

INTERNATIONAL GAME TECHNOLOGY
Form DEFC14A
January 25, 2013

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**SCHEDULE 14A
(Rule 14a-101)**

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant
Filed by a Party other than the Registrant
Check the appropriate box:

Preliminary Proxy Statement
 Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
 Definitive Proxy Statement
 Definitive Additional Materials
 Soliciting Material Under Rule 14a-12

INTERNATIONAL GAME TECHNOLOGY

(Name of Registrant as Specified in Its Charter)

ADER INVESTMENT MANAGEMENT LP
ADER LONG/SHORT FUND LP
DOHA PARTNERS I LP
ADER FUND MANAGEMENT LLC
ADER INVESTMENT MANAGEMENT LLC
JASON N. ADER
RAYMOND J. BROOKS, JR.
CHARLES N. MATHEWSON
DANIEL B. SILVERS

LAURA T. CONOVER-FERCHAK
ANDREW P. NELSON

(Name of Persons(s) Filing Proxy Statement, if Other Than the Registrant)

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- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
- (1) Title of each class of securities to which transaction applies:
- (2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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ADER LONG/SHORT FUND LP

January 25, 2013

Dear Fellow Stockholder:

Ader Long/Short Fund LP (ALSF) and its affiliated participants in this solicitation (collectively, Ader or we) are the beneficial owners of an aggregate of 8,053,889.5817 shares of common stock, par value \$.00015625 per share (the Common Stock) of International Game Technology (the Company), representing approximately 3.0% of the outstanding shares of Common Stock of the Company. For the reasons set forth in the attached Proxy Statement, we are seeking representation on the Board of Directors of the Company. We are seeking your support at the annual meeting of stockholders scheduled to be held in The Ballroom Meeting Room at Canyon Gate Country Club, 2001 Canyon Gate Drive, Las Vegas, Nevada 89117, on Tuesday, March 5, 2013, at 7:30 a.m. P.S.T., including any adjournments or postponements thereof and any meeting which may be called in lieu thereof (the Annual Meeting), for the following:

1. To elect ALSF s three nominees (the Nominees) to the Board of Directors in opposition to certain of the Company s incumbent directors;
2. To amend the International Game Technology 2002 Stock Incentive Plan;
3. An advisory vote to approve the Company s executive compensation;
4. To ratify the appointment of PricewaterhouseCoopers LLP as the Company s independent registered public accounting firm for fiscal year ending September 30, 2013; and
5. To transact such other business, if any, as may properly come before the Annual Meeting or any adjournment or postponement thereof.

We are seeking to replace a significant minority of the Company s Board of Directors (the Board) with independent directors who have strong backgrounds and operational expertise, because we believe the Company is currently suffering from (i) a lack of focus on the core slot machine and systems business that we believe generated the Company s historic success, (ii) a lack of casino gaming industry experience in its executive management ranks and (iii) the results of poor capital allocation decisions highlighted by a series of costly non-strategic acquisitions, one of which has resulted in a substantial recent reorganization charge. We believe that the election of these three independent directors will ensure that the interests of the stockholders, the true owners of the Company, are appropriately represented in the boardroom. Additional reasons are detailed in the Reasons For The Solicitation section in the attached Proxy Statement. The Board is currently composed of eight directors, all of whom are up for election at the Annual Meeting. Through the attached Proxy Statement and enclosed **GOLD** proxy card, we are soliciting proxies to elect our three director nominees. Stockholders who vote on the enclosed **GOLD** proxy card will also have the opportunity to vote for the candidates who have been nominated by the Company other than Paget L. Alves, David E. Roberson and Vincent L. Sadusky. Stockholders will therefore be able to vote for a full slate of eight directors in total at the Annual Meeting. The names, backgrounds and qualifications of the Company s nominees, and other information about them, can be found in the Company s proxy statement. There is no assurance that any of the Company s nominees will serve as directors if our nominees are elected.

We urge you to carefully consider the information contained in the attached Proxy Statement and then support our efforts by signing, dating and returning the enclosed **GOLD** proxy card today. The attached Proxy Statement and the enclosed **GOLD** proxy card are first being furnished to the stockholders on or about January 28, 2013.

If you have already voted for the incumbent management slate, you have every right to change your vote by signing, dating and returning a later dated proxy.

If you have any questions or require any assistance with your vote, please contact Innisfree M&A Incorporated, which is assisting us, at their address and toll-free numbers listed below.

Thank you for your support.

/s/ Jason N. Ader

Jason N. Ader
Ader Long/Short Fund LP

*If you have any questions, require assistance in voting your **GOLD** proxy card, or need additional copies of Ader's proxy materials, please contact Innisfree M&A Incorporated at the telephone numbers listed below.*

**Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, New York 10022**

**Stockholders Call Toll-Free at: 877-825-8621
Banks and Brokers Call Collect: 212-750-5833**

2013 ANNUAL MEETING OF STOCKHOLDERS OF INTERNATIONAL GAME TECHNOLOGY

PROXY STATEMENT OF ADER LONG/SHORT FUND LP

PLEASE SIGN, DATE AND MAIL THE ENCLOSED GOLD PROXY CARD TODAY

Ader Investment Management LP (AIM), Ader Long/Short Fund LP (ALSF), Doha Partners I LP (Doha) and together with ALSF, the Funds), Ader Fund Management LLC (the General Partner), Ader Investment Management LLC (the Managing Member). Jason N. Ader (Mr. Ader), Daniel B. Silvers (Mr. Silvers), Andrew P. Nelson (Mr. Nelson) and

Laura T. Conover-Ferchak (Ms. Conover) (collectively, Ader or we) are stockholders of International Game Technology, a Nevada corporation (the Company or IGT), beneficially owning approximately 3.0% of the outstanding shares of common stock of the Company, par value \$.00015625 per share (the Shares). We are seeking representation on the Board of Directors of the Company (the Board) because we believe that the Board will be improved with independent directors who have strong, relevant backgrounds and the operational expertise necessary to fully explore available opportunities to unlock shareholder value. We are seeking your support at the annual meeting of stockholders scheduled to be held in The Ballroom Meeting Room at Canyon Gate Country Club, 2001 Canyon Gate Drive, Las Vegas, Nevada 89117, on Tuesday, March 5, 2013, at 7:30 a.m. P.S.T. (including any adjournments or postponements thereof and any meeting which may be called in lieu thereof, the Annual Meeting), for the following:

1. To elect ALSF 's director nominees, Raymond J. Brooks, Jr. (Mr. Brooks), Charles N. Mathewson (Mr. Mathewson) and Mr. Silvers (each a Nominee and, collectively, the Nominees), to serve as directors of the Company to hold office until the 2014 annual meeting of stockholders and until their respective successors have been duly elected and qualified, in opposition to certain of the Company 's incumbent directors whose terms expire at the Annual Meeting;
2. To amend the International Game Technology 2002 Stock Incentive Plan;
3. An advisory vote to approve the Company 's executive compensation;
4. To ratify the appointment of PricewaterhouseCoopers LLP as the Company 's independent registered public accounting firm for fiscal year ending September 30, 2013; and
5. To transact such other business, if any, as may properly come before the Annual Meeting or any adjournment or postponement thereof.

This Proxy Statement is soliciting proxies to elect our three Nominees. Stockholders who vote on the enclosed **GOLD** proxy card will also have the opportunity to vote for the candidates who have been nominated by the Company other

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than Paget L. Alves, David E. Roberson and Vincent L. Sadusky. This gives stockholders who wish to vote for our Nominees the ability to vote for a full slate of eight nominees in total.

The Company has set the close of business on January 8, 2013 as the record date for determining stockholders entitled to notice of and to vote at the Annual Meeting (the Record Date). The mailing address of the principal executive offices of the Company is 6355 South Buffalo Drive, Las Vegas, Nevada 89113. Stockholders of record at the close of business on the Record Date will be entitled to vote at the Annual Meeting. According to the Company, as of the Record Date, there were 264,519,560 Shares outstanding.

As of the date hereof, the members of Ader and the Nominees beneficially own 8,053,889.5817 Shares. We intend to vote such Shares FOR the election of the Nominees, in accordance with the recommendation of ISS Proxy Advisory Services (ISS) with respect to the amendment to the International Game Technology 2002 Stock Incentive Plan, in accordance with the recommendation of ISS with respect to the advisory vote to approve the Company s executive compensation, and FOR the ratification of the appointment of PricewaterhouseCoopers LLP as the Company s independent registered public accounting firm for fiscal year ending September 30, 2013, as described herein.

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THIS SOLICITATION IS BEING MADE BY ADER AND NOT ON BEHALF OF THE BOARD OF DIRECTORS OR MANAGEMENT OF THE COMPANY. WE ARE NOT AWARE OF ANY OTHER MATTERS TO BE BROUGHT BEFORE THE ANNUAL MEETING OTHER THAN AS SET FORTH IN THIS PROXY STATEMENT. SHOULD OTHER MATTERS BE BROUGHT BEFORE THE ANNUAL MEETING, THE PERSONS NAMED AS PROXIES IN THE ENCLOSED **GOLD** PROXY CARD WILL VOTE ON SUCH MATTERS IN THEIR DISCRETION.

ADER URGES YOU TO SIGN, DATE AND RETURN THE **GOLD** PROXY CARD IN FAVOR OF THE ELECTION OF THE ADER NOMINEES.

IF YOU HAVE ALREADY SENT A WHITE PROXY CARD FURNISHED BY IGT, YOU MAY REVOKE THAT PROXY AND VOTE FOR EACH OF THE PROPOSALS DESCRIBED IN THIS PROXY STATEMENT BY SIGNING, DATING AND RETURNING THE ENCLOSED **GOLD** PROXY CARD. THE LATEST DATED PROXY IS THE ONLY ONE THAT COUNTS. ANY PROXY MAY BE REVOKED AT ANY TIME PRIOR TO THE ANNUAL MEETING BY DELIVERING A WRITTEN NOTICE OF REVOCATION OR A LATER DATED PROXY FOR THE ANNUAL MEETING OR BY VOTING IN PERSON AT THE ANNUAL MEETING.

**Important Notice Regarding the Availability of Proxy
Materials
for the Stockholder Meeting To Be Held on March 5,
2013: The proxy materials are available at**

<http://www.innisfreema.com/igt/>

IMPORTANT

Your vote is important, no matter how few Shares you own. Ader urges you to sign, date, and return the enclosed GOLD proxy card today to vote FOR the election of the Nominees.

If your Shares are registered in your own name, please use the **GOLD** proxy card to vote by signing and dating the enclosed **GOLD** proxy card and returning it in the enclosed postage-paid envelope today.

If your Shares are held in a brokerage account or bank, you are considered the beneficial owner of the Shares, and these proxy materials, together with a **GOLD** voting form, are being forwarded to you by your broker or bank. As a beneficial owner, you must instruct your broker, trustee or other representative how to vote. Your broker cannot vote your Shares on your behalf without your instructions. Depending upon your broker or custodian, you may be able to vote either by toll-free telephone or by the Internet. Please refer to the enclosed voting form for instructions on how to vote electronically. You may also vote by signing, dating and returning the enclosed voting form.

Because only your latest dated proxy card will count, we urge you not to return any proxy card you receive from the Company. Even if you return a white proxy card marked "withhold" as a protest against the incumbent directors, it will revoke any **GOLD** proxy card you may have previously sent to us. Remember, you can vote for our independent Nominees only on our **GOLD** proxy card. So please make certain that the latest dated proxy card you return is the **GOLD** proxy card.

**Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, New York 10022**

**Stockholders Call Toll-Free at: 877-825-8621
Banks and Brokers Call Collect: 212-750-5833**

Background to the Solicitation

AIM has been in communications with the Company since July 2012. Since August 2012, AIM has sought to engage in a constructive dialogue with the independent directors of IGT to express its views of key challenges facing the Company specifically, AIM's view that the Company is suffering from (i) a lack of focus on the core slot machine and systems business that AIM believes generated the Company's historic success, (ii) a lack of casino gaming industry experience in its management ranks and (iii) the results of poor capital allocation decisions highlighted by a series of costly non-strategic acquisitions, one of which has resulted in a substantial recent reorganization charge.

The following is a chronology of events leading up to this proxy solicitation:

JULY SEPTEMBER 2012: PRELIMINARY DISCUSSIONS

On July 25, 2012, Mr. Ader sent an email to Philip G. Satre, the Company's Chairman, to initiate a phone call. On August 1, 2012, Mr. Ader and Mr. Satre had a conversation which primarily focused on the Company's recently announced 3rd Quarter results.

On or about August 28, 2012, Mr. Ader again spoke with Mr. Satre and requested an in-person meeting to continue the discussion of August 1st. Mr. Satre was not able to set a time for a meeting during this call.

On September 6, 2012, Mr. Satre informed Mr. Ader that he should contact either Patti S. Hart, the Company's Chief Executive Officer, or John Vandemore, the Company's Chief Financial Officer. Shortly thereafter, Matthew G. Moyer, the Company's Vice President of Investor Relations, contacted Mr. Ader. During their conversation, Mr. Ader indicated to Mr. Moyer that he believed the topics that he sought to cover were more appropriate for a meeting with Mr. Satre and/or Ms. Hart.

On September 6, 2012, Mr. Ader emailed Ms. Hart to inform her that (i) Ader had recently established a position in IGT common stock, (ii) he had contacted Mr. Satre who had directed Mr. Ader to contact Ms. Hart and (iii) that he would like the opportunity to meet with her to discuss his thoughts on the Company's recent performance and strategy.

SEPTEMBER OCTOBER 2012: COMMUNICATIONS WITH MANAGEMENT

On September 19, 2012, Mr. Ader and Mr. Silvers met with Ms. Hart and Mr. Vandemore at the Company's office in Las Vegas, NV. Messrs. Ader and Silvers delivered a presentation which addressed, in detail, many of AIM's observations and concerns regarding (i) core business performance, (ii) AIM's perception that the Company was lacking focus on its core business and (iii) recent capital allocation decisions, including a series of costly non-strategic acquisitions by the Company.

On September 21, 2012, Mr. Ader emailed Mr. Satre to thank him for facilitating the meeting on September 19th, to make sure that the Board had received copies of the presentation materials from the meeting and to set a time to speak with Mr. Satre directly.

On September 26, 2012, Mr. Satre replied to Mr. Ader's email of September 21. Mr. Satre informed Mr. Ader that: (i) Mr. Vandemore would be contacting Mr. Ader to set a follow up meeting to review and respond to the presentation materials from the September 19th meeting, (ii) the materials from the September 19th meeting would be shared with the Board in due course and (iii) that Mr. Ader should view Ms. Hart or Mr. Vandemore as his point of contact in the meantime.

On September 27, 2012, Mr. Ader emailed Mr. Satre to offer to meet with him individually or with fellow independent board members. Mr. Ader informed Mr. Satre that such a meeting could allow for the review of the presentation materials from the September 19th meeting, as well as additional discussion materials that were not presented in the meeting with management.

On October 10, 2012, Mr. Vandemore met with Messrs. Ader and Silvers at AIM's offices in New York, NY. Mr. Vandemore made an investor presentation during this meeting and afforded Messrs. Ader and Silvers the opportunity to ask questions about the Company.

OCTOBER NOVEMBER 2012: REPEATED ATTEMPTS TO MEET WITH THE BOARD

On October 15, 2012, Mr. Satre left a message for Mr. Ader suggesting a call on October 19, 2012.

On October 19, 2012, Mr. Ader and Mr. Satre spoke. Mr. Ader suggested to Mr. Satre an in-person meeting with Mr. Satre, as well as any other independent directors that Mr. Satre saw fit. Mr. Satre agreed to such a meeting and agreed that he and Governor Robert J. Miller, an independent director of the Company, would meet with Messrs. Ader and Silvers on November 6, 2012 in Las Vegas, NV.

On November 1, 2012, Mr. Satre emailed Mr. Ader to inform him that he wanted to postpone the meeting because of the Company's upcoming earnings release and Form 10-K filing. Mr. Satre said that he would contact Mr. Ader after November 8, 2012.

Later on November 1, 2012, Mr. Ader responded to Mr. Satre's email and asked that the meeting be held. Mr. Ader further offered to enter into an agreement with the Company in advance of the meeting to address any concerns that the Company's legal counsel might have regarding both the letter and the spirit of Reg FD. Mr. Satre declined Mr. Ader's offer.

On November 2, 2012, Mr. Ader emailed Mr. Satre to set a time for the previously-postponed meeting to be rescheduled. Mr. Ader offered Mr. Satre a number of potential dates on which to hold the meeting.

On November 5, 2012, Mr. Satre responded to Mr. Ader's November 2nd email asking Mr. Ader to provide potential dates and locations in early to mid-December.

On November 9, 2012, Mr. Ader emailed Mr. Satre to express his disappointment in not being able to schedule an in-person meeting over the course of three months and in his perception of management's apparent unwillingness (based on the prior day's earnings conference call) to take any action with respect to the concerns that we had previously raised.

On November 12, 2012, Mr. Satre emailed Mr. Ader to offer a 30 minute telephonic conference call with the Company's full Board of Directors on November 15, 2012.

On November 15, 2012, Messrs. Ader and Silvers joined a conference call with the Company's Board of Directors. Mr. Ader sent the Board a presentation and then discussed his concerns and observations with the Board. Mr. Ader expressed his desire to work constructively with the Board, re-iterated his concerns about the Company's direction, and offered to entertain questions from the Board. In response to a question by Mr. Satre, Mr. Ader suggested that, in his opinion, direct shareholder representation on the Company's Board would allow for improved alignment of interests and corporate governance. The phrase "direct shareholder representation" was used in connection with Mr. Ader's sense that the existing non-employee directors of IGT may not necessarily have the same alignment of interests with the company's overall shareholder base that a director who had made an actual investment in IGT common stock, or such investor's directly appointed representative, might have.

On November 16, 2012, Mr. Ader emailed Mr. Satre to thank him for his efforts in organizing the call and to reiterate his desire to work collaboratively to produce a better IGT.

On or about November 19, 2012, Mr. Mathewson had a conversation with Governor Miller in which Mr. Mathewson discussed his belief that the Company seemed to have become disconnected from the industry roots and entrepreneurial spirit that Mr. Mathewson believed had made it historically successful.

On November 20, 2012, Mr. Satre responded to Mr. Ader's email of November 16th. Mr. Satre declined Mr. Ader's previous offer to meet with a subset of the Board at the current time.

On November 21, 2012, Mr. Satre emailed Mr. Mathewson to disagree with some of Mr. Mathewson's beliefs. On November 27, 2012, Mr. Silvers was informed by the Company, without the Company giving any reason(s) therefor, that no one from AIM would be allowed to attend the Company's upcoming Investor Day in person.

NOVEMBER 2012 PRESENT: NOMINATING DIRECTORS

On November 28, 2012, Mr. Ader sent a letter to Paul C. Gracey, Jr., the Company's General Counsel and Secretary, in which he requested the Company's form of questionnaire for director nominees pursuant to the Company's Sixth Restated Code of Bylaws (the Bylaws).

On November 29, 2012, Mr. Ader sent a letter to Ms. Hart by email (Messrs. Satre, Vandemore and Silvers were copied) in which he expressed, in part, that we are appalled that the Company would exclude a meaningful shareholder from attending an event that is funded by the Company (and hence its shareholders) for the benefit of informing shareholders about the business in which we are owners. This decision would appear to raise governance concerns with respect to the manner in which existing management and Board treat the Company's owners.

On or about November 29, 2012, Mr. Mathewson emailed Mr. Satre to clarify his conversations with Governor Miller. Mr. Mathewson also confirmed to Mr. Satre that, based upon shared concerns regarding the direction that the Company had taken under current management, Mr. Mathewson had offered to grant Mr. Ader's firm a voting proxy over Mr. Mathewson's IGT holdings.

On November 30, 2012, Mr. Vandemore emailed Mr. Ader (and copied Mr. Gracey, Ms. Hart and Mr. Satre). In referring to the letters that Mr. Ader sent to Mr. Gracey and Ms. Hart, Mr. Vandemore informed Mr. Ader that the Company would respond after receiving information on how much stock AIM held for its own account and how much for the accounts of others.

On December 3, 2012, Mr. Ader responded to Mr. Vandemore's email of November 30. Mr. Ader did not provide Mr. Vandemore with information on AIM's holdings, but did reiterate that Mr. Ader believed it would make sense for a subset of the Company's independent directors to meet with AIM and that calendar considerations would indicate that such a meeting should take place in the very near-future.

On December 5, 2012, Mr. Vandemore responded to Mr. Ader's email of December 3. Mr. Vandemore indicated that (i) the Company was unable to fulfill the request of November 28th to Mr. Gracey to furnish the form of questionnaire because it could not verify that AIM had an ownership interest in IGT, (ii) they would allow AIM to send one attendee to the Investor Day and (iii) the Board was unwilling to grant a meeting to AIM with a subset of the Board at the current time.

Later on December 5, 2012, Mr. Ader emailed Mr. Vandemore with proof of direct ownership of IGT Common Stock.

On December 6, 2012, Mr. Ader attended the Investor Day presentation.

On December 7, 2012, Mr. Gracey emailed Mr. Ader the form of questionnaire.

On December 20, 2012, in accordance with the Company's Bylaws, ALSF delivered a letter to the Company (the Nomination Letter) nominating Messrs. Ader, Brooks, Mathewson and Silvers for election to the Board at the Annual Meeting. ALSF provided notice that it intended to nominate four candidates, in part, to allow the Company to enter into good faith discussions with AIM regarding the Company's views as to each candidate.

On January 3, 2013, in accordance with the Company's Bylaws and the instructions in the form of questionnaire, ALSF and Messrs. Ader, Mathewson and Silvers each delivered letters to the Company with updates to information contained in the Nomination Letter.

By January 10, 2013, the Company had made no substantive communication to AIM with respect to the four candidates nominated by ALSF. Despite the Company's failure to do so, ALSF, in accordance with the Company's Bylaws, delivered a letter to the Company with an update to the information contained in the Nomination Letter, to reflect ALSF's decision to reduce its slate of nominees from four to three. Specifically, ALSF informed the Company that as of January 10, 2013, ALSF intended to nominate only three of its four previously disclosed nominees to stand for election to the Board at the Annual Meeting. The three nominees which ALSF stated its intent to nominate are Messrs. Brooks, Mathewson and Silvers.

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REASONS FOR THE SOLICITATION

We are soliciting your support to elect our Nominees at the Annual Meeting because we believe our nominees will enable to the Company to take the steps necessary to enhance shareholder value.

WE BELIEVE THE COMPANY IS CURRENTLY SUFFERING FROM (I) A LACK OF FOCUS ON THE CORE SLOT MACHINE AND SYSTEMS BUSINESS THAT WE BELIEVE GENERATED ITS HISTORIC SUCCESS, (II) A LACK OF CASINO GAMING INDUSTRY EXPERIENCE IN ITS EXECUTIVE MANAGEMENT RANKS AND (III) THE RESULTS OF POOR CAPITAL ALLOCATION DECISIONS HIGHLIGHTED BY A SERIES OF COSTLY NON-STRATEGIC ACQUISITIONS.

We believe the Company has a competitive advantage in its core slot machine and systems business, but that management's focus has been diverted from this core business as a result of several recent costly non-strategic acquisitions. We believe that our Nominees' deep experience in the gaming sector and knowledge of the financial markets will benefit the Company's Board, which in recent years has seen a reduction in its members' level of experience in the casino gaming industry at the same time that the Company's executive management ranks have been similarly depleted of casino gaming industry experience. If elected at the Annual Meeting, we believe the Nominees will, consistent with their fiduciary duties as directors, endeavor to work with the other members of the Board to review the Company's strategies in its operating businesses and identify opportunities to enhance shareholder value. However, since the Nominees would comprise less than a majority of the Board, if elected, there can be no assurance that any actions or changes proposed by the Nominees would be adopted or supported by the Board. It is our hope, however, that if stockholders vote to elect our Nominees at the Annual Meeting, then the Board will give serious consideration to any ideas, plans or proposals for enhancing shareholder value that one or more of the Nominees may recommend to the full Board.

In putting forth the Nominees for election at the Annual Meeting, we seek to exercise a meaningful positive influence on shareholder value. We believe significant change to the composition of the Board is warranted given the strong qualifications of our Nominees and the serious issues facing the Company as described above.

We believe that our Nominees are best suited to help create significant shareholder value at IGT. We believe our Nominees are committed to acting in the best interests of all stockholders. We believe that your voice in the future of IGT can best be represented through the election of our Nominees. Accordingly, we urge you to vote your GOLD proxy card FOR Raymond J. Brooks, Jr., Charles N. Mathewson and Daniel B. Silvers.

WE BELIEVE THE COMPANY IS CURRENTLY SUFFERING FROM (I) A LACK OF FOCUS ON THE CORE SLOT

PROPOSAL NO. 1

ELECTION OF DIRECTORS

The Board is currently composed of eight directors whose terms expire at the Annual Meeting. We are seeking your support at the Annual Meeting to elect our three Nominees in opposition to three of the Company's director nominees, Paget L. Alves, David E. Roberson and Vincent L. Sadusky. Your vote to elect the Nominees will have the legal effect of replacing three incumbent directors of the Company with the Nominees. If elected, the Nominees will represent a minority of the members of the Board and therefore it is not guaranteed that they will have the ability to enhance shareholder value.

THE NOMINEES

The following information sets forth the name, age, business address, present principal occupation, and employment and material occupations, positions, offices, or employments for the past five years of each of the Nominees. The nominations were made in a timely manner and in compliance with the applicable provisions of the Company's governing instruments. The specific experience, qualifications, attributes and skills that led us to conclude that the Nominees should serve as directors of the Company are also set forth below. This information has been furnished to us by the Nominees. The Nominees are citizens of the United States of America.

Raymond J. Brooks, Jr., age 47, is the Principal of R. J. Brooks Companies, an investment vehicle focused on distressed financial companies, insurance and related securities which Mr. Brooks founded in October 2012. From April 2008 through October 2012, Mr. Brooks was Chief Executive Officer and a Director of ACA Financial Guaranty Corporation, a monoline bond insurance company licensed in 50 states and five territories, which role he obtained through an advisory assignment with Alvarez & Marsal. From April 2008 through August 2008, Mr. Brooks served as Managing Director, Alvarez & Marsal, LLC, a global professional services firm specializing in turnaround and interim management, performance improvement and business advisory services. From May 1995 through April 2008, Mr. Brooks acted as founder and Chief Executive Officer of Pine Creek Investors, LLC and Pine Creek Healthcare Capital, LLC, a manager of distressed debt and distressed companies. Mr. Brooks' education includes an M.B.A. from the University of Chicago's Graduate School of Business. During the past five years, Mr. Brooks has not been employed by any organization which is a parent, subsidiary or affiliate of the Company. The business and record address of Mr. Brooks is R.J. Brooks Companies, 730 Fifth Avenue, 15th Floor, New York, New York 10019. The principal occupation or employment of Mr. Brooks is Principal of R. J. Brooks Companies.

We believe that Mr. Brooks' extensive experience, including as a chief executive officer, in restructuring, asset recovery, liability management and litigation execution in complex financial and regulated businesses, as well as his corporate governance experience through service as a board member of a public company will be valuable to the Company's board of directors.

Charles N. Mathewson, age 84, is President of CNM, Inc., a personal investment company of Mr. Mathewson. Mr. Mathewson became President of CNM, Inc. in 1993. During the past five years, Mr. Mathewson has not been employed by any organization which is a parent, subsidiary or affiliate of the Company. Mr. Mathewson serves as a Trustee of Baron Investment Funds Trust and a Trustee of Baron Select Funds, of which he served as Chairman until October 2010. Mr. Mathewson is the former Chairman and Chief Executive Officer of IGT. The business and record address of Mr. Mathewson is CNM, Inc., P.O. Box 6448, Reno, Nevada 89513. The principal occupation or employment of Mr. Mathewson is President of CNM, Inc.

We believe Mr. Mathewson's historical experience as Chairman and Chief Executive Officer of the Company, his extensive experience in executive positions with other companies and his many relationships with gaming and non-gaming businesses in Nevada and elsewhere will be valuable to the Company's board of directors.

Daniel B. Silvers, age 36, is President of the Managing Member and AIM, which specializes in the consumer, hospitality and real estate sectors. He is also co-founder and President of HCCP Manager LLC, a merchant bank focused on the real estate and consumer sectors which he co-founded with Mr. Ader in March 2009. From April 2009 to October 2010, Mr. Silvers also served as President of Western Liberty Bancorp, an acquisition-oriented holding company that acquired and recapitalized a community bank in Las Vegas, Nevada. Mr. Silvers joined Ader Investment Management from Fortress Investment Group, a leading global

alternative asset manager, where he worked from 2005 to 2009. At Fortress, Mr. Silvers' primary focus was to originate, oversee due diligence on and asset management for gaming and real estate investments in Fortress Drawbridge Special Opportunities Fund. Prior to joining Fortress, Mr. Silvers was a senior member of the real estate, gaming and lodging investment banking group at Bear, Stearns & Co. Inc., where he was from 1999 to 2005. In this role, Mr. Silvers was integrally involved in all aspects of the firm's gaming and hospitality industry investment banking practice, including origination, analysis and transaction execution. Mr. Silvers holds a B.S. in Economics and an M.B.A. in Finance from The Wharton School of the University of Pennsylvania. Mr. Silvers serves on the board of directors of India Hospitality Corp. Mr. Silvers has served on the board of directors of Universal Health Services, Inc. during the past five years. During the past five years, Mr. Silvers has not been employed by any organization which is a parent, subsidiary or affiliate of the Company. Mr. Silvers is co-employed by the General Partner and Ambrose Employer Group, LLC. The business and record address of Mr. Silvers is Ader Investment Management LP, 1370 Avenue of the Americas, 28th Floor, New York, New York 10019. The principal occupation or employment of Mr. Silvers is President of AIM.

We believe that Mr. Silvers' extensive experience, including as an executive officer, in finance and capital markets, principal investing, gaming and gaming-related businesses and businesses located within Nevada as well as his corporate governance experience through service on other public company boards will be valuable to the Company's board of directors.

Beneficial Ownership of the Nominees

As of the date hereof, Mr. Mathewson directly beneficially owns 1,052,000 Shares; Mr. Silvers directly beneficially owns 43,423.221 Shares; and Mr. Brooks does not directly beneficially own any Shares. Each of the Nominees (other than Mr. Brooks) may be deemed to be a Group Member (as defined below) for the purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and accordingly may be deemed