

PENN NATIONAL GAMING INC  
 Form 4  
 January 04, 2013

**FORM 4**

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

OMB APPROVAL

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 EDENS WESLEY R

2. Issuer Name and Ticker or Trading Symbol  
 PENN NATIONAL GAMING INC  
 [PENN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
 01/03/2013

Director  10% Owner  
 Officer (give title below)  Other (specify below)

C/O FORTRESS INVESTMENT GROUP LLC, 1345 AVENUE OF THE AMERICAS, 46TH FLOOR

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

NEW YORK, NY 10105

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Code	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock					21,195	D	(1)
Common Stock	01/03/2013		M	2,371 A	23,566	D	
Common Stock	01/03/2013		D	2,371 D	\$ 50.29 21,195	D	
Common Stock	01/03/2013		M	1,642 A	22,837	D	
	01/03/2013		D	1,642 D	21,195	D	

Common Stock	\$						
	50.29						
Common Stock		157,822	I			FIG PNG Holdings LLC <sup>(3)</sup> <sup>(4)</sup> <sup>(5)</sup>	

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

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price or Derivative Security (Instr. 3)		
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
				Code	V (A) (D)					
Phantom Stock Unit	\$ 0 <sup>(6)</sup>	01/03/2012		M	2,371	<sup>(7)</sup>	<sup>(7)</sup>	Common Stock	2,371	<sup>(6)</sup>
Phantom Stock Unit	\$ 0 <sup>(6)</sup>	01/03/2012		M	1,642	<sup>(8)</sup>	<sup>(8)</sup>	Common Stock	1,642	<sup>(6)</sup>

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
EDENS WESLEY R C/O FORTRESS INVESTMENT GROUP LLC 1345 AVENUE OF THE AMERICAS, 46TH FLOOR NEW YORK, NY 10105	X	X		

## Signatures

/s/ Wesley R.  
Edens

01/04/2013

\*\*Signature of  
Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

The reported shares of Common Stock were granted to Wesley R. Edens, a director of Penn National Gaming, Inc. ("PENN"), pursuant to PENN's 2008 Long Term Incentive Compensation Plan as a component of non-employee director compensation. Pursuant to

(1) arrangements in place between FIG LLC ("FIG") and Mr. Edens, Mr. Edens is deemed to hold the shares on behalf of FIG. FIG may be deemed the indirect beneficial owner of the reported shares and Mr. Edens disclaims beneficial ownership of all such shares except to the extent of his pecuniary interest therein by virtue of his indirect interest in FIG as described below.

(2) Each Phantom Stock Unit was the economic equivalent of one share of the issuer's common stock.

By virtue of his indirect interest in FIG PNG Holdings LLC ("FIG PNG Holdings") as described below, Mr. Edens may be deemed to beneficially own the shares listed in this report as beneficially owned by FIG PNG Holdings. Mr. Edens disclaims beneficial ownership of (3) all such shares except to the extent of his pecuniary interest therein by virtue of his indirect interest in FIG as described below. The inclusion of the shares in this report shall not be deemed to be an admission of beneficial ownership of all of the reported shares for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or otherwise.

FIG PNG Holdings is owned by Fortress Investment Fund V (Fund A) L.P., Fortress Investment Fund V (Fund D) L.P., Fortress Investment Fund V (Fund E) L.P., Fortress Investment Fund V (Coinvestment Fund A) L.P., Fortress Investment Fund V (Coinvestment Fund D) L.P., (collectively, the "Fund V ADE Funds") and Fortress Investment Fund V (Fund B) L.P., Fortress Investment Fund V (Fund C) L.P., Fortress Investment Fund V (Fund F) L.P., Fortress Investment Fund V (Coinvestment Fund B) L.P., Fortress Investment Fund V (Coinvestment Fund C) L.P., [continued in Footnote 5]

[continued from Footnote 4] Fortress Investment Fund V (Coinvestment Fund F) L.P., (collectively, the "Fund V BCF Funds"). Fortress Fund V GP L.P. is the general partner of each of the Fund V ADE Funds, and the general partner of Fortress Fund V GP L.P. is Fortress Fund V GP Holdings Ltd., which is wholly-owned by Fortress Operating Entity I L.P. ("FOE I"). Fortress Fund V GP (BCF) L.P. is the general partner of each of the Fund V BCF Funds, and the general partner of Fortress Fund V GP (BCF) L.P. is Fortress Fund V GP (BCF) Holdings Ltd., which is wholly-owned by Principal Holdings I LP. FIG is the investment manager of Fund V ADE Funds and Fund V BCF Funds, and is wholly owned by FOE I. FIG Corp. is the general partner of FOE I. FIG Asset Co. LLC is the general partner of Principal Holdings I LP. Fortress Investment Group LLC ("Fortress") wholly owns each of FIG Corp. and FIG Asset Co. LLC.

(6) Upon vesting, the recipient is entitled to a cash payment for each unit of the Phantom Stock Unit equal to the fair market value on the vesting date of one share of the Company's common stock.

The Phantom Stock Unit was granted to Mr. Edens, a director of PENN, pursuant to PENN's 2008 Long Term Incentive Compensation Plan as a component of non-employee director compensation. On January 3, 2013, 2,371 units of Phantom Stock vested. The remaining 2,371 units will vest on January 3, 2014. Pursuant to arrangements in place between FIG and Mr. Edens, Mr. Edens is deemed to hold the reported Phantom Stock Unit on behalf of FIG. FIG may be deemed the indirect beneficial owner of the reported Phantom Stock Unit and Mr. Edens disclaims beneficial ownership of the reported Phantom Stock Unit except to the extent of his pecuniary interest therein by virtue of his indirect interest in FIG as described herein.

The Phantom Stock Unit was granted to Mr. Edens, a director of PENN, pursuant to PENN's 2008 Long Term Incentive Compensation Plan as a component of non-employee director compensation. On January 3, 2013, 1,642 units of Phantom Stock vested. The remaining units will vest as follows: 1,642 units on January 3, 2014; 1,642 units on January 3, 2015; and 1,641 units on January 3, 2016. Pursuant to (8) arrangements in place between FIG and Mr. Edens, Mr. Edens is deemed to hold the reported Phantom Stock Unit on behalf of FIG. FIG may be deemed the indirect beneficial owner of the reported Phantom Stock Unit and Mr. Edens disclaims beneficial ownership of the reported Phantom Stock Unit except to the extent of his pecuniary interest therein by virtue of his indirect interest in FIG as described herein.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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