

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| OMB APPROVAL | |
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|--|---|---|
| 1. Name and Address of Reporting Person * <u>WILMOTT TIMOTHY J</u> (Last) (First) (Middle) 825 BERKSHIRE BLVD SUITE 200 (Street) WYOMISSING PA 19610 (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>PENN NATIONAL GAMING INC [PENN]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Chief Executive Officer</u> |
| | 3. Date of Earliest Transaction (Month/Day/Year) 10/05/2017 | |
| 4. If Amendment, Date of Original Filed (Month/Day/Year) | | |

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. Transaction Code (Instr. 8) | | 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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|------------------------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock ⁽¹⁾ | 10/05/2017 | | M | | 64,416 | A | \$8.19 | 520,116 | D | |
| Common Stock ⁽¹⁾ | 10/05/2017 | | S | | 64,416 | D | \$24.14 ⁽²⁾ | 455,700 | D | |
| Common Stock ⁽¹⁾ | 10/06/2017 | | M | | 20,020 | A | \$8.19 | 475,720 | D | |
| Common Stock ⁽¹⁾ | 10/06/2017 | | S | | 20,020 | D | \$24.07 ⁽³⁾ | 455,700 | D | |

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 Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|--------|--|-----------------|---|--|--|---|--|-------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | | | | | | Title |
| Non Qualified Stock Options (right to buy) | \$8.19 | 10/05/2017 | | M | | | 64,416 | (4) | 01/03/2018 | Common Stock | 64,416 | \$0 | 35,584 | D | |
| Non Qualified Stock Options (right to buy) | \$8.19 | 10/06/2017 | | M | | | 20,020 | (4) | 01/03/2018 | Common Stock | 20,020 | \$0 | 15,564 | D | |

Explanation of Responses:

- The transactions on this Form 4 were made pursuant to a stock trading plan established pursuant to rule 10b5-1. The options subject to the transactions reported on this Form 4 would have expired on January 3, 2018.
- The price reported in Column 4 is a weighted average price. These shares were purchased in multiple transactions at prices ranging from \$24.00 to \$24.62. The reporting person undertakes to provide to Penn National Gaming, Inc., any security holder of Penn National Gaming, Inc., or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares purchased at each separate price within the ranges set forth in the footnote to this Form 4.
- The price reported in Column 4 is a weighted average price. These shares were purchased in multiple transactions at prices ranging from \$24.00 to \$24.29. The reporting person undertakes to provide to Penn National Gaming, Inc., any security holder of Penn National Gaming, Inc., or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares purchased at each separate price within the ranges set forth in the footnote to this Form 4.
- The option award, representing a right to purchase 200,000 shares, became exercisable in four equal installments on the anniversary date of the grant, beginning January 3, 2012 and expiring on January 3, 2018.

/s/ Christopher Rogers as attorney-in-fact for Timothy J Wilmott 10/10/2017

** Signature of Reporting Person Date

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

* 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).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.