

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, DC 20549

**FORM 8-K**

**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d) of the**  
**Securities Exchange Act of 1934**

Date of report (Date of earliest event reported) **November 1, 2012**

**PENN NATIONAL GAMING, INC.**

(Exact Name of Registrant as Specified in Charter)

**Pennsylvania**  
(State or Other Jurisdiction  
of Incorporation)

**000-24206**  
(Commission  
File Number)

**23-2234473**  
(IRS Employer  
Identification No.)

**825 Berkshire Blvd., Suite 200,**  
**Wyomissing Professional Center,**  
**Wyomissing, Pennsylvania**  
(Address of Principal Executive Offices)

**19610**  
(Zip Code)

Registrant's telephone number, including area code **(610) 373-2400**

**Not applicable**  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**ITEM 1.01. Entry Into a Material Definitive Agreement.**

Penn National Gaming, Inc., a Pennsylvania corporation (the "Company"), entered into the Joinder Agreement, dated as of November 1, 2012 (the "Joinder Agreement"), by and among the Company, Wells Fargo Bank, National Association ("Wells Fargo Bank"), as administrative agent, the lenders party thereto, Bank of America, N.A. ("Bank of America"), Wells Fargo Securities, LLC ("Wells Fargo Securities"), Commerzbank AG, New York and Grand Cayman Branches ("Commerzbank"), Fifth Third Bank ("Fifth Third"), Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), RBS Securities Inc. ("RBSS"), and UBS Securities LLC ("UBSS"), as joint lead arrangers and bookrunners, Bank of America, Commerzbank and UBSS, as co-syndication agents, Fifth Third, The Royal Bank of Scotland plc and U.S. Bank National Association, as co-documentation agents, and Deutsche Bank Trust Company Americas, as senior managing agent. The Joinder Agreement modifies the Credit Agreement, dated as of July 14, 2011 (the "Credit Agreement"), by and among the Company, the subsidiaries of the Company party thereto as guarantors; the lenders party thereto, Wells Fargo Bank, as swingline lender, administrative agent and collateral agent, and the other agents and arrangers party thereto.

The Joinder Agreement amends the Credit Agreement to, among other things: (1) provide for additional loans under the term loan A facility of \$400,000,000; (2) provide for additional loans under the term loan B facility of \$515,000,000; and (3) provide for additional revolving commitments under the revolving facility of \$85,000,000. The terms and conditions applicable to the additional loans and commitments are the same as those applicable to the existing facilities, respectively.

After giving effect to the Joinder Agreement, the Company has (a) an aggregate principal amount of \$1,056,300,000 in loans outstanding under the term loan A facility, (b) an aggregate principal amount of \$1,255,600,000 in loans outstanding under the term loan B facility and (c) an outstanding principal amount of \$181,000,000 in loans and \$24,200,000 in outstanding letters of credit under the revolver.

The description of the Joinder Agreement set forth herein does not purport to be complete and is qualified in its entirety by the provisions of the Joinder Agreement, which is filed as Exhibit 10.1 to this report and is incorporated herein by this reference.

**ITEM 2.01. Completion of Acquisition or Disposition of Assets.**

On November 2, 2012, the Company completed its previously announced acquisition of all of the equity interests of Harrah’s Maryland Heights, LLC, owner of the Harrah’s St. Louis casino (“HMH”) from Caesars Entertainment Operating Company, Inc. (“CEOC”), Harrah’s Maryland Heights Operating Company (“HMHO”) and Players Maryland Heights Nevada, LLC (together with CEOC and HMHO, the “Selling Subsidiaries”) pursuant to that certain Equity Interest Purchase Agreement (the “Purchase Agreement”), dated May 7, 2012, by and among the Company, HMH, the Selling Subsidiaries and Caesars Entertainment Corporation for an aggregate purchase price of approximately \$610 million. Following its acquisition by the Company, the casino will be known as Hollywood Casino St. Louis. A summary of the Purchase Agreement is set forth in the Company’s Current Report on Form 8-K filed on May 9, 2012. The acquisition was financed through an add-on to the Company’s existing Senior Secured Credit Facility as described above.

**ITEM 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The information provided in Item 1.01 of this report is hereby incorporated by reference into this Item 2.03.

2

**ITEM 9.01. Financial Statements and Exhibits.**

(d) The following exhibits are filed with this report:

Exhibit Number	Description
10.1	Joinder Agreement, dated as of November 1, 2012, by and among Penn National Gaming, Inc., Wells Fargo Bank, National Association, as administrative agent, , the lenders party thereto, Bank of America, N.A. (“Bank of America”), Wells Fargo Securities, LLC, Commerzbank AG, New York and Grand Cayman Branches (“Commerzbank”), Fifth Third Bank (“Fifth Third”), Merrill Lynch, Pierce, Fenner & Smith Incorporated, RBS Securities Inc., and UBS Securities LLC (“UBSS”), as joint lead arrangers and bookrunners, Bank of America, Commerzbank and UBSS, as co-syndication agents, Fifth Third, The Royal Bank of Scotland plc and U.S. Bank National Association, as co-documentation agents, and Deutsche Bank Trust Company Americas, as senior managing agent.
99.1	Press Release, dated November 2, 2012
99.2	Press Release, dated November 5, 2012

3

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Penn National Gaming, Inc.

By: /s/ Robert S. Ippolito  
 Robert S. Ippolito  
 Vice President, Secretary and Treasurer

Date: November 7, 2012

4

**EXHIBIT INDEX**

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99.1	Press Release, dated November 2, 2012
99.2	Press Release, dated November 5, 2012

5



JOINDER AGREEMENT

This Joinder Agreement, dated as of November 1, 2012 (this “**Agreement**”), by and among the lenders identified in Schedule A, Schedule B and Schedule C hereto (each an “**Incremental Lender**” and collectively the “**Incremental Lenders**”), Penn National Gaming, Inc., a Pennsylvania corporation (“**Borrower**”), Wells Fargo Bank, National Association (“**Wells Fargo**”), as Administrative Agent, Bank of America, N.A. (“**Bank of America**”), Wells Fargo Securities, LLC, Commerzbank AG, New York and Grand Cayman Branches (“**Commerzbank**”), Fifth Third Bank (“**Fifth Third**”), Merrill Lynch, Pierce, Fenner & Smith Incorporated, RBS Securities Inc. and UBS Securities LLC (“**UBSS**”), as joint lead arrangers and bookrunners, Bank of America, Commerzbank and UBSS, as co-syndication agents, Fifth Third, The Royal Bank of Scotland plc and U.S. Bank National Association, as co-documentation agents and Deutsche Bank Trust Company Americas, as senior managing agent.

**RECITALS:**

**WHEREAS**, reference is hereby made to the Credit Agreement, dated as of July 14, 2011 (as it may be amended, restated, replaced, supplemented or otherwise modified from time to time, the “**Credit Agreement**”; the terms defined therein and not otherwise defined herein being used herein as therein defined), among Borrower, the Subsidiary Guarantors, the Lenders party thereto from time to time, Wells Fargo, as Administrative Agent and Collateral Agent and the other parties thereto; and

**WHEREAS**, subject to the terms and conditions of the Credit Agreement, Borrower may obtain Incremental Commitments by entering into one or more joinder agreements with the Incremental Lenders.

**NOW, THEREFORE**, in consideration of the premises and agreements, provisions and covenants herein contained, the parties hereto agree as follows:

Each Incremental Lender party hereto hereby agrees to commit to provide its respective Incremental Term A Loan Commitment as set forth on Schedule A annexed hereto or Incremental Term B Loan Commitment as set forth on Schedule B annexed hereto or Incremental Existing Tranche Revolving Commitments as set forth on Schedule C annexed hereto, as applicable, on the terms and subject to the conditions set forth below.

The Incremental Commitment of each Incremental Lender is in addition to such Incremental Lender’s existing Commitments under the Credit Agreement, if any, which shall continue to be subject in all respects to the terms of the Credit Agreement and the other Credit Documents.

Each Incremental Lender (i) confirms that it has received a copy of the Credit Agreement and the other Credit Documents, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Agreement; (ii) agrees that it will, independently and without reliance upon the Administrative Agent or any other Lender or Agent and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iii) appoints and authorizes Administrative Agent and each other Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Credit Documents as are delegated to Administrative Agent or such other Agent, as the case may be, by the terms thereof, together with such powers as are reasonably incidental thereto;

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and (iv) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as an Incremental Lender and as a Lender.

Each Incremental Lender hereby agrees to make its Incremental Term A Loan Commitment, Incremental Term B Loan Commitment and Incremental Existing Tranche Revolving Commitment on the following terms and conditions:

1. **Applicable Margin.** The Applicable Margin for the Incremental Term A Loans shall be the same as the Applicable Margin with respect to the existing Term A Facility Loans. The Applicable Margin for the Incremental Term B Loans shall be the same as the Applicable Margin with respect to the existing Term B Facility Loans. The LIBO Rate for the Incremental Term B Facility Loans shall be the same as the LIBO Rate for the existing Term B Loans. The Applicable Margin and Applicable Fee Percentage for the Incremental Existing Tranche Revolving Commitments shall be the same as the Applicable Margin and Applicable Fee Percentage with respect to the Existing Revolving Commitments.
2. **Maturity Date.** The maturity date for the Incremental Term A Loans shall be the Term A Facility Maturity Date. The maturity date for the Incremental Term B Loans shall be the Term B Facility Maturity Date. The maturity date for the Incremental Existing Tranche Revolving Commitments shall be the R/C Maturity Date.
3. **Principal Payments.** Borrower shall make principal payments on the Incremental Term A Loans (subject to adjustment for any prepayments made under Section 2.09 or Section 2.10 or Section 2.11(b) of the Credit Agreement) as set forth on Schedule D-1 hereto, with the balance payable on the Term A Facility Maturity Date. Borrower shall make principal payments on the Incremental Term B Loans (subject to adjustment for any prepayments made under Section 2.09, Section 2.10 or Section 2.11(b) of the Credit Agreement) as set forth on Schedule D-2 hereto. Borrower shall not be required to make amortization payments with respect to Revolving Loans made pursuant to the Incremental Existing Tranche Revolving Commitments. All Revolving Loans made pursuant to the Incremental Existing Tranche Revolving Commitments shall be repaid in full on the R/C Maturity Date and all Incremental Existing Tranche Revolving Commitments shall terminate on the R/C Maturity Date.
4. **Same Tranche.** It is the understanding, agreement and intention of the parties that the Incremental Term A Loans shall be part of the same Tranche of Loans as the Term A Facility Loans and shall constitute Term A Facility Loans under the Credit Documents. It is the understanding, agreement and intention of the parties that the Incremental Term B Loans shall be part of the same Tranche of Loans as the Term B Facility Loans under the Credit Agreement and shall constitute Term B Facility Loans under the Credit Documents. It is the understanding, agreement and intention of the parties that the Incremental Existing Tranche Revolving Commitments shall be part of the Revolving Commitments and all Revolving Loans made pursuant to such commitments shall constitute Revolving Loans.
5. **Proposed Borrowing.** This Agreement represents Borrower’s request to borrow Incremental Term Loans from the Incremental Lenders as follows (the “**Proposed Borrowing**”):

- a. Tranche of Loans: a. Incremental Term A Loans  
b. Incremental Term B Loans
- b. Business Day of Proposed Borrowing: November 1, 2012
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- c. Amount of Proposed Borrowing: \$400,000,000 of Incremental Term A Loans.  
\$515,000,000 of Incremental Term B Loans.

d. Interest rate option:

A. The initial Interest Period(s) for all Incremental Term A Loans hereunder shall commence upon the making of such Incremental Term A Loans and end on the last day of the Interest Period(s) applicable to the existing Tranche A Facility Loans (as of the date of the making of the Incremental Term A Loans) (and, if there are multiple Interest Periods applicable to the existing Tranche A Facility Loans as of such date of the making of the Incremental Term A Loans, then the Incremental Term A Loans shall have multiple Interest Periods ending on the same days as such Interest Periods, and with respect to amounts proportionate to the amount of existing Tranche A Facility Loans applicable to such Interest Periods).

B. The initial Interest Period(s) for all Incremental Term B Loans hereunder shall commence upon the making of such Incremental Term B Loans and end on the last day of the Interest Period(s) applicable to the existing Tranche B Loans (as of the date of the making of the Incremental Term B Loans) (and, if there are multiple Interest Periods applicable to the existing Tranche B Loans as of such date of the making of the Incremental Term B Loans, then the Incremental Term B Loans shall have multiple Interest Periods ending on the same days as such Interest Periods, and with respect to amounts proportionate to the amount of existing Tranche B Facility Loans applicable to such Interest Periods).

- e. Maturity Date: Incremental Term A Loans: Term A Facility Maturity Date  
Incremental Term B Loans: Term B Facility Maturity Date

6. **Incremental Existing Tranche Revolving Commitments.** This Agreement represents Borrower's request for Incremental Existing Tranche Revolving Commitments to become effective on the same terms as the existing Revolving Commitments except as specified herein. Incremental Existing Tranche Revolving Commitments shall become effective the date on which the Incremental Closing Date (as defined below) which date shall be on November 1, 2012, and on such date the Administrative Agent and the Lenders providing the Incremental Existing Tranche Revolving Commitments shall effectuate such transfers, assignments and adjustments of Revolving Loans and participation interests in L/C Liabilities and Swingline Loans as contemplated by Section 2.12(d), through purchases by the Lenders providing the Incremental Existing Tranche Revolving Commitments.
7. **New Lenders.** Each Incremental Lender (other than any Incremental Lender that, immediately prior to the execution of this Agreement, is a "Lender" under the Credit Agreement) acknowledges and agrees that upon its execution of this Agreement its Incremental Commitments hereunder shall be effective and that such Incremental Lender shall become a "Lender" under, and for all purposes of, the Credit Agreement and the other Credit Documents, and shall be subject to and bound by the terms thereof, and shall perform all the obligations of and shall have all rights of a Lender thereunder.
8. **Credit Agreement Governs.** Incremental Term A Loans shall be subject to the provisions of the Credit Agreement and the other Credit Documents and shall be on terms and conditions identical
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to the existing Term A Facility Loans, except as set forth in this Agreement.

Incremental Term B Loans shall be subject to the provisions of the Credit Agreement and the other Credit Documents and shall be on terms and conditions identical to the existing Term B Facility Loans, except as set forth in this Agreement. Loans made under the Incremental Existing Tranche Revolving Commitments shall be on terms and conditions identical to existing Revolving Loans, except as set forth in this Agreement.

9. **Borrower's Certifications.** By its execution of this Agreement, the Borrower hereby certifies that:
- i. each of the representations and warranties contained in the Credit Agreement and the other Credit Documents are true and correct in all material respects on and as of the date hereof with the same force and effect as if made on and as of such date (it being understood and agreed that any such representation or warranty which by its terms is made as of an earlier date shall be required to be true and correct in all material respects only as such earlier date); and
  - ii. no event has occurred and is continuing or would result from the consummation of the Proposed Borrowing contemplated hereby that would constitute a Default or an Event of Default.
10. **Conditions to Effectiveness.** This Agreement shall become effective on the date (the "**Incremental Closing Date**") on which each of the following conditions is satisfied or waived:
- a. Increase Joinder. The Administrative Agent shall have received executed counterparts of this Agreement from the Incremental Lenders and the other parties hereto.
  - b. Corporate Documents. The Administrative Agent shall have received:

- i. certified true and complete copies of the Organizational Documents of the Borrower and of all corporate or other authority for the Borrower (including board of directors resolutions and evidence of the incumbency, including specimen signatures, of officers) with respect to the execution, delivery and performance of this Agreement and the extensions of credit hereunder, certified as of the Incremental Closing Date as complete and correct copies thereof by the secretary or an assistant secretary of the Borrower; and
  - ii. a certificate as to the good standing of the Borrower as of a recent date, from the Secretary of State (or other applicable Governmental Authority) of its jurisdiction of incorporation.
- c. Opinions of Counsel. The Administrative Agent shall have received a favorable written opinion of (i) Skadden, Arps, Slate, Meagher & Flom LLP, special counsel for the Borrower and (ii) Ballard Spahr LLP, in each case (A) dated the Incremental Closing Date, (B) addressed to the Agents and the Incremental Lenders and (C) in a form reasonably satisfactory to the Administrative Agent.
- e. Costs and Expenses. The Administrative Agent shall have received reimbursement or payment of all out-of-pocket expenses (including the reasonable legal fees and expenses of Cahill Gordon & Reindel LLP, special counsel to the Agents) relating to this Agreement, to the extent such fees and expenses are required to be reimbursed or paid by Borrower pursuant to the

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engagement letters between the Borrower and each of Bank of America, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, and Wells Fargo Securities, LLC, RBS Securities Inc., Commerzbank AG, New York, Fifth Third Bank and UBS Securities LLC, respectively, entered into in connection with the transactions contemplated by this Agreement or Section 13.03 of the Credit Agreement.

- f. USA Patriot Act. To the extent requested at least 10 days prior to the Incremental Closing Date, the Incremental Lenders that are subject to the Patriot Act (as defined below) shall have received, not less than 5 days prior to the Incremental Closing Date, all documentation and other information that may be required by the Incremental Lenders in order to enable compliance with applicable "know your customer" and anti-money laundering rules and regulations, including the United States PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "**Patriot Act**") including the information described in Section 13.14 of the Credit Agreement.
- g. Approvals. All necessary Gaming Approvals and Governmental Authority and third party approvals and/or consents in connection with the transactions contemplated hereby shall have been obtained and shall remain in full force and effect, and all applicable waiting periods shall have expired without any action being taken by any competent authority which restrains, enjoins, prevents or imposes materially adverse conditions upon the consummation of the transactions contemplated hereby. In addition, there shall not exist any judgment, order, injunction or other restraint, and there shall be no pending litigation or proceeding by any Governmental Authority, prohibiting, enjoining or imposing materially adverse conditions on the transactions contemplated hereby.

11. **Post Closing Real Property** Borrower shall as soon as practicable, but not later than sixty days (60) after the date hereof (or such later date as the Administrative Agent may determine in its reasonable discretion), deliver or cause to be delivered to the Collateral Agent the following items with respect to each Mortgaged Real Property, each in form and substance reasonably acceptable to the Administrative Agent:

- A. an amendment to each Mortgage encumbering a Mortgaged Real Property (the "Mortgage Amendments") each duly executed and delivered by an authorized officer of each party thereto and in form suitable for filing and recording in all filing or recording offices that the Administrative Agent may deem necessary or desirable unless Administrative Agent is satisfied in its reasonable discretion that Mortgage Amendments are not required in order to secure the Borrower's obligations as modified hereby;
- B. A modified ALTA 11 mortgage modification endorsement or local equivalent with respect to the Mortgaged Properties, each in form and substance reasonably satisfactory to Administrative Agent, or other endorsements acceptable to the Administrative Agent, insuring against the invalidity or unenforceability of the Mortgages as a result of the Mortgage Amendments;
- C. with respect to each Mortgage Amendment, an e-mail or other assurance, from applicable local counsel to the Borrower, which e-mail or other form of assurance shall (a) advise that each such Mortgage Amendment is in recordable form for filing in the appropriate jurisdiction and (b) either (i) advise that no documents, instruments or other actions are required under applicable law for the continued validity, perfection and priority of the liens and security interests granted to the Administrative Agent under the Mortgage encumbering such Mortgaged Real Property for the benefit of the Administrative Agent to secure the payment of the Secured Obligations (as defined in

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such Mortgage), as amended by this Agreement or (ii) identify such other documents, instruments or other actions as are required under applicable law for the continued validity, perfection and priority of such liens and security interests (in which case, the Borrower shall deliver or cause to be delivered such other documents, instruments or other actions to the Collateral Agent by the date set forth above), it being understood that such e-mail or other form of assurance will be provided to the Administrative Agent and will be in a form and substance reasonably satisfactory to the Administrative Agent; and

- D. either (1) an amendment to each Ship Mortgage encumbering a Mortgaged Vessel (the "Ship Mortgage Amendments"), in form suitable for filing and recording in all filing or recording offices that the Administrative Agent may deem necessary or (2) a favorable opinion, addressed to the Administrative Agent and each of the Lenders, in form and substance reasonably satisfactory to the Administrative Agent, from Phelps Dunbar LLP or other counsel reasonably acceptable to the Administrative Agent to the effect that (a) the recording of the existing Ship Mortgages are the only filings or recordings necessary to give constructive notice to third parties of the lien and security interest created by the Ship Mortgages as security for the Secured Obligations, as modified pursuant to this Agreement and (b) either that (i) no other documents, instruments, filings, recordings, re-recordings, re-filings or other actions, including, without limitation, the payment of any mortgage recording taxes or similar taxes, are necessary under applicable law in order to maintain the continued enforceability, validity or priority of the lien created by the Ship Mortgages as security for the Secured Obligations, as modified pursuant to this Agreement or (ii) the Borrower has delivered or caused to be delivered such other documents, instruments, filings, recordings, re-recordings, re-filings or other actions as are necessary under applicable law in order to maintain the continued enforceability, validity and priority of such lien; and

F. evidence that all fees, costs and expenses in connection with the preparation, execution, filing and recordation of the Mortgage Amendments have been paid, including, without limitation, reasonable attorneys' fees, title insurance premiums, filing and recording fees, title insurance company coordination fees, documentary stamp, mortgage and intangible taxes, if any, and title search charges and other charges incurred in connection with the recordation of the Mortgage Amendments and the other matters described in this Section 10(iii).

12. **Eligible Assignee.** By its execution of this Agreement, each Incremental Lender (other than any Incremental Lender that, immediately prior to the execution of this Agreement, is a "Lender" under the Credit Agreement) represents and warrants that it is an Eligible Assignee.
13. **Notice.** For purposes of the Credit Agreement, the initial notice address of each Incremental Lender (other than any Incremental Lender that, immediately prior to the execution of this Agreement, is a "Lender" under the Credit Agreement) shall be as set forth below its signature below.
14. **Non-U.S. Lenders.** For each Incremental Lender that is a Non-U.S. Lender, delivered herewith to Administrative Agent are such forms, certificates or other evidence with respect to United States federal income tax withholding matters as such Incremental Lender may be required to deliver to Administrative Agent pursuant to subsection 5.06(b) of the Credit Agreement.
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15. **Recordation of the New Loans.** Upon execution and delivery hereof, Administrative Agent will record the Incremental Term Loans and Incremental Existing Tranche Revolving Commitments (and Revolving Loans) made by Incremental Lenders pursuant hereto in the Register.
16. **Amendment, Modification and Waiver.** This Agreement may not be amended, modified or waived except by an instrument or instruments in writing signed and delivered on behalf of each of the parties hereto.
17. **Entire Agreement.** This Agreement, the Credit Agreement and the other Credit Documents constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties or any of them with respect to the subject matter hereof.
18. **GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.**
19. **Severability.** Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as would be enforceable.
20. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement. Delivery of an executed signature page to this Agreement by facsimile or other electronic transmission (including portable document format (".pdf") or similar format) shall be effective as delivery of a manually executed counterpart hereof.

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IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Agreement as of the date first written above.

**PENN NATIONAL GAMING, INC.**

By: /s/ William J. Clifford  
Name: William J. Clifford  
Title: SVP, Finance and Chief Financial Officer

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**Consented to by:**

**WELLS FARGO BANK, NATIONAL ASSOCIATION**  
as Administrative Agent

By: /s/ Donald Schubert  
Name: Donald Schubert  
Title: Managing Director

**WELLS FARGO BANK, NATIONAL ASSOCIATION**  
as Incremental Term Loan A Lender

By: /s/ Donald Schubert  
Name: Donald Schubert

Title: Managing Director

**BANK OF AMERICA, N.A.**

as Incremental Term Loan A Lender

By: /s/ Brian D. Corum

Name: Brian D. Corum

Title: Managing Director

**FIFTH THIRD BANK**

as Incremental Term Loan A Lender

By: /s/ Richard Arendale

Name: Richard Arendale

Title: Managing Director

**TD BANK**

as Incremental Term Loan A Lender

By: /s/ Bernadette Collins

Name: Bernadette Collins

Title: Senior Vice President

**SUMITOMO MITSUI BANKING CORPORATION**

as Incremental Term Loan A Lender

By: /s/ William G. Karl

Name: William G. Karl

Title: General Manager

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**U.S. BANK N.A.**

as Incremental Term Loan A Lender

By: /s/ Brian Schwallie

Name: Brian Schwallie

Title: Vice President

**BBVA COMPASS**

as Incremental Term Loan A Lender

By: /s/ Lynne B. Herndan

Name: Lynne B. Herndan

Title: City President

**M&T BANK**

as Incremental Term Loan A Lender

By: /s/ Paul R. Delmonte

Name: Paul R. Delmonte

Title: Vice President

**THE PEOPLES BANK, BILOXI, MISSISSIPPI**

as Incremental Term Loan A Lender

By: /s/ Chevis C. Swetman

Name: Chevis C. Swetman

Title: President

**UNITED BANK**

as Incremental Term Loan A Lender

By: /s/ Devin McCreery

Name: Devin McCreery

Title: Market President



**BANK OF AMERICA, N.A.**  
as Incremental Term Loan B Lender

By: /s/ Brian D. Corum  
Name: Brian D. Corum  
Title: Managing Director

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**DEUTSCHE BANK TRUST COMPANY AMERICAS**  
as Revolving Lender

By: /s/ Erin Morrissey  
Name: Erin Morrissey  
Title: Director

By: /s/ Erin Morrissey  
Name: Mary Kay Coyle  
Title: Managing Director

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**SCHEDULE A  
TO JOINDER AGREEMENT**

**INCREMENTAL TERM A LOAN COMMITMENTS**

<u>Name of Incremental Lender</u>	<u>Amount</u>
Bank of America, N.A.	\$ 100,000,000
Wells Fargo Bank, N.A.	\$ 63,000,000
Fifth Third Bank	\$ 150,000,000
TD Bank	\$ 25,000,000
Sumitomo	\$ 22,000,000
U.S. Bank N.A.	\$ 15,000,000
BBVA Compass	\$ 10,000,000
M&T Bank	\$ 5,000,000
Peoples Bank	\$ 5,000,000
United Bank	\$ 5,000,000
Total:	<u>\$ 400,000,000.00</u>

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**SCHEDULE B  
TO JOINDER AGREEMENT**

**INCREMENTAL TERM B LOAN COMMITMENTS**

<u>Name of Incremental Lender</u>	<u>Amount</u>
Bank of America, N.A.	\$ 515,000,000
Total:	<u>\$ 515,000,000.00</u>

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**SCHEDULE C  
TO JOINDER AGREEMENT**

**INCREMENTAL EXISTING TRANCHE REVOLVING COMMITMENTS**

<u>Name of Incremental Lender</u>	<u>Amount</u>
Deutsche Bank	\$ 85,000,000
Total:	<u>\$ 85,000,000.00</u>

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**AMORTIZATION PAYMENTS  
INCREMENTAL TERM A FACILITY LOANS**

<b>DATE(1)</b>	<b>PRINCIPAL AMOUNT</b>
December 31, 2012	\$ 5,000,000.00
March 31, 2013	\$ 5,000,000.00
June 30, 2013	\$ 5,000,000.00
September 30, 2013	\$ 7,500,000.00
December 31, 2013	\$ 7,500,000.00
March 31, 2014	\$ 7,500,000.00
June 30, 2014	\$ 7,500,000.00
September 30, 2014	\$ 10,000,000.00
December 31, 2014	\$ 10,000,000.00
March 31, 2015	\$ 10,000,000.00
June 30, 2015	\$ 10,000,000.00
September 30, 2015	\$ 10,000,000.00
December 31, 2015	\$ 10,000,000.00
March 31, 2016	\$ 10,000,000.00
Term A Facility Maturity Date	\$ 285,000,000.00

(1) If such date is not a Business Day, then the date shall be the next succeeding Business Day.

**SCHEDULE D-2**

**AMORTIZATION PAYMENTS  
INCREMENTAL TERM B FACILITY LOANS**

<b>DATE(1)</b>	<b>PRINCIPAL AMOUNT</b>
December 31, 2012	\$ 1,287,500.00
March 31, 2013	\$ 1,287,500.00
June 30, 2013	\$ 1,287,500.00
September 30, 2013	\$ 1,287,500.00
December 31, 2013	\$ 1,287,500.00
March 31, 2014	\$ 1,287,500.00
June 30, 2014	\$ 1,287,500.00
September 30, 2014	\$ 1,287,500.00
December 31, 2014	\$ 1,287,500.00
March 31, 2015	\$ 1,287,500.00
June 30, 2015	\$ 1,287,500.00
September 30, 2015	\$ 1,287,500.00
December 31, 2015	\$ 1,287,500.00
March 31, 2016	\$ 1,287,500.00
June 30, 2016	\$ 1,287,500.00
September 30, 2016	\$ 1,287,500.00
December 31, 2016	\$ 1,287,500.00
March 31, 2017	\$ 1,287,500.00
June 30, 2017	\$ 1,287,500.00
September 30, 2017	\$ 1,287,500.00
December 31, 2017	\$ 1,287,500.00
March 31, 2018	\$ 1,287,500.00
Term B Facility Maturity Date	\$ 486,675,000.00

(1) If such date is not a Business Day, then the date shall be the next succeeding Business Day.

## NEWS ANNOUNCEMENT



## CONTACT:

William J. Clifford  
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610/373-2400

Joseph N. Jaffoni, Richard Land  
JCIR  
212/835-8500 or penn@jcir.com

**PENN NATIONAL GAMING CLOSES ON \$1 BILLION  
EXPANSION OF SENIOR SECURED CREDIT FACILITIES**

**- Revolver Expanded by \$85 Million, Term Loan A Expanded by \$400 Million,  
and Term Loan B Expanded by \$515 Million -**

Wyomissing, PA (November 2, 2012) — Penn National Gaming, Inc. (PENN: Nasdaq) announced today that it expanded its existing secured \$2.15 billion of senior secured credit facilities by \$1 billion. Under the original terms of the senior secured credit facilities entered into in July 2011, Penn National had the option to increase the amounts of the facilities at prevailing market rates, subject to obtaining commitments from lenders, pro forma compliance with financial covenants and other customary conditions.

The expanded credit facilities include:

- An \$85 million expansion to the existing \$700 million revolving credit facility due July 2016;
- A \$400 million expansion to the existing \$700 million five year Term Loan A due July 2016; and,
- A \$515 million expansion to the existing \$750 million Term Loan B due July 2018.

The expanded portions of the credit facilities incur no pre-payment penalties and were issued with no origination discount while substantially all of the other terms of the original credit facilities apply to the expanded revolver, Term Loan A and Term Loan B and the credit facilities and continue to allow for debt and equity repurchases.

Penn National is using \$610 million of borrowings under the Term Loan A and Term Loan B expansions to fund its acquisition of the Harrah's St. Louis gaming and lodging facility which it completed November 2 with remaining proceeds from the Term Loan A and Term Loan B expansions used to repay borrowings under the existing revolving credit facility and other general corporate purposes.

William J. Clifford, Chief Financial Officer of Penn National Gaming commented, "We are appreciative of our lead banks and participating banks for the confidence expressed in Penn National's financial strength, liquidity and growing cash flows. An expansion was contemplated when we entered into the new credit facilities last year and we remain focused on actively and conservatively managing our capital structure to provide the financial flexibility to support our near- and long-term growth initiatives. Our conservative capital structure, including the credit facility expansions, positions Penn National with one of the most attractive costs of capital in the gaming industry which has allowed us to complete acquisitions such as Harrah's St. Louis in an accretive

manner. Furthermore, our leverage ratios remain well below industry averages and we continue to ensure that the Company has access to capital at rates which allow us to pursue a diverse range of opportunities to enhance shareholder value. With the opening this year of three new casinos and the addition of Harrah's St. Louis, we will further diversify and expand our free cash flow allowing us to maintain attractive leverage ratios and high levels of liquidity."

Bank of America, N.A., Wells Fargo Securities, LLC, Commerzbank AG, New York and Grand Cayman Branches, Fifth Third Bank, Merrill Lynch, Pierce, Fenner & Smith Incorporated, RBS Securities Inc., and UBS Securities LLC acted as joint lead arrangers and bookrunners.

### About Penn National Gaming

Penn National Gaming owns, operates or has ownership interests in gaming and racing facilities with a focus on slot machine entertainment. The company presently operates twenty-nine facilities in nineteen jurisdictions, including Colorado, Florida, Illinois, Indiana, Iowa, Kansas, Louisiana, Maine, Maryland, Mississippi, Missouri, Nevada, New Jersey, New Mexico, Ohio, Pennsylvania, Texas, West Virginia, and Ontario. In aggregate, Penn National's operated facilities currently feature approximately 36,800 gaming machines, approximately 850 table games, 2,900 hotel rooms and approximately 1.6 million square feet of gaming floor space.

### Forward-looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results may vary materially from expectations. Although Penn National Gaming, Inc. and its subsidiaries (collectively, the "Company") believe that our expectations are based on reasonable assumptions within the bounds of our knowledge of our business and operations, there can be no assurance that actual results will not differ materially from our expectations. Meaningful factors that could cause actual results to differ from expectations include, but are not limited to, risks related to the following: our ability to successfully integrate Harrah's St. Louis into our existing business and achieve the expected returns from such business; the passage of state, federal or local legislation (including referenda) that would expand, restrict, further tax, prevent or negatively impact operations in or adjacent to the jurisdictions in which we do or seek to do business (such as a smoking ban at any of our facilities); the effects of local and national economic, credit, capital market, housing, and energy conditions on the economy in general and on the gaming and lodging industries in particular; the activities of our competitors and the emergence of new competitors (traditional and internet based); increases in any form of taxation at any of our properties or at the corporate level; changes in accounting standards; our dependence on key personnel; the impact of terrorism and other international hostilities; the impact of weather; and other factors as discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2011, subsequent Quarterly Reports

on Form 10-Q and Current Reports on Form 8-K as filed with the SEC. The Company does not intend to update publicly any forward-looking statements except as required by law.

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## NEWS ANNOUNCEMENT



## CONTACT:

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**PENN NATIONAL GAMING COMPLETES \$610 MILLION  
ACCRETIVE ACQUISITION OF HARRAH'S ST. LOUIS**

**- Transaction Marks Penn National's Entrée in the St. Louis  
Gaming Market with Established, Missouri-Based Gaming Facility -**

**- Property Re-Branding Initiatives Commence; Hollywood Casino St. Louis  
to Feature Renovated Gaming Floor Including 400 New Slots -**

Maryland Heights, MO and Wyomissing, PA (November 5, 2012) — Penn National Gaming, Inc. (PENN: Nasdaq) announced today that having received requisite regulatory approvals, it has completed its acquisition of the stock of the Harrah's St. Louis gaming and lodging facility from Caesars Entertainment (CZR: Nasdaq) for total consideration of approximately \$610 million.

Peter M. Carlino, Chief Executive Officer of Penn National, commented, "The acquisition of Harrah's St. Louis further expands and diversifies Penn National's regional operating platform with a facility that is extremely well-positioned in another large, stable metropolitan market. Our planned facility upgrades include the introduction of Penn National's Hollywood brand — which has been successfully deployed at thirteen other properties across the country — and will invoke the glamour of 1930s' art deco Hollywood.

"We recently named 30-year gaming industry veteran, and former Harrah's executive, Tony Carlucci the Vice President and General Manager of the property and we are confident he will build upon the facility's current success and position in the attractive St. Louis market. We have budgeted \$61 million to re-brand the facility including significantly upgrading and updating the gaming floor and aligning IT and reporting functions with our existing systems. We look forward to a full year benefit of operations at Hollywood Casino St. Louis as well as the three new Hollywood properties in Kansas City, Toledo and Columbus in 2013."

Hollywood Casino St. Louis is located in Maryland Heights, Missouri, directly off I-70 and adjacent to the Missouri River and approximately 22 miles northwest of downtown St. Louis, approximately eight miles west of Lambert St. Louis International Airport, and approximately 25 miles southwest of the Penn National's Argosy Casino Alton. The facility is situated on over 294 acres along the Missouri river and features approximately 109,000 square feet of gaming space with approximately 2,100 gaming machines and 80 table games (including poker positions), a 500 guestroom hotel, nine dining and entertainment venues and structured and surface parking for 4,644 vehicles.

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