocket costs incurred by the Seller or a Seller Group Company in carrying out its obligation under this Clause 5.4(d) and the Seller shall provide the Buyer with such supporting documentation as the Buyer reasonably requests for the purpose of evaluating such costs; and

(ii) to the extent Closing does not occur, indemnify and hold each Seller Group Company harmless from any Loss suffered by any of them arising from, in connection with, relating to or deriving from their compliance with the obligation under this Clause 5.4(d).

(e) If the ADM or any Regulatory Authority makes any requests for divestitures, disposals or behavioural remedies, the Buyer shall not be entitled to claim a reduction or adjustment of the Consideration or to rescind or terminate this Agreement, whether before or after Closing, and the Buyer waives all and any rights of rescission which it may have in respect of any matter to the full extent permitted by law.

(f) Subject to Clause 5.4(c), and without otherwise limiting the generality of the Buyer's or the Seller's respective obligations pursuant to this Agreement, if any administrative or judicial action or proceeding is instituted (or threatened to be instituted) challenging the Transaction, the Buyer shall use reasonable endeavours to contest and resist any such action or proceeding. Notwithstanding anything in this Clause 5.4(f) to the contrary, under no circumstances shall any Buyer Group Company or any Seller Group Company be under the obligation to institute any administrative or judicial action or proceeding against a Regulatory Authority. The Buyer may not, without the prior written consent of the Seller, withdraw any notification, filing or submission made by it to the ADM or the Regulatory Authority.

(g) Notwithstanding anything to the contrary in this Clause 5.4, the Seller and the Buyer may, before providing information to the other Party (or its Agents) redact information concerning:

(i) with respect to the Seller, the Seller Group; or

(ii) with respect to the Buyer, the Apollo Group and its Affiliated Persons, including any personal information relating to any individual,

in each case which is to be provided under this Clause 5.4 that the disclosing Party considers to be secret, confidential or commercially sensitive to the Seller Group or the Apollo Group and its Affiliated Persons (as applicable).

5.5 **Satisfaction and Termination**

(a) The Seller and the Buyer shall notify the other Party of anything which will or may prevent any of the Conditions from being satisfied on or before the Long Stop Date promptly after it comes to its attention.

(b) The Seller and the Buyer shall notify the other Party as soon as possible, and in any event within two (2) Business Days, on becoming aware that a Condition has been satisfied (to the extent capable of satisfaction).

(c) The Long Stop Date shall be extended by three (3) months if, as a condition to the satisfaction of the ADM Condition or the Antitrust Condition, the ADM or any other applicable Regulatory Authority requires the divesture by a Buyer Group Company or an Acquired Entity of AWPs or VLTs.

(d) If any of the Conditions are not satisfied or waived on or before the Long Stop Date (as extended by Clause 5.5(c)), the Parties shall be entitled to treat this Agreement as terminated, subject to, and on the basis set out in, Clause 12 (*No Right to Rescind or Terminate*).

6. PreClosing Obligations

6.1 **Conduct of Acquired Business**

Subject to Clause 6.3, during the Interim Period, the Seller shall procure that each Acquired Entity will conduct the Acquired Business in the ordinary course, consistent with past practice and ensuring preservation of assets, licenses and relationship with customers, vendors, suppliers and employees, except to the extent required to give effect to this Agreement.

6.2 **Seller Interim Period Covenants**

Subject to Clause 6.3, during the Interim Period, the Seller shall not take, and shall procure that no Acquired Entity takes, any of the following actions in respect of the Acquired Business without the prior written consent of the Buyer (such consent not to be unreasonably withheld, conditioned or delayed):

(a) any action requiring the approval of the governing bodies (or their respective committees) of the Acquired Entities or of any Seller Group Company to the extent such actions relate to any Acquired Entity or the Acquired Business;

(b) except in the ordinary course of conducting its business, dispose of, transfer, assign or create any lien on any asset;

(c) acquire any asset (other than an asset acquired in the ordinary course of business), equity interests or Undertakings or establish any joint ventures;

(d) assume or incur indebtedness other than (i) in connection with Cash Pooling Arrangements or the Big Easy Loan that will be repaid or settled in accordance with their terms and this Agreement, (ii) pursuant to and in accordance with the terms of the Intercompany Contracts which have been Disclosed or (iii) or any purchase orders issued by an Acquired Entity in the ordinary course of

business and in accordance with past practice up to a maximum amount of €2,000,000 (*two million Euros*) in aggregate during the period commencing on the Locked Box Date and expiring on the Closing Date;

(e) on a monthly basis, make any capital expenditure in the aggregate in excess of:

(iii) €4,500,000 (*four million five hundred thousand Euros*) with respect to a given month in 2020; and

(iv) €3,000,000 (*three million Euros*) with respect to a given month in 2021,

in each case under (i) and (ii) excluding fees paid to the ADM in relation to Acquired Entities' Concessions, *provided* that the Seller shall be entitled to carry forward any unused amount per month to subsequent months and *provided further* that the aggregate amount under this Clause 6.2(e) shall not exceed €20,500,000 (*twenty million five hundred thousand Euros*). Schedule 16 (*Acquired Entities' Monthly Capex*) sets forth projections of the capital expenditure for each Acquired Entity (excluding fees paid to the ADM in relation to Acquired Entities' Concessions), which projections shall be subject to the limitations of this Clause 6.2(e);

(f) enter into any transactions or new transaction (other than purchase orders in the ordinary course of business on an arm's length basis and in accordance with past practice) in each case with or for the benefit of any Seller Group Company other than as set forth in Clause 6.2(d), or enter into any such transaction that could be expected to result in any Tax liability for which the Seller or any Seller Group Company would be liable (whether by reason of any withholding obligation, reduction in any Tax attribute or otherwise);

(g) make, change or revoke any Tax election, change any Tax accounting method or Tax accounting period, file any amended Tax return, file any Tax return in a manner not consistent with past practice, settle, surrender or compromise any Tax action or surrender any right to claim a Tax refund, in each case other than such changes or actions as are required by a relevant Taxation Authority, applicable law or IFRS, provided that, if such changes or actions are so required, the Seller shall (i) promptly inform the Buyer of any such changes or actions, (ii) provide to the Buyer copies of all correspondence and full and accurate notes of any non-written communications with a Taxation Authority, (iii) promptly notify the Buyer of any intended oral communication or any meeting with any Taxation Authority and allow the Buyer or its representatives to participate in any such communication or meeting, and (iv) not make any communication with a Taxation Authority without the prior written approval of the Buyer (such approval not to be unreasonably withheld, conditioned or delayed);

(h) (i) recruit any new Seller Key Worker; (ii) change the level of compensation of any Seller Key Worker; or (iii) except as required by law or applicable (national or company level) collective bargaining agreements, materially

change the total number of Workers or change the level of compensation to all Workers taken as a whole;

(i) change the capital structure of any Acquired Entity (whether through share or quota buy-backs, the creation of authorized or contingent capital, the issuance of convertible or option bonds or profit participation certificates or otherwise);

(j) enter into or materially amend any:

(i) contracts (including the Acquired Entities' Concessions) other than as required to extend any Acquired Entities' Concession or in the ordinary course of business;

(ii) guarantees provided by third parties to third parties (in each case being an entity other than a Seller Group Company) for the benefit of the Acquired Entities or provided by the Acquired Entities to any third party (other than a Seller Group Company); or

(iii) agreements with any Seller Group Company;

(k) undertake any corporate reorganization, restructurings, liquidations or mergers or enter into enterprise agreements;

(l) release or discharge any liability owed to any Acquired Entity other than in the ordinary course of business; and

(m) commence or settle litigation for damages or other remedy in excess of €100,000 (*one hundred thousand Euros*) per each relevant claim.

6.3 **Seller Permitted Conduct**

Nothing in Clause 6.1 or Clause 6.2 restricts the Seller or any Acquired Entity from doing anything:

(a) that is required by any Transaction Document;

(b) in the ordinary course of management of the Seller's or the relevant Acquired Entity's Tax affairs, excluding however any settlement of a threatened or pending Taxation Authority Claim and provided that it shall not have any material impact on the Tax position of the relevant Acquired Entity, unless otherwise agreed in good faith with the Buyer;

(c) to make any claim, election, surrender or disclaimer or give any notice or consent, the making, giving or doing of which was explicitly taken into account in computing any explicit provision or reserve for Tax in the Locked Box Accounts, provided that it shall not have any material impact on the Tax position of the relevant Acquired Entity, unless otherwise agreed in good faith with the Buyer;

(d) to provide information to any Regulatory Authority or Taxation Authority in the ordinary course of business and to the extent required by applicable law or by such Taxation Authority;

(e) to reasonably and prudently respond to an emergency or disaster (including a situation giving rise to a risk of personal injury or damage to property), *provided* that, to the extent practicable, the Buyer is informed in advance of taking any such action and that any comments the Buyer may have are considered in good faith;

(f) that is necessary for an Acquired Entity to meet its legal or contractual obligations that have been Disclosed to the Buyer; or

(g) to make any payments required in relation to extension of the Acquired Entities' Concessions.

6.4 **Seller Pre-Closing Obligations**

During the Interim Period (or after the Interim Period to the extent specifically provided herein), the Seller shall:

(a) *Cash Pooling Arrangements*: with respect to the Cash Pooling Arrangements:

(i) five (5) Business Days prior to Closing, notify the Buyer of the Closing Cash Pooling Balance; and

(ii) on Closing, procure the termination of the Cash Pooling Arrangements and settle the Closing Cash Pooling Balance;

(b) *Registered Intellectual Property*: as soon as reasonably practicable but in any event by Closing, transfer the Registered Intellectual Property set out in Part 2 of Schedule 9 (*Intellectual Property*) which, as of the date of this Agreement, is not in the name of an Acquired Entity to an Acquired Entity, and provide the Buyer with documentary evidence of such transfer as soon as reasonably practicable thereafter and in any event before Closing;

(c) *Buyer's Debt Financing*: procure that each Acquired Entity shall provide (and procure that their respective Agents provide) such reasonable assistance (at the Buyer's sole expense) with the Debt Financing as is reasonably requested by the Buyer, including:

(i) subject to Clause 8.1, delivery of audited financial statements for the Acquired Entities with respect to financial years 2019 and 2020 and 2021 quarterly financial statements (as required), to the extent required (and any other periods as are reasonably required and as are set forth in the PWC Engagement Letter);

(ii) provide reasonable access to the Acquired Business for the purpose of preparation of any pro forma accounts required in connection with the Debt Financing;

(iii) using reasonable endeavours to provide access to the accountants or auditors of the Acquired Entities with respect to customary due diligence and using reasonable endeavours to procure from the auditors of the Acquired Entities customary comfort letters,

in each case, at reasonable times and subject to reasonable prior notice in order to avoid interference with the conduct of the Acquired Business or the Retained Business; *provided*, that failure by the Seller to comply with the foregoing cooperation obligations shall not relieve the Buyer of its obligations with respect to Closing, and *provided, further* that the Seller shall not be relieved from any liability from a failure to comply with such cooperation obligations, unless such failure is cured on or before the date which is fifteen (15) days following receipt of a notice of breach delivered by the Buyer to the Seller, *provided, further* that if and to the extent reasonably required by the Buyer, the Seller shall continue providing reasonable assistance with Debt Financing (including through provision of access to the Seller Group's auditors working papers in relation to the consolidated accounts of the Seller Group to the extent they relate to the Acquired Entities) after Closing. In addition, notwithstanding the foregoing, nothing in this Agreement shall require such cooperation to the extent that it would (A) require any of the Acquired Entities to enter into any financing, purchase or other agreement that would be effective prior to Closing or (B) result in any Seller Group Company or officer, director, manager or other representative of any of the Acquired Entities or of any Seller Group Company incurring any personal liability with respect to any matters relating to the applicable financing;

(d) *Change of Control*: with respect to material (with "material" having the meaning set forth in paragraph 9.1 of Schedule 4 (*Seller's Warranties*)) Third Party Contracts, procure that each Acquired Entity shall request its respective counterparties to waive such counterparties' rights in connection with a change of control of such Acquired Entity (to the extent such rights are provided under such Third Party Contracts to which such Acquired Entity is a party) and use reasonable endeavours to facilitate the introduction of the Buyer to such counterparties;

(e) *Access*: procure that each Acquired Entity shall, subject to applicable laws, including any ADM rules and regulations and any competition, antitrust or merger control laws, statutes or regulations (and, as necessary, entry into any appropriate clean team arrangements), provide the Buyer with:

(i) reasonable access to management of the Acquired Business (at the Buyer's sole expense) subject to reasonable prior notice, at reasonable times and without interfering with the conduct of the Acquired Business or the Retained Business;

(ii) financial information prepared with respect to the Acquired Business, including monthly and quarterly statutory reports, as soon as such financial information becomes available from time to time;

(iii) information reasonably required specifically in relation to the Merger in order for the Merger to be implemented in accordance with applicable law, that is reasonably requested by the Buyer and that is then in existence and does not require any additional material work for the Acquired Entities or the Seller Group to generate;

(iv) information required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations and the Debt Financing Sources' corresponding internal policies of general application to all borrowers;

(v) (subject to execution of any required non-reliance letters and confidentiality agreements) due diligence materials and other information reasonably required by the Debt Financing Sources or their respective legal advisers in connection with their due diligence investigation in respect of the Acquired Entities, and to provide reasonable access to the premises, books, records and accounts of the Acquired Entities, including the right to inspect them and make copies of documents; and

(vi) any other material information reasonably required in relation to and concerning the Acquired Business,

in each case provided that access shall not give the Buyer or its Agents with any right to give instructions or otherwise interfere with the management and conduct of any Acquired Entity and is otherwise subject to the legal, regulatory and compliance obligations of the relevant Acquired Entity;

(f) *By-laws of LVR*: procure that, effective as of Closing, the by-laws of LVR will be amended in accordance with the provisions set out in Schedule 20 (*LVR By-Laws Amendments*);

(g) *Scommesse Conversion*: use reasonable endeavours to procure that Scommesse shall cooperate with the Buyer, as may be reasonably requested by the Buyer, to make the necessary preparations to enable the Buyer to convert the corporate form of Scommesse from a *società a responsabilità limitata* to a *società per azioni* immediately after Closing, it being understood that such conversion of Scommesse will be also mentioned in the filings submitted to the ADM in respect of the ADM Condition;

(h) *Arrangements with Third Party Service Providers*: the Seller shall use reasonable endeavours to procure that the Acquired Entities enter into arrangements with the Third Party Service Providers to the extent required to replicate the arrangements under which the Third Party Service Providers (or a subset thereof) currently provide services, directly or indirectly, to the Acquired Entities, provided that (i) prior to entering into any such arrangement with a Third Party Service Provider, the Seller and the Buyer shall consult with each other in good faith to determine the terms and conditions applicable to such new arrangements and (ii) to the extent the proposed terms and conditions of such arrangements with a Third Party Service Provider are less favourable to the Acquired Entities than the terms and conditions in effect as of the date of this Agreement, the Buyer shall consent (such consent not to be unreasonably withheld, unless the terms are materially less favourable) to the terms of such arrangements prior to the entry into the new arrangements with a relevant Third Party Service Provider and to the extent the Buyer has withheld its consent, the Seller shall continue to provide such services to the Acquired

Entities under the TSAs until such time as the Parties find a solution in respect of such arrangements, *provided, further*, that until such arrangements have been entered into, the Acquired Entities shall make such payments as is necessary to ensure that an Acquired Entity receives the benefit of the services from such Third Party Service Providers in the ordinary course of business consistent with past practice; and

(i) *Amendment of Concessions*: use reasonable endeavours to procure that Scommesse shall cooperate with the Buyer, as may be reasonably requested by the Buyer, to make the necessary preparations and take the necessary actions as soon as possible following the date of this Agreement to enable the Buyer to amend the Acquired Entities' Concessions identified as no. 2 and no. 3 of Schedule 11 (*Acquired Entities' Concessions*) during the Interim Period so as to allow for guarantees issued by insurance companies (in addition to bank guarantees), as permitted under the Italian Law no. 220 of 13 December 2010, in relation to such Acquired Entities' Concessions.

6.5 **Buyer's Financing Covenants**

(a) The Buyer shall, and shall procure that each of its Affiliated Persons that are a party thereto shall: (i) obtain the equity financing contemplated by the Equity Commitment Letter (the "**Equity Financing**") and the debt financing contemplated by the Debt Commitment Letter (the "**Debt Financing**") on the terms set forth therein (except as not prohibited by Clause 6.5(b)), (ii) maintain in full force and effect the Commitment Letters in accordance with the respective terms thereof (except as not prohibited by Clause 6.5(b)), (iii) satisfy (or obtain a waiver of) on a timely basis at or prior to Closing all conditions to obtaining the Equity Financing or the Debt Financing set forth therein and to comply in all respects with the Buyer's (and its Affiliated Persons' that are a party thereto (if applicable)) obligations thereunder (including by counter-signing the Debt Commitment Letter during any applicable period required thereby) to the extent non-compliance could result in the Debt Financing not being available to draw down, (iv) upon satisfaction of the Conditions, consummate the Equity Financing and the Debt Financing at or prior to Closing, and (v) seek to cause the counterparties to the Commitment Letters to fulfil their obligations under the Commitment Letters in the event of a breach thereof by the Debt Financing Sources or equity providers under the Commitment Letters so long as all of the Conditions have been satisfied or waived.

(b) Without the prior written consent of the Seller (which the Seller may withhold in its reasonable discretion) the Buyer shall not permit any replacement, assignment, amendment or modification to be made to, or any waiver of any provision or remedy under, any of the Commitment Letters, or release or consent to the termination of the obligations of the sources of the Equity Financing or the Debt Financing under any of the Commitment Letters if, in each case, it would adversely affect the availability of (or conditions to) sufficient funding in order to pay the Consideration when due.

(c) The Buyer shall not use the proceeds of the Equity Financing or the Debt Financing for any purpose other than for the financing of its obligations to pay the Consideration (and related fees and expenses) when due.

(d) The Buyer shall, and shall procure that any Affiliated Person that is a party to either Commitment Letter shall, comply with all its obligations to the extent non-compliance could result in the Debt Financing not being available to draw down and enforce all of its rights under the Debt Commitment Letter and undertakes to Seller that it shall:

(i) take all actions required to draw down the Equity Financing and the Debt Financing enabling it to make all payments due to be made hereunder and to comply with its obligations hereunder, including to procure the satisfaction of all necessary conditions to draw down the Equity Financing and the Debt Financing under the Commitment Letters and to prevent the happening of any event of default or other circumstance which could result in the Equity Financing and the Debt Financing not being available to draw down;

(ii) not, and will procure that any relevant Affiliated Person that is a party to the Commitment Letters shall not, take any action or fail to take any action (including to exercise and enforce its rights under the Commitment Letters) which could reasonably be expected to:

(A) result in the Equity Financing or the Debt Financing not being available when required at Closing; or

(B) (x) materially prejudice the ability of the Buyer to draw down the Debt Financing and (y) prejudice the ability of the Buyer to draw down the Equity Financing in each case of (x) and (y) in order to comply with its obligations under this Agreement at Closing; and provided that notwithstanding the foregoing, the Parties agree that the following would materially prejudice the ability of the Buyer to draw down the Debt Financing: (i) any amendment, termination, modification or waiver of the conditions to obtaining the Debt Financing, unless such amendment, termination, modification or waiver results in conditions that are in the aggregate substantially equivalent (or that are more favorable to the Buyer) or that would not materially affect the likelihood of such Debt Financing being available, (ii) any amendment, termination, modification or waiver that reduces the amount of the Debt Financing in a manner that would result in insufficient sources to consummate the Transaction or (iii) any amendment, termination, modification or waiver that materially adversely affects the ability of Buyer or its Affiliated Persons to enforce their rights against the other parties to the Debt Commitment Letter.

(e) Notwithstanding anything herein to the contrary, none of the arrangement, consummation and obtaining of the Equity Financing or the Debt Financing by

the Buyer is a condition to Closing and the obligations of the Buyer to consummate the Transaction and the other transactions contemplated by this Agreement are not subject to the availability of the Equity Financing or the Debt Financing.

6.6 **Certain Workers**

(a) Notwithstanding anything to the contrary in Clause 8.6 and Clause 8.7, with respect to the Workers set forth in Schedule 14 (*Sales Representatives for Retail Business*):

(i) during the Interim Period, the Seller shall terminate such Workers service contracts and shall procure that each of LVR and Scommesse (as applicable) use reasonable endeavours to facilitate that each such Worker is offered and accepts a contract for service, on terms that are reasonably consented to by the Buyer, with either of LVR or Scommesse (as applicable), in each case with effect subject to the occurrence of Closing; provided that the Seller shall keep the Buyer fully informed of such discussions with such Workers and the Buyer shall be permitted to participate in any discussions with such workers and shall be entitled to offer them any terms of contracts at Buyer's sole discretion; and

(ii) subject to Closing occurring, during the period commencing on the Closing Date and expiring on the date which is which is three (3) years following the Closing Date:

(A) the Seller undertakes to the Buyer not to and shall procure that no Seller Group Company, without the prior consent of the Buyer (such consent to be given at the sole and absolute discretion of the Buyer), solicit or hire any such Worker whose contract for services has been terminated whether or not such person has accepted a contract for service with an Acquired Entity;

(B) the Buyer undertakes to the Seller not to and shall procure that no Buyer Group Company, without the prior consent of the Seller (such consent to be given at the sole and absolute discretion of the Seller), solicit any Sales Representatives of the Seller.

(b) Notwithstanding anything to the contrary in Clause 8.6 and Clause 8.7, with respect to the Workers set forth in Schedule 15 (*Digital Marketing and Fraud Management Workers for Interactive Business*):

(i) during the Interim Period, the Seller shall and shall procure that each Seller Group Company and Acquired Entity uses reasonable endeavours and cooperates to the fullest extent possible and as permitted under applicable law with the Buyer Group and its Agents to allow the Buyer to transfer such Workers to the Acquired Entities or the Buyer not later than the Closing Date, which cooperation shall

include allowing the Buyer to approach such Workers and entice them to transfer to the Acquired Entities and the Buyer Group from and after the Closing Date; and

(ii) during the period commencing on the date of this Agreement and expiring on the date which is three (3) years following the Closing Date, the Seller undertakes to the Buyer not to and shall procure that no Seller Group Company offers, promises, indicates or makes any change to compensation, title or position of such Workers as compared to the compensation, title and position such Workers have on the date of this Agreement, other than required under applicable law.

(c) Notwithstanding anything herein to the contrary, nothing in Clause 6.6(a) or Clause 6.6(b) is a condition to Closing and the obligations of the Buyer to consummate the Transaction and the other transactions contemplated by this Agreement are not subject to the relevant Workers transferring to or accepting roles or entering into agreements with an Acquired Entity.

6.7 **Credit Collection / New Collection Mandates**

(a) During the Interim Period, the Seller shall use reasonable endeavours to obtain new collection mandates (the "**New Collection Mandates**") from all existing retailers of LVR and Scommesse to replace the existing collection mandates in favour of the Seller (to the extent relating to the Acquired Business) ("**Existing Collection Mandates**"). To the extent New Collection Mandates have not been obtained from retailers of LVR or Scommesse on or before the date which is ten (10) Business Days prior to the Closing Date, the Seller shall (i) notify such retailers that their Existing Collection Mandates will be terminated on the Closing Date and that any payments due by such retailer thereafter shall be owed to LVR or Scommesse (as applicable), (ii) cause LVR or Scommesse (as applicable) to notify such retailers into which bank account they should make their payments following termination of their Existing Collection Mandate and (iii) terminate the Existing Collection Mandates from such retailers at Closing.

(b) In connection with the replacement of the Existing Collection Mandates with the New Collection Mandates, the Seller shall use reasonable endeavours to make such updates to the IT systems and invoicing and VAT registers to ensure that from and after the Closing Date the Acquired Entities are able to use and operate the New Collection Mandates substantially in the same way as the Existing Collection Mandates are being operated prior to Closing.

(c) Notwithstanding anything herein to the contrary, nothing in this Clause 6.7 shall be deemed to constitute a condition to Closing and the obligations of the Buyer to consummate the Transaction and the other transactions contemplated by this Agreement are not subject to New Collection Mandates being obtained from all applicable retailers of LVR and Scommesse.

6.8 **Certain Contracts**

(a) During the Interim Period, the Parties shall cooperate to define jointly the actions to be undertaken and remedies to be pursued in connection with LVR's existing contracts or relationships with MSLOT and the Other Hydra Entities, also in light of the interactions with the Governmental Authorities and/or other competent authorities as well as the development of the so called "Hydra" investigation.

(a) To the extent requested by the Buyer, the Seller shall procure that LVR promptly takes any such actions as may be necessary to terminate with immediate effect all existing contracts or relationships with MSLOT and with any Other Hydra Entities (other than the Other Hydra Entities which are under judicial administration (*amministrazione giudiziaria*), supervision or other similar procedures), by enforcing the most appropriate and effective termination rights or other remedies as may be provided under the applicable law and the terms of the relevant contracts; provided that no action shall be taken that would contradict any indications of any relevant Governmental Authority and/or other competent authority.

6.9 **Transition Planning Committee**

(a) Subject to applicable laws, including the ADM rules and regulations and competition, antitrust and merger control laws, statutes and regulations, during the Interim Period, the Buyer and the Seller shall establish promptly following a date of this Agreement a transition planning committee (the "**Transition Planning Committee**") to plan for the effective business transition of the Acquired Entities to the Buyer Group post-Closing, which planning activities shall include:

(i) preparatory transition activities set forth in Schedule 19 (*Preparatory Integration Activities*) and matters related to operational transition (including to ensure that the Buyer Group has effective access to the IT systems) of the Acquired Entities with the Buyer Group provided that any such plans made by the Transition Planning Committee shall not be implemented prior to Closing;

(ii) tracking and providing details of progress made with respect to obtaining New Collection Mandates; and

(iii) operational de-integration of the Acquired Entities from the Seller Group Companies, including, among others, ensuring that as of Closing (A) quarterly and monthly reporting activities will continue coherently and (B) all supplier contracts are correctly registered in the Acquired Entities' name,

provided that the Transition Planning Committee shall not have a right to give instructions or otherwise interfere with the management and conduct of any Acquired Entity and is otherwise subject to the legal, regulatory and compliance obligations of the Acquired Entities and any Seller Group Company.

(b) Each of the Seller and the Buyer shall designate two (2) members of the Transition Planning Committee, *provided* that each of the Parties may re-designate their/its appointed members of the Transition Planning Committee from time to time (including, for the avoidance of doubt, re-appointing a previous member of the Transition Planning Committee) upon notice to the other Party of the name and contact information for the newly designated member.

(c) Notwithstanding anything herein to the contrary, nothing in Clause 6.9(a) or Clause 6.9(b) shall be deemed to constitute a condition to Closing and the obligations of the Buyer to consummate the Transaction and the other transactions contemplated by this Agreement are not subject to the effective implementation of the business transition of the Acquired Entities to the Buyer Group post-Closing.

7. Closing

7.1 Actions Prior to Closing

(a) Prior to the Closing Date, the Seller shall provide the Buyer with a notice setting out:

(i) the Agreed Leakage Amount (which notice shall be provided to the Buyer in writing at least five (5) Business Days prior to the Closing Date); and

(ii) the total Closing Payment payable by the Buyer on Closing in accordance with paragraph 1 of Part 2 of Schedule 3 (*Closing Arrangements*).

(b) In the event that Closing is deferred beyond the intended Closing Date in accordance with the terms of this Agreement and a notice has been delivered by the Seller to the Buyer in accordance with Clause 7.1(a) prior to such deferral occurring, the Seller shall be entitled to deliver a revised notice to the Buyer in accordance with Clause 7.1(a) and the previously submitted notice shall cease to apply or be relevant for all purposes to the extent a revised notice to the Buyer is delivered.

7.2 Closing

(a) Closing shall take place remotely via the email exchange of the requisite documents and signatures and, to the maximum extent permitted by Law and solely to the extent required to perfect formalities in accordance with applicable Law, on the Closing Date at the offices of Cleary Gottlieb Steen & Hamilton located at Piazza di Spagna, 15, 00187 Rome, Italy, or at such other place as is agreed in writing by the Seller and the Buyer.

(b) At Closing the Seller shall undertake those actions listed in Part 1 of Schedule 3 (*Closing Arrangements*) and the Buyer shall undertake those actions listed in Part 2 of Schedule 3 (*Closing Arrangements*).

8. General Covenants and Post-Closing Covenants

8.1 Buyer's Debt Financing

(a) The Parties acknowledge the scope of the draft engagement letter substantially in the form set forth in Schedule 23 (*PWC Engagement Letter Scope*) (the "**PWC Engagement Letter**"), which shall be executed by PWC and an Acquired Entity (or Acquired Entities) as soon as practicable following the date of this Agreement, pursuant to which an Acquired Entity (or Acquired Entities) shall engage PWC to audit or review, as applicable, the financial statements relating to financial years 2019 and 2020 and 2021 quarterly financial statements (as required), as described therein (the "**Carve-Out Financials**"). The PWC Engagement Letter shall provide the scope and extent of involvement of the relevant Acquired Entity or the Acquired Entities (as applicable) in connection with the preparation of the Carve-Out Financials as well as the terms and conditions upon which customary audit opinions and reviews (as applicable) will be provided by the Acquired Entities to the Buyer. From the date the PWC Engagement Letter is signed until Closing, the Seller shall cause the Acquired Entities to comply with their obligations under the PWC Engagement Letter. The Parties acknowledge and agree that the Seller obligations under Clause 6.4(c)(i) and this Clause 8.1 shall be construed to commence on and from the date PWC Engagement Letter is executed (the "**Engagement Date**") notwithstanding anything to the contrary.

(b) From the Engagement Date until Closing, the Seller shall procure that each Acquired Entity shall prepare and deliver (and procure that their respective Agents prepare and deliver) (at the Buyer's sole expense) to the Buyer the Carve-Out Financials.

(c) From the date of this Agreement (and if reasonably required by the Buyer, following Closing), the Seller shall use reasonable endeavours to provide (and cause each Acquired Entity and its and their respective Agents to provide) such reasonable and customary assistance (at the Buyer's sole expense) with the Debt Financing, as specifically indicated below:

(i) using reasonable endeavours to provide information with respect to each Acquired Entity that is customarily required in the preparation and finalisation of any bank lender information memoranda, lender presentation, rating agency presentation, offering memoranda, marketing and other syndication or offering materials, assisting with the preparation of a customary description of the business and management discussion and analysis, in each case, with respect to each Acquired Entity and providing access to managers (to the extent they consent) that are reasonably required in order to confirm any such information or participate in any roadshow and, to the extent the PWC Engagement Letter is executed, to provide any undertaking or representation reasonably required in the delivery of the auditor opinions; and

(ii) using reasonable endeavours to assist the Buyer, subject to the satisfaction or waiver of the Conditions, to facilitate the pledging of collateral at Closing (including over the equity interests of the Acquired Entities), the release of each Acquired Entity and any Seller Group Company from any guarantees (whether or not joint or several or both) given by, assumed by or binding on that Acquired Entity in relation to any liabilities of the Seller and any other Seller Group Company and the removal of any Encumbrances or securities at Closing, in each case in connection with the Debt Financing,

in each case, at reasonable times and subject to reasonable prior notice in order to avoid interference with the conduct of the Acquired Business or the Retained Business; *provided* that failure by the Seller to comply with the foregoing cooperation obligations shall not relieve the Buyer of its obligations with respect to Closing and *provided further* that the Seller shall not be relieved from any liability from a failure to comply with such cooperation obligations, unless such failure is cured on or before the date which is fifteen (15) days following receipt of a notice of breach delivered by the Buyer to the Seller. In addition, notwithstanding the foregoing, nothing in this Agreement shall require such cooperation to the extent that it would (A) require any Acquired Entity to enter into any financing, purchase or other agreement that would be effective prior to Closing or (B) result in any Seller Group Company or officer, director, manager or other representative of any Acquired Entity or of any Seller Group Company incurring any personal liability with respect to any matters relating to the applicable financing. No Seller Group Company shall be required to pay any fees or expenses in connection with the applicable financing and no Acquired Entity shall be required to pay any such fees or expenses and shall be reimbursed by the Buyer for any out-of-pocket and documented costs and expenses incurred in respect thereto in accordance with Clause 8.1(d) below. The Buyer shall indemnify and hold harmless the Seller and its Affiliated Persons and each Seller Group Company and their respective representatives (each, an "**Indemnified Person**") from and against any and all Losses suffered or incurred by them in connection with the applicable financing (except to the extent resulting from such Indemnified Person's wilful misconduct, fraud or gross negligence).

(d) The Buyer shall reimburse (or cause to be reimbursed) any documented out-of-pocket costs, fees and expenses incurred by the Seller, any Acquired Entity, and their respective Agents, in connection with any such cooperation provided under paragraphs (b) and (c) above, including any costs, fees and expenses arising from the PWC Engagement Letter, provided that the Buyer shall only reimburse the Acquired Entities and their Agents in case Closing does not occur. In the event this Agreement is terminated by a Party in accordance with Clause 5.5(d), the Seller undertakes to the Buyer not to use the Carve-Out Financials for any disposal or public offering with respect to the Acquired Entities or the Acquired Business.

8.2 **Big Easy Loan**

Immediately after Closing (or as early as reasonably practicably possible thereafter and in any event within five (5) Business Days following Closing), the Buyer shall cause Big Easy to prepay in full the Big Easy Loan if and to the extent it has not already been repaid, so long as the other Big Easy shareholders or their representatives in the board of directors of Big Easy consent to such prepayment and the underlying refinancing transaction, but solely to the extent consent is required under the by-laws of Big Easy or any other shareholder arrangement then in effect.

8.3 **Adjustments Payment with respect to the Cash Pooling Arrangements**

(a) Within five (5) Business Days following Closing, the Seller shall deliver to the Buyer a statement setting out the Actual Cash Pooling Balance and the aggregated amount of any payment necessary to rectify any errors in the settlement of the Cash Pooling Arrangements at Closing (the "**Cash Pooling Adjustment Payment**") with sufficient details (including as to whom the amounts are attributable) to enable the Buyer to ascertain how the Actual Cash Pooling Balance and the Cash Pooling Adjustment Payment was calculated.

(b) Within sixty (60) days of receipt of the notice delivered under Clause 8.3(a), the Buyer may dispute the Actual Cash Pooling Balance and the Cash Pooling Adjustment Payment calculated by the Seller by delivering a notice to the Seller stating the reason for the dispute. If such notice is delivered by the Buyer, the provisions under Clause 4.6 (*Expert Determination of Leakage*) shall apply to the dispute with such changes as are necessary in the context of this Clause 8.3.

(c) Within five (5) Business Days of the date arising on either (i) the expiry of the period set out in Clause 8.3(b) to the extent the Buyer has not delivered a notice of dispute thereunder or (ii) final determination of the Actual Cash Pooling Balance and the Closing Cash Pooling Adjustment Payment by the expert under Clause 4.6 (*Expert Determination of Leakage*), the Cash Pooling Adjustment Payment (as adjusted pursuant to any process under Clause 4.6 (*Expert Determination of Leakage*) (if applicable)) shall be paid as follows:

(i) to the extent the Closing Cash Pooling Adjustment Payment requires a payment to the Seller Group to rectify any errors in the settlement of the Cash Pooling Arrangements at Closing, the Cash Pooling Adjustment Payment shall be paid by the Buyer to Seller; provided however that if and to the extent any such payment is already identified following delivery of the Seller's statement under Clause 8.3(a), without prejudice to Buyer's dispute right under Clause 8.3(b), the Buyer shall pay the Seller such amount identified in its statement under Clause 8.3(a) within five (5) Business Days following delivery of such statement; or

(ii) to the extent the Closing Cash Pooling Adjustment Payment requires a payment to the Acquired Entities to rectify any errors in the settlement of the Cash Pooling Arrangements at Closing, the Cash Pooling Adjustment Payment shall be paid by the Seller to the Buyer; provided however that if and to the extent any such payment is already identified

following delivery of the Seller's statement under Clause 8.3(a), without prejudice to Buyer's dispute right under Clause 8.3(b), the Seller shall pay the Buyer such amount identified in its statement under Clause 8.3(a) within five (5) Business Days following delivery of such statement,

by telegraphic transfer in immediately available cleared funds and in each case to a bank account notified by the payee to the payor.

8.4 **Wrong Pockets**

Without prejudice to any other rights or remedies of the Seller or the Buyer under this Agreement, if, on or before the date which is two (2) years following the Closing Date, the Seller or the Buyer becomes aware that:

(a) any assets or rights that predominantly relate to the Acquired Entities are in the possession or legal ownership of a Seller Group Company, i.e., the ownership of such assets was erroneously not vested in an Acquired Entity as part of the Carve-Out; or

(b) any assets that relate to the Retained Business are in the possession or legal ownership of an Acquired Entity or a Buyer Group Company,

the Seller or the Buyer (as the case may be) may give notice of this to the other. If such notice is given:

(c) the other Party shall, as soon as practicable, at the Seller's cost, and so far as it is legally capable, transfer or procure the transfer of such assets to a Seller Group Company or a Buyer Group Company or a nominee thereof (as applicable); and

(d) each Party shall provide such assistance to the other Parties as is reasonably requested for the purposes of this Clause 8.4.

8.5 **Forgotten Services**

During the period commencing on the Closing Date and expiring on the date which is twelve (12) months following the Closing Date, the Buyer may advise the Seller of any forgotten services not covered by the TSAs, which are required to operate the Acquired Business in accordance with past practice in which case the Buyer and the Seller will reasonably discuss in good faith the provision of such forgotten services by a Seller Group Company, including with respect to price of such forgotten services.

8.6 **Transfer of Workers**

Notwithstanding Clause 8.7, during the period commencing on the Closing Date and expiring on the date which is two (2) years following the Closing Date (the "**Non-Solicit Period**"), the Buyer may request that any Worker of the Seller Group who is solely associated with the Acquired Business as of the date of this Agreement or the Closing Date and whose engagement is required to ensure the Acquired Business' ability to operate in the ordinary course of business, be transferred to the Buyer Group, subject to ordinary course attrition of Workers and subject to agreement with each individual Worker, if so required under applicable law. If and to the extent the

relevant Worker's agreement is required in relation to such transfer, the Seller shall facilitate the relevant discussions between the relevant Worker and the Buyer Group. If following such discussions the Worker does not wish to be transferred to the Buyer Group, the Seller's obligations under this Clause 8.6 in respect of such Worker shall be deemed fully discharged.

8.7 **Restrictions on the Buyer**

Non-Solicit

(a) Except as provided in Clause 6.6, Clause 8.6 and Clause 8.7(b), the Buyer shall not, and shall procure that each other Buyer Group Company shall not, without the prior written consent of the Seller (such consent to be given at the sole and absolute discretion of the Seller) or the Seller's Parent Undertaking (such consent to be given at the sole and absolute discretion of the Seller's Parent Undertaking) solicit any Seller Key Workers from any Seller Group Company during the Non-Solicit Period.

(b) Nothing in Clause 8.7(a) shall prevent or restrict any Buyer Group Company from placing any general advertisement to the public of employment by any Buyer Group Company to which any person referred to in Clause 8.7(a) responds, provided that such advertisement is not specifically targeted at any Seller Group Company nor any person employed by any Seller Group Company.

Rebranding Prohibition

(c) The Buyer shall not, and shall procure that each other Buyer Group Company shall not, rebrand under the "Lottomatica" brand until the date which is the later of: (i) the date which is six (6) months following the date of this Agreement and (ii) the Closing Date.

Applicability and Acknowledgement

(d) Each of the restrictions contained in this Clause 8.7 (*Restrictions on the Buyer*) is given to the Seller and each other Seller Group Company. Each such restriction shall be construed as a separate provision of this Agreement. If any such restriction is unenforceable but would be valid if reduced in scope or duration the restriction shall apply with the minimum modifications as may be necessary to make it valid and enforceable. The Buyer acknowledges that each such restriction is no greater than is reasonably necessary to protect the interests of each Seller Group Company and to enable the Seller Group Companies to establish the Retained Business on the market independently and fulfil its obligations with respect to the Gratta e Vinci Concession and the Lotto Concession.

8.8 **Restrictions on Seller**

Non-Compete

(a) Except as provided in Clause 8.8(b), the Seller shall not, and shall procure that each other Seller Group Company shall not, without the prior written consent

of the Buyer (such consent to be given at the sole and absolute discretion of the Buyer) conduct any activity of a competing nature with the Acquired Business in Italy during the period commencing on the Closing Date and expiring on the date which is three (3) years following the Closing Date (the "**Non-Compete Period**").

(b) Nothing in Clause 8.8(a) shall prevent or restrict any Seller Group Company from:

(i) acquiring, directly or indirectly, an interest in a company or business in Italy which, as part of its broader business, conducts an activity that competes with the Acquired Business provided that the activities of the company or business to be acquired that compete with the Acquired Business do not account for more than 20% (twenty percent) of the EBITDA of the company or business to be acquired, *provided* that in no case will such acquired company or business conduct any online business that competes with the Acquired Business;

(ii) carrying on the Retained Business or any development of the Retained Business other than through an expansion to an activity that is competing with the Acquired Business;

(iii) conducting the online gaming business the Seller Group is required to conduct pursuant to the requirements of the Gratta e Vinci Concession and the Lotto Concession and the Seller Group shall not be restricted from conducting such online gaming business provided that such online gaming business should be the only online gaming business in Italy the Seller Group may conduct during the Non-Compete Period; or

(iv) conducting in Italy any online business that is not an online gaming business including the online business connected with commercial and financial services currently conducted by the Seller Group as of the date of this Agreement.

Non-Solicit

(c) Except as provided in Clause 8.8(d), but in any event subject to Clause 6.6, the Seller shall not, and shall procure that each other Seller Group Company shall not, without the prior written consent of the Buyer (such consent to be given at the sole and absolute discretion of the Buyer), solicit any Buyer Key Workers or Sales Representatives during the Non-Solicit Period.

(d) Nothing in Clause 8.8(c) shall prevent or restrict any Seller Group Company from placing any general advertisement to the public of employment by any Seller Group Company to which any Buyer Key Worker responds, provided that such advertisement is not specifically targeted at the Buyer Group nor any person employed as of the Closing Date by any Buyer Group Company.

Prohibition on use of Business Intellectual Property

(e) Except as provided in Clause 8.8(f), the Seller shall not, and shall procure that each other Seller Group Company and any of their Affiliated Persons shall not,

without the prior written consent of the Buyer as soon as practicable following the Closing Date (but in any event on or before the date which is one (1) month following the Closing Date), use any Business Intellectual Property (including Registered Intellectual Property) or any other mark, logo, name, colours, symbols or designs which, in the opinion of a reasonable person, is likely to being confused with any of the Business Intellectual Property, including the prohibitions on use described in Part 3 of Schedule 9 (*Intellectual Property*), *provided* however the Seller Group and any of its Affiliated Persons shall cease all use of "lottomaticaitalia.it", "lottomatica.it" and "better.it" websites and all other domain names set forth in paragraph 2 of Part 2 of Schedule 9 (*Intellectual Property*) immediately from and after Closing.

(f) Nothing in Clause 8.8(e) shall prevent or restrict any Seller Group Company from:

(i) continuing to conduct business through use of the "Lottomatica" brand in relation to:

(A) consumables that have already been printed and delivered to retail locations prior to the Closing Date; and

(B) retail fixtures that are already in place prior to the Closing Date *provided* that such retail fixtures shall be removed or replaced with retail fixtures that do not contain the "Lottomatica" brand within six (6) months following the Closing Date; and

(ii) continuing to conduct the business relating to "lottomaticards" issued by Cartalis provided that:

(C) new cards shall be issued under a new brand from the later of Closing and 1 January 2021; and

(D) use of the "Lottomatica" brand in relation to existing "lottomaticards" cards shall cease on the earlier of (A) the natural expiration of the relevant cards; and (B) the date which is eighteen (18) months following the Closing Date.

Applicability and Acknowledgement

(g) Each of the restrictions contained in this Clause 8.8 (*Restrictions on Seller*) is given to the Buyer and each other Buyer Group Company. Each such restriction shall be construed as a separate provision of this Agreement. If any such restriction is unenforceable but would be valid if reduced in scope or duration the restriction shall apply with the minimum modifications as may be necessary to make it valid and enforceable. The Seller acknowledges that each such restriction is no greater than is reasonably necessary to protect the interests of each Buyer Group Company and to enable the Buyer Group Companies to establish the Acquired Business on the market independently.

8.9 **Guarantees and Other Third Party Assurances**

(a) The rights and obligations of the Buyer and the Seller in relation to the Existing Credit Support Instruments and the Seller Group Credit Support Documents are set forth in Schedule 21 (*Specified Credit Support Instruments*).

(b) As soon as practicable following the date of this Agreement, the Seller shall (i) use best endeavors to obtain, prior to Closing, and maintain, if obtained, until the earlier of satisfaction of the Existing Credit Support Instrument Release Condition and the Bridge Period Expiration Date, the Chubb Transaction Waiver and (ii) use reasonable endeavors to obtain, prior to Closing, and maintain, if obtained, until the satisfaction of the Existing Credit Support Instrument Release Condition, the Chubb Seller Waiver.

8.10 **The Buyer's Undertakings**

(a) *Release:* the Buyer on behalf of itself and on behalf of the Buyer Group, hereby irrevocably and unconditionally acknowledge and agree that neither the Seller, any Seller Group Company, any of their Affiliated Persons nor any of their Agents (the "**Released Persons**"):

(i) makes any representation or warranty as to the financial data and other information (in whatsoever medium) provided under Clause 6.4(c) and Clause 8.1 (except to the extent set forth therein); and

(ii) assumes any liability whatsoever and neither the Buyer or any Buyer Group Company may bring any Claim against any of the Released Persons with respect to any assistance provided by the Seller or any Seller Group Company with respect to the Debt Financing as contemplated by Clause 6.4(c) or Clause 8.1 other than to the extent of the Seller's obligations to undertake the relevant actions set out in Clause 6.4(c) or Clause 8.1, as applicable, to the relevant standard specified therein;

(b) Save for what is provided in Clause 8.10(c), the Buyer shall at its own cost procure that as soon as practicable and in any event within three (3) months following the Closing Date:

(i) no Buyer Group Company shall use 'IGT', 'International Game Technology' or any other mark, logo, name, colours, symbol or design which, in the opinion a reasonable person, is likely to being confused with any of the aforementioned items including the specific requirements set out in the table contained in paragraph 1 of Part 2 of Schedule 9 (*Intellectual Property*); and

(ii) all references to any Seller Group Company are removed from any formal document (whether electronic or any other medium), website, product and service offered of the Acquired Business.

(c) The requirements of Clause 8.10(a) shall not apply to:

(i) any pre-existing documents (whether electronic or any other medium) that are archived (A) on electronic back-up systems in the usual operations of the relevant person or (B) in accordance with the *bona fide* document retention policies; and

(ii) any applications, software and documents, the alterations or modifications of which require certification, consent or approval by Governmental Authorities or changes to software; provided that such alterations or modifications under this Clause 8.10(c)(ii) shall be carried out as soon as reasonably practicable following the Closing Date and provided further that the Seller shall cooperate with the Buyer during the Interim Period for making such alterations or modifications, which cooperation shall include access to the Acquired Entities' IT systems as may be reasonably requested by the Buyer acting in good faith; and provided further that the Buyer shall use reasonable endeavours to obtain any required certification, approval or consent from any Governmental Authority.

(d) The Buyer shall, and shall procure that each other Buyer Group Company shall, during the period commencing on the Closing Date and expiring on the date which is ten (10) years following the Closing Date (the "**Books and Records Retention Period**"), preserve all books, records and documents of or relating to the Acquired Entities existing at Closing (together the "**Books and Records**"). During the Books and Records Retention Period, the Buyer shall, upon being given reasonable notice (and in any event on or before the date which is five (5) Business Days following notice from the Seller to the Buyer), permit the Seller and its Agents at reasonable times to inspect and to make copies of any Books and Records, provided that such permission is given by the Buyer solely to the extent required for a Seller Group Company to comply with the requirements of applicable law.

(e) In the event that any proceeding, enquiry or investigation of any judicial or regulatory authority is pending at the time of the Books and Records Retention Period expires, or if at such time the Seller is in the process of using any Books and Records in connection with satisfying applicable laws or regulations, the Seller shall be entitled to continuing access to the Books and Records on the same terms as provided in Clause 8.10(d) for a further period until completion of the relevant proceeding, enquiry or investigation.

(f) The Buyer shall, on the Closing Date:

(i) hold a shareholders' meeting of each Acquired Entity and resolve to irrevocably and unconditionally waive any claim or right of action against any and all directors, officers and statutory auditors of an Acquired Entity that are resigning or being removed (as applicable) on the Closing Date; and

(ii) irrevocably and unconditionally waive and, in any case, shall not, and shall procure that each Acquired Entity shall not, promote or vote in favour of any claim or right of action,

in each case (i) except in cases of gross negligence, fraud or wilful deceit and (ii) in relation to matters arising from their office or appointment.

(g) The Buyer shall indemnify and hold each director, officer and statutory auditor of an Acquired Entity that is resigning or being removed (as applicable) on the Closing Date harmless from and against all Losses suffered or incurred by such director, officer or statutory auditor (as applicable) in relation to matters arising from their office or appointment prior to Closing as a result of a claim being brought under any cause of action by the relevant Acquired Entity, except for Losses arising as a result of gross negligence, fraud or wilful misconduct.

(h) For the period commencing on the Closing Date and expiring on the date which is six (6) years following the Closing Date, the Buyer shall maintain, or procure to be maintained, a run-off directors' and officers' liability insurance policy for the benefit of the directors and officers of an Acquired Entity resigning at Closing.

8.11 **The Patent Box Application**

The Seller and the Buyer each acknowledge and agree to comply with their respective obligations and that the other may exercise their respective rights set forth in Schedule 22 (*Patent Box*).

9. Seller's Warranties, Indemnities and Limitation on Liability

9.1 **Seller's Warranties**

(a) The Seller warrants to the Buyer:

(i) at the date of this Agreement that each of the Seller's Warranties is true and accurate in all respects as of the date of this Agreement; and

(ii) at Closing that each of the Seller's Fundamental Warranties and each Seller's Warranty not specified in Clause 9.1(a)(iii) is true and accurate in all respects as of Closing; and

(iii) at Closing that each of the Seller's Warranties specified in this Clause 9.1(a)(iii) is true and accurate in all material respects as of Closing on the basis that all qualifications and limitations set forth in Schedule 4 (*Seller's Warranties*) as to "materiality," "Material Adverse Effect" and words of similar import or meaning, in each case with respect to such Seller's Warranties, shall be disregarded in determining whether there shall have been any inaccuracy in or breach of any such Seller's Warranties: Seller's Warranty 6; Seller's Warranty 8.3; Seller's Warranty 9.3; Seller's Warranty 13; Seller's Warranty 14.2; Seller's Warranty 15; Seller's Warranty 16.5; Seller's Warranty 17.1; Seller's Warranty 18.3; Seller's Warranty 20.8; Seller's Warranty 20.12(i); Seller's Warranty 21.4; Seller's Warranty 21.12; Seller's Warranty 21.16; and Seller's Warranty 21.18.

The Seller's Warranties are given subject to Clause 9.3 and Schedule 5 (*Seller's and Guarantor's Limitations of Liability*).

(b) The Seller acknowledges that the Buyer is entering into this Agreement on the basis of and in reliance on representations in the terms of the Seller's Warranties given under Clause 9.1(a).

(c) Each of the Seller's Warranties given under Clause 9.1(a) shall be separate and independent and (unless expressly provided otherwise) shall not be limited by reference to any other Seller's Warranty given under Clause 9.1(a) or by anything in this Agreement or any other Transaction Document.

(d) Any of the Seller's Warranties that are qualified by the knowledge, belief or awareness of the Seller shall mean the actual (but not constructive or imputed) knowledge, belief or awareness of any member of the Seller's Knowledge Group after making reasonable inquiry with respect to the particular matter in question.

(e) The Buyer acknowledges and agrees that the individuals listed in the Seller's Knowledge Group are named solely for the purpose of defining and narrowing the scope of Seller's knowledge, belief or awareness as set out in Clause 9.1(d) and not for the purpose of imposing any liability on or creating any duties owed by such individuals to the Buyer. The Buyer hereby covenants that it (i) has no rights against (and irrevocably and unconditionally waives and relinquishes any rights it may have against) such individuals and (ii) shall not make, or vote in favour of, a claim against such individuals, in each case of (i) and (ii) related to or arising out of this Agreement or any other Transaction Document and in each case of (i) and (ii), other than as a result of fraud.

9.2 **Indemnities**

(a) The Seller shall indemnify the Buyer and each Acquired Entity against those matters identified in Schedule 5 (*Seller Specific Indemnities*).

(b) The provisions of Schedule 5 (*Seller's and Guarantor's Limitations of Liability*) shall apply to this Clause 9.2 to the extent specifically applicable to the Seller Specific Indemnities, provided, for the avoidance of doubt, that the provisions of paragraphs 1 and 2(c) of Schedule 5 (*Seller's and Guarantor's Limitations of Liability*) shall not be applicable in respect of the Seller Specific Indemnities and provided further that no documents, information or materials Disclosed shall qualify the Seller Specific Indemnities or limit the liability in respect of the Seller Specific Indemnities.

(c) Any payment under Clause 9.2(a) shall be made within five (5) Business Days on demand to the Buyer or at the Buyer's direction.

9.3 **Seller's Limitation of Liability**

The liability of the Seller in respect of Claims shall be limited as provided in Schedule 1 (*Seller's and Guarantor's Limitations of Liability*).

10. Buyer's Warranties

The Buyer warrants to the Seller at the date of this Agreement and at Closing that each of the Buyer's Warranties is true and accurate in all respects as of the date of this Agreement.

11. Insurance

11.1 The Seller shall, and shall procure that each Acquired Entity and each other Seller Group Company shall, continue in force all preexisting insurance cover in respect of the Acquired Entities or the Acquired Business by them up to and including the Closing Date.

11.2 With effect from Closing all insurance cover previously maintained by the Seller Group in respect of the Acquired Entities or the Acquired Business shall cease.

11.3 In the event that the Seller or the Buyer, at any time after the date of this Agreement, should wish to take out insurance against any liability which may arise under this Agreement, the Buyer or the Seller, as applicable, shall promptly provide to such other Party such information as the prospective insurer may reasonably require before effecting such insurance.

12. No Right to Rescind or Terminate

12.1 Save for the Parties' express right to terminate in accordance with Clause 5.5(d), the Parties shall not be entitled to rescind or terminate this Agreement, whether before or after Closing, and each Party waives all and any rights of rescission which it may have in respect of any matter to the full extent permitted by law, other than such rights in respect of fraud. Without prejudice to the generality of the foregoing, each Party agrees that the remedy of rescission is excluded in relation to all matters and shall not be available, save in respect of fraud.

12.2 If this Agreement is terminated by a Party in accordance with Clause 5.5(d), the rights and obligations of the Parties under this Agreement shall cease immediately, save in respect of antecedent breaches (but excluding any right of the Buyer to claim damages for breach of a Seller's Warranty, the Seller to claim damages for a breach of a Buyer's Warranty or either the Buyer or the Seller to claim for damages due to a breach of the others obligations under Clause 6 (*PreClosing Obligations*)) and under the Continuing Provisions.

13. Confidentiality

13.1 Save as expressly provided in Clause 13.3, the Seller shall, and shall procure that each other Seller Group Company shall, treat as confidential the provisions of the Transaction Documents, all information it has received or obtained relating to the

Buyer Group in connection with the Transaction and, with effect from Closing, all information it possesses relating to each Acquired Entity and the Acquired Business, and shall not disclose or use any such information.

13.2 Save as expressly provided in Clause 13.3, the Buyer shall, and shall procure that each other Buyer Group Company shall, treat as confidential the provisions of the Transaction Documents, all information it has received or obtained about the Seller Group in connection with the Transaction and, at all times prior to Closing, all information it possesses relating to each Acquired Entity and the Acquired Business, and shall not disclose or use any such information.

13.3 A Party may disclose, or permit the disclosure of, information which would otherwise be confidential if and to the extent that it is permitted pursuant to the Confidentiality Agreements (notwithstanding the expiration of any of the Confidentiality Agreements).

13.4 The confidentiality restrictions in this Clause 13 shall continue to apply after the termination of this Agreement pursuant to Clause 5.5(d) without limit in time.

14. Announcements

14.1 Save as expressly provided in Clause 14.2, no announcement shall be made by or on behalf of a Party or a member of the Relevant Party's Group relating to the Transaction (whether Closing has occurred or not) or the terms of the Transaction Documents without the prior written consent of the other Party, such approval not to be unreasonably withheld or delayed.

14.2 A Party may make an announcement relating to the terms of the Transaction Documents if (and only to the extent) required by the law of any relevant jurisdiction or any securities exchange, regulatory or governmental body provided that prior notice of any announcement required to be made is given to the other Parties in which case such Party shall take all steps as may be reasonable in the circumstances to agree the contents of such announcement with the other Parties prior to making such announcement.

15. Guarantee and Indemnity

15.1 In consideration of the Buyer entering into this Agreement, the Guarantor irrevocably and unconditionally guarantees to the Buyer punctual performance by the Seller of all of the Seller's obligations under this Agreement and the Guarantor:

(a) whenever the Seller does not pay any amount when due under or in connection with this Agreement, shall immediately on demand pay that amount as if it was the principal obligor; and

(b) whenever the Seller fails to perform any other obligations under this Agreement, shall immediately on demand perform (or procure performance of) and satisfy (or procure the satisfaction of) that obligation,

so that the same benefits are conferred on the Buyer as it would have received if such obligation had been performed and satisfied by the Seller.

15.2 The Guarantor, as principal obligor and as a separate and independent obligation and liability from its obligations and liabilities provided in Clause 15.1, shall indemnify and hold the Buyer harmless from and against any Loss suffered or incurred by it as a result of the nonperformance by the Seller of any of its obligations under this Agreement or any other Transaction Document.

15.3 This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable or obligations performed by the Seller under this Agreement and the other Transaction Documents, regardless of any intermediate payment or discharge in whole or in part.

15.4 Save to the extent provided in Clause 15.5, the obligations of the Guarantor will not be discharged or affected by:

(a) any time, waiver or consent granted to the Seller or any other person;

(b) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against the Seller under this Agreement;

(c) the insolvency (or similar proceedings) of the Seller, any incapacity or lack of power, authority or legal personality of the Seller or change in control, ownership or status of the Seller; or

(d) any amendment to this Agreement.

15.5 For the avoidance of doubt, the Guarantor shall have no liability under this Clause 15 in respect of any liability of the Seller under this Agreement to the extent that such liability is excluded by any provision of Schedule 1 (*Seller's and Guarantor's Limitations of Liability*) and, where any obligation or liability of the Seller is either:

(a) amended or varied in accordance with Clause 17.7 (*Variations*); or

(b) waived to any extent in a manner that is effective in accordance with Clause 17.9 (*Remedies and Waivers*),

the Guarantor's obligations under this Clause 15 in respect of such obligation or liability as it subsists following such amendment, variation or waiver shall be determined by reference to such obligation as so amended or varied, or taking account of the extent to which such obligation or liability has been so waived.

15.6 Notwithstanding anything to the contrary, the Buyer shall not, at any time, be entitled to recover any more under this Clause 15 in respect of any matter than the Buyer would be entitled to recover from the Seller in respect of such matter.

15.7 Until all amounts which may be or become payable by the Seller under or in connection with this Agreement and any other Transaction Document have been irrevocably paid in full the Buyer shall not be obliged to apply any sums held or received by it from the Guarantor towards payment of the Seller's obligations.

15.8 The Guarantor warrants to the Buyer that each of the Seller's Warranties set out in paragraph 1 and paragraph 3 of Schedule 1 (*Seller's Warranties*) (as if references to

"Seller" were references to "Guarantor") is true and accurate in all respects as of the date of this Agreement and the Closing Date.

15.9 The Guarantor acknowledges that the Buyer is entering into this Agreement on the basis of and in reliance on representations in the terms of the Guarantor's warranties given under Clause 15.8.

15.10 Each of the Guarantor's warranties given under Clause 15.8 shall be separate and independent and (unless expressly provided otherwise) shall not be limited by reference to any warranty given by the Guarantor under Clause 15.8 or by anything in this Agreement or any other Transaction Document.

16. Payments

Any payments by a Party pursuant to this Agreement shall be made in full, without any set off, counterclaim, restriction or condition and disregarding any Claim or restriction of the paying Party *provided* that the Buyer is entitled to set off any Claim for Leakage which is substantiated against either the First Deferred Payment or the Second Deferred Payment.

17. Miscellaneous

17.1 **Notices**

(a) Any notice or other communication to be given under or in connection with this Agreement ("**Notice**") shall be in the English language in writing and signed by or on behalf of the Party giving it. A Notice may be delivered personally or sent by email, prepaid recorded delivery or international courier to the address provided in Clause 17.1(c), and marked for the attention of the person specified in that Clause.

(b) A Notice shall be deemed to have been received:

(i) at the time of delivery if delivered personally;

(ii) at the time of sending if sent by email, provided that recipient shall not occur if the sender receives an automated message indicating that the message has not been delivered to the recipients;

(iii) two (2) Business Days after the time and date of posting if sent by prepaid recorded delivery; or

(iv) three (3) Business Days after the time and date of posting if sent by international courier,

provided that if deemed receipt of any Notice occurs after 6:00 pm or is not on a Business Day, deemed receipt of the Notice shall be 9:00 am on the next Business Day. References to time in this Clause 17.1 are to local time in the country of the addressee.

(c) The addresses and fax numbers for service of Notice are:

Seller:

Name: Lottomatica Holding S.r.l.
Address: Viale del Campo Boario 56/D
00154 Rome
Italy
For the attention of: Legal Department
Email: lottomaticah@pec.it

With copies to: Lottomatica Holding S.r.l.
c/o IGT Global Solutions Corporation
IGT Center
10 Memorial Boulevard
Providence, RI 02903-1160
USA
For the attention of: Legal Department
Email: legalnotices@igt.com

White & Case LLP
5 Old Broad Street
London EC2N 1DW
United Kingdom
Attention: Michael Immordino / Philip Broke
Email: mimmordino@whitecase.com
pbroke@whtiecase.com

NCTM Studio Legale
Via Agnello 12
20121 – Milano
Italy
Attention: Alberto Toffoletto
Email: alberto.toffoletto@nctm.it

Guarantor:

Name: International Game Technology PLC
Address: Marble Arch House, Second Floor
66 Seymour Street
London W1H 5BT
England
For the attention of: Legal Department
E-mail: legalnotices@igt.com

With copies to: International Game Technology PLC
c/o IGT Global Solutions Corporation
IGT Center
10 Memorial Boulevard
Providence, RI 02903-1160
USA

For the attention of: Legal Department
Email: legalnotices@igt.com

White & Case LLP
5 Old Broad Street
London EC2N 1DW
United Kingdom
Attention: Michael Immordino / Philip Broke
Email: mimmordino@whitecase.com
pbroke@whitecase.com

NCTM Studio Legale
Via Agnello 12
20121 – Milano
Italy
Attention: Alberto Toffoletto
Email: alberto.toffoletto@nctm.it

Buyer:

Name: Gamenet Group S.p.A.
Address: Via degli Aldobrandeschi, 300
00163 Rome
Italy
For the attention of: Guglielmo Angelozzi, Chief Executive Officer
Valentina Lazzareschi, General Counsel
Email: G.Angelozzi@gamenetgroup.it

V.Lazzareschi@gamenetgroup.it
With a copy to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
Alder Castle, 10 Noble Street
London EC2V 7JU
United Kingdom
Attention: Ramy Wahbeh
Email: rwahbeh@paulweiss.com

Latham & Watkins
Corso Matteotti, 22
20121 Milan
Italy
Attention: Stefano Sciolla
Email: stefano.sciolla@lw.com

(d) A Party shall notify the other Party of any change to its details in Clause 17.1(c) in accordance with the provisions of this Clause 17.1, provided that such notification shall only be effective on the later of the date specified in the notification and five (5) Business Days after deemed receipt.

17.2 **Duties**

The Buyer shall pay all Duties in respect of the execution, delivery and performance of this Agreement and any agreement or document entered into or signed under this Agreement (including the Transaction Documents).

17.3 **Costs and Expenses**

Except as provided otherwise, each Party shall pay its own costs and expenses in connection with the negotiation, preparation and performance of this Agreement or the other Transaction Documents, save that the Buyer shall pay all costs, fees and Taxes applicable in connection with the involvement of any public notary for Closing and any transfer or registration Taxes and any VAT relating to the Transaction and the Transaction Documents.

17.4 **Assignment**

Except as provided otherwise, no Party may assign, transfer, create an Encumbrance over, declare a trust of or otherwise dispose of all or any part of its rights and benefits under this Agreement or the other Transaction Document (including any cause of action arising in connection with any of them) or of any right or interest in any of them, *provided* that this Agreement will bind and continue for the benefit of any successor to the Buyer and *provided further* that (i) the Seller may assign to an Affiliated Person of a Seller Group Company its rights with respect to the First Deferred Payment and the Second Deferred Payment without the consent of any other Party (ii) the Buyer may collaterally assign its rights under this Agreement in connection with the Debt Financing.

17.5 **Further Assurance**

Subject to Clause 17.2 and Clause 17.3, each Party shall do all things and execute all further documents necessary to give full effect to this Agreement.

17.6 **Severance and Validity**

If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, it shall be deemed to be severed from this Agreement. The remaining provisions will remain in full force in that jurisdiction and all provisions will continue in full force in any other jurisdiction.

17.7 **Variations**

No variation or restatement of this Agreement shall be effective unless in writing and signed by or on behalf of the Parties.

17.8 **Entire Agreement**

(a) This Agreement, together with the Transaction Documents and any other documents referred to in this Agreement or any Transaction Document, constitutes the whole agreement between the Parties and supersedes any previous arrangements or agreements between them (other than the Confidentiality Agreement) relating to the sale and purchase of the Transfer Interests and the Acquired Business (as relevant).

(b) Each Party confirms that it has not entered into this Agreement or any other Transaction Document on the basis of any representation, warranty, undertaking or other statement whatsoever by any other Party or any of its Related Persons which is not expressly incorporated into this Agreement or the relevant Transaction Document and that, to the extent permitted by law, a Party shall have no right or remedy in relation to action taken in connection with this Agreement or any other Transaction Document other than pursuant to this Agreement or the relevant Transaction Document and each Party waives all and any other rights or remedies.

(c) A Party's only right or remedy in respect of any provision of this Agreement or any other Transaction Document shall be for breach of this Agreement or that Transaction Document, and no Party shall have any right or remedy in respect of misrepresentation (whether negligent or innocent and whether made prior to or in this Agreement) and each Party waives all and any rights or remedies in respect of misrepresentation which it may have in relation to any matter to the fullest extent permitted by law.

(d) Save for any claim under or for breach of this Agreement or any other Transaction Document, no Party nor any of its Related Persons shall have any right or remedy, or make any claim, against any other Party nor any of its Related Persons in connection with the Transaction.

(e) In this Clause 17.8, "**Related Persons**" means, in relation to a Party, members of the Relevant Party's Group and the Agents of that Party and of members of the Relevant Party's Group.

(f) Nothing in this Clause 17.8 shall operate to limit or exclude any liability for fraud.

17.9 **Remedies and Waivers**

(a) No waiver of any right under this Agreement or any other Transaction Document shall be effective unless in writing. Unless expressly stated otherwise a waiver shall be effective only in the circumstances for which it is given.

(b) No delay or omission by any Party in exercising any right or remedy provided by law or under this Agreement, save to the extent otherwise provided in Schedule 1 (*Seller's and Guarantor's Limitations of Liability*), shall constitute a waiver of such right or remedy.

(c) The single or partial exercise of a right or remedy under this Agreement shall not preclude any other nor restrict any further exercise of any such right or remedy.

(d) The rights and remedies provided in this Agreement are cumulative and do not exclude any rights or remedies provided by law except as otherwise expressly provided.

17.10 **Effect of Closing**

The provisions of this Agreement and of the other Transaction Documents which remain to be performed following Closing shall continue in full force and effect notwithstanding Closing.

17.11 **Third Party Rights**

(a) This Agreement is made for the benefit of the Parties and their successors and is not intended to benefit any other person, and no other person shall have any right to enforce any of its terms, except that:

(i) Clause 6.6(a)(ii)(A) and Clause 8.8(c) is intended for the benefit of each Buyer Group Company;

(ii) Clause 6.6(a)(ii)(B) and Clause 8.7 (*Restrictions on the Buyer*) is intended for the benefit of each Seller Group Company;

(iii) Clause 8.9 (*Guarantees and Other Third Party Assurances*) is intended to benefit the Seller Group Companies and the Acquired Entities;

(iv) Clause 8.10(a) is intended to benefit the Released Persons;

(v) Clause 8.10(f) and Clause 8.10(g) are intended to benefit the directors, officers and statutory auditors of each Acquired Entity that are resigning or being removed (as applicable) on the Closing Date;

(vi) Clause 9.1(e) is intended to benefit each individual specified in the Seller's Knowledge Group;

(vii) Clause 13 (*Confidentiality*) is intended to benefit the Seller Group Companies and the Buyer Group Companies (as applicable); and

(viii) Clause 17.8 (*Entire Agreement*) is intended to benefit each Party's Related Persons; and

(ix) Schedule 21 (*Specified Credit Support Instruments*) is intended to benefit each Seller Group Company and each 'Acquired Entity Credit Support Provider'(as that term is defined in Schedule 21 (*Specified Credit Support Instruments*)),

and each such Clause or Schedule (as applicable) shall be enforceable by any of them to the fullest extent permitted by law, subject to the other terms and conditions of this Agreement.

(b) The Parties may amend or vary this Agreement in accordance with its terms without the consent of any other person.

17.12 **Counterparts**

This Agreement may be executed in counterparts and shall be effective when each Party has executed and delivered a counterpart. Each counterpart shall constitute an original of this Agreement, but all counterparts shall together constitute one and the same instrument.

17.13 **Time of the Essence**

Time shall be of the essence of this Agreement both as regards any dates, times and periods mentioned and as regards any dates, times and periods which may be substituted for them in accordance with this Agreement or by agreement in writing between the Parties.

17.14 **Governing Law and Jurisdiction**

(a) This Agreement, including any noncontractual obligations arising out of or in connection with this Agreement, is governed by and shall be construed in accordance with English law.

(b) Save as expressly provided in Clause 4.6 (*Expert Determination of Leakage*), subject to Clause 17.14(c), the Parties agree that the courts of England shall have exclusive jurisdiction to hear and determine any suit, action or proceedings arising out of or in connection with this Agreement (including any noncontractual obligations arising out of or in connection with this Agreement) ("**Proceedings**") and, for such purposes, irrevocably submit to the jurisdiction of such courts.

(c) Save as expressly provided in Clause 4.6 (*Expert Determination of Leakage*), the Parties agree that if any claim, dispute or difference of whatever nature arises under or in connection with this Agreement or any other Transaction Document (including a claim, dispute or difference regarding its existence, termination or validity or any noncontractual obligations arising out of or in connection with this Agreement or any other Transaction Document) (a "**Dispute**"), the provisions of this Clause 17.14 shall apply. Any Party may notify the other Parties of a Dispute (a "**Dispute Notice**"), whereupon the Parties shall attempt to resolve the Dispute. If a full and final binding written agreement in settlement of any elements of the Dispute has not been entered into during the period commencing on the date of service of the Dispute Notice and expiring on the date which is twenty (20) Business Days following such date, any Party shall be entitled to institute Proceedings under this Agreement in respect of those elements of the Dispute against any other Party.

17.15 **Agent for Service of Process**

(a) The Seller irrevocably appoints the Guarantor and the Buyer irrevocably appoints Apollo Management International LLP, in each case as its agent for service of process in England.

(b) If any person appointed as agent for service of process ceases to act as such the relevant Party shall immediately appoint another person to accept service of process on its behalf in England and notify the other Party of such appointment. If the relevant Party fails to do so on or before the date which is ten (10) Business Days following the date such person ceases to act as agent for service of process, then the other Party shall be entitled by notice to the relevant Party to appoint a replacement agent for service of process.

This Agreement has been entered into by the Parties on the date first above written.

Signed for and on behalf
of **Lottomatica Holding S.r.l.**

/s/ Fabio Celadon
By: Fabio Celadon,
Title: Authorized Representative

[**Signed** for and on behalf
of **International Game Technology PLC**

/s/ Fabio Celadon
By: Fabio Celadon
Title: Executive Vice President, Strategy and Corporate Development

Signed for and on behalf
of **Gamenet Group S.p.A.**

/s/ Guglielmo Angelozzi
By: Guglielmo Angelozzi
Title: Chief Executive Officer

Schedule 1

The Acquired Entities

Company name	:	Lottomatica Videolot Rete S.p.A.
Company number	:	08360081007
Date of incorporation	:	1 February 2005
Registered address	:	Viale del Campo Boario, 56/d, Rome, Italy
Issued share capital	:	€3,238,103 (*three million two hundred thirty-eight thousand one hundred three Euros*)
Shareholder	:	The Seller (holder of 100% (*one hundred percent*) of the issued share capital)
Directors	:	Alessandro Paciucci (chairman and managing director) Chiara Pomarici (managing director) Barbara Bozzelli
Auditors	:	Francesco Martinelli (chairman) Giulio Gasloli Cesare Andrea Grifoni
Accounting reference date	:	31 December
Company name	:	Lottomatica Scommesse S.r.l.
Company number	:	09257071002
Date of incorporation	:	20 December 2006
Registered address	:	Viale del Campo Boario, 56/d, Rome, Italy
Issued share capital	:	€22,773,394 (*twenty-two million seven hundred seventy-three thousand three hundred ninety-four Euros*)
Shareholder	:	The Seller (holder of 100% (*one hundred percent*) of the issued share capital)
Directors	:	Alessandro Fiumara Barbara Bozzelli Ludovico Calvi
Auditors	:	Angelo Gaviani (chairman) Francesco Martinelli Francesco Deganello
Accounting reference date	:	31 December
Company name	:	Big Easy S.r.l.
Company number	:	03342150988
Date of incorporation	:	24 June 2011
Registered address	:	Viale del Campo Boario, 56/d, Rome, Italy

Issued share capital	:	€2,300,000 (*two million three hundred thousand Euros*)
Shareholders	:	LVR (holder of 56% (*fifty-six percent*) of the issued share capital) Faro Games S.r.l. Lubox S.r.l. Unipersonale
Directors	:	Chiara Pomarici (chairman) Roberto Marai (vice-chairman, managing director) Luca Ariano (managing director) Barbara Bozzelli Paolo De Blasio
Auditors	:	Arrigo Bandera (chairman) Francesco Rocco Roberto Munno
Accounting reference date	:	31 December

Schedule 1

Schedule 2

Conditions

1. **ADM Clearance**

   The ADM having approved or not opposed (*nulla osta*), to the extent necessary, to the change of ownership structure of the Acquired Entities with respect to the Acquired Entities' Concessions, either unconditionally or subject to remedies, whether express or implied (due to expiration of the relevant waiting period or otherwise), in each case that has not been revoked, rescinded, annulled or overturned.

2. **Antitrust Clearance**

   Insofar as the Transaction has been referred to a competent Regulatory Authority, the relevant Regulatory Authority having granted its consent, approval, clearance, confirmation or license with respect to the change of the ownership structure of the Acquired Entities arising as a result of the Transaction under the applicable competition, antitrust and merger control laws, statutes and regulations, either unconditionally or subject to remedies, whether express or implied (due to expiration of the relevant waiting period or otherwise), in each case that has not been revoked, rescinded, annulled or overturned.

3. **Concessions**

   The Seller shall have provided to the Buyer a certificate executed by a duly authorized officer or director of the Seller certifying that at the Closing Date:

   (a) the Acquired Entities' Concessions are in full force and effect (including as a result of any prorogation granted by the ADM), except where they have expired in accordance with their terms (provided that appropriate steps have been taken to extend or prorogate any of the relevant Acquired Entities' Concessions (if such extension or prorogation is available)); and

   (b) no procedure has been opened by the ADM (and is continuing) or no measure has been issued in accordance with applicable laws (and not withdrawn) which, in each case, is reasonably likely to cause a revocation of any of the Acquired Entities' Concessions and which is not capable of being cured.

4. **Legal Impediment**

   No injunction, restraining order or other order or any other legal or regulatory restraint or prohibition having been issued or made by any Governmental Authority which prevents the consummation of the Transaction and the other transactions contemplated by this Agreement.

5. **Collection Mandates**

   The Seller shall have provided to the Buyer a certificate executed by a duly authorised officer of the Seller Group or a duly authorised director of the Seller certifying that no less than:

(a) 1,125 (*one thousand one hundred twenty-five*) New Collection Mandates have been obtained with respect to the Existing Collection Mandates for retailers of Scommesse offering sports betting;

(b) 4,320 (*four thousand three hundred twenty*) New Collection Mandates have been obtained with respect to the Existing Collection Mandates for retailers of top-up of online gaming accounts; and

(c) 125 (*one hundred twenty-five*) New Collection Mandates have been obtained with respect to the Existing Collection Mandates for retailers of LVR.

Schedule 3

Closing Arrangements
Part 1

Seller's Obligations
At Closing the Seller shall:

1. Procure that meetings of the board or of the shareholders (as the case may be) of each of LVR and Scommesse are held at which:

   (a) in the case of:

      (i) LVR, the sale of the LVR Shares; and

      (ii) Scommesse, the sale of the Scommesse Quotas,

      (iii) to the Buyer be acknowledged (or, to the extent required approved) and,

      if appropriate, it shall be resolved that the transfer of the Transfer Interests shall be approved for registration and (subject to satisfaction of such legal or other requirements as are necessary for the registration to be effected) the transferee entered into the register of members;

   (b) new auditors (*sindaci*) shall be appointed in accordance with the Buyer's nominations;

   (c) new directors shall be appointed in accordance with the Buyer's nominations; and

   (d) the resignations of, and related waivers of any claims from, the directors and Auditors referred to in paragraph 4(b) shall be tendered and accepted with effect from the close of the meeting.

2. Deliver to the Buyer or the Buyer's Lawyers:

   (a) a copy of the fully executed Source Code License Agreements executed by the licensor and the licensee;

   (b) copies of the fully executed TSAs and the Reverse TSAs;

   (c) all necessary documents duly executed to enable title to the Transfer Interests to pass fully and effectively into the name of the Buyer or such other person as the Buyer may nominate;

   (d) the share certificates representing the LVR Shares duly endorsed in favour of the Buyer (or such other person as the Buyer may nominate) with signatures certified by an Italian notary;

   (e) a copy of each power of attorney under which any document to be delivered to the Buyer has been executed;

(f) a copy of the minutes of the meeting of the board or supervisory board of directors of the Acquired Entities referred to in paragraph 1 (as necessary to provide valid authorisation);

(g) a copy of the minutes of the shareholders' meeting of LVR resolving on the amendment of the by-laws referred to in Clause 6.4(f) of the Agreement;

(h) the resignations of, and related waivers of any claims from, LVR's nominee directors on the board of Big Easy and LVR's nominee Auditors of Big Easy;

(i) a copy of the notice of call of a shareholders' meeting of Big Easy to be held on the Closing Date and to resolve upon the appointment of new directors and auditors, which shall have been duly sent in accordance with the by-laws of Big Easy;

(j) an officer certificate executed by a duly authorized officer or director of the Seller delivered pursuant to paragraph 3 of Schedule 2 of this Agreement; and

(k) an officer certificate executed by a duly authorized officer or director of the Seller delivered pursuant to paragraph 5 of Schedule 2 of this Agreement.

3. Execute with the Buyer (or such other person as the Buyer may nominate) a notarial deed governing the transfer of the Scommesse Quotas for the purposes of article 2470 of the Italian Civil Code, with signatures certified by an Italian notary.

4. Deliver to the Buyer (to the extent not already in the possession of an Acquired Entity):

(a) the statutory books of the Acquired Entities; and

(b) written resignations in the agreed form of Schedule 13 (*Form of Resignation and Waiver Letter*) to take effect from Closing of all the directors and Auditors (if any) each of the Acquired Entities, together with such further documents or confirmations, if any, as are needed to effect a valid and legally-binding resignation and satisfy all applicable legal and regulatory requirements in relation to that resignation.

5. To the extent that the Closing Cash Pooling Balance notified pursuant to Clause 6.4(a)(i) contemplates an amount attributable to the Acquired Entities, procure that an amount in cash equal to balances attributable to the Acquired Entities are transferred to the Acquired Entities.

Part 2

Buyer's Obligations

At Closing the Buyer shall or shall procure an Affiliated Person designated by the Buyer to:

1. procure that the Closing Payment shall be transferred to the Seller's Designated Account by telegraphic transfer in immediately available cleared funds;

2. to the extent that the Closing Cash Pooling Balance notified pursuant to Clause 6.4(a)(i) contemplates an amount attributable to the Seller Group, procure that an amount in cash equal to the Closing Cash Pooling Balance shall be transferred to the Seller's Designated Account by telegraphic transfer in immediately available cleared funds;

3. execute with the Seller a deed governing the transfer of the Scommesse Quotas for the purpose of article 2470 of the Italian Civil Code, with signatures certified by an Italian notary;

4. execute and deliver or procure the execution and delivery of the Source Code License Agreements, executed by the licensee, to the Seller;

5. deliver to the Seller or the Seller's Lawyers certified copies of the minutes of the shareholders' meeting of each Acquired Entity resolving those matters specified in Clause 8.10(f)(i); and

6. deliver to the Seller the Buyer Credit Support Instruments (as that term is defined in Schedule 21 (*Specified Credit Support Instruments*)).

Schedule 1

Schedule 4

Seller's Warranties

1. **Incorporation; Authority and Binding Effect**

1.1 The Seller has been duly incorporated and is validly existing under the laws of the Republic of Italy.

1.2 The Seller has the requisite power and authority to execute and deliver this Agreement, to which it is a party and all other documents executed by the Seller which are to be delivered at Closing and to perform its obligations thereunder and to consummate the Transaction. This Agreement has been duly and validly executed and delivered by the Seller and constitutes, assuming due and valid execution and delivery of this Agreement by the Buyer, the valid and binding obligation of the Seller, enforceable against the same in accordance with its terms and pursuant to applicable law.

1.3 The Seller is not insolvent or unable to pay its debts under the insolvency laws of the jurisdiction of its incorporation nor has it stopped being able to pay its debts as they fall due. No order has been made, petition presented or resolution passed for the windingup of the Seller. No administrator, receiver, manager or equivalent officer has been appointed by any person in respect of the Seller or all or any material part of its assets, and, so far as the Seller is aware, no steps have been taken to initiate any such appointment and no voluntary arrangement has been proposed relating to the Seller. The Seller has not become subject to any analogous proceedings, appointments or arrangements under the laws of any applicable jurisdiction.

2. **The Transfer Interests and the Acquired Entities**

2.1 The Seller is the sole legal and beneficial owner of, and has lawful, good and marketable title to, all of the Transfer Interests free from all Encumbrances.

2.2 LVR is the sole legal and beneficial owner of, and has lawful, good and marketable title to, fifty-six percent (56%) of the fully diluted corporate capital of Big Easy free from all Encumbrances.

2.3 The Transfer Interests are duly authorized, validly issued, in registered form, constitute the entire issued corporate capital of each of LVR and Scommesse and, in each instance, are fully paidup and not issued in violation of any pre-emptive or similar rights. The shares in the capital of Big Easy are duly authorized, validly issued, in registered form and are fully paidup and not issued in violation of any pre-emptive or similar rights.

2.4 The Transfer Interests constitute the whole of the issued corporate capital of LVR and Scommesse and there are no outstanding subscriptions, warrants, options, calls, rights of first offer, rights of first refusal, tag along rights, drag along rights, or commitments or rights of any character relating to or entitling any person to purchase or otherwise acquire any shares, quotas or interests of the Acquired Entities, and there are no obligations or securities having the right to vote on any matters on which the Seller may vote or convertible into or exchangeable for shares of any shares of the Acquired

Entities or any commitments of any character relating to or entitling any person to purchase or otherwise acquire any such obligations or securities. There are no contracts or arrangements under which an Acquired Entity is obligated to repurchase, redeem or otherwise acquire any shares of an Acquired Entity. No shares of an Acquired Entity are reserved for issuance.

2.5 Neither of LVR or Scommesse owns any legal or beneficial interest in any shares, securities or participation interests of any kind in any undertaking other than the interests in Big Easy. Big Easy owns no legal or beneficial interest in any shares, securities or participation interests of any kind in any undertaking.

2.6 Schedule 1 (*The Acquired Entities*) lists the particulars of each Acquired Entity.

2.7 True and correct copies of the constitutional documents of each Acquired Entity have been made available in the Data Room.

2.8 Each Acquired Entity has been duly incorporated and is validly existing under the laws of the Republic of Italy.

2.9 Each Acquired Entity has the full power and authority to conduct its business as presently conducted and to own its assets and properties as presently owned. Each Acquired Entity is duly qualified and in good standing to do business in each jurisdiction in which such qualification is necessary because of the nature of the business conducted by it. No Acquired Entity is subject to any reorganization, liquidation, insolvency, bankruptcy or other similar proceedings under Italian law nor has it stopped payment of its debts as they fall due or is unable to pay its debts as they fall due.

3. **No conflict**

3.1 The execution, delivery and performance of this Agreement and the consummation of the Transaction and the other transactions contemplated by this Agreement do not, and as of the Closing Date, will not:

(a) conflict with, or result in the breach of, or constitute a default under, the by-laws or other governing documents of any of the Seller or the Acquired Entities; or

(b) be in default in the performance or observance of any obligation, agreement, undertaking or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease, guarantee, letter of credit, licence or other agreement or instrument, including any concession or license to operate the Acquired Business, or to which any of the property or assets of the Seller or the Acquired Entities are subject; or

(c) be in default in the performance or observance of any obligation, agreement, undertaking or condition contained in any Acquired Entities' Concessions; or

(d) conflict with, or result in the breach or violation of any statute, order, rule, regulation of any court or governmental agency or body having jurisdiction over the Seller or any of the Acquired Entities, including any Gaming and Betting Laws; or

(e) allow or result in the imposition of any penalty under, or the revocation or termination of, any Acquired Entities' Concession,

except for any such conflict, breach, default or violation under paragraphs 3.1(b) or 3.1(d) that would not, individually or in the aggregate, materially impede or delay Closing or otherwise prevent the Transaction.

3.2 The Seller is not subject to any order, judgment, direction, investigation or other proceedings by any Governmental Authority that would reasonably be expected to prevent or delay Closing.

4. **Accounts**

4.1 The Last Accounts have been prepared in good faith and with all due care and attention, and in accordance with the Accounting Principles and consistently with the prior two accounting periods subject to any changes required under IFRS.

4.2 The Last Accounts present fairly and accurately the financial position of each Acquired Entity and Optima at the Locked Box Date, as well as the results of operations and cash flows for the year ended at the Locked Box Date.

4.3 Save as Disclosed in the Last Accounts, the Last Accounts were not affected in any material respect by any unusual or non-recurring items.

4.4 Save as disclosed in the Last Accounts, the Last Accounts applied the Accounting Principles in a manner consistent and therefore on the same basis as applied by the Acquired Entities and Optima in the preparation of the statutory financial statements for the accounting period ended 31 December 2018.

4.5 The Locked Box Accounts present fairly and accurately the aggregation of the Last Accounts.

4.6 The books and records of the Acquired Entities and Optima have been properly maintained in all material respects in accordance with applicable laws and regulations and are in possession of the Acquired Entities and Optima, as applicable.

5. **Position since the Locked Box Date**

Since the Locked Box Date:

(a) the Acquired Business has been carried on in the ordinary course;

(b) other than pursuant to the Carve-Out or in the ordinary course of business, no assets of a value, individually or in aggregate, in excess of €2,500,000 (*two million five hundred thousand Euros*) have been acquired or disposed of by any Acquired Entity, nor has there been any agreement to acquire or dispose of any such assets;

(c) other than pursuant to the Carve-Out or in the ordinary course of business, no liabilities (actual or contingent) have been incurred by or arisen in relation to any Acquired Entity which are either unquantifiable or of an aggregate amount in excess of €2,500,000 (*two million five hundred thousand Euros*);

(d) other than in the ordinary course of business, no Acquired Entity has borrowed or raised any money and no individual item of capital expenditure, or series of connected items of capital expenditure, have been incurred in an aggregate amount in excess of €2,500,000 (*two million five hundred thousand Euros*);

(e) no Acquired Entity has issued or agreed to issue any share or loan capital or other similar interest; and

(f) other than with respect to the Big Easy Loan and the Cash Pooling Arrangements, no Financial Debt of any Acquired Entity has become due and payable before its normal or originally stated maturity and no Acquired Entity has received a demand or other notice requiring any Financial Debt to be paid or repaid before its normal or originally stated maturity.

6. **Books and Records**

All Books and Records (i) have been properly maintained in all material respects; (ii) do not contain or reflect any material inaccuracies; (iii) contain a true and complete record, in all material respects, of all actions taken at all meetings of the shareholders, the board of directors and the board of statutory auditors of the Acquired Entities; and (iv) at Closing, will be in the possession of the Acquired Entities.

7. **Related Party Transactions**

No indebtedness and no material contract or arrangement is outstanding between any Acquired Entity and any Seller Group Company, other than (i) on commercial arm's length terms in the ordinary course of business and in compliance with law or (ii) other arrangements pursuant to the TSAs.

8. **Guarantees and Financial Debt**

8.1 Other than as set out in Schedule 21 (*Specified Credit Support Instruments*), no guarantee or Encumbrance has been given or entered into by any person other than an Acquired Entity, including any Seller Group Company, in respect of any obligations of an Acquired Entity (including in respect of borrowings).

8.2 No guarantee or Encumbrance has been given or entered into by an Acquired Entity in respect of any obligations of another person (other than another Acquired Entity), including any Seller Group Company (including in respect of borrowings).

8.3 All guarantees issued by third parties for the benefit of Big Easy are in full force and effect, none are void or voidable, and none can be terminated by the relevant third party upon a change in the indirect ownership or control of Big Easy or will be otherwise affected by the consummation of the Transaction.

8.4 The issuers of the Unrelated Credit Support Instruments do not have any claims against the Acquired Entities arising from or in connection with the Unrelated Credit Support Instruments.

9. **Contracts**

Material Contracts

9.1 For the purposes of this paragraph 9 and Clause 6.4(d), "**material**" means an agreement, event, fact or circumstance which (i) in the case of a supplier relationship, has a cost or expense (including in relation to fees) or liability to an Acquired Entity (or Acquired Entities in the event more than one Acquired Entity is a party thereto) of €350,000 *(three hundred fifty thousand Euros*) per financial year or more or (ii) in the case of a customer relationship, generates revenues (including in relation to fees) to an Acquired Entity of €350,000 *(three hundred fifty thousand Euros*) per financial year.

9.2 Except as Disclosed, no Acquired Entity is a party to any material contract which:

(a) is, in the reasonable opinion of the Seller, of an unusual or exceptional nature or is not in the ordinary course of business;

(b) can be terminated upon a change in the direct or indirect ownership or control of that Acquired Entity or under whose terms, in the event of such a change of ownership or control, material rights would arise in favour of any third party which did not exist prior to such event;

(c) restricts to a material extent an Acquired Entity's ability to carry on any material part of its business in the jurisdictions in which it operates or to use or exploit any of its material assets; or

(d) is with any other Acquired Entity and is not on arm's length terms.

9.3 So far as the Seller is aware: (i) each of the material contracts to which an Acquired Entity is a party is in full force and effect; (ii) neither the Acquired Entities nor their respective counterparties are in default or breach in any material respect under the terms of, or have provided or received any written notice of any intention to terminate, any material contract, and no event or circumstance, as evidenced by written records, has occurred which is reasonably expected to give rise to the termination thereof, (iii) no counterparty to any material contract has requested any modification to the terms thereof or threatened in writing not to renew any material contract upon its expiration in accordance with its terms; and (iv) no allegation of any breach or invalidity been received in relation to any such contract by any Acquired Entity during the twelve (12) months immediately preceding the date of this Agreement.

9.4 No Acquired Entity is a party to a material contract which is not of an arm's length nature to a material extent.

Customers and Suppliers

9.5 During the twelve (12) months immediately preceding the date of this Agreement no material customer of or material supplier to any Acquired Entity has ceased to deal with that Acquired Entity or has indicated in writing an intention to do so, either in whole or in part.

9.6 No supplier or customer (including any person connected in any way with any supplier or customer) has, during the ten (10) months immediately prior to 31 October 2020, accounted either for more than 10% (*ten percent*) of the aggregate operating expenses or for more than 10% (*ten percent*) of the aggregate revenues of any Acquired Entity.

10. **Compliance with Laws**

10.1 Each Acquired Entity has during the twelve (12) months immediately preceding the date of this Agreement carried out its business in all respects in compliance with all applicable laws and regulations (including applicable Gaming and Betting Laws) in any relevant jurisdictions, including those relating to (i) occupational health and safety, and (ii) privacy and data security except, in each case, for instances of noncompliance that would not, individually or in the aggregate, have a material adverse effect on the Acquired Entities taken as a whole.

10.2 The Acquired Business has during the twelve (12) months immediately preceding the date of this Agreement been carried out in all respects in compliance with all applicable laws and regulations (including Gaming and Betting Laws) in any relevant jurisdictions, including those relating to (i) occupational health and safety, (ii) privacy and data security, (iii) anti-money laundering and (iv) anti-bribery and anti-corruption, except, in each case, for instances of noncompliance that would not, individually or in the aggregate, have a material adverse effect on the Acquired Business taken as a whole.

11. **Licences and Concessions**

11.1 So far as the Seller is aware, all the consents, approvals, authorizations, orders, decrees, registrations or qualifications with any court or governmental agency or body, including the ADM (formerly the *Amministrazione Autonoma dei Monopoli di Stato*) (the "**Licences**") required by each Acquired Entity for it to (i) conduct the Acquired Business in all material respects as it is currently conducted or (ii) comply in all material respects with the terms of the Acquired Entities' Concessions, have been obtained in accordance with the applicable laws.

11.2 Each Licence is in full force and effect or has been validly prorogated and, so far as the Seller is aware, there are no grounds for the revocation or termination of any Licence.

11.3 Other than the Acquired Entities' Concessions, none of the Acquired Entities owns or has any material interest in any concessions relating to gaming (including online gaming), betting (including online betting) or gambling activities.

11.4 Other than with respect to the 2015 Italian Budget Law and the prorogation of the Acquired Entities' Concessions granted by the ADM:

(a) each Acquired Entities' Concession is in full force and effect in accordance with its terms and is validly held in accordance with applicable law;

(b) no written notice has been received from any Governmental Authority of any revocation or intention to revoke any Acquired Entities' Concession; and

(c) so far as the Seller is aware, as of the date of this Agreement, there are no circumstances or events, as evidenced by written records, occurring with respect to the Acquired Business which would reasonably be expected to give rise to the termination or revocation of any of the Acquired Entities' Concessions; and

(d) neither the Seller nor any Acquired Entity has violated any provision of, or taken or failed to take any act which, without notice, lapse of time, or both, would reasonably be expected to constitute a material default under the provisions of any Acquired Entities' Concession and neither the Seller nor any Acquired Entity has received written notice of a material breach, violation or default of the provisions of any Acquired Entities' Concession within the twelve (12)-month period immediately prior to the date of this Agreement.

11.5 The Seller is not subject to any order, judgment, direction, investigation or other proceedings by any Governmental Authority that would reasonably be expected to allow or result in the imposition of any material penalty under, or the revocation or termination of, any of the Acquired Entities' Concessions or any material impairment of the rights of the relevant holder of an Acquired Entities' Concessions.

11.6 Subject to the satisfaction of the Conditions, the direct or indirect change of control of the Acquired Entities pursuant to the sale and purchase of the Transfer Interests will not result in the suspension, cancellation, variation, revocation, termination or nonrenewal of any Licence or Acquired Entities' Concessions or, so far as the Seller is aware, give rise to a right to suspend, cancel, vary, revoke, terminate or not renew any Licence or Acquired Entities' Concessions.

11.7 So far as the Seller is aware, all Acquired Entities fulfil the requirements (including the applicable technical, technological and infrastructural requirements) for the operation and maintenance of the Acquired Entities' Concessions (as applicable).

11.8 So far as the Seller is aware, the gaming halls and points of sale run by the Acquired Entities hold valid police licenses and fire prevention licenses as required for the operation of the business being conducted therein in accordance with applicable law.

12. **Sufficiency of Assets**

12.1 As of Closing, the assets of the Acquired Business, together with the services provided under the TSAs, the Source Code License Agreements and the Third Party Contracts, taken as a whole, include, in the reasonable opinion of the Seller, in the aggregate all rights, properties, assets, facilities and services which are necessary for the Buyer to carry on the Acquired Business as currently conducted and as was carried on during the eighteen (18) months immediately preceding the date of this Agreement. The Acquired Business does not depend in any material respect on the use of assets owned, or facilities and services provided, by any Seller Group Company, which has not been or will not be transferred to the Acquired Entities on Closing or provided to them pursuant to the TSAs.

12.2 As of the Closing Date:

(a) the reporting invoicing and credit collection procedures relating to the Acquired Business will be separated from those relating to the Retained Business;

(b) except as provided under the TSAs, no data or other information relating to the Acquired Business will be accessible to the Workers of the Seller Group Companies having access to the IT systems that will be shared after Closing between the Seller Group Companies and the Acquired Entities;

(c) the Acquired Entities will be technically able to issue invoices under their own VAT numbers and without any reference to the Seller's VAT group;

(d) bank accounts opened in the name of Scommesse will be used for the management of the wallets of customers holding online gaming accounts;

(e) the Acquired Entities will have received appropriate collection mandates in their names (as applicable) from the retailers of the Acquired Business who have provided New Collection Mandates by Closing; and

(f) the Acquired Entities will be technically able to autonomously issue Sepa Direct Debit (SDD) flows to the relevant banks.

13. **Title to Property**

13.1 All of the leases (which expression includes any letting, any underlease or sublease (howsoever remote) and any tenancy or licence to occupy and any agreement for any lease, letting, underlease, sublease or tenancy) material to the business of the Acquired Entities, considered as one enterprise, are in full force and effect, and will not be affected by the consummation of the Transaction. None of the Acquired Entities has received any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of any of the Acquired Entities under any of the leases or subleases mentioned above, or affecting or questioning the rights of the Acquired Entities to the continued possession of the premises held under any such lease.

13.2 All premises leased by the Acquired Entities in connection with its business are in all material respects in good operating condition and repair (except for ordinary wear and tear).

14. **Equipment**

14.1 A complete and accurate list of hardware equipment and all other material equipment owned or used by each Acquired Entity as at 30 September 2020 is set out in the Data Room.

14.2 So far as the Seller is aware, all material hardware equipment and other material equipment used by any Acquired Entity in connection with its business are in all material respects in good repair and condition, have, in all material respect, been properly maintained and are capable of performing the functions for which they are used, in each case except for ordinary wear and tear.

15. **Product Liability**

So far as the Seller is aware, no Acquired Entity has sold or provided any product or service which did not comply in all material respects with all laws, regulations, standards and requirements then applicable during the twelve (12) months immediately preceding the date of this Agreement.

16. **Employment**

16.1 Details of all remuneration and other benefits which each Acquired Entity is bound to provide to each Seller Key Worker are set out in the Data Room.

16.2 Copies of all the standard terms and conditions, which apply to Workers and of all templates of contracts of employment or terms of engagement of all Seller Key Workers are contained in the Data Room.

16.3 The terms of employment or engagement of all Workers of the Acquired Entities are consistent with the provisions of applicable law and collective bargaining agreements.

16.4 The employees of the Acquired Entities have been correctly classed in their respective category and have been duly remunerated for all the services performed in the course of their working relationship in compliance with the provisions of all applicable laws and contracts (including any collective labour agreements) and, with respect to any remuneration or rights which have accrued but which are not yet payable (including the *trattamento di fine rapporto*) sufficient provision to cover the relative payments has been set aside in the Locked Box Accounts on and as of such date. The Acquired Entities have duly calculated, and have set aside appropriate provisions in their respective accounts, in connection with the severance indemnities that shall be paid to their employees in compliance with the applicable law.

16.5 Except for the Disclosed collective bargaining agreements, the Acquired Entities are not legally bound by any other collective bargaining agreement (including works agreements and company practices) or labour union contract applicable to their employees, and no collective bargaining agreement, collective agreement or labour union contract is being negotiated by the Acquired Entities that would be applicable to their employees.

16.6 The overall remuneration, including benefits and bonuses, due to each Seller Key Worker and in respect of the relevant employment category to which they belong, is that set out in the Data Room and no other form of remuneration (e.g., bonus, share incentive, stock option or stock grant plan, etc.) or particular benefit arrangement has been agreed, in addition to those set out therein.

16.7 All bonuses, variable compensation (including the productivity bonus, i.e. *premio di produttività*), short-term and long-term incentives and any other forms of variable remuneration due to the employees of the Acquired Entities have been duly paid or, to the extent that they have accrued but have not been paid yet, appropriate provisions to cover the relevant payments have been set aside in their respective accounts. No employee of the Acquired Entities has or will have any rights *vis-à-vis* the Acquired Entities, or is or will be entitled to receive any payment or assets from the Acquired Entities, in connection with any equity-based incentive plan implemented by the Guarantor or any other Seller Group Company.

16.8 No Acquired Entity is currently engaged or involved in any material dispute with any Worker, any labour dispute, any dispute related to social security contributions, any administrative procedure or any inspection which are material and, so far as the Seller is aware, no industrial action involving the Acquired Entities' employees, official or unofficial, exists at the date of this Agreement.

16.9 The Acquired Entities are in all material respects in compliance with all laws and applicable labour collective agreements regarding employment practices, terms and conditions of employment, pay equity, social security contributions, wages, insurance premiums, bonuses, variable compensations, short-term and long-term incentives,

stock options, hours and overtime, holidays and paid-leaves, end-of-service allowance (*trattamento di fine rapporto*), government salary integration fund (*fondo d'integrazione salariale*) or any other government redundancy fund, hiring of disabled persons or protected categories, use of fixed term or part-time employees, staff-leased workers (*lavoratori sommnistrati*), independent contractors (*lavoratori autonomi*), coordinated and continuous collaborators (*collaboratori coordinati e continuativi*) and employees' data protection, and there are no circumstances that could give rise to any dispute, proceedings or sanction for the violation of any of the foregoing.

16.10 No individual other than the current employees of the Acquired Entities is entitled to successfully claim, or has any reason or ground to claim, the existence of an employment relationship with the Acquired Entities, and no employee of the Acquired Entities is entitled to successfully claim the existence of an employment relationship with the Seller Group Companies. No employee of the Acquired Entities has challenged, or has threatened in writing to challenge, the transfer of his or her employment relationship from the Seller to the relevant Acquired Entity in the context of the Carve-Out, and no employee of the Seller Group Companies has claimed, or has threatened in writing to claim, that pursuant to the applicable law his or her employment relationship was to be transferred from the Seller to the Acquired Entities in the context of the Carve-Out.

16.11 No claim has been made or threatened in writing during the twelve (12) months immediately preceding the date of this Agreement against any Acquired Entity, by any Worker or any former employee in connection with his or her employment relationship (or other applicable contractual relationship).

17. **Litigation and Investigations**

17.1 Other than with respect to the 2015 Italian Budget Law, no Acquired Entity is engaged in any material litigation, arbitration, mediation or other legal proceedings currently pending or, to the knowledge of the Seller, threatened in writing, where "**material**" means proceedings which (if successful) are likely to result in a liability to any Acquired Entity of €350,000 (*three hundred fifty thousand Euros*) or more.

17.2 So far as the Seller is aware and other than with respect to the 2015 Italian Budget Law, no Acquired Entity is the subject of any investigation, enquiry or enforcement proceedings by any governmental or other body which, in the reasonable opinion of the Seller, is likely to have a material effect on the Acquired Business.

17.3 Other than with respect to the 2015 Italian Budget Law, no Acquired Entity is affected to a material extent by any existing or pending judgments or rulings, orders or decrees of any court or governmental authority or any expert determination or arbitral award to which it is subject.

18. **Insurance**

18.1 Details of all material insurance policies maintained by or covering the Acquired Entities are contained in the Data Room.

18.2 All such insurance policies are in full force and effect, none are void or voidable, and none can be terminated upon a change in the direct or indirect ownership or control of the Acquired Entities.

18.3 No claims are outstanding, and, so far as the Seller is aware, no event has occurred which might give rise to any claim and, except with respect to insurance policies that are on an end of year adjustment basis, all premiums due and payable have been paid.

19. **Insolvency**

19.1 No order has been made or resolution passed for the windingup of any Acquired Entity and no provisional liquidator has been appointed. No petition has been presented or meeting convened for the purposes of winding up any Acquired Entity and no step has been taken to initiate any process by or under which the ability of the creditors of an Acquired Entity to take any action to enforce their debts is suspended, restricted or prevented, or some or all of the creditors of an Acquired Entity accept, by agreement or pursuant to a court order or any ruling by a competent body, an amount less than the sums owing to them in satisfaction of those sums. No Acquired Entity has become subject to any analogous event, proceedings or arrangements under the laws of any applicable jurisdiction.

19.2 No administrator, administrative receiver or any other receiver or manager has been appointed by any person in respect of any Acquired Entity or all or any material part of its assets and, so far as the Seller is aware, no steps have been taken to initiate any such appointment. No analogous appointments have been made nor, so far as the Seller is aware, initiated under the laws of any applicable jurisdiction.

20. **Taxation**

20.1 Each Acquired Entity has duly maintained all records in relation to Taxation which are required by law to maintain.

20.2 No Acquired Entity is directly or indirectly involved in any dispute in relation to Tax with any Taxation Authority, including any pending claim, assessment, request for payment or proceeding of any nature or denomination, before any judicial or administrative authority or court, and no notice of any such dispute was received by any Acquired Entity.

20.3 So far as the Seller is aware, no previous circumstances exist on the basis of which any material Tax dispute, claim or assessment in relation to any Acquired Entity can be validly founded, or any material demands for payment can be validly made against any Acquired Entity, or any material Tax proceedings can be commenced validly in relation to the same in any relevant jurisdiction relating to any taxable event that occurred or originated prior to the Closing Date.

20.4 All returns to be submitted, all information required to be supplied and all notices and payments required to be made by each Acquired Entity in each case for the purposes of Taxation have been duly and timely submitted, supplied or made, and are complete and correct in accordance with the applicable laws and regulations, including, but not limited to, any applicable transfer pricing guidelines, and each Acquired Entity has duly and timely paid in full all Taxes required to be paid or adequately disclosed and fully provided for in each Acquired Entity’s financial statements according to the Accounting Principles.

20.5 During the tax periods prior to the date of this Agreement for which the applicable statutory limitation periods have not expired, no Acquired Entity has paid or has

become liable to pay any material penalty, fine, surcharge or interest in connection with any Tax.

20.6 During the tax periods prior to the date of this Agreement for which the applicable statutory limitation periods have not expired, no Acquired Entity has knowledge of being subject of any investigation or audit by or involving any Taxation Authority.

20.7 Each Acquired Entity is, to the extent that it is required to be registered, a registered person for the purposes of the relevant VAT applicable in any relevant jurisdiction.

20.8 Each Acquired Entity has in all material respects duly and timely complied with all statutory provisions, rules, regulations, orders and directions concerning the relevant VAT in any relevant jurisdiction.

20.9 Each Acquired Entity has withheld all Taxes required to have been withheld by, or with respect to the operations of, the Acquired Entities in connection with amounts paid to any employee, director, personnel, independent contractor, creditor, stakeholder, or other third party, and such withheld Taxes have either been duly and timely paid or remitted to the proper Taxation Authority or properly set aside in accounts for such purpose, according to the Accounting Principles.

20.10 Each Acquired Entity has no liability for Taxes of any third-party or person as transferee, successor or otherwise. During the tax periods prior to the date of this Agreement for which the applicable statutory limitation periods have not expired, no Acquired Entity has claimed, utilised or requested any exemption, relief or other facility in relation to Tax, nor applied any such exemption, relief or facility to the benefit of any third-party or person, including any such exemption, relief or facility for Tax relating to the payment of any dividend, interest, royalties or any other passive income (whether by reason of any withholding obligation, reduction in any Tax attribute or otherwise), or Tax relating to corporate reorganizations, mergers or spin-off, that could result in a claw back, recapture to Tax or annulment of such exemption, relief or other facility.

20.11 No Acquired Entity will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) beginning after the Closing Date as a result of any change in method of accounting for a taxable period expiring on or prior to the Closing Date, or any instalment sale or intercompany transaction or intercompany account made or existing on or before the Closing Date.

20.12 Since the date of the most recent audited financial statements, except where it has acted in the ordinary course of business, no Acquired Entity has (i) engaged in any transaction that could reasonably be expected to result in a material Tax liability for which it would be liable (whether by reason of any withholding obligation, reduction in any Tax attribute or otherwise); (ii) made, changed or revoked any Tax election, changed any Tax accounting method or Tax accounting period, filed any amended Tax return, filed any Tax return in a manner not consistent with ordinary course of business that could have a material impact on its tax position; or (iii) settled, surrendered or compromised any Tax action, or surrendered any right to claim a Tax refund.

20.13 All information set forth in each Acquired Entity consolidated financial statements (including the notes thereto) relating to Tax matters is correct and complete in all respects.

20.14 Particulars of any group (for any Taxation purpose) of which an Acquired Entity is a member are set out in the Seller's Data Room.

20.15 Each Acquired Entity is resident for Taxation purposes in the jurisdiction in which it is incorporated and no Acquired Entity is or has ever been liable for Tax in any other jurisdiction. No Acquired Entity is or has been subject to Tax in any jurisdiction other than its jurisdiction of incorporation by virtue of having a permanent establishment, a permanent representative, place of business or taxable presence in that jurisdiction.

20.16 All documents in the possession or under the control of an Acquired Entity to which an Acquired Entity is a party and which attract any Duties have been duly subject to such Duties.

21. **Intellectual Property and Information Technology**

Registered Intellectual Property

21.1 A list of the Registered Intellectual Property is set out in Schedule 9 (*Intellectual Property*) of this Agreement.

21.2 No Acquired Entity has received any written notice that the Registered Intellectual Property is being opposed, or that any third party is seeking its invalidation or revocation.

21.3 All Registered Intellectual Property is registered in the name of an Acquired Entity or, by Closing, will be registered in the name of an Acquired Entity. One or more of the Acquired Entities is or at Closing will be the exclusive and unconditional owner of, free from any Encumbrances, and is or at Closing will be entitled to use all Registered Intellectual Property necessary to conduct the Acquired Business as currently conducted.

21.4 All application and renewal fees, costs and charges for any relevant registration related to any Registered Intellectual Property have been fully and timely paid.

21.5 There is no Registered Intellectual Property that is necessary for the conduct and operation of the Acquired Business as currently conducted and operated and that is not or by Closing will not be owned by or registered in the name of the Acquired Entities.

Business Intellectual Property

21.6 So far as the Seller is aware, the use by an Acquired Entity of the Business Intellectual Property does not infringe the Intellectual Property of any third party in any material respect.

21.7 No Seller Group Company or any Acquired Entity has during the twelve (12) months immediately preceding the date of this Agreement issued any written notice of any legal proceedings, claims or complaints against a third party regarding the infringement of the Business Intellectual Property. So far as the Seller is aware,

during the twelve (12) months immediately preceding the date of this Agreement, no third party has infringed the Business Intellectual Property.

21.8 No Seller Group Company or any Acquired Entity has during the twelve (12) months immediately preceding the date of this Agreement received any written notice of any legal proceedings, claims or complaints (pending or threatened) by a third party, alleging that the relevant Seller Group Company or an Acquired Entity is infringing any Registered Intellectual Property owned by such third party in the conduct of the Acquired Business.

21.9 The Seller Group Companies and the Acquired Entities have taken commercially reasonable actions to maintain and protect the Business Intellectual Property and to protect the secrecy, confidentiality, and value of the trade secrets owned by any of them.

21.10 Details of all material licences granted to an Acquired Entity relating to the Business Intellectual Property (other than licences or agreements relating to shrinkwrapped, clickwrapped or other software commercially available off the shelf) (the "**Incoming Licences**") have been Disclosed.

21.11 So far as the Seller is aware, there are no material licences granted by an Acquired Entity relating to the Business Intellectual Property owned by such Acquired Entity.

21.12 The agreements governing the Incoming Licences are valid and binding, and so far as the Seller is aware, there are no existing circumstances which would cause a breach or default under the Incoming Licences.

IT Systems / IT Contracts

21.13 A list of all material IT Systems is set out in the Data Room.

21.14 A list of all material IT Contracts is set out in the Data Room.

21.15 The Acquired Entities own or have rights to use all material IT Systems.

21.16 So far as the Seller is aware, (i) all the material IT Contracts are valid and binding and (ii) none have been the subject of any breach or default.

Data Protection

21.17 For the purposes of paragraphs 21.18 through paragraph 21.20 (inclusive), "**DP Laws**" means any and all laws relating to the processing of personal data, including Regulation (EU) 2016/679 and Directives 2002/58/EC and 2009/136/EC (each as implemented into the national laws of EU Member States), or other equivalent laws and regulations in other jurisdictions.

21.18 So far as the Seller is aware, each Acquired Entity has complied with all applicable DP Law in all material respects.

21.19 In each instance in which an Acquired Entity has engaged any third party to process personal data on its behalf, it has appointed such third party under a binding agreement which includes all necessary and appropriate data processing language in accordance with applicable DP Laws.

21.20 During the twelve (12) months immediately preceding the date of this Agreement, no penalties have been applied and notified in writing to the Acquired Entities by any Governmental Authority in relation to or as a consequence of any breach of the DP Laws, nor any proceeding has been commenced against any of the Acquired Entities in connection with an alleged breach of the DP Laws.

22. **Environmental**

22.1 The Acquired Business has, during the three (3) years immediately preceding the date of this Agreement, been conducted in compliance with Environmental Law in all material respects, and holds and is in compliance in all material respects with all Licenses required under Environmental Laws.

22.2 No written notice of any material civil, criminal, regulatory or administrative action, claim, investigation or other proceeding or suit relating to Environmental Law has been received by an Acquired Entity or a Seller Group Company in relation to the Acquired Business.

22.3 There are no Hazardous Substances present at, on, or under any property owned, leased or operated by the Acquired Entities which could give rise to a material liability, or a requirement to conduct investigation or remedial action, under Environmental Law.

23. **Anti-Bribery and Sanctions**

23.1 Each Acquired Entity has at all times conducted its business in compliance with applicable Sanctions and has not transacted business with or for the benefit of any Sanctioned Person.

23.2 No Acquired Entity and, with respect to the Acquired Business, no Seller Group Company nor, so far as the Seller is aware, any of its or their respective directors, officers, employees, agents, representatives or other persons associated with, performing a service for or otherwise acting for or on behalf of it or them (each, an "**Associated Person**") has, in connection with the Acquired Business, breached any AntiBribery Laws or rule or regulation or any books and records offences relating directly or indirectly to a bribe or, directly or indirectly:

(a) offered, promised or given a financial or other advantage to another person intending the advantage to induce or reward improper performance of a relevant function or activity, or knowing or believing that acceptance of the advantage itself constituted such improper performance or, in the case of a foreign public official, intending to influence that person in his or her official capacity and to obtain or retain business, or a business advantage, in each case including making or receiving any bribe, rebate, payoff, influence payment, kickback or other contribution or gifts contrary to AntiBribery Laws;

(b) requested, agreed to receive or accepted a financial or other advantage, intending that it would induce or reward, or where it actually induced or rewarded, improper performance of a relevant function or activity, or where the relevant request, agreement to receive or acceptance itself constituted such improper performance or that performance was made in anticipation of it; or

(c) failed to prevent bribery by Associated Persons in order to obtain or retain business or a business advantage.

23.3 The Acquired Entities have conducted their business at all times in compliance with applicable Anti-Money Laundering Laws.

23.4 Each Acquired Entity maintains in relation to the Acquired Business and regularly keeps under review on an ongoing basis adequate written anticorruption procedures and internal accounting controls which are designed to ensure compliance by the relevant Acquired Entity and its respective directors, officers and employees with all applicable AntiBribery Laws, Sanctions, and Anti-Money Laundering Laws.

23.5 No Acquired Entity nor, to the knowledge of the Seller, any of their respective Associated Persons is currently the subject or the target of any sanctions administered or enforced by the U.S. Government, (including the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State and including the designation as a "specially designated national" or "blocked person"), the United Nations Security Council, the European Union, Her Majesty's Treasury or other relevant sanctions authority (collectively, "**Sanctions**"), nor is any Acquired Entity located, organized or resident in a country or territory that is the subject or the target of Sanctions, including Crimea, Cuba, Iran, North Korea, Sudan and Syria (any such person or any person majority owned or controlled by any of the foregoing, a "**Sanctioned Person**").

23.6 No Acquired Entity or any of their respective directors, officers or employees or, to the knowledge of the Seller, any of their Associated Persons is conducting, has conducted or will conduct any of their business activities whatsoever with, or for the benefit of, a government, national, resident or legal entity to the extent such actions would result in any Acquired Entity violating any Sanctions.

23.7 No Acquired Entity and, with respect to the Acquired Business, no Seller Group Company has conducted or initiated any internal investigation or made a voluntary, directed, or involuntary disclosure to any Governmental Authority or similar agency with respect to any alleged act or omission arising under or relating to any non-compliance with any Anti-Bribery Law, Sanctions, or Anti-Money Laundering Law in the interest of any Acquired Entity. No director, officer, employee, agent or consultant of any Acquired Entity has received any notice, request, or citation for any actual or potential non-compliance with any of the foregoing.

24. **No Brokers**

All negotiations relating to this Agreement, the Transaction and the other transactions contemplated by this Agreement have been carried on without the intervention of any person acting on behalf of the Seller in such manner as to give rise to any valid claim against any Buyer Group Company, for any broker's or finder's fee or similar fee or commission in connection with this Agreement, the Transaction or the other transactions contemplated by this Agreement.

Schedule 1

Schedule 5

Seller Specific Indemnities

The Seller shall indemnify and hold the Buyer Group Companies and the Acquired Entities harmless from and against all Losses suffered or incurred by any Buyer Group Company (from and after the Closing Date) or any Acquired Entity (from and after the Locked Box Date) arising from, in connection with, relating to or deriving from:

1. the implementation of the Carve-Out including (i) any transaction carried out in relation to the Carve-Out, (ii) any agreement entered into in connection with the Carve-Out and (iii) for avoidance of doubt, any transfer of assets, employees or otherwise other than for consideration in kind;

2. (i) the sale of Optima by LVR, and (ii) any operations of Optima, in each case prior to the date such sale occurred;

3. the operation of the Retained Business (other than liabilities arising under the TSAs);

4. any withholding tax or VAT liability that arises in respect of or in consequence of Acquired Entities' relationships with their platform providers as set forth in document 5.3.4.4 of the Data Room;

5. the alleged installation by LVR of a number of gaming machines in excess of the maximum number allowed by the applicable regulation (so called "extra-curtailment" or "*extra-contingentamento*"), which constitutes the subject matter of two pending administrative proceedings before the Administrative Regional Court of Lazio;

6. the ADM demanding payment of, and the subsequent payment by LVR of the PREU liabilities pursuant to the tax pay slips (*avvisi bonari*) issued by the ADM in connection with the original PREU tax assessment notices No. 9426 of 4 February 2013 and No. 111334 of 9 December 2013 in relation to Losses starting from January 1, 2020 (the "**PREU Liabilities**") to the extent the PREU Liabilities have not been settled by the Seller prior to Closing in accordance with Clause 5.4(a);

7. (i) the termination by LVR of the existing contracts or relationships with MSLOT and with the Other Hydra Entities (other than the Other Hydra Entities which are under judicial administration (*amministrazione giudiziaria*), supervision or other similar procedures); (ii) the MSLOT Receivable being deemed uncollectible in a manner consistent with LVR's Accounting Principles; and (iii) the Other Hydra Receivables being deemed uncollectible in a manner consistent with LVR's Accounting Principles;

8. the civil proceedings commenced on 6 August 2020 by Morosini Slot S.r.l. against LVR before the Court of Rome and monetary fines arising from the related criminal complaint filed by Morosini Slot S.r.l. against LVR and its employees with public prosecutor of Varese (including under Italian Legislative Decree no. 231 dated 8 June 2001); and

9. failure of the Seller to perform its obligations as such obligations relate to Chubb Triggering Event under paragraph 3(e) of Schedule 21 (*Specified Credit Support Instruments*).

Schedule 1

Schedule 6

Seller's and Guarantor's Limitations of Liability

1. **Buyer's Knowledge (actual, constructive and imputed)**

Neither the Seller nor the Guarantor shall be liable in respect of a Claim for a breach of the Seller's Warranties set forth in paragraphs 4 through 24 of Schedule 4 (*Seller's Warranties*) to the extent that the facts giving rise to such Claim:

(a) were Disclosed to the Buyer, any Buyer Group Company (excluding the Acquired Entities) or any of their respective Agents; or

(b) would have been disclosed to the Buyer had it conducted searches not later than five (5) Business Days immediately preceding the date of this Agreement of records maintained by the *Registro delle Imprese.*

2. **Limitations on Quantum**

The liability of the Seller and the Guarantor in respect of:

(a) any Claim in relation to the Seller's Fundamental Warranties, the Seller's Tax Warranties, the breach of any of the Seller Specific Indemnities (except for the Seller Specific Indemnities provided for under paragraph 4 of Schedule 5 (*Seller Specific Indemnities*) or a breach of the Seller's obligations under this Agreement shall not (when aggregated with the amount of all other Claims and including all legal and other professional fees and expenses payable by the Seller in respect of all such Claims) exceed an amount equal to the Consideration (as adjusted for any Leakage) to the extent paid by the Buyer to the Seller at the time the Claim is substantiated; it being understood that the liability of the Seller in respect of a Claim shall not be excluded to the extent a portion of the Consideration (as adjusted for any Leakage) has not been paid by the Buyer, but the obligation of the Seller to pay the amount of a Claim (if substantiated) to the Buyer shall become due only to the extent such amount of Consideration is paid by the Buyer.

(b) any Claim in relation to the breach of the Seller Specific Indemnities provided for under (i) paragraph 4 of Schedule 5 (*Seller Specific Indemnities*) shall not exceed €2,000,000 (*two million Euros*), (ii) paragraph 6 of Schedule 5 (*Seller Specific Indemnities*) shall not exceed €275,000 (*two hundred seventy-five thousand Euros*); (iii) paragraph 7(ii) of Schedule 5 (*Seller Specific Indemnities*) shall not exceed an amount equal to the MSLOT Receivable; and (iv) paragraph 7(iii) of Schedule 5 (*Seller Specific Indemnities*) shall not exceed an amount equal to the Other Hydra Receivables; and

(c) all other Claims:

(i) shall not arise unless and until the amount of such Claim when substantiated exceeds €350,000 (*three hundred fifty thousand Euros*);

(ii) shall not arise unless and until the amount of all Claims for which it would, in the absence of this provision and paragraph 2(c)(i) of this

Schedule 6, be liable exceeds €3,000,000 (*three million Euros*), in which case the liability of the Seller or the Guarantor (as appropriate) shall be limited to the excess of such aggregate amount over €3,000,000 (*three million Euros*); and

(iii) shall not (when aggregated with the amount of all other Claims and including all legal and other professional fees and expenses payable by the Seller or the Guarantor (as appropriate) in respect of all such Claims other than the Claims paid in accordance with paragraphs 2(a) and 2(b) of this Schedule 6) exceed €237,500,000 (*two hundred thirty-seven million five hundred thousand Euros*).

For the purposes of this paragraph 2, the term "**Claims**" shall mean Claims in respect of which liability is admitted by the Seller or which have been decided upon by a Court of competent jurisdiction with all rights of appeal having been exhausted.

3. **Time Limits**

(a) The Seller and the Guarantor shall not be liable in respect of any Claim unless notice containing reasonably complete details of such Claim (to the extent available) is given by or on behalf of the Buyer to the Seller or the Guarantor (as appropriate):

(i) in the case of a Claim in relation to the Seller's Fundamental Warranties, the Seller's Tax Warranties, any of the Seller Specific Indemnities on or before the date which is seventy-five (75) Business Days following the date the applicable statutory limitation period expires;

(ii) in the case of a Claim in relation to a breach of the Seller's obligations under Clause 6.2, on or before the date which is twelve (12) months following the Closing Date; and

(iii) in the case of all other Claims against the Seller or the Guarantor, on or before the date which is eighteen (18) months following the Closing Date,

provided that any such Claim shall (if not previously satisfied, settled or withdrawn) be deemed to have been withdrawn and shall determine absolutely unless legal proceedings in respect of it have been properly issued and validly served in accordance with this Agreement within three (3) months of such notice being given to the Seller or the Guarantor (as appropriate).

(b) The Buyer shall give written notice to the Seller or the Guarantor (as appropriate) of the facts and matters that may give rise to a Claim (apart from a Seller's Tax Claim) as soon as practicable after the Buyer becomes aware of such facts and matters and in any event within three (3) months after the Buyer becomes aware of such facts and matters. The Buyer shall give written notice to the Seller of the facts and matters that may give rise to a Seller's Tax Claim as soon as practicable after the Buyer becomes aware of such facts and matters and in any event within thirty (30) Business Days after the Buyer becomes aware of such facts and matters. Failure to give such notice shall not in itself

prevent the Buyer from bringing the relevant Claim, but the Seller or the Guarantor (as appropriate) shall not be liable to the Buyer in respect of such Claim if and to the extent that the amount of such Claim is increased, or is not reduced, as a result of such failure.

4. **Information**

The Buyer acknowledges that the only representations and warranties made by the Seller and the Guarantor are the representations and warranties explicitly contained in this Agreement or any other Transaction Document to which the Seller or the Guarantor (as appropriate) is party and has explicitly provided representations and warranties thereunder and that no representation or warranty has been made as to the accuracy or completeness of any of the information provided in relation to the Seller Group or the Acquired Entities (including in the Data Room) (together, the "**Seller Information**") by the Seller, the Guarantor, any other Seller Group Company, any Acquired Entity or any of their respective Agents and confirms that neither the Seller, the Guarantor, any other Seller Group Company nor any of their respective Agents shall be under any liability to the Buyer in the event that, for whatever reason, any Seller Information is or becomes inaccurate, incomplete or misleading in any way. Furthermore, any information provided in relation to the Seller Group or the Acquired Entities may have changed since it was provided or may change in the future and the Seller is not under the obligation to update any provided information.

5. **Taxation**

Neither the Seller nor the Guarantor shall be liable for any Claim to the extent that:

(a) the Claim relates to a liability specific provision or reserve (including a provision for deferred Tax) for which has been made in the Locked Box Accounts or referred to in the notes to the Locked Box Accounts or has otherwise been taken into account in the preparation of or reflected in Locked Box Accounts, up to the amount of such specific provision or reserve;

(b) the Claim arises or is increased as a result of any change in the rates of Taxation, or any imposition of Taxation (including the withdrawal of any extrastatutory concession) by the Taxation Authority or any change in any previously published interpretation of a Taxation Authority, in each case becoming effective retrospectively on or after the date of this Agreement;

(c) the Claim arises as a result of any changes made after Closing in the accounting bases, policies, practices or treatment (including a change in accounting reference date) of any Buyer Group Company;

(d) the Claim would not have arisen but for a cessation of trade by, or a change in the nature or conduct of the trade of, an Acquired Entity on or after Closing;

(e) the Claim constitutes interest, penalties, a fine or a charge arising from a failure to pay Tax to a Taxation Authority promptly after the Seller has duly made a payment to the Buyer for the full amount necessary in respect of the relevant underlying liability, provided that such payment has been made by the Seller to the Buyer before the payment to such Taxation Authority becomes due;

(f) the Claim constitutes interest, penalties, a fine, a charge or other loss or damage arising from the Buyer's failure to immediately notify the Seller or the Guarantor (as appropriate) of a Claim of which it was duly aware;

(g) the Claim arises in connection with any failure to make an instalment payment or the making of an insufficient instalment payment prior to Closing in respect of Tax in circumstances where the payments (if any) made prior to Closing would not subsequently have proved to have been insufficient but for the profits and gains earned by the relevant Acquired Entity after Closing proving to be materially greater than those expected at the date of the relevant instalment payment to be earned, accrued or received by the relevant Acquired Entity after Closing;

(h) the Claim arises solely from, or is otherwise attributable to, any election, surrender, disclaimer or other action taken by any Acquired Entity (other than one which was taken into account in computing any provision for Tax in the Locked Box Accounts) after Closing unless such election, surrender, disclaimer or other action was required as a result of prior elections, surrenders, disclaimers or other actions taken by any Acquired Entity prior to Closing;

(i) the Claim arises solely from the failure or omission by any Acquired Entity after Closing to make any claim, election, surrender, disclaimer or to do any other thing which was taken into account in computing the provision or reserve for Tax in the Locked Box Accounts, unless such claim, election, surrender, disclaimer or such other thing were determined to potentially have a materially adverse Tax effect on the Acquired Entities; or

(j) any relief or other deduction is available (or would have been available but for the failure by an Acquired Entity to make an election after Closing) to reduce or otherwise mitigate the liability of any Acquired Entity for Tax which is the subject of such Claim.

6. **Allowances, Provisions or Reserves**

Neither the Seller nor the Guarantor shall be liable for any Claim to the extent that specific allowance, provision or reserve (including a provision for deferred Tax) has been made in the Locked Box Accounts for the matter giving rise to such Claim, up to the amount of such specific allowance, provision or reserve.

7. **Contingent Liability**

Neither Seller nor the Guarantor shall be liable for any Claim based upon a liability which is contingent unless and until such contingent liability becomes an actual liability and is due and payable.

8. **Retrospective Legislation**

Neither the Seller nor the Guarantor shall be liable for any Claim to the extent that the liability arises or is increased as a result of any legislation not in force at the date of this Agreement.

9. **Voluntary Acts or Omissions**

Neither the Seller nor the Guarantor be liable for any Claim arising or increased directly or indirectly as a result of any voluntary act or omission of any Buyer Group Company (including, after Closing, each Acquired Entity) after the date of this Agreement.

10. **Duty to Mitigate**

The Buyer shall procure that all reasonable steps are taken to avoid or mitigate any loss or damage which it may suffer as a result of a breach by the Seller or the Guarantor of this Agreement or as a result of any fact, matter, event or circumstance likely to give rise to a Claim.

11. **Loss Otherwise Compensated**

Neither the Seller nor the Guarantor shall be liable for any Claim to the extent that:

(a) the matter giving rise to such Claim has been (or is capable of being) made good or is (or is capable of being) otherwise compensated for without Loss to any Buyer Group Company; or

(b) the Claim is recoverable under any insurance policy without increase in premium and in any event following reasonable attempts by the Buyer (which, for the avoidance of doubt, would not require the Buyer to initiate any legal proceeding against the insurer).

12. **Recovery from Third Parties**

Where the Buyer is entitled to recover from any other person an amount in respect of any matter relating to a Claim, the Buyer shall immediately notify the Seller and take reasonable steps as the Seller may reasonably require to enforce recovery of such amount without incurring costs (unless the Seller pays in advance for such costs and without the need to initiate legal proceedings). The Buyer shall keep the Seller informed of the progress of such recovery and shall provide copies of all relevant correspondence and documentation. Upon recovery of such amount the Buyer shall:

(a) deduct the full amount recovered from the Claim (if the entitlement of the Buyer to recover arose before payment is made by the Seller under the Claim); or

(b) repay to the Seller (net of any reasonable fees, costs and expenses not already paid for by the Seller) the lesser of such amount paid by the Seller to the Buyer under the Claim or the full amount recovered by the Buyer (if the entitlement to recover arose after payment had been made by the Seller under the Claim).

13. **Conduct of Claims**

If any Buyer Group Company becomes aware of any matter which may result in a claim being brought against it by another person (a "**Third Party Claim**"), including a Taxation Authority Claim, which may lead to a Claim, the Buyer shall, and shall procure that each other Buyer Group Company shall:

(a) make no admission of liability or settle or compromise the Third Party Claim without the prior consent in writing of the Seller such consent not to be unreasonably withheld or delayed provided that it will take all reasonable action to mitigate any loss that may arise in respect of any resulting Claim;

(b) for the duration of the Third Party Claim provide the Seller and its Agents with all reasonably material information relevant to the Third Party Claim (including reasonable access to premises and personnel at reasonable times with an advanced written notice and the right to examine and copy all relevant documents and records, at the Seller's own cost and expense) and shall preserve all such information; and

(c) consult with, give such information and assistance to and take such action as the Seller may reasonably request in order to avoid, defend, dispute, mitigate, appeal, settle or compromise the Third Party Claim, in each case at the Seller's own cost and expense (even if any such cost or expense is due on a provisional basis under statutory rules), with the exception of any admission of liability or settlement or any other action which may result in an admission of liability of any Buyer Group Company or its Agents, which may only be taken with the prior written consent in writing of Buyer, such consent not to be unreasonably withheld or delayed.

In addition, in relation to Taxation Authority Claims, the Buyer shall, and shall procure that each other Buyer Group Company shall:

(a) promptly keep the Seller fully informed as to all material developments and provide to the Seller copies of all material correspondence and full and accurate notes of any non-written communications with a Taxation Authority;

(b) promptly notify the Seller of any intended material oral communication or any meeting with any Taxation Authority and allow the Seller or their representatives to participate in any such communication or meeting;

(c) not make any material communication with a Taxation Authority without the prior written approval of the Seller (such approval not to be unreasonably withheld, conditioned or delayed); and

(d) promptly provide for the Seller's review any: (i) draft correspondence or other document to be sent to any Taxation Authority (in any event, at least ten (10) Business Days before the relevant proposed date of submission to such Taxation Authority); and (ii) any submissions or other documents to be filed with any court or other appellate body, and shall make any amendments to such correspondence, instructions, submissions or other documents as the Seller may request.

14. **Savings, Overprovisions, and Tax Refunds**

(a) If the Buyer or any Acquired Entity becomes aware that:

(i) a Claim has given rise to any loss, allowance, credit, deduction or set off or any right to repayment of Tax (a "**Tax Relief**") or a Tax Relief has arisen as a result of or in connection with the event which has

given rise to a Claim (including where a Claim has arisen because a deduction or other Tax Relief assumed to be available in a period or part period or periods on or prior to Closing is in fact available only after Closing) (a "**Saving**");

(ii) any provision for Tax in the Locked Box Accounts has proved to be an overprovision or the amount of any repayment of Tax included (or which should have been included) in the Locked Box Accounts has proved to be an understatement (an "**Overprovision**"); or

(iii) a right to repayment of Tax or an actual repayment of Tax to which any Acquired Entity becomes entitled or receives in respect of a period (or part period) on or before Closing or as a result of an event occurring on or before Closing, other than where such right or repayment was included as an asset in the Locked Box Accounts (a "**Tax Refund**") has arisen,

the Buyer shall promptly give details of such Saving, Overprovision, or Tax Refund by written notice to the Seller (and in any event within fifteen (15) Business Days.

(b) Within fifteen (15) Business Days following notification by Buyer in accordance with paragraph 14(a), the Seller may request Buyer to instruct the relevant Acquired Entity's auditors to determine in writing the extent of:

(i) any Saving;

(ii) any Overprovision; or

(iii) any Tax Refund,

whether or not details have been notified to the Seller in accordance with this Schedule 6.

(c) If such auditors determine that a Saving or Tax Refund has arisen, the Buyer shall, and shall procure that the relevant Acquired Entity and each Buyer Group Company shall, use all reasonable endeavours to obtain and maximise and utilise any such Saving or Tax Refund.

(d) If such auditors determine that a Saving, Overprovision, or Tax Refund has arisen, an amount equal to the value (as so determined in writing) of such Saving, Overprovision, or Tax Refund shall:

(i) first, be set off against any payment then due from the Seller under this Agreement or any Transaction Document; and

(ii) secondly, to the extent there is an excess, be promptly refunded to the Seller.

15. **Tax Affairs**

The Parties shall cooperate in good faith in conducting the Tax affairs of the Acquired Entities with respect to:

(a) any accounting period ended (or treated for Tax purposes as ended) on or before Closing; and

(b) the accounting period commencing prior to but expiring after Closing (the "**Straddle Period**"),

in each case including Tax affairs in relation to fiscal unity returns, Tax filings, and Tax audits.

16. **No Double Recovery**

The Buyer shall not be entitled to recover damages or obtain payment, reimbursement, restitution or indemnity more than once in respect of any one shortfall, damage, deficiency, breach or other set of circumstances which gives rise to one or more Claims. For the purposes of this paragraph 16, recovery by any Acquired Entity shall be deemed to be recovery by the Buyer.

17. **Exclusion of Seller's and Guarantor's Limitations**

Nothing in this Schedule 1 applies to a Claim that arises or is delayed as a result of fraud or dishonesty by the Seller, the Guarantor, any other Seller Group Company or any of their respective Agents.

Schedule 1

Schedule 7

Buyer's Warranties

1. **Incorporation and Authority of the Buyer**

1.1 The Buyer is a company duly incorporated and validly existing under the laws of Republic of Italy.

1.2 The Buyer has the requisite power and authority to execute and deliver this Agreement, to which it is a party and all other documents executed by the Buyer which are to be delivered at Closing and to perform its obligations thereunder and to consummate the Transaction. This Agreement has been duly and validly executed and delivered by the Buyer and constitutes, assuming due and valid execution and delivery of this Agreement by the Seller, the valid and binding obligation of the Buyer, enforceable against the same in accordance with its terms and pursuant to applicable law.

1.3 The execution, delivery and performance by the Buyer of the Transaction Documents to which it is a party will not result in a breach of (i) any provision of the articles of association or equivalent constitutional documents of the Buyer; or, (ii) any order, judgment or decree of any court or governmental authority by which the Buyer is bound.

1.4 The Buyer is not nor will it be required to give any notice to or make any filing with or obtain any permit, consent, waiver or other authorisation from any governmental or regulatory authority in connection with the execution, delivery and performance of the Transaction Documents (except as otherwise provided in this Agreement in connection with the ADM Condition and the Antitrust Condition).

1.5 The Buyer is not insolvent or unable to pay its debts under the insolvency laws of the jurisdiction of its incorporation nor has it stopped paying debts as they fall due. No order has been made, petition presented or resolution passed for the windingup of the Buyer. No administrator, receiver, manager or equivalent officer has been appointed by any person in respect of the Buyer or all or any material part of its assets, and, so far as the Buyer is aware, no steps have been taken to initiate any such appointment and no voluntary arrangement has been proposed relating to the Buyer. The Buyer has not become subject to any analogous proceedings, appointments or arrangements under the laws of any applicable jurisdiction.

2. **Available Funds**

As of the date of this Agreement, the Buyer has, and as of the Closing Date will have, cash on hand or available resources under the Equity Commitment Letter which when aggregated with the proceeds of the Debt Financing, is sufficient to enable it to perform each of its obligations hereunder, consummate the Transaction and the other transactions contemplated by this Agreement and to pay the related Taxes, fees and expenses associated therewith, including payment of the Consideration.

3. **Debt Financing**

3.1 As of the date of this Agreement, the Buyer has received the Debt Commitment Letter attaching an agreed form interim facilities agreement (which can be signed on one (1) day's notice) executed by the Debt Financing Sources party thereto in respect of debt facilities relating to the Debt Financing, which has been disclosed and made available to the Seller (such Debt Commitment Letter, as amended, supplemented or replaced in accordance with the terms of this Agreement, and the definitive agreements entered into in connection therewith from time to time, the "**Debt Financing Agreements**").

3.2 As of the date of this Agreement, the financing to be made available pursuant to the Debt Financing Agreements (i) together with the Equity Financing will, at Closing, provide, in immediately available funds, sufficient cash resources to enable the Buyer to perform each of its obligations hereunder, consummate the Transaction and the other transactions contemplated by this Agreement, and pay all related Taxes, fees and expenses, including payment of the Consideration; and (ii) involves no pre-conditions other than as set out therein and, in respect of the interim facilities agreement, the Buyer has delivered a condition precedent status letter confirming status and satisfaction.

3.3 As of the date of this Agreement, (i) no event has occurred which, with or without notice, lapse of time or both, would constitute a default or breach on the part of the Buyer under any term or condition of the Debt Financing Agreements; and (ii) the Buyer has no reason to believe that it will be unable to satisfy on a timely basis any term or condition to the availability of the Debt Financing to be satisfied by the Buyer contained in the Debt Financing Agreements.

Schedule 1

Schedule 8

TSAs and Reverse TSAs

[Intentionally Omitted]

Schedule 9

Locked Box Accounts

[Intentionally Omitted]

Schedule 1

Schedule 10

Intellectual Property

Part 1 Business Intellectual Property

1. The Lottomatica brand (including, for the avoidance of doubt, all unregistered trademarks containing the word "Lottomatica"); and

2. all Registered Intellectual Property.

Part 2 Registered Intellectual Property

1. Registered trademarks:

No.	Trademark	Application No. / Filing No.	Owner	Notes / Restrictions of use on the Buyer
1.1		016000226	Lottomatica Videolot Rete S.p.A.	-
1.2		016000259	Lottomatica Videolot Rete S.p.A.	-
1.3		016121113	Lottomatica Videolot Rete S.p.A.	-
1.4		16121147	Lottomatica Videolot Rete S.p.A.	-
1.5	MR. GOL	302019000034506	Lottomatica Videolot Rete S.p.A.	The registration has been opposed as indicated in the Disclosure Letter.
1.6	SLOTBETT	362017000140270	Lottomatica Videolot Rete S.p.A.	-
1.7	AWPConnect	302015000073459	Lottomatica Videolot Rete S.p.A.	-
1.8	AWPConn	302015000073446	Lottomatica Videolot Rete S.p.A.	-
1.9		362020000048256	Lottomatica Videolot Rete S.p.A.	-

..10	Word: TOT	003498961	Lottomatica Scommesse S.r.l.	-
..11		008219371	Lottomatica Scommesse S.r.l.	-
..12		362020000082312	Lottomatica Scommesse S.r.l.	-
..13	VEGAS CL	362020000082300	Lottomatica Scommesse S.r.l.	-
..14	VEGAS GA	362020000082285	Lottomatica Scommesse S.r.l.	-
..15		362020000080992	Lottomatica Scommesse S.r.l.	-
..16		302019000085044	Lottomatica Scommesse S.r.l.	-
..17		302019000085035	Lottomatica Scommesse S.r.l.	-
..18		302019000085002	Lottomatica Scommesse S.r.l.	-
..19	SMART CA	302019000029268	Lottomatica Scommesse S.r.l.	-
..20		362019000042502	Lottomatica Scommesse S.r.l.	-
..21		362017000028218	Lottomatica Scommesse S.r.l.	-
..22	TOTO	362016000104554	Lottomatica Scommesse S.r.l.	-
..23	MASTERG	302016000056383	Lottomatica Scommesse S.r.l.	-
..24		302014902271954	Lottomatica Scommesse S.r.l.	-
..25		302014902240235	Lottomatica Scommesse S.r.l.	-
..26		302014902240234	Lottomatica Scommesse S.r.l.	-

..27		302013902175368	Lottomatica Scommesse S.r.l.	-
..28		302013902143801	Lottomatica Scommesse S.r.l.	-
..29		302013902143350	Lottomatica Scommesse S.r.l.	-
..30		302012902037682	Lottomatica Scommesse S.r.l.	-
..31		302012902032356	Lottomatica Scommesse S.r.l.	-
..32		302011901966211	Lottomatica Scommesse S.r.l.	-
..33		302012902014278	Big Easy S.r.l.	-
..34		302014902263643	Big Easy S.r.l.	-
..35		8929	Lottomatica Holding S.r.l. (still resulting GTECH S.p.A. on public records)	Buyer not to use the trademark with the spiral used as “O” between the letters “L” and “T” of the word “LOTTOMATICA”
..36		302012902041558	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as “O” between the letters “P” and “K” of the word “POKER”
..37		302014902264148	Lottomatica Scommesse S.r.l.	-

38		302015000034617	Lottomatica Scommesse S.r.l.	-
39		302016000053949	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with IGT graphic items
40		302016000115628	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with IGT graphic items
41		362016000122542	Lottomatica Scommesse S.r.l.	-
42		362017000004594	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as “O” between the letters “L” and “T” of the word “LOTTOMATICA”
43		362019000042540	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as dot above the letter “I”
44		362019000042546	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as “O” at the end of the word “BINGO”
45		362019000042556	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as “O” between the letters “P” and “K”
46		302019000052668	Lottomatica Scommesse S.r.l.	-
47		302012902059296	Lottomatica Videolot Rete S.p.A.	Buyer not to use the trademark with the spiral used as “O” between the letters “L” and “T” of the word “LOTTOMATICA”

48		302013902170377	Lottomatica Videolot Rete S.p.A.	Buyer not to use the trademark with the spiral used as “O” between the letters “L” and “T” of the word “LOTTOMATICA”
49		302013902170378	Lottomatica Videolot Rete S.p.A.	Buyer not to use the trademark with the spiral used as “O” between the letters “L” and “T” of the word “LOTTOMATICA”
50		302013902170379	Lottomatica Videolot Rete S.p.A.	Buyer not to use the trademark with the spiral used as “O” between the letters “L” and “T” of the word “LOTTOMATICA”
51		302014902319325	Lottomatica Videolot Rete S.p.A.	Buyer not to use the trademark with IGT graphic items
52		302014902319326	Lottomatica Videolot Rete S.p.A.	Buyer not to use the trademark with IGT graphic items
53		302016000115569	Lottomatica Videolot Rete S.p.A.	Buyer not to use the trademark with IGT graphic items
54		302013902152700	Lottomatica Holding S.r.l.	-
55		302013902175384	Lottomatica Holding S.r.l.	Buyer not to use the trademark with the spiral used as “O” between the letters “L” and “T” of the word “LOTTOMATICA”
56		302013902201867	Lottomatica Holding S.r.l.	IGT graphic items to be removed

..57		302013902201868	Lottomatica Holding S.r.l.	IGT graphic items to be removed
..58		302013902201869	Lottomatica Holding S.r.l.	IGT graphic items to be removed
..59		362016000104354	Lottomatica Holding S.r.l.	-
..60		362019000055590	Lottomatica Holding S.r.l.	IGT graphic items to be removed
..61		3395589	Lottomatica Holding S.r.l.	-
..62		8221277	Lottomatica Holding S.r.l.	-
..63		8473274	Lottomatica Holding S.r.l.	IGT graphic items to be removed
..64		008220782	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as “O” between the letters “P” and “K” of the word “POKER”
..65		008221046	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as dot above the letter “I”
..66		008303885	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as “O” at the end of the word “BINGO”
..67		362019000042508	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as dot above the letter “I”
..68		362018000032402	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as “O” at the end of the word “BINGO”
..69		362018000032398	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as “O” at the end of the word “BINGO”

..70		362018000032375	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as “O” between the letters “P” and “K” of the word “POKER”
..71		302012902041558	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as “O” between the letters “P” and “K” of the word “POKER”
..72		302011901995685	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as “O” between the letters “P” and “K” of the word “POKER”
..73		302011901983511	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as “O” between the letters “P” and “K” of the word “POKER”
..74		302011901983510	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as “O” between the letters “P” and “K” of the word “POKER”
..75		302011901973982	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as “O” between the letters “P” and “K” of the word “POKER”
..76		302012902041557	Lottomatica Scommesse S.r.l.	Buyer not to use the trademark with the spiral used as “O” between the letters “P” and “K” of the word “POKER”

.77		16487951	Lottomatica Videolot Rete S.p.A.	Buyer not to use the trademark with the spiral used as “O” between the letters “L” and “T” of the word “LOTTOMATICA”
.78		16487969	Lottomatica Videolot Rete S.p.A.	Buyer not to use the trademark with the spiral used as “O” between the letters “L” and “T” of the word “LOTTOMATICA”
.79		302017000030991	Lottomatica Videolot Rete S.p.A.	Buyer not to use the trademark with the spiral used as “O” between the letters “L” and “T” of the word “LOTTOMATICA”
.80		302017000031014	Lottomatica Videolot Rete S.p.A.	Buyer not to use the trademark with the spiral used as “O” between the letters “L” and “T” of the word “LOTTOMATICA”
.81		302017000041814	Lottomatica Videolot Rete S.p.A.	-

2. Domain name registrations:

No.	Domain name	Owner
Big Easy		
2.1	WWW.LASVEGASBYPLAYPARK.COM	Big Easy S.r.l.
2.2	WWW.BIGEASY.IT	Big Easy S.r.l.
2.3	WWW.LASVEGASBYPLAYPARK.IT	Big Easy S.r.l.
2.4	PLAY-PARK.EU	Big Easy S.r.l.
2.5	PLAY-PARK.IT	Big Easy S.r.l.
2.6	PLAYPARKSRL.IT	Big Easy S.r.l.
2.7	LASVEGASVLT.COM	Big Easy S.r.l.

2.8	LASVEGASSLOTHOUSE.COM	Big Easy S.r.l.
Scommesse		
2.9	SCOMMESSETOTOSI.COM	Lottomatica Scommesse S.r.l.
2.10	TOTOSISCOMESSE.NET	Lottomatica Scommesse S.r.l.
2.11	POKERTOTOSI.BIZ	Lottomatica Scommesse S.r.l.
2.12	POKERTOTOSI.COM	Lottomatica Scommesse S.r.l.
2.13	POKERTOTOSI.INFO	Lottomatica Scommesse S.r.l.
2.14	POKERTOTOSI.NET	Lottomatica Scommesse S.r.l.
2.15	POKERTOTOSI.ORG	Lottomatica Scommesse S.r.l.
2.16	TOTOSISPORT.COM	Lottomatica Scommesse S.r.l.
2.17	VEGASCLUB.INFO	Lottomatica Scommesse S.r.l.
2.18	VEGASCLUBCASINO.INFO	Lottomatica Scommesse S.r.l.
2.19	VEGASCLUBCASINO.ORG	Lottomatica Scommesse S.r.l.
2.20	VEGASCLUBCASINO.BIZ	Lottomatica Scommesse S.r.l.
2.21	POKERCLUBNETWORK.ORG	Lottomatica Scommesse S.r.l.
2.22	POKERCLUBNETWORK.INFO	Lottomatica Scommesse S.r.l.
2.23	RADIOPOKERCLUB.COM	Lottomatica Scommesse S.r.l.
2.24	RADIOPOKERCLUB.NET	Lottomatica Scommesse S.r.l.
2.25	RADIOPOKERCLUB.INFO	Lottomatica Scommesse S.r.l.
2.26	RADIOPOKERCLUB.ORG	Lottomatica Scommesse S.r.l.
2.27	BETTERSLOT.COM	Lottomatica Scommesse S.r.l.
2.28	BETTER.IT	Lottomatica Scommesse S.r.l.
2.29	BINGOCLUB.IT	Lottomatica Scommesse S.r.l.
2.30	POKER-CLUB.IT	Lottomatica Scommesse S.r.l.
2.31	TOTOSICARD.IT	Lottomatica Scommesse S.r.l.
2.32	SCOMMESSETOTOSI.IT	Lottomatica Scommesse S.r.l.
2.33	TOTOSISCOMMESSE.IT	Lottomatica Scommesse S.r.l.
2.34	TOTOSISPORT.IT	Lottomatica Scommesse S.r.l.
2.35	POKERTOTOSI.IT	Lottomatica Scommesse S.r.l.
2.36	TOTOSIBINGO.IT	Lottomatica Scommesse S.r.l.
2.37	TOTOSIBLACKJACK.IT	Lottomatica Scommesse S.r.l.
2.38	TOTOSICASINO.IT	Lottomatica Scommesse S.r.l.

2.39	TOTOSIIPPICA.IT	Lottomatica Scommesse S.r.l.
2.40	TOTOSIROUETTE.IT	Lottomatica Scommesse S.r.l.
2.41	FANTACALCIOBETTER.IT	Lottomatica Scommesse S.r.l.
2.42	POKERCLUBBETTER.IT	Lottomatica Scommesse S.r.l.
2.43	SCOMMESSESPORTIVEBETTER.IT	Lottomatica Scommesse S.r.l.
2.44	POKERCLUB.IT	Lottomatica Scommesse S.r.l.
2.45	SKILLCLUB.IT	Lottomatica Scommesse S.r.l.
2.46	BETTERONLINE.IT	Lottomatica Scommesse S.r.l.
2.47	POKERCLUBONLINE.IT	Lottomatica Scommesse S.r.l.
2.48	VEGASGAMES.IT	Lottomatica Scommesse S.r.l.
2.49	VEGASCLUB.IT	Lottomatica Scommesse S.r.l.
2.50	VEGASGAME.IT	Lottomatica Scommesse S.r.l.

2.51	VEGASCLUBCASINO.IT	Lottomatica Scommesse S.r.l.
2.52	POKERCLUBNETWORK.IT	Lottomatica Scommesse S.r.l.
2.53	TOTOSIPOKER.IT	Lottomatica Scommesse S.r.l.
2.54	VEGASLIVE.IT	Lottomatica Scommesse S.r.l.
2.55	VEGASCLUBLIVE.IT	Lottomatica Scommesse S.r.l.
2.56	SALEBBETTERSLOT.IT	Lottomatica Scommesse S.r.l.
2.57	VLTBETTERSLOT.IT	Lottomatica Scommesse S.r.l.
2.58	BETTERSLOT-VLT.IT	Lottomatica Scommesse S.r.l.
2.59	VIDEOLOTTERIE-BETTERSLOT.IT	Lottomatica Scommesse S.r.l.
2.60	BETTERSLOT-VIDEOLOTTERIE.IT	Lottomatica Scommesse S.r.l.
2.61	JACKPOT-BETTERSLOT.IT	Lottomatica Scommesse S.r.l.
2.62	BETTERSLOT-JACKPOT.IT	Lottomatica Scommesse S.r.l.
2.63	TOTOSI.IT	Lottomatica Scommesse S.r.l.
2.64	MASTERGOAL.IT	Lottomatica Scommesse S.r.l.
2.65	SCOMMESSE-BETTER.IT	Lottomatica Scommesse S.r.l.
2.66	QUOTE-BETTER.IT	Lottomatica Scommesse S.r.l.
2.67	CASINOGRATIS-LOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
2.68	POKERTOTOSI.EU	Lottomatica Scommesse S.r.l.
2.69	POKERTOTOSI.MOBI	Lottomatica Scommesse S.r.l.
2.70	BETTERONLINE.MOBI	Lottomatica Scommesse S.r.l.
2.71	TOTOBIT.MOBI	Lottomatica Scommesse S.r.l.
2.72	SKILLCLUB.FR	Lottomatica Scommesse S.r.l.
2.73	BINGOCLUB.FR	Lottomatica Scommesse S.r.l.
2.74	SKILLCLUB.ES	Lottomatica Scommesse S.r.l.
2.75	SKILLCLUB.EU	Lottomatica Scommesse S.r.l.
2.76	BETTER.ES	Lottomatica Scommesse S.r.l.
2.77	SKILLCLUB.DK	Lottomatica Scommesse S.r.l.
2.78	SKILLCLUB.BE	Lottomatica Scommesse S.r.l.
2.79	BETTER.PT	Lottomatica Scommesse S.r.l.
2.80	BETTER.LU	Lottomatica Scommesse S.r.l.
2.81	BETTER.LV	Lottomatica Scommesse S.r.l.
2.82	BETTER.COM.MT	Lottomatica Scommesse S.r.l.

2.82	BETTER.COM.MT	Lottomatica Scommesse S.r.l.
2.83	BINGOCLUB.PT	Lottomatica Scommesse S.r.l.
2.84	BINGOCLUB.LU	Lottomatica Scommesse S.r.l.
2.85	BINGOCLUB.SK	Lottomatica Scommesse S.r.l.
2.86	BINGOCLUB.CH	Lottomatica Scommesse S.r.l.
2.87	BINGOCLUB.PL	Lottomatica Scommesse S.r.l.
2.88	BINGOCLUB.AT	Lottomatica Scommesse S.r.l.
2.89	BINGOCLUB.HU	Lottomatica Scommesse S.r.l.
2.90	BINGOCLUB.LV	Lottomatica Scommesse S.r.l.
2.91	BINGOCLUB.SI	Lottomatica Scommesse S.r.l.
2.92	BINGOCLUB.DK	Lottomatica Scommesse S.r.l.
2.93	POKERCLUB.PT	Lottomatica Scommesse S.r.l.
2.94	POKERCLUB.LU	Lottomatica Scommesse S.r.l.

2.95	SKILLCLUB.PT	Lottomatica Scommesse S.r.l.
2.96	SKILLCLUB.LU	Lottomatica Scommesse S.r.l.
2.97	SKILLCLUB.CZ	Lottomatica Scommesse S.r.l.
2.98	SKILLCLUB.SK	Lottomatica Scommesse S.r.l.
2.99	SKILLCLUB.NL	Lottomatica Scommesse S.r.l.
2.100	SKILLCLUB.PL	Lottomatica Scommesse S.r.l.
2.101	SKILLCLUB.SE	Lottomatica Scommesse S.r.l.
2.102	SKILLCLUB.CH	Lottomatica Scommesse S.r.l.
2.103	SKILLCLUB.LV	Lottomatica Scommesse S.r.l.
2.104	SKILLCLUB.GR	Lottomatica Scommesse S.r.l.
2.105	SKILLCLUB.SI	Lottomatica Scommesse S.r.l.
2.106	BETTER.EE	Lottomatica Scommesse S.r.l.
2.107	BINGOCLUB.EE	Lottomatica Scommesse S.r.l.
2.108	SKILLCLUB.EE	Lottomatica Scommesse S.r.l.
2.109	BINGOCLUB.COM.CY	Lottomatica Scommesse S.r.l.
2.110	BETTER.COM.CY	Lottomatica Scommesse S.r.l.
2.111	SKILLCLUB.COM.CY	Lottomatica Scommesse S.r.l.
2.112	BETTER.FR	Lottomatica Scommesse S.r.l.
2.113	BETTER.BG	Lottomatica Scommesse S.r.l.
2.114	POKERCLUB.BG	Lottomatica Scommesse S.r.l.
2.115	POKERCLUB.COM.CY	Lottomatica Scommesse S.r.l.
2.116	POKERCLUB.IE	Lottomatica Scommesse S.r.l.
2.117	BINGOCLUB.BG	Lottomatica Scommesse S.r.l.
2.118	SKILLCLUB.BG	Lottomatica Scommesse S.r.l.
2.119	SKILLCLUB.IE	Lottomatica Scommesse S.r.l.
2.120	VEGASCLUB.ES	Lottomatica Scommesse S.r.l.
2.121	VEGASCLUBCASINO.ES	Lottomatica Scommesse S.r.l.
2.122	VEGASCLUBCASINO.EU	Lottomatica Scommesse S.r.l.
2.123	BETTER.XXX	Lottomatica Scommesse S.r.l.
2.124	POKERCLUB.XXX	Lottomatica Scommesse S.r.l.
2.125	SKILLCLUB.XXX	Lottomatica Scommesse S.r.l.
2.126	BINGOCLUB.XXX	Lottomatica Scommesse S.r.l.

2.126	BINGOCLUB.XXX	Lottomatica Scommesse S.r.l.
2.127	VEGASCLUB.XXX	Lottomatica Scommesse S.r.l.
2.128	RADIOPOKERCLUB.EU	Lottomatica Scommesse S.r.l.
2.129	BETTERONLINE.DE	Lottomatica Scommesse S.r.l.
2.130	BETTER.DE	Lottomatica Scommesse S.r.l.
2.131	TOTOSI.SM	Lottomatica Scommesse S.r.l.
2.132	BETTERWETTEN.DE	Lottomatica Scommesse S.r.l.
2.133	SPORTWETTENBETTER.DE	Lottomatica Scommesse S.r.l.
2.134	BETTERSPORTWETTEN.DE	Lottomatica Scommesse S.r.l.
2.135	BETTER-WIN.DE	Lottomatica Scommesse S.r.l.
2.136	BETTER-WETTEN.DE	Lottomatica Scommesse S.r.l.
2.137	BETTER-SPORTWETTEN.DE	Lottomatica Scommesse S.r.l.
2.138	MONDOLOTTOMATICA.IT	Lottomatica Scommesse S.r.l.

2.139	MONDOLOTTOMATICA.COM	Lottomatica Scommesse S.r.l.
2.140	MONDOLOTTOMATICA.NET	Lottomatica Scommesse S.r.l.
2.141	MONDOLOTTOMATICA.ORG	Lottomatica Scommesse S.r.l.
2.142	MONDOLOTTOMATICA.EU	Lottomatica Scommesse S.r.l.
2.143	BINGOCLUBLOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
2.144	POKERCLUBLOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
2.145	FANTACALCIOLOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
2.146	SKILLCLUBLOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
2.147	LOTTOMATICAONLINE.IT	Lottomatica Scommesse S.r.l.
2.148	POKER-LOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
2.149	APP-LOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
2.150	QUOTE-LOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
2.151	SCOMMESSE-LOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
2.152	QUOTE-SCOMMESSE-LOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
2.153	BINGO-LOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
2.154	LOTTERIE-LOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
2.155	CASINO-LOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
2.156	GIOCHIDICARTE-LOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
2.157	BONUS-LOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
2.158	LOTTOMATICASCOMMESSE.COM	Lottomatica Scommesse S.r.l.
2.159	LOTTOMATICA-SCOMMESSE.COM	Lottomatica Scommesse S.r.l.
2.160	LOTTOMATICASCOMMESSE.IT	Lottomatica Scommesse S.r.l.
2.161	LOTTOMATICA-SCOMMESSE.IT	Lottomatica Scommesse S.r.l.
2.162	LOTTOMATICA.IT	Lottomatica Scommesse S.r.l.
LVR		
2.163	LOTTOMATICAVIDEOLOTRETE.EU	Lottomatica Videolot Rete S.p.A.
2.164	LOTTOMATICAVIDEOLOTRETE.COM	Lottomatica Videolot Rete S.p.A.
2.165	LOTTOMATICAVIDEOLOTRETE.INFO	Lottomatica Videolot Rete S.p.A.
2.166	LOTTOMATICAVIDEOLOTRETE.NET	Lottomatica Videolot Rete S.p.A.
2.167	LOTTOMATICAVIDEOLOTRETE.IT	Lottomatica Videolot Rete S.p.A.
2.168	BETTERSLOT.XXX	Lottomatica Videolot Rete S.p.A.
2.169	BETTERSLOT.IT	Lottomatica Videolot Rete S.p.A.

Seller		
2.170	LOTTOMATICA.ORG	Lottomatica Holding S.r.l. (still resulting Lottomatica Group S.p.A. on public records)
2.171	LOTTOMATICA.FR	Lottomatica Holding S.r.l. (still resulting Lottomatica Group S.p.A. on public records)
2.172	LOTTOMATICA.LT	Lottomatica Holding S.r.l. (still resulting Lottomatica Group S.p.A. on public records)

2.173	LOTTOMATICA.RO	Lottomatica Holding S.r.l. (still resulting Lottomatica Group S.p.A. on public records)
2.174	LOTTOMATICA.FI	Lottomatica Holding S.r.l. (still resulting Lottomatica Group S.p.A. on public records)
2.175	LOTTOMATICA.IE	Lottomatica Holding S.r.l. (still resulting Lottomatica Group S.p.A. on public records)
2.176	LOTTOMATICA.COM.CY	Lottomatica Holding S.r.l. (still resulting Lottomatica Group S.p.A. on public records)
2.177	LOTTOMATICA.HU	Lottomatica Holding S.r.l. (still resulting Lottomatica Group S.p.A. on public records)
2.178	LOTTOMATICA.BG	Lottomatica Holding S.r.l. (still resulting Lottomatica Group S.p.A. on public records)
2.179	LOTTOMATICA.XXX	Lottomatica Holding S.r.l. (still resulting GTECH S.p.A. on public records)
2.180	LOTTOMATICA.EE	Lottomatica Holding S.r.l. (still resulting GTECH S.p.A. on public records)
2.181	LOTTOMATICAITALIA.COM	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.182	LOTTOMATICA.NET	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.183	LOTTOMATICA.ES	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.184	GIOCHIONLINELOTTOMATICA.IT	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.185	LOTTOMATICAGROUP.NET	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.186	LOTTOMATICAGROUP.COM	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)

2.187	LOTTOMATICA.CC	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.188	LOTTOMATICA.COM.TW	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.189	LOTTOMATICA.IN	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.190	LOTTOMATICA.NAME	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.191	LOTTOMATICA.EU	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.192	LOTTOMATICAONLINE.COM	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.193	LOTTOMATICAONLINE.NET	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.194	LOTTOMATICA.BE	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.195	LOTTOMATICA.DK	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.196	LOTTOMATICA.TM	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.197	RIVENDITORILOTTOMATICA.COM	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.198	LOTTOMATICA.LU	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.199	RIVENDITORILOTTOMATICA.IT	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.200	LOTTOMATICA.CZ	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)

2.201	LOTTOMATICA.NL	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.202	LOTTOMATICA.DE	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.203	LOTTOMATICA.AT	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.204	LOTTOMATICA.GR	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.205	LOTTOMATICA.LV	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.206	LOTTOMATICA.PL	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.207	LOTTOMATICA.SE	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.208	LOTTOMATICA.SI	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.209	LOTTOMATICA.CH	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.210	LOTTOMATICA.COM.MT	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.211	LOTTOMATICA.PT	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.212	LOTTOMATICA.TW	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.213	LOTTOMATICA.HK	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.214	LOTTOMATICA.ORG.CN	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)

2.215	LOTTOMATICA.NET.CN	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.216	LOTTOMATICA.SK	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.217	LOTTOMATICA.ASIA	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.218	LOTTOMATICAGROUP.IT	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.219	LOTTOMATICA.COM	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.220	LOTTOMATICAITALIA.IT	Lottomatica Holding S.r.l.
2.221	LOTTOMATICAHOLDING.IT	Lottomatica Holding S.r.l.
2.222	LOTTOMATICAHOLDING.COM	Lottomatica Holding S.r.l.
2.223	LOTTOMATICAHOLDING.NET	Lottomatica Holding S.r.l.

Part 3 Prohibited Registered Intellectual Property

1. Prohibited trademarks:

No.	Trademark	Application No.	Owner	Restrictions of use for the Seller
1.1		302012902053234	Lis Lottomatica Italia Servizi S.p.A.	Seller will no longer use this trademark
1.2		3020122902053235	Lis Lottomatica Italia Servizi S.p.A.	Seller will no longer use the word “Lottomatica”
1.3		302012902053741	Lis Lottomatica Italia Servizi S.p.A.	Seller will no longer use the word “Lottomatica”
1.4		302016000115600	Lis Lottomatica Italia Servizi S.p.A.	Seller will no longer use this trademark

1.5		302016000117460	Lis Lottomatica Italia Servizi S.p.A.	Seller will no longer use the word “Lottomatica”
1.6		302018000021390	Lis Lottomatica Italia Servizi S.p.A.	Seller will no longer use the word “Lottomatica”
1.7		302018000021393	Lis Lottomatica Italia Servizi S.p.A.	Seller will no longer use the word “Lottomatica”
1.8		302018000024487	Lis Lottomatica Italia Servizi S.p.A.	Seller will no longer use the word “Lottomatica”
1.9		302018000024491	Lis Lottomatica Italia Servizi S.p.A.	Seller will no longer use the word “Lottomatica”
.10		302018000024572	Lis Lottomatica Italia Servizi S.p.A.	Seller will no longer use the word “Lottomatica”
.11		302018000024583	Lis Lottomatica Italia Servizi S.p.A.	Seller will no longer use the word “Lottomatica”
.12		302018000024593	Lis Lottomatica Italia Servizi S.p.A.	Seller will no longer use the word “Lottomatica”
.13		302018000024598	Lis Lottomatica Italia Servizi S.p.A.	Seller will no longer use the word “Lottomatica”

.14		362016000110899	Cartalis Istituto di Moneta Elettronica S.p.A.	Seller will no longer use this trademark
.15		302020000005245	Lotterie Nazionali S.r.l.	Seller will no longer use the word “Lottomatica”

2. Prohibited domain names:

No.	Domain Name	Owner
2.1	LOTTOMATICARD.EU	Cartalis Istituto di Moneta Elettronica S.p.A.
2.2	LOTTOMATICARD.COM	Cartalis Istituto di Moneta Elettronica S.p.A.
2.3	LOTTOMATICARD.NET	Cartalis Istituto di Moneta Elettronica S.p.A.
2.4	LOTTOMATICARD.IT	Cartalis Istituto di Moneta Elettronica S.p.A.
2.5	LOTTOMATICASERVIZI.IT	Lottomatica Italia Servizi S.p.A.
2.6	LOTTOMATICAITALIASERVIZI.EU	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)
2.7	GRUPPOLOTTOMATICA-GIOCHIESERVIZI.EU	Lottomatica Holding S.r.l. (still resulting Lottomatica S.p.A. on public records)

Schedule 11

Acquired Entities' Concessions

	Title	Acquired Entity
1.	*Atto di convenzione per il rapporto di concessione avente ad oggetto la realizzazione e la conduzione della rete per la gestione telematica del gioco lecito mediante gli apparecchi da divertimento ed intrattenimento previsti dall'articolo 110, comma 6, del Testo Unico delle Leggi di Pubblica Sicurezza, di cui al Regio Decreto 19 giugno 1931, n. 773 e successive modificazioni ed integrazioni, nonché' le attività e le funzioni connesse.* Act of convention for the concession relationship relating to the implementation and conduct of the network for the telematic management of the lawful play by means of entertainment and entertainment equipment provided for in article 110, paragraph 6, of Public Safety Laws of which under Royal Decree 19 June 1931, no. 773 and subsequent amendments and additions, as well as activities and functions related thereto.	LVR
2.	*Convenzione per l'affidamento in concessione dell'esercizio dei giochi pubblici di cui all'articolo 38, comma 4, del Decreto Legge 4 Luglio 2006, n. 223, convertito con modificazioni ed integrazioni dalla Legge 4 Agosto 2006, n. 248, pubblicata nel supplemento n. 183/L alla Gazzetta Ufficiale della Repubblica Italiana dell'11 Agosto 2006, n. 186.* *Concessione n. 4313 del 28 Marzo 2007.* Convention for the granting of the exercise of the public games of which article 38, paragraph 4, of Law Decree 4 July 2006, no. 223, converted with amendments and additions by Law 4 August 2006, no. 248, published in Supplement no. 183/L to the Official Journal of the Italian Republic of 11 August 2006, no. 186. Concession no. 4313 dated 28 March 2007.	Scommesse

3.	*Convenzione per l'affidamento in concessione dell'esercizio dei giochi pubblici di cui all'articolo 38, comma 2, del Decreto Legge 4 Luglio 2006, n. 223, convertito con modificazioni ed integrazioni dalla Legge 4 Agosto 2006, n. 248, pubblicata nel supplemento n. 183/ L alla Gazzetta Ufficiale della Repubblica Italiana dell'11 Agosto 2006, n. 186.* *Concessione n. 4032 del 28 Marzo 2007.* Convention for the granting of the exercise of the public plays referred to in article 38, paragraph 2, of Law Decree 4 July 2006, no. 223, converted with amendments and additions by Law 4 August 2006, no. 248, published in Supplement no. 183/ L to the Official Journal of the Italian Republic 11 August 2006, no. 186. Concession no. 4032 dated 28 March 2007.	Scommesse
4.	*Convenzione per l'affidamento in concessione di cui all'articolo 10, comma 9-octies del Decreto Legge 2 Marzo 2012, n. 16, convertito con modificazioni dalla Legge 26 Aprile 2012, n. 44.* *Concessione n. 4502 dell'8 Luglio 2013.* Convention for the granting of the concession referred to in article 10, paragraph 9-*octies*, of Law Decree 2 March 2012, no. 16, converted with amendments and additions by Law 26 April 2012, no 44. Concession no. 4502 dated 8 July 2013.	Scommesse
5.	*Schema di atto di convenzione per il rapporto di concessione relativo all'esercizio a distanza dei giochi pubblici ai sensi dell'articolo 1, comma 935, della Legge 28 Dicembre 2015, n. 208.* *Concessione n. 15017 del 2 Ottobre 2019.* Outline of the act of convention for the concession relevant to the remote exercise of public games within the meaning of article 1, paragraph 935, of Law 28 December 2015, no. 208. Concession no. 15017 dated 2 October 2019.	Scommesse

Schedule 12

Form of Source Code License Agreement
[Intentionally Omitted]

Schedule 1

Schedule 13

Form of Resignation and Waiver Letter

[*Name of director/Auditor*]

Viale del Campo Boario 56/D

00154 Roma

Rome, [*Date*]

Spett. le [*name of the relevant Acquired Entity*]

Viale del Campo Boario 56/D

00154 Roma

Consegnata a mano	*Delivered by hand*
***Oggetto**: dimissioni da [ruolo]*	***Subject**: resignations from [role]*
Alla cortese attenzione del consiglio di amministrazione e del presidente del collegio sindacale	To the kind attention of the board of directors and the chairman of the board of the statutory auditors
Egregi Signori,	Dear sirs:
Con la presente comunico le mie dimissioni dalla carica di [*ruolo e Società*], con efficacia a decorrere da [*data di efficacia*].	I hereby inform you of my resignations as a [*role and Company*] effective as of [*effective date*].
Dichiaro altresì di non essere titolare di alcun diritto, pretesa o azione, anche a titolo di compenso ovvero di qualsiasi altra spettanza, nei confronti della Società o della sua controllante Lottomatica Holding S.r.l., anche in relazione alla cessazione della mia carica ovvero in relazione alla carica stessa. Fermo restando quanto sopra e a mero scanso di equivoci, laddove tali diritti, pretese o azioni possano spettarmi, dichiaro irrevocabilmente di rinunciare a tali diritti, pretese o azioni, nonché di liberare la Società da qualsiasi obbligo o responsabilità in relazione agli stessi.	I hereby declare not to have any right or claim, including for fees or payments against the Company or its [controlling entity] Lottomatica Holding S.r.l., including in respect of the termination of my office or in relation to my office. Without prejudice to the above and for the avoidance of doubt, to the extent that any such claim exists or right of action may exist, I irrevocably waive such claim or right of action and release the Company from any liability in respect thereof.
Con l'occasione ringrazio sindaci e amministratori per l'esperienza professionale maturata.	I take the opportunity to thank the statutory auditors and the directors for the professional experience gained.
Cordiali saluti.	Kind regards,

[*Signature*]

Schedule 1

Schedule 14

Sales Representatives for Retail Business

[Intentionally Omitted]

Schedule 1

Schedule 15

Digital Marketing and Fraud Management Workers for Interactive Business

[Intentionally Omitted]

Schedule 16

Acquired Entities' Monthly Capex Projections
[Intentionally Omitted]

Schedule 17

Service Agreements

Part 1 Intercompany Contracts

No.	Title
1.	Information Technology Services Agreement dated 3 September 2020 (proposal) and 7 September 2020 (acceptance) between the Seller and LVR
2.	Information Technology Services Agreement dated 3 September 2020 (proposal) and 7 September 2020 (acceptance) between the Seller and Scommesse
3.	Staff Services Agreement dated 4 August 2016 (proposal) and 12 September 2016 (acceptance) between LVR and the Seller (as successorbymerger with Lottomatica S.p.A.), as amended by amendment agreement dated 24 September 2020 (proposal) and 25 September 2020 (acceptance) (this agreement supersedes the one originally dated 3 May 2010 and entered into between Lottomatica Group and LVR)
4.	Staff Services Agreement dated 4 August 2016 (proposal) and 9 September 2016 (acceptance) between Scommesse and the Seller (as successorbymerger with Lottomatica S.p.A.), as amended by amendment agreement dated 24 September 2020 (proposal) and 25 September 2020 (acceptance) (this agreement supersedes the one originally dated 5 June 2007 and entered into between the Seller and Scommesse)
5.	Contact Center Services Agreement dated 14 July 2011 (proposal) and 19 July 2011 (acceptance) between Lottomatica Group S.p.A. and LVR
6.	Contact Center Services Agreement dated 16 March 2009 between the Seller (as successorbymerger with Lottomatica S.p.A.) and Scommesse, as amended by means of the letter agreement dated 21 December 2012 and by means of the amendment agreement dated 24 September 2020 (proposal) and 25 September 2020 (acceptance)

7.	Telecommunications Services Agreement dated 22 February 2019 (proposal) and 28 February2019 (acceptance) between SED Multitel S.r.l., as TLC Service Provider, and LVR, as TLC Service Recipient
8.	Telecommunications Services Agreement dated 22 February 2019 (proposal) and 27 February2019 (acceptance) between SED Multitel S.r.l., as TLC Service Provider, and Scommesse, as TLC Service Recipient
9.	Payment Collection Services Agreement dated 14 May 2020 between Seller and LVR, as amended by an amendment dated 25 September 2020
10.	Payment Collection Services Agreement dated 14 May 2020 between Seller and Scommesse
11.	Service Agreement for the Management of Online Gaming Wagers of FixedOdds Games of Chance with Card Games and Cash Winnings (SoCalled Casino Games) dated 31 December 2014 between IGT UK Interactive Limited, as Provider, and Scommesse, as Concessionaire
12.	Service Agreement for the Management of Online Gaming Wagers of Poker Games Organized in Poker Tournaments or in Cash Poker (Online Poker) dated 31 December 2014 between IGT UK Interactive Limited, as Provider, and Scommesse, as Concessionaire
13.	Agreement for Provision of Intelligen VLT Central System and Related Services dated 25 June 2010 (proposal) and 30 April 2011 (acceptance) between IGT Canada Solutions ULC (formerly known as Spielo Manufacturing ULC) and LVR
14.	Framework Agreement dated 29 July 2011 between IGT Italia Gaming Machines Solutions S.r.l. (formerly Spielo International Italy S.r.l.) and LVR (Spielo VLTs and iLink terminals)
15.	Framework Agreement dated 29 September 2017 between IGT and LVR (VLTs)

16.	Partner Agreement dated 1 October 2012 between IGT (Gibraltar) Limited, as IGT, and Scommesse, as Customer (IGT RGS casino games)
17.	Software Development Framework Agreement dated 21 December 2018 between Ringmaster S.r.l. and the Seller, and relevant purchase orders by Scommesse dated 21 December 2018 and 20 February 2019
18.	Altura Terminal Supply Contract dated 2 May 2007 between IGT Global Solutions Corporation (formerly known as GTECH Corporation) and Scommesse (protocol no. LAL-50-00043/07), as amended by an amendment dated 1 October 2010
19.	GTECH Equipment Lease Agreement with Lottomatica Group dated as of 4 June 2012 between IGT Global Solutions Corporation (formerly known as GTECH Corporation) and Seller (as assignee of GTECH S.p.A. (formerly known as Lottomatica Group S.p.A.))
20.	Connection Services Agreement dated 18 January 2012 between Scommesse, as Vendor, and the Seller, as Customer
21.	Online Scratch and Win Collection Agreement dated 25 June 2012 between Scommesse, as Vendor, and Lotterie Nazionali S.r.l., as Customer
22.	Website Services Agreement dated 28 October 2013 between Scommesse, as Vendor, and Lotterie Nazionali S.r.l., as Customer
23.	Agreement for the opening and management of the e-money account dated 10 October 2007 between CartaLis Istituto di Moneta Elettronica S.p.A. and Scommesse
24.	Intercompany Acquiring Services Agreement dated 8 May 2007 between CartaLis Istituto di Moneta Elettronica S.p.A. and Scommesse

25.	Service Agreement dated 10 December 2008 between Lottomatica Italia Servizi S.p.A. (formerly known as Totobit Informatica Software e Sistemi S.p.A.) and Scommesse (formerly known as Toto Carovigno S.p.A.) for the game accounts topup distribution
26.	Cash Collection Agreement dated 19 September 2017 between LIS Istituto di Pagamento S.p.A. and LVR (cash collection)
27.	Cash Collection Agreement dated 29 September 2011 between LIS Istituto di Pagamento S.p.A. and Scommesse (cash collection)
28.	Professional Services Agreement dated 9 September 2016 between Lottomatica S.p.A. and Big Easy S.r.l.

Part 2 Third Party Service Providers

Third Party Service Provider	Service	Acquired Entity to enter into Contract
Olivetti	Field services	Scommesse
IGT Global Solutions Corporation	Maintenance for gaming terminals	
Stream UK Media Services Ltd	Virtual games and hardware maintenance services	
GRS	B2C Contact center	
Oracle Italia srl	Central system hardware maintenance	
TAI	Central system hardware maintenance	
DELL	Central system hardware maintenance	
Brocade	Central system hardware maintenance	
Ethernex	Central system hardware maintenance	
Vermantia Plus LTD	Underlying infrastructure	
Olivetti	Field services	LVR
Enova	Field services	
TIM Spa	Central system software maintenance	
Tiesse	Point of sale / hardware maintenance	
Oracle Italia srl	Central system hardware maintenance	
TAI	Central system hardware maintenance	
DELL	Central system hardware maintenance	
Brocade	Central system hardware maintenance	
Ethernex	Central system hardware maintenance	
IGT Canada Solutions ULC	Central system hardware and software support	
Maticmind S.p.A.	VSC supervision and assistance	

Schedule 18

Carve-Out

Part 1 Carve-Out Assets

1. LVR business unit Carve-Out

   (a) Ownership of non-shared proprietary AWP and VLT application software (including source code);
   (b) royalty-free perpetual license to use certain proprietary software shared with other business segments of the Seller Group (e.g. Wager Wise, CRM (except SYOP) and business and operational support systems, except NPC);
   (c) third party software (e.g. Oracle, Red Hat, excluding the source code and the related software maintenance agreements);
   (d) VLT / AWP points of sale technologies (VLT and AWP cabinets and terminals, cash desk, mediabox and monitors, jackpot junction systems);
   (e) dedicated infrastructures for VLT and AWP systems provided by the Seller (including, servers, engineered infrastructures (Exadata/DB Machine), storage devices and fibre channel switches, dedicated hardware infrastructure for VLT central systems where defined in the supply agreement with the VLT provider);
   (f) trademarks and/or brands used by LVR and owned by the Seller;
   (g) 149 employees;
   (h) 34 car leasing contracts; and
   (i) other liabilities,

   all as better described in the appraisal report drawn up pursuant to article 2343-*ter*, paragraph 2, letter (b), of the Italian Civil Code by the auditor Giovanni Naccarato, dated 13 July 2020 and in folder 1.6.1 of the Data Room.

2. Scommesse business unit Carve-Out

   (a) Ownership of non-shared proprietary better and interactive application software (including source code);
   (b) royalty-free perpetual license to use certain proprietary software shared with other business segments of the Seller Group (e.g. Wager Wise, CRM (except SYOP) and business and operational support systems, except NPC);
   (c) third party software (e.g. Oracle, Red Hat, excluding the source code and the related software maintenance agreements);
   (d) betting points of sale technologies (betting terminals, included self/totems and ticket printers, additional points of sale equipment (keyboard, BCR, customer display), sports betting monitors / TV Mediabox and decoders, virtual betting monitors and appliance, betting agency server);
   (e) dedicated infrastructures for interactive & betting central systems provided by the Seller (including, servers, engineered infrastructures (Exadata/DB Machine), hardware security module appliances;
   (f) trademarks and/or brands used by LVR and owned by the Seller;
   (g) 216 employees;

(h) seven (7) car leasing contracts and three (3) lease contracts of real estate units; and
(i) other liabilities,

all as better described in the appraisal report drawn up pursuant to article 2465 of the Italian Civil Code by the auditor Giovanni Naccarato, dated 13 July 2020 and in folder 1.6.1 of the Data Room.

Part 2 Break-Down of Carve-Out Consideration

1. LVR business unit

The Carve-Out was performed as a capital increase of LVR paid by the Seller with the contribution in kind of the above line of business. LVR therefore assigned newly issued shares to the Seller as a consideration for the Carve-Out.

More in detail: LVR's share capital was, before completion of the Carve-Out, equal to €3,226,481.00. LVR's share capital was increased by €11,622.00 (shareholders' meeting held on 20 July 2020), and 11,622 new shares having a face value of one Euro each have been issued in the name of the Seller as a consideration for the contribution. LVR's post Carve-Out share capital is now therefore equal to €3,238,103.00.

2. Scommesse business unit

The Carve-Out was performed as a capital increase of Scommesse paid by the Seller with the contribution in kind of the above line of business. Scommesse therefore increased its share capital to the Seller as a consideration for the Carve-Out.

More in detail: Scommesse's share capital was, before completion of the Carve-Out, equal to €20,000,000.00. Scommesse's share capital was increased by €2,773,394.00 (shareholders' meeting held on 20 July 2020), and a new quota having the same face value has been issued in the name of the Seller as a consideration for the contribution. Scommesse's post Carve-Out share capital is now therefore equal to €22,773,394.00.

Part 3 Assets Transferred Out of Acquired Entities

1. Optima.

Schedule 1

Schedule 19

Preparatory Integration Activities

1. **Separation of reporting, invoicing, new collection mandates and credit collection procedures**: Those activities specified in Clause 6.7 (*Credit Collection / New Collection Mandates*).

2. **Segregation of Shared IT Systems**: With reference to the IT systems in which there are no separate instances and will continue to be shared between the Seller Group Companies and the Acquired Entities (the "Shared IT Systems"), implementation of any such measures as may be necessary to ensure that, except as provided under the TSAs, no data or other information relating to the Acquired Business will be accessible to the Workers of the Seller Group Companies who have access to the Shared IT Systems.

3. **Invoicing and VAT registers**: Implementation of any such measures as may be necessary to ensure that, starting from the Closing Date, the Acquired Entities will be able to issue invoices under their own VAT number and without any reference to the Seller's VAT group (namely, B&D Holding VAT group), including, for the avoidance of doubt, the necessary changes and updates to the relevant accounting systems and VAT registers.

4. **Online Gaming Accounts**: Implementation of any such measures as may be necessary to ensure that, starting from the Closing Date, the bank accounts opened in the name of Scommesse will be used for the management of the wallets of customers holding online gaming accounts.

Schedule 1

Schedule 20

LVR By-Laws Amendments

La costituzione sulle azioni della Società di diritti reali di garanzia non è consentita e non avrà effetto nei confronti della Società qualora non sia stata preventivamente approvata dal Consiglio di Amministrazione.

Tale approvazione non potrà essere rifiutata qualora sia previsto, in caso di escussione della garanzia stessa, che siano rispettati i diritti di prelazione previsti dal presente articolo.

The following provision only of Article 7 of the LVR by-laws shall be removed in accordance with Clause 6.4(f):

The following provision shall be added to Article 7 of the LVR by-laws in accordance with Clause 6.4(f):

Le limitazioni al trasferimento delle azioni della Società di cui al presente Articolo 7 non troveranno applicazione in caso di costituzione o di escussione di un diritto di pegno sulle azioni della Società a favore di istituti creditizi o altri soggetti finanziatori a garanzia di finanziamenti erogati dagli stessi alla Società o a società o persone giuridiche controllate dalla, o controllanti la, Società.

Schedule 1

Schedule 21

Specified Credit Support Instruments

1. **Definitions**

When used in this Schedule 21 (*Specified Credit Support Instruments*), the following terms shall have the respective meanings specified therefor below:

"**Bridge Period**" means the period commencing on the Closing Date and expiring on the Bridge Period Expiration Date;

"**Bridge Period Expiration Date**" means the date which is ninety (90) days following the Closing Date;

"**Buyer Credit Support Instruments**" means the New Guarantee Bank Credit Support Instruments and the Guarantee ECLs;

"**Chubb**" means Chubb European Group SE, a European public limited liability company (*societas europaea*) and an undertaking governed by the provisions of the French insurance code, as successor by conversion of Chubb European Group PLC, a public limited company incorporated under the laws of England and Wales through re-registration of Chubb European Group Limited, a private limited company incorporated under the laws of England and Wales formerly known as ACE European Group Limited;

"**Chubb LVR Policies**" means the Existing Credit Support Instruments described in clauses (a) and (b) of the definition of Existing Credit Support Instruments;

"**Credit Support Instruments**" means a letter of credit, bank guarantee, surety policy (*polizza fideiussoria*) or other similar instrument and/or cash collateral;

"**Existing Credit Support Instruments**" means each of the following, but only for so long as a Seller Group Company has any liability thereunder pursuant to a Seller Group Credit Support Document:

(a) surety policy (*polizza fideiussoria*) no. ITSUNC04786 dated 25 May 2017 in the amount of €108,825,977.16 (*one hundred eight million eight hundred twenty-five thousand nine hundred seventy-seven and 16/100 Euros*) issued by Chubb on behalf of LVR for the benefit of the ADM, having the Seller as co-obligor;

(b) surety policy (*polizza fideiussoria*) no. ITSUNC04790 dated 25 May 2017 in the amount of €6,000,000 (*six million Euros*) issued by Chubb on behalf of LVR for the benefit of the ADM, having the Seller as co-obligor;

(c) surety policy (*polizza fideiussoria*) no. ITSUNB14801 dated 10 June 2013 in the amount of €16,587,377.73 (*sixteen million five hundred eighty-seven thousand three hundred seventy-seven and 73/100 Euros*) issued by Chubb on behalf of Scommesse for the benefit of the ADM, having the Seller (as successor-by-merger with Lottomatica S.p.A., a *società per azioni* incorporated under the laws of Italy (as transferee of a contribution by

GTECH S.p.A., a *società per azioni* incorporated under the laws of Italy)) as co-obligor*;*

(d) bank guarantee no. 8312/8200/778799/473313/1587 in the amount of €21,634,559.17 (*twenty-one million six hundred thirty-four thousand five hundred fifty-nine and 17/100 Euros*) issued by Intesa on behalf of Scommesse for the benefit of the ADM;

(e) bank guarantee no. 08312/8200/00584145/2964 in the amount of €2,505,790.75 (*two million five hundred five thousand seven hundred ninety and 75/100 Euros*) issued by Intesa on behalf of Scommesse for the benefit of the ADM;

(f) bank guarantee no. 08312/8200/00490262/97259 dated 21 October 2010 in the amount of €42,000.00 (*forty-two thousand and 00/100 Euros*) issued by Intesa on behalf of Scommesse for the benefit of R.G.V. Immobiliare S.r.l.;

(g) bank guarantee no. 42771/31 dated 19 February 2018 in the amount of €24,000.00 (*twenty-four thousand and 00/100 Euros*) issued by Unione di Banche Italiane S.p.A. on behalf of Scommesse for the benefit of Rainbow Immobiliare S.r.l.;

(h) bank guarantee no. 42771/33 dated 7 January 2019 in the amount of €19,500.00 (*nineteen thousand five hundred and 00/100 Euros*) issued by Unione di Banche Italiane S.p.A. on behalf of Scommesse for the benefit of Immobiliare Volano S.p.A.;

(i) bank guarantee no. 4878/103 dated 23 December 2009 in the amount of €12,000.00 (*twelve thousand and 00/100 Euros*) issued by Unione di Banche Italiane S.p.A. on behalf of Scommesse for the benefit of Chipa S.a.s. di Chiari Alessandra e C.;

(j) bank guarantee no. 4878/102 dated 23 December 2009 in the amount of €8,000.00 (*eight thousand and 00/100 Euros*) issued by Unione di Banche Italiane S.p.A. on behalf of Scommesse for the benefit of Ms. Maria Antonietta Maselli and Mr. Francesco Maselli; and

(k) bank guarantee no. 410542/B dated 31 January 2007 in the amount of €31,838.54 (*thirty-one thousand eight hundred thirty-eight and 54/100 Euros*) issued by Banca Nazionale del Lavoro S.p.A. on behalf of Scommesse for the benefit of the ADM;

"**Existing Credit Support Instrument Release Condition**" means, with respect to an Existing Credit Support Instrument, the occurrence of one or both of the following: (a) the Existing Credit Support Instrument has been returned to the relevant Existing Credit Support Provider or (b) the relevant Existing Credit Support Provider has fully, unconditionally and irrevocably released, on customary terms, all of the relevant Seller Group Companies (other than the Acquired Entities) from their obligations under the Seller Group Credit Support Documents with respect to such Existing Credit Support Instrument in accordance with the terms of the relevant Existing Credit Support Instrument;

"**Existing Credit Support Providers**" means Chubb, Intesa and the Other Existing Credit Support Providers;

"**Guarantee ECL (Chubb)**" means the equity commitment letter dated the date hereof from the Investors to the Seller in the aggregate amount of €131,413,354.89 (*one hundred thirty-one million four hundred thirteen thousand three hundred fifty-four and 89/100 Euros*);

"**Guarantee ECL (Intesa)**" means the equity commitment letter dated the date hereof from the Investors to the Seller in the aggregate amount of €24,140,349.92 (*twenty-four million one hundred forty thousand three hundred forty-nine and 92/100 Euros*);

"**Guarantee ECLs**" means the Guarantee ECL (Chubb) and the Guarantee ECL (Intesa);

"**Intesa**" means Intesa San Paolo, S.p.A., a *società per azioni* incorporated under the laws of Italy;

"**New Guarantee Bank**" means UniCredit S.p.A., a *società per azioni* incorporated under the laws of Italy, or another bank or insurance company acceptable to the Seller in its sole and absolute discretion;

"**New Guarantee Bank Commitment Letter**" means the commitment letter dated on or around the date hereof from the New Guarantee Bank, in the agreed form, pursuant to which the Bank has unconditionally committed to issue bank guarantees on behalf of the Buyer to the ADM in the aggregate amount of €114,825,977.16 (*one hundred fourteen million eight hundred twenty-five thousand nine hundred seventy-seven and 16/100 Euros*), corresponding to the aggregate amounts of the Chubb LVR Policies;

"**New Guarantee Bank Credit Support Instruments**" means the bank guarantees, consistent with the requirements of the Italian gaming regulations applicable to the relevant concession, as may be amended from time to time, by the New Guarantee Bank issued pursuant to the New Guarantee Bank Commitment Letter to the ADM, and pursuant to which the Seller may be a beneficiary during the period commencing on the Closing Date and expiring on the date on which each of the Chubb LVR Policies has been returned to Chubb;

"**Other Existing Credit Support Providers**" means Unione di Banche Italiane S.p.A., a *società per azioni* incorporated under the laws of Italy, and Banca Nazionale del Lavoro S.p.A., a *società per azioni* incorporated under the laws of Italy;

"**Seller Group Credit Support Documents**" means the Seller Group Credit Support Guarantees and the Seller Group Credit Support Indemnity Agreements;

"**Seller Group Credit Support Guarantees**" means the instruments and agreements executed and delivered by certain Seller Group Companies in favour of Existing Credit Support Providers pursuant to which such Seller Group Companies have guaranteed the obligations of other Seller Group Companies under Seller Group Credit Support Indemnity Agreements; and

"**Seller Group Credit Support Indemnity Agreements**" means the instruments and agreements executed and delivered by certain Seller Group Companies in favour of

Existing Credit Support Providers pursuant to which such Seller Group Companies have agreed to indemnify such Existing Credit Support Providers for any claims made by beneficiaries under Existing Credit Support Instruments issued by such Existing Credit Support Providers, including certain of the Existing Credit Support Instruments.

2. **Buyer Obligations**

(a) During the Interim Period, the Buyer shall use best endeavours to procure the satisfaction of an Existing Credit Support Instrument Release Condition with respect to each Existing Credit Support Instrument (the "**Release Obligation**") at Closing or as soon as practicable following Closing.

(b) The Buyer shall maintain in full force and effect the New Guarantee Bank Commitment Letter and obtain the New Guarantee Bank Credit Support Instrument on the terms set forth therein by satisfying on a timely basis at or prior to Closing all conditions set forth in the New Guarantee Bank Commitment Letter and shall cause the New Guarantee Bank to perform its obligations under the New Guarantee Bank Commitment Letter upon satisfaction of such conditions, in each case unless the Buyer has replaced the New Guarantee Bank Credit Support Instrument with a comparable Credit Support Instrument that is reasonably satisfactory to the Seller, in which case all references in this Agreement to the "New Guarantee Bank Credit Support Instrument" shall be deemed to be references to such new Credit Support Instrument.

(c) Save with the prior written consent of the Seller, from the Closing Date until the Existing Credit Support Instrument Release Condition with respect to the applicable Existing Credit Support Instruments is satisfied, the Buyer shall (i) take any actions to ensure that the applicable New Guarantee Bank Credit Support Instruments and the applicable Guarantee ECLs are in full force and effect and are not terminated (except in accordance with the terms of this Schedule 21 (*Specified Credit Support Instruments*) and in accordance with the terms of the Guarantee ECLs) or breached by the Buyer or any of its Affiliated Persons parties thereto and (ii) refrain from taking any actions expected to cause any of the applicable New Guarantee Bank Credit Support Instruments or either of the applicable Guarantee ECLs to be terminated, assigned or breached by the Buyer or any Acquired Entity, as applicable (except in accordance with the terms of this Schedule 21 (*Specified Credit Support Instruments*) and in accordance with the terms of the Guarantee ECLs).

(d) If the Existing Credit Support Instrument Release Condition with respect to an Existing Credit Support Instrument has not been satisfied at Closing, then, from and after Closing, the Buyer shall:

(i) continue to perform the Release Obligation with respect to such Existing Credit Support Instrument until the satisfaction of the Existing Credit Support Instrument Release Condition with respect to such Existing Credit Support Instrument;

(ii) indemnify and hold each Seller Group Company party to such Existing Credit Support Instrument or a relevant Seller Group Credit Support Document harmless from and against all Losses (except for amounts payable pursuant to paragraph 3(d) of this Schedule 21 (*Specified Credit Support Instruments*) and the fees set forth in paragraph 3(c) of this Schedule 21 (*Specified Credit Support Instruments*)) suffered or incurred by such Seller Group Company in relation to or arising out of (A) any claim by the relevant Existing Credit Support Provider against such Seller Group Company under a relevant Seller Group Credit Support Document in connection with a claim made by the beneficiary of such Existing Credit Support Instrument to the extent that the Seller would not otherwise be liable to the Buyer under any other provision of this Agreement or (B) any breach by the Buyer of the obligations under paragraph 2(d)(iv) of this Schedule 21 (*Specified Credit Support Instruments*);

(iii) if an Existing Credit Support Provider demands that a Seller Group Company deposit cash with or provide collateral to the relevant Existing Credit Support Provider in connection with such Existing Credit Support Instrument and such demand is made for a reason solely related to an Acquired Entity's business or an Acquired Entities' Concession of an Acquired Entity, then, not later than one (1) day before the date the relevant Seller Group Company must deposit such cash with or provide such collateral to the relevant Existing Credit Support Provider, deposit, or cause to be deposited, cash in the amount demanded in a dedicated blocked account with or provide such collateral to the relevant Existing Credit Support Provider, subject to arrangements reasonably satisfactory to the Buyer that such cash or collateral may be released to the account designated by the Buyer promptly upon the relevant Existing Credit Support Instrument Release Condition being satisfied; and

(iv) on or before the date which is five (5) Business Days following the Bridge Period Expiration Date, reimburse to the Seller or cause the Acquired Entities to reimburse to the Seller, as applicable, an amount equal to the fees paid by the Seller pursuant to paragraph 3(c) of this Schedule 21 (*Specified Credit Support Instruments*).

(e) If the Existing Credit Support Instrument Release Condition with respect to an Existing Credit Support Instrument has not been satisfied by the Bridge Period Expiration Date, then, upon demand by the Seller, the Buyer shall deposit, or cause to be deposited, cash on a blocked account opened in the name of the Seller in an amount up to the outstanding amount covered by the relevant Existing Credit Support Instrument (or provide a Credit Support Instrument reasonably acceptable to the Seller in favour of the Seller in the outstanding amount of the relevant Existing Credit Support Instrument) on the date set forth in the demand, which amount shall be held in such blocked account solely as security and is to be released from such blocked account to an

account designated by the Buyer upon the satisfaction of the Existing Credit Support Instrument Release Condition.

(f) If the Buyer fails to perform its obligations under paragraph 2(d)(ii) or paragraph 2(e) of this Schedule 21 (*Specified Credit Support Instruments*) within five (5) Business Days after such obligation becomes due, then the Seller may draw or make demand on the relevant Buyer Credit Support Instrument to the extent it has a right to do so pursuant to the terms of the relevant Buyer Credit Support Instrument.

(g) During the Interim Period or thereafter, to the extent the Buyer delivers to the Seller a Credit Support Instrument in a form reasonably acceptable to the Seller in relation to any Existing Credit Support Instrument that is issued to the Seller or pursuant to which the Seller is a beneficiary until the relevant Existing Credit Support Instrument Release Condition has been satisfied, the Seller and the Buyer acknowledge and agree that the relevant Guarantee ECL (or applicable portion thereof) shall be considered replaced and terminated.

3. **Seller Obligations**

(a) Until the Existing Credit Support Release Condition is satisfied, the Seller shall use best endeavours to, and, during the Interim Period, shall use best endeavours to procure, that the Acquired Entities:

(i) take any actions, to the extent such actions are within their control, to ensure that the Existing Credit Support Instruments are not breached or enforced as a result of which the Existing Credit Support Provider has a right to request cash collateral or terminated; and

(ii) refrain from taking any actions which would cause the Existing Credit Support Instruments to be breached or enforced as a result of which the Existing Credit Support Provider has a right to request cash collateral or terminated,

in each case prior to such Existing Credit Support Instruments being released in accordance with Schedule 21 (*Specified Credit Support Instruments*); *provided* that the Seller may replace any Existing Credit Support Instrument with (i) a replacement Credit Support Instrument satisfying the requirements of the immediately following paragraph or (ii) cash collateral to the extent such cash collateral is not provided by the Acquired Entities.

(b) During the Interim Period, the Seller shall, and shall procure that the relevant Acquired Entity shall, enter into arrangements to extend or replace each Existing Credit Support Instrument that will expire before Closing on terms not less favourable in the aggregate than the terms of such Existing Credit Support Instrument; *provided* that the Seller shall, and shall procure that the relevant Acquired Entity shall, request the relevant Existing Credit Support Provider to agree that such extended or replaced Existing Credit Support Instruments do not contain (i) a change of control provision or (ii) a cash collateral requirement.

(c) During the Bridge Period, the Seller shall pay any fees required to be paid under the Existing Credit Support Instruments by the Seller.

(d) The Seller shall indemnify and hold each Acquired Entity and the Buyer harmless from and against all Losses suffered or incurred by such Acquired Entity or the Buyer in relation to or arising out of any breach by the Seller of paragraph 3(c) of this Schedule 21 (*Specified Credit Support Instruments*).

(e) If an Existing Credit Support Provider demands that an Acquired Entity deposit cash with or provide a Credit Support Instrument to the relevant Existing Credit Support Provider in connection with an Existing Credit Support Instrument and such demand is made solely for a reason other than a reason related to an Acquired Entity's business or an Acquired Entities' Concession (it being understood that the parties agree that a demand based on a Chubb Triggering Event shall not be deemed to be related to an Acquired Entity's business or an Acquired Entities' Concession), then, not later than one (1) day before the date the relevant Acquired Entity must deposit such cash with or provide such collateral to the relevant Existing Credit Support Provider, the Seller shall deposit cash in the amount demanded in a dedicated blocked account, provide such collateral to the relevant Existing Credit Support Provider or take any and all other actions, including through payment of any amount to the relevant Existing Credit Support Provider, to satisfy and lift such demand of the Existing Credit Support Provider on behalf of the Acquired Entity, subject to (other than in the case of a demand from Chubb in connection with a Chubb Triggering Event) such arrangements being reasonably satisfactory to the Existing Credit Support Provider, provided that such cash or collateral may be released to the Seller promptly upon the relevant Existing Credit Support Instrument Release Condition being satisfied but in no event on or before the Bridge Period Expiration Date.

(f) The Seller shall promptly return each Buyer Credit Support Instrument in its possession to the Buyer or its designee upon the satisfaction of the Existing Credit Support Instrument Release Condition with respect to each relevant Existing Credit Support Instrument.

(g) The Seller shall cooperate, in so far as it is in its powers, with the Buyer as may be reasonably requested by the Buyer for it to comply with the obligations of the Buyer set forth in this Schedule 21 (*Specified Credit Support Instruments*), including in connection with: (i) the replacement of the relevant Existing Credit Support Instruments with the New Guarantee Bank Credit Support Instrument or other Credit Support Instruments, (ii) the qualification of the Seller as beneficiary under any Credit Support Instrument in connection with the terms of this Schedule 21 (*Specified Credit Support Instruments*) and (iii) delivery of any Credit Support Instrument required to be delivered at Closing.

(h) Notwithstanding anything herein to the contrary, nothing in this paragraph 3 shall be deemed to constitute a condition to Closing and the obligations of the Buyer to consummate the Transaction and the other transactions contemplated by this Agreement are not subject to the obligations of the Seller herein.

Schedule 22

Patent Box Matter

1. Effect

1.1 Paragraphs 3, 4, 5 and 6 of this Schedule 22 (*Patent Box Matter*) do not become binding on the Seller, the Buyer or De Agostini S.p.A. ("**De Agostini**") and are of no force or effect unless and until Closing has occurred under the Agreement.

1.2 Notwithstanding paragraph 1.1, above, should the Seller not procure the Adherences (as defined below) as per paragraph 2, this Schedule 22 shall be null and void.

2. Adherences

2.1 The Seller shall use its best endeavours to procure the Adherences solely for the purpose of the adhering entities exercising their rights and complying with their obligations set out in this Schedule 22, it being understood that any Taxes arising in connection with the execution of this Schedule 22 and the Adherences shall be entirely borne by the Seller.

3. Neutrality and Co-operation

3.1 The Seller, the Buyer and De Agostini acknowledge and agree that, notwithstanding anything to the contrary contained in this Schedule 22, the management and resolution of the Patent Box Litigation (as defined below) on the terms and conditions set out in this Schedule 22, shall not result in: (i) any Loss for any Buyer Group Company (to the extent such Loss cannot be made whole by the Seller in compliance with its obligations as set out in paragraphs 4.6 and 5 of this Schedule 22); (ii) any other detrimental consequence, including, but not limited to, tax, regulatory or accounting consequences, for any Buyer Group Company and any Affiliated Person thereto, not otherwise indemnifiable under paragraph 5 of this Schedule 22; and (iii) any gain or benefit, economic or otherwise, for any Buyer Group Company.

3.2 The Seller, the Buyer and De Agostini shall, and, after Closing, the Buyer shall procure that each of LVR and Scommesse (the "**Adhering Group Entities**"), co-operate in good faith in order to obtain the PB Benefit (as defined below) on and subject to the terms of this Schedule 22.

4. Patent Box Application

4.1 For the purpose of this Schedule 22:

(i) "**Adherences**" means the adherence of the Adhering Group Entities and De Agostini to this Schedule 22 by each signing a deed of adherence;

(ii) "**Patent Box Application**" means the application for the regime provided by Article 1 paragraphs 37-45 of the Law no. 190 of 23 December 2014, as

amended from time to time, filed by the Adhering Group Entities with the Italian Taxation Authorities for tax years 2015 through 2019;

(iii) **"Patent Box Litigation"** means the legal proceedings the each of the Adhering Group Entities initiated in June 2020 before the Provincial Tax Court of Rome, against the rejection of the Patent Box Application by the Italian Taxation Authority;

(iv) "**Patent Box Indemnity**" has the meaning set forth in paragraph 5(a) of this Schedule 22;

(v) "**PB Benefit**" means any benefit consisting of any Tax reduction, Tax relief, Tax credit or Tax refund for corporate income tax (IRES) and regional tax (IRAP) purposes, or the equivalent monetary value of such benefit, which may be claimed by the Adhering Group Entities with regard to the Patent Box Application and in connection with the Settlement or in connection with a final non-appealable first-instance Court judgment which may be issued with regard to the Patent Box Litigation. PB Benefit for corporate income tax purposes can be claimed either within the Tax Consolidation Agreement or outside of it, as a consequence of Closing and according to Article 4(4) of Decree 28 November 2017, subject to the Settlement or a final non-appealable first-instance court judgment issued with respect to the Patent Box Litigation;

(vi) **"PB Payor"** has the meaning set forth in paragraph 4.5(v) of this Schedule 22;

(vii) **"Settlement"** means a settlement of the Patent Box Litigation pursuant to Art. 48 and following of Legislative Decree No. 546 of 31 December 1992; and

(viii) "**Tax Consolidation Agreement**" means the agreement entered into between De Agostini and each of the Adhering Group Entities for the purposes of regulating the exercise of the option provided by Article 117 ff. of the Italian Presidential Decree no. 917 of 22 December 1986.

4.2 The Seller represents that the Adhering Group Entities have entered into discussions with the Italian Taxation Authority to reach a Settlement, the terms and conditions of which are uncertain as of the date of this Agreement.

4.3 The Buyer represents that it does not intend to pursue the Patent Box Litigation and agrees to procure, after Closing, that the Adhering Group Entities continue to pursue the Patent Box Litigation solely for the purpose of reaching a Settlement within the time frame set forth in paragraphs 6(ii) and 6(iii), below.

4.4 The Seller and De Agostini acknowledge and agree that they shall pursue terms and conditions of any Settlement with a view to minimizing the impact of any such Settlement on the Buyer Group Companies, provided that (i) priority shall be given to any such terms and conditions that would ensure no implications for the Buyer Group Companies, including, but not limited to, the PB Benefit arising only for the benefit of De Agostini or the parties to the Tax Consolidation Agreement, other than the Acquired Entities, *provided* that this paragraph 4.4(i) of Schedule 22 shall not require the Seller or De Agostini to prioritise terms and conditions to the extent such terms and conditions would be materially detrimental to the amount obtainable by the Seller

under paragraph 4.5(v) of this Schedule 22 vis-à-vis the amount obtainable by the Seller under paragraph 4.5(v) of this Schedule 22 in the absence of the obligations of the Seller and De Agostini under this paragraph 4.4(i); and (ii) no terms and conditions that would be detrimental in any respect to any Buyer Group Company and any Affiliated Person thereto, in each case not otherwise indemnifiable under paragraph 5 of this Schedule 22, shall be pursued or agreed upon in a Settlement.

4.5 The Buyer acknowledges and agrees that, in connection with a Settlement:

(i) after Closing, the Buyer shall and shall procure that the Seller and its Agents are provided with all information reasonably relevant to the Patent Box Litigation and the Settlement (including the right to examine and copy at the Seller's cost and expense the Books and Records of the Adhering Group Entities relating to the tax years from 2015 through 2019) to the extent reasonably necessary for the Patent Box Litigation and the Settlement and provided that the related request be made with reasonable advance notice;

(ii) after Closing, the Buyer shall not procure the Adhering Group Entities to settle or make an offer or agree to compromise the Patent Box Litigation and shall procure that no other Buyer Group Company settles or makes an offer or agrees to compromise the Patent Box Litigation;

(iii) the Seller shall, at its own cost and expense, have the right to conduct the Patent Box Litigation solely with a view to reaching a Settlement within the time frame set forth in paragraphs 6(ii) and 6(iii), below, provided that, in each case with respect to the conduct of the Patent Box Litigation and the negotiation of a Settlement, (x) the Seller shall consult reasonably in advance in writing with the Buyer, the Adhering Group Entities or their Agents and take into account any reasonable comments the Buyer, the Adhering Group Entities or their Agents may provide which shall not be unreasonably disregarded, and (y) the Buyer, the Adhering Group Entities or their Agents shall be timely informed of any progress in the discussion with Taxation Authority, shall be timely informed of, and one (1) representative of an Agent of the Buyer or the Adhering Group Entities shall be enabled to participate in, all meetings, whether in person or virtual, or telephone calls and shall be copied on all correspondence with the Taxation Authority *provided* that (A) the representative shall enter into appropriate clean team or confidentiality arrangements as may be required by the Seller or De Agostini, acting reasonably, to ensure that any personal or commercially sensitive information relating to the Seller Group Company, De Agostini or any of their Affiliated Persons is obtained and maintained by the representative on a confidential basis and (B) the Buyer, the Adhering Group Entities or their Agents shall not, when participating in any such meeting, take any action or otherwise say or do anything which could reasonably be considered to have a negative impact of the outcome of the potential PB Benefit other than to the extent that what the Seller or its Agents are proposing in any such meeting is or could reasonably be considered to result in a breach of paragraph 3.1 of this Schedule 22;

(iv) subject to paragraph 4.4. and 4.5(iii), above, the Buyer shall cooperate in good faith with the Seller and, after Closing, procure that the Adhering

Group Entities put in place any actions to the extent strictly necessary to ensure compliance with the terms and conditions of the Settlement, such as submitting any amended Tax return or requesting a Tax refund;

(v) should any PB Benefit or portion thereof be received or utilized by an Adhering Group Entity, whether by means of Tax refund, reduction in Tax payable or payment from De Agostini or otherwise either the Buyer or, at the discretion of the Buyer, the Adhering Group Entities (each, a "**PB Payor**") shall pay to the Seller an amount equal to any such PB Benefit or portion thereof which, in any case, shall be net of any actual or future Tax effect thereof (including, but not limited to, any Tax due on any such PB Benefit or portion thereof being distributed to the Buyer or in connection with the Buyer's tax consolidation), it being understood that PB Payor shall use in good faith all reasonable endeavours to avoid or minimize any negative Tax effect which would arise upon payment of the PB Benefit to the Seller, on or before the date which is fifteen (15) Business Days following date of such PB Benefit or portion thereof being received or effectively utilized; and

(vi) any payment made by a PB Payor in accordance with paragraph 4.5(v) of this Schedule 22, effectively deducted for Tax purposes by such PB Payor, shall, to the extent necessary, be increased by such amount, on a Euro-for-Euro basis, to ensure that, after any such payment having been subject to Taxation in the hands of the Seller, that the Buyer and the Adhering Group Entities are left in the same position, with neither net loss nor net benefit, subject to the application of Clause 3.4(b) of this Agreement also with regard to any Tax controversy which may arise with any Taxation Authority with respect to the Tax treatment of such payment.

4.6 The Seller, the Buyer and De Agostini acknowledge and agree that, the Buyer will be entitled to appoint its own Tax counsel to take part to the conduct of the Patent Box Litigation and the negotiation of a Settlement and to protect their own interests as indicated under paragraph 4.5(iii) of this Schedule 22. The Seller agrees to reimburse the Buyer and De Agostini for the documented out-of-pocket costs of such Tax counsel up to €125,000 (*one hundred twenty-five thousand Euros*) each and any documented out-of-pocket costs of such Tax counsel that are incurred in excess of €125,000 (*one hundred twenty-five thousand Euros*) with the prior written consent of the Seller (which shall not be unreasonably withheld or delayed).

4.7 The Seller acknowledges and agrees that this Schedule 22 does not impose any obligation on the Buyer to make any payment to the Seller with respect to any benefit that the Adhering Group Entities may derive from any election as well as a renewal of the Settlement concluded by the Seller for the regime provided by Article 1 paragraphs 37-45 of the Law no. 190 of 23 December 2014, as amended from time to time, regarding the 2020 tax year and subsequent tax years. Following the reasonable request of the Buyer, the Seller will procure that any application to the Taxation Authority is filed by the Adhering Group Entities inasmuch it is necessary to preserve the right of the Adhering Group Entities to obtain a benefit for the 2020 tax year and subsequent tax years.

5. Indemnity

(a) The Seller shall indemnify and hold harmless the Buyer Group Companies and Gamma Bidco from and against any and all Losses suffered or incurred by them as a result of the Settlement or the Patent Box Litigation *provided* that any Losses of the Buyer Group Companies with respect to the cost of Tax counsel will be dealt with solely in accordance with paragraph 4.6 of this Schedule 22 and excluded from the scope of the indemnity contained in this paragraph 5(a) (the "**Patent Box Indemnity**").

(b) The provisions of Schedule 6 (*Seller's and Guarantor's Limitations of Liability*) shall apply to this paragraph 5 to the extent specifically applicable to the Seller Specific Indemnities (including, paragraphs 2(a) and 3(a)(i)), provided, for the avoidance of doubt, that (i) the provisions of paragraphs 1, 2(c) and 9 of Schedule 6 (*Seller's and Guarantor's Limitations of Liability*) shall not be applicable in respect of the Patent Box Indemnity; (ii) the provisions of paragraphs 5(c), 5(h) and 5(i) of Schedule 6 (*Seller's and Guarantor's Limitations of Liability*) shall not be applicable in respect of the Patent Box Indemnity to the extent that the changes, actions or omissions referred to in those paragraphs are implemented in connection with or as a result of obtaining the PB Benefit and (iii) no documents, information or materials Disclosed shall qualify the indemnity contained in this paragraph 5.

(c) Any payment under paragraph 5(a) of this Schedule 22 shall be made on or before the date which is fifteen (15) Business Days following receipt of demand to the Buyer or at the Buyer's direction.

6. Expiration

The rights and obligations of the Buyer, the Seller and De Agostini under this Schedule 22 shall expire on the earliest of:

(i) termination of the Agreement in accordance with Clause 12 (*No Right to Rescind or Terminate*);

(ii) to the extent a Settlement has not been reached or a final non-appealable first instance Court judgment has not been issued with respect to the Patent Box Litigation during the period commencing on the Closing Date and expiring on the date which is twenty four (24) months following the Closing Date, the date immediately following the expiry of such period; or

(iii) to the extent an agreement with the Taxation Authority is reached during the period specified in paragraph 6(ii) of this Schedule 22 but such an agreement has not been approved by the competent judicial authority or court leading to a Settlement, the date which is twelve (12) months following the date on which that agreement is reached,

(i) provided that (x) at least thirty (30) days prior to the expiry of the rights and obligations set out under this Schedule 22 in accordance with this paragraph 6, the Seller, the Buyer and De Agostini will discuss in good faith whether or not to extend the date on which the rights and obligations of the Seller, the Buyer and De Agostini

under this Schedule 22 expire and that if the Seller, the Buyer and De Agostini do not reach an agreement in this respect, or (y) should the competent judicial authority or court reject the Settlement, then the Buyer shall procure after Closing that the Adhering Group Entities abandon the Patent Box Application and any PB Benefit, by means of a withdrawal from the proceedings or by any other mean which will be agreed by the Seller, the Buyer and De Agostini, to ensure that none of the Seller, the Buyer, De Agostini nor any of the Adhering Group Entities will benefit from the PB Benefit. Upon expiration of the rights and obligations of the Seller, the Buyer and De Agostini under this Schedule 22, the rights of obligations of the Seller, the Buyer and De Agostini hereunder shall cease immediately save in respect of the obligations under this paragraph 6 and paragraph 7 which shall continue to apply after the expiration of the rights and obligations under this Schedule 22 without limit in time, in each case it being understood that the Seller shall bear any legal costs pertaining to the abandoned Patent Box Litigation within the total amount provided for in paragraph 4.6 of this Schedule 22.

7. Continuing provisions

The following provisions of the Agreement shall continue despite the expiration of the rights and obligations of the Seller, the Buyer and De Agostini in accordance with paragraph 6 of this Schedule 22: (i) Clause 1.2 (*Construction*); (ii) Clause 13 (*Confidentiality*); (iii) Clause 14 (*Announcements*); (iv) Clause 17 (*Miscellaneous*) and paragraph 3.1 of this Schedule 22.

Schedule 23

PWC Engagement Letter Scope

[Intentionally Omitted]

Appendix 1

Data Room Index
[Intentionally Omitted]

Name	Jurisdiction		Ownership %		Shareholder
Acres Gaming Incorporated	Nevada, United States		100		International Game Technology
Anguilla Lottery and Gaming Company Limited	Anguilla		100		Leeward Islands Lottery Holding Company, Inc.
Antigua Lottery Company Limited	Antigua & Barbuda		100		Leeward Islands Lottery Holding Company, Inc.
Atronic Australien GmbH	Germany		100		International Game Technology PLC
Beijing GTECH Computer Technology Company Limited	China (PRC)		100		IGT Foreign Holdings Corporation
Big Easy S.r.l.	Italy		56		Lottomatica Videolot Rete S.p.A.
BringIt, Inc.	Nevada, United States		100		IGT
Caribbean Lottery Services, Inc.	U.S. Virgin Islands		100		Leeward Islands Lottery Holding Company, Inc.
CartaLis Istituto di Moneta Elettronica S.p.A. (also known as CartaLis IMEL S.p.A.)	Italy		100		Lottomatica Italia Servizi S.p.A.
CLS-GTECH Technology (Beijing) Co., Ltd.	China (PRC)		100		CLS-GTECH Company Limited
Consorzio Lotterie Nazionali	Italy		63		Lottomatica Holding S.r.l.
Cyberview International, Inc.	Nevada, United States		100		IGT
Data Transfer System Inc.	Delaware, United States		100		IGT Global Solutions Corporation
DoubleDown Interactive B.V.	Netherlands		100		IGT Interactive C.V.
Dreamport do Brasil Ltda.	Brazil		100		Dreamport, Inc. (>99.99%); IGT Foreign Holdings Corporation (<0.01%)
Dreamport Suffolk Corporation	Delaware, United States		100		IGT Global Solutions Corporation
Dreamport, Inc.	Delaware, United States		100		IGT Global Solutions Corporation
Eagle Ice AB	Sweden		100		International Game Technology
Estrela Instantânea Loteria Spe S.A	Brazil		50		IGT Global Services Limited

Name	Jurisdiction		Ownership %		Shareholder
Europrint Holdings Limited	United Kingdom		100		IGT Global Solutions Corporation
GTECH (Gibraltar) Holdings Limited f/k/a St. Enodoc Holdings Limited	Gibraltar		100		IGT Global Services Limited
GTECH Asia Corporation	Delaware, United States		100		IGT Global Solutions Corporation
GTECH Brasil Ltda.	Brazil		100		IGT Global Solutions Corporation (>99.99%); IGT Foreign Holdings Corporation (<0.01%)
GTECH German Holdings Corporation GmbH	Germany		100		International Game Technology PLC
GTECH Management P.I. Corporation	Delaware, United States		100		IGT Global Solutions Corporation
GTECH Mexico S.A. de C.V.	Mexico		100		IGT Global Solutions Corporation (99.700258% - 100% of Class II); IGT Foreign Holdings Corporation (0.343297% - 99.998%-of Common); IGT Latin America Corporation (0.000006% - .002% of Common)
GTECH Southern Africa (Pty) Ltd.	South Africa		100		IGT Global Solutions Corporation
GTECH Ukraine	Ukraine		100		GTECH Asia Corporation (99%); GTECH Management P.I. Corporation (1%)
GTECH WaterPlace Park Company, LLC	Delaware, United States		100		IGT Global Solutions Corporation
Hydragraphix LLC	Delaware, United States		100		IGT Global Solutions Corporation
Hudson Alley Software, Inc.	New York, United States		100		IGT Global Solutions Corporation
I.G.T. - Argentina S.A.	Argentina		100		International Game Technology (96.67%); International Game Technology S.R.L. (3.33%)
I.G.T. (Australia) Pty Limited	Australia		100		International Game Technology
IGT	Nevada, United States		100		International Game Technology
IGT - UK Group Limited	United Kingdom		100		International Game Technology
IGT (Alderney 1) Limited	Alderney		100		IGT (Alderney) Limited
IGT (Alderney 2) Limited	Alderney		100		IGT (Alderney) Limited
IGT (Alderney 4) Limited	Alderney		100		IGT (Alderney) Limited
IGT (Alderney 5) Limited	Alderney		100		IGT (Alderney) Limited
IGT (Alderney 7) Limited	Alderney		100		IGT (Alderney) Limited

Name	Jurisdiction		Ownership %		Shareholder
IGT (Alderney) Limited	Alderney		100		IGT Interactive C.V.
IGT (Gibraltar) Limited	Gibraltar		100		IGT Interactive C.V.
IGT (Gibraltar) Solutions Limited f/k/a GTECH (Gibraltar) Limited	Gibraltar		100		GTECH (Gibraltar) Holdings Limited
IGT (UK1) Limited	United Kingdom		100		IGT Interactive, Inc.
IGT (UK2) Limited	United Kingdom		100		IGT – UK Group Limited
IGT (UK 3) Limited	United Kingdom		100		International Game Technology PLC
IGT Asia - Macau, S.A.	Macau		100		International Game Technology (99.92%); IGT (0.04%); IGT International Holdings 1 LLC (0.04%)
IGT ASIA PTE. LTD.	Singapore		100		International Game Technology
IGT Asiatic Development Limited	British Virgin Islands		100		International Game Technology
IGT Australasia Corporation f/k/a GTECH Australasia Corporation	Delaware, United States		100		IGT Global Solutions Corporation
IGT Austria GmbH f/k/a GTECH Austria GmbH	Austria		100		IGT Germany Gaming GmbH
IGT Canada Solutions ULC f/k/a GTECH Canada ULC	Canada		100		International Game Technology PLC
IGT Colombia Ltda. f/k/a GTECH Colombia Ltda.	Colombia		99.99		IGT Global Services Limited (99.998%); IGT Comunicaciones Colombia Ltda. (0.001%); Claudia Mendoza (0.001%)
IGT Colombia Solutions S.A.S.	Colombia		100		International Game Technology PLC
IGT Commercial Services, S de R L CV	Mexico		100		IGT Global Solutions Corporation (99.9%); IGT Foreign Holdings Corporation (0.1%)
IGT Comunicaciones Colombia Ltda. f/k/a GTECH Comunicaciones Colombia Ltda.	Colombia		99.99		IGT Foreign Holdings Corporation (>99.99%); Claudia Mendoza (<0.01%) (Nominee share)
IGT Czech Republic LLC f/k/a GTECH Czech Republic LLC	Delaware, United States		37		IGT Global Solutions Corporation
IGT Denmark Corporation f/k/a GTECH Northern Europe Corporation	Delaware, United States		100		IGT Global Solutions Corporation
IGT do Brasil Ltda.	Brazil		100		IGT International Treasury B.V. (99.99%); IGT International Treasury Holding LLC (0.01%)
IGT Dutch Interactive LLC	Delaware, United States		100		IGT Interactive Holdings 2 C.V.

Name	Jurisdiction		Ownership %		Shareholder
IGT EMEA B.V.	Netherlands		100		IGT-Europe B.V.
IGT Empowerment Trust	South Africa		100		IGT International Treasury B.V. (74.9%); International Game Technology Afrida (Pty) Ltd. (25.1%)
IGT Far East Pte Ltd f/k/a GTECH Far East Pte Ltd	Singapore		100		IGT Global Services Limited
IGT Foreign Holdings Corporation f/k/a GTECH Foreign Holdings Corporation	Delaware, United States		100		IGT Global Solutions Corporation
IGT France SARL f/k/a GTECH France SARL	France		100		IGT Foreign Holdings Corporation
IGT GAMES SAS f/k/a GTECH SAS	Colombia		100		IGT Global Services Limited (80%); IGT Comunicaciones Colombia Ltda. (10%); IGT Foreign Holdings Corporation (10%)
IGT Germany Gaming GmbH f/k/a GTECH Germany GmbH	Germany		100		GTECH German Holdings Corporation GmbH
IGT Germany GmbH f/k/a GTECH GmbH	Germany		100		IGT Global Services Limited
IGT Global Services Limited f/k/a GTECH Global Services Corporation Limited	Cyprus		100		IGT Global Solutions Corporation
IGT Global Solutions Corporation f/k/a GTECH Corporation	Delaware, United States		100		IGT
IGT Hong Kong Limited	Hong Kong		100		IGT Asiatic Development Limited
IGT India Private Limited f/k/a GTECH India Private Limited	India		100		IGT Global Services Limited (99.99%); IGT Far East Pte Ltd. (0.01%)
IGT Indiana, LLC f/k/a GTECH Indiana, LLC	Indiana, United States		100		IGT Global Solutions Corporation
IGT Interactive C.V.	Netherlands		100		IGT (35.8274668%); IGT Interactive Holdings 2 C.V. (32.5220680%); International Game Technology (31.6504432%); IGT Dutch Interactive LLC (0.0000220%)
IGT Interactive Holdings 2 C.V.	Netherlands		100		IGT Interactive, Inc. (13.831555%); International Game Technology (86.168444%); IGT International Holdings 1 LLC (0.000001%)
IGT Interactive, Inc.	Delaware, United States		100		International Game Technology

Name	Jurisdiction		Ownership %		Shareholder
IGT International Holdings 1 LLC	Delaware, United States		100		International Game Technology
IGT International Treasury B.V.	Netherlands		100		International Game Technology
IGT International Treasury Holding LLC	Delaware, United States		100		IGT International Treasury B.V.
IGT Ireland Operations Limited f/k/a GTECH Ireland Operations Limited	Ireland		100		IGT Global Services Limited
IGT Italia Gaming Machines Solutions S.r.l. f/k/a Spielo International Italy S.r.l.	Italy		100		Lottomatica Holding S.r.l.
IGT Japan K.K.	Japan		100		IGT International Treasury B.V.
IGT Juegos S.A.S.	Colombia		100		IGT Peru Solutions S.A. (60%); IGT Games S.A.S. (40%)
IGT Korea Yuhan Chaekim Hoesa a/k/a IGT Korea LLC	Korea		100		IGT Global Services Limited
IGT Latin America Corporation f/k/a GTECH Latin America Corporation	Delaware, United States		80		IGT Global Solutions Corporation (80%); Computers and Controls (Holdings) Limited (20%)
IGT Lottery Holdings B.V.	Netherlands		100		International Game Technology PLC
IGT Malta Casino Holdings Limited f/k/a GTECH Malta Holdings Limited	Malta		99.99		IGT Sweden Interactive AB
IGT Malta Casino Limited f/k/a GTECH Malta Casino Limited	Malta		99.99		IGT Malta Casino Holdings Limited
IGT Malta Interactive Limited f/k/a GTECH Malta Poker Limited f/k/a Boss Media Malta Poker Ltd.	Malta		99.99		IGT Malta Casino Holdings Limited
IGT Mexico Lottery S. de R.L. de C.V. f/k/a GTECH Servicios de México, S. de R.L. de C.V.	Mexico		100		IGT Global Solutions Corporation (99.9%); IGT Foreign Holdings Corporation Holdings Corporation (0.1%)
IGT Monaco S.A.M. f/k/a GTECH Monaco S.A.M.	Monaco		95		IGT Austria GmbH (95%); Walter Bugno (1%), Katarzyna Szorc (1%); Abdelhalim Stri (1%)
IGT Peru Solutions S.A. f/ka GTECH Peru S.A.	Peru		100		IGT Germany Gaming GmbH (99.999971%); GTECH German Holdings Corporation GmbH (0.000029%)

Name	Jurisdiction		Ownership %		Shareholder
IGT Poland Sp. z.o.o. f/k/a GTECH Poland Sp. z o.o.	Poland		100		IGT Global Solutions Corporation
IGT Slovakia Corporation f/k/a GTECH Slovakia Corporation	Delaware, United States		100		IGT Global Solutions Corporation
IGT SOLUTIONS CHILE SpA	Chile		100		International Game Technology PLC
IGT Spain Lottery, S.LU. f/k/a GTECH Global Lottery S.L.	Spain		100		IGT Global Services Limited
IGT Spain Operations, S.A. f/k/a GTECH Spain S.A.	Spain		100		IGT Spain Lottery S.L.U.
IGT SWEDEN AB f/k/a GTECH Sweden AB	Sweden		100		IGT Global Services Limited
IGT Sweden Interactive AB f/k/a GTECH Sweden Interactive AB f/k/a Boss Media AB	Sweden		100		IGT-Europe B.V.
IGT Sweden Investment AB f/k/a GTECH Sweden Investment AB	Sweden		100		IGT Sweden Interactive AB
IGT Technology Development (Beijing) Co. Ltd.	China (PRC)		100		IGT Hong Kong Limited
IGT Turkey Teknik Hizmetler Ve Musavirlik Anonim f/k/a GTECH Avrasya Teknik Hizmetler Ve Musavirlik A.S.	Turkey		100		IGT Global Solutions Corporation
IGT U.K. Limited f/k/a GTECH U.K. Limited	United Kingdom		100		IGT Global Solutions Corporation
IGT UK Games Limited f/k/a GTECH UK Games Limited	United Kingdom		100		IGT Sweden Interactive AB
IGT UK Interactive Holdings Limited f/k/a GTECH Sports Betting Solutions Limited	United Kingdom		100		International Game Technology PLC
IGT UK Interactive Limited f/k/a GTECH UK Interactive Limited	United Kingdom		100		IGT UK Interactive Holdings Limited
IGT VIA DOMINICAN REPUBLIC, SAS f/k/a GTECH VIA DR, SAS	Dominican Republic		100		IGT Global Services Limited (99.9666%); IGT Ireland Operations Limited (0.0333%)

Name	Jurisdiction		Ownership %		Shareholder
IGT Worldwide Services Corporation f/k/a GTECH Worldwide Services Corporation	Delaware, United States		100		IGT Global Solutions Corporation
IGT-Canada Inc.	Canada		100		International Game Technology
IGT-China, Inc.	Delaware, United States		100		International Game Technology
IGT-Europe B.V.	Netherlands		100		International Game Technology
IGT-Íslandi ehf. (IGT-Iceland plc)	Iceland		100		International Game Technology
IGT-Latvia SIA	Latvia		100		International Game Technology
IGT-Mexicana de Juegos, S. de R.L. de C.V.	Mexico		100		IGT (99.99%); International Game Technology (0.01%)
IGT-UK Gaming Limited	United Kingdom		100		IGT – UK Group Limited
IMA S.r.l.	Italy		51		IGT EUROPE BV
Innoka Oy	Finland		81		IGT Global Services Limited
International Game Technology	Nevada, United States		100		International Game Technology PLC
International Game Technology (NZ) Limited	New Zealand		100		I.G.T. (Australia) Pty Limited
International Gaming Technology Brasil Servicos de Dados Ltda	Brazil		100		IGT Global Solutions Corporation
International Game Technology España, S.L.	Spain		100		IGT-Europe B.V.
International Game Technology S.R.L.	Peru		100		IGT (99.991%); IGT International Holdings 1 LLC (0.009%)
International Game Technology Services Limited	Cyprus		100		International Game Technology PLC
International Game Technology-Africa (Pty) Ltd.	South Africa		100		IGT International Treasury B.V. (74.9%); IGT Empowerment Trust (25.1%)
LB Participacões E Loterias Ltda.	Brazil		100		Lottomatica Giochi e Partecipazioni (>99.99%); International Game Technology PLC (<0.01%)
LB Produtos Lotéricos E Licenciamentos Ltda.	Brazil		100		LB Participacões E Loterias Ltda. (>99.99%); International Game Technology PLC (<0.01%)
Leeward Islands Lottery Holding Company, Inc.	St. Kitts and Nevis		100		IGT Global Services Limited
Lotterie Nazionali S.r.l.	Italy		64		Lottomatica Holding S.r.l.

Name	Jurisdiction		Ownership %		Shareholder
Lottery Equipment Company	Ukraine		100		GTECH Asia Corporation (99.994%); GTECH Management P.I. Corporation (0.006%)
LOTTOITALIA S.r.l.	Italy		61.5		Lottomatica Holding S.r.l.
Lottomatica Giochi e Partecipazioni S.r.l.	Italy		100		International Game Technology PLC
Lottomatica Holding S.r.l.	Italy		100		International Game Technology PLC
Lottomatica Italia Servizi S.p.A.	Italy		100		Lottomatica Holding S.r.l.
Lottomatica Scommesse S.r.l.	Italy		100		Lottomatica Holding S.r.l.
Lottomatica Videolot Rete S.p.A.	Italy		100		Lottomatica Holding S.r.l.
Loxley GTECH Technology Co., Ltd.	Thailand		49		IGT Global Services Limited (10%); IGT Global Solutions Corporation (39%)
Northstar Lottery Group, LLC	Illinois, United States		80		IGT Global Solutions Corporation
Northstar New Jersey Holding Company, LLC	New Jersey, United States		50.15		IGT Global Solutions Corporation
Northstar New Jersey Lottery Group, LLC	New Jersey, United States		82.31		Northstar New Jersey Holding Company, LLC
Northstar SupplyCo New Jersey, LLC	New Jersey, United States		70		IGT Global Solutions Corporation
Online Transaction Technologies S.à.r.l. à Associé Unique	Morocco		100		IGT Foreign Holdings Corporation
Orbita Sp. z o.o.	Poland		100		IGT Global Solutions Corporation
Oy IGT Finland AB f/k/a Oy GTECH Finland Ab	Finland		100		IGT Global Solutions Corporation
PCC Giochi e Servizi S.p.A.	Italy		100		Lottomatica Holding S.r.l.
Playyoo SA	Switzerland		100		IGT UK Interactive Limited
Powerhouse Technologies, Inc.	Nevada, United States		100		International Game Technology
Probability (Gibraltar) Limited	Gibraltar		100		IGT UK Interactive Limited
Prodigal Lottery Services, N.V.	Netherlands Antilles		100		Leeward Islands Lottery Holding Company, Inc.
Retail Display and Service Handlers, LLC	Delaware, United States		100		IGT Global Solutions Corporation
Ringmaster S.r.l.	Italy		50		Lottomatica Holding S.r.l.
SB Industria E Comercio Ltda.	Brazil		100		IGT Global Solutions Corporation (˃99.99%); IGT Foreign Holdings Corporation (˂0.01%)

Name	Jurisdiction		Ownership %		Shareholder
SED Multitel S.r.l.	Italy		100		Lottomatica Holding S.r.l.
Servicios Corporativos y de Administracion, S. de R.L. de C.V.	Mexico		100		International Game Technology (99.97%); IGT (0.03%)
St. Kitts and Nevis Lottery Company, Ltd.	St. Kitts and Nevis		100		Leeward Islands Lottery Holding Company, Inc.
Technology Risk Management Services, Inc.	Delaware, United States		100		IGT Global Solutions Corporation
UTE LOGISTA IGT f/k/a UTE Logista-GTECH, Law 18/1982, No. 1	Spain		50		IGT Spain Lottery S.L.U.
VIA TECH Servicios SpA	Chile		100		IGT Global Services Limited
VLC, Inc.	Nevada, United States		100		Powerhouse Technologies, Inc.
Your Sales S.r.L.	Italy		100		Lottomatica Holding S.r.l.
ZEST GAMING MEXICO, S.A. DE C.V.	Mexico		100		International Game Technology PLC (99%); IGT Spain Lottery S.L.U. (1%)
Joint Ventures					
CLS-GTECH Company Limited	British Virgin Islands		50		IGT Global Services Limited
Telling IGT Information Technology (Shenzhen) Co., Ltd.	China (PRC)		49		IGT Global Services Limited
Ringmaster S.r.l.	Italy		50		Lottomatica Holding S.r.l.

SECTION 302 CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER

I, Marco Sala, certify that:

1. I have reviewed this annual report on Form 20-F of International Game Technology PLC;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is

reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

By: /s/ Marco Sala_____
Marco Sala
Chief Executive Officer

Dated March 2, 2021

SECTION 302 CERTIFICATION OF THE
CHIEF FINANCIAL OFFICER

I, Massimiliano Chiara, certify that:

1. I have reviewed this annual report on Form 20-F of International Game Technology PLC;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is

reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

By: /s/ Massimiliano Chiara_____
Massimiliano Chiara
Chief Financial Officer

Dated March 2, 2021

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of International Game Technology PLC (the "Company") on Form 20-F for the year ended December 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officer of the Company does hereby certify, to such officer's knowledge, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Marco Sala
Marco Sala
Chief Executive Officer

Dated March 2, 2021

A signed original of this written statement has been provided to International Game Technology PLC and will be retained by International Game Technology PLC and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished solely pursuant to 18 U.S.C §1350 and is not being filed as part of the Report or as a separate disclosure document.

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of International Game Technology PLC (the "Company") on Form 20-F for the year ended December 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officer of the Company does hereby certify, to such officer's knowledge, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Massimiliano Chiara
Massimiliano Chiara
Chief Financial Officer

Dated March 2, 2021

A signed original of this written statement has been provided to International Game Technology PLC and will be retained by International Game Technology PLC and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished solely pursuant to 18 U.S.C §1350 and is not being filed as part of the Report or as a separate disclosure document.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (No. 333-203266) and Form F-3 (No. 333-225078) of International Game Technology PLC of our report dated March 2, 2021 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 20-F.

/s/ PricewaterhouseCoopers LLP
Boston, Massachusetts
March 2, 2021