UNITED STATES SECURITIES AND **EXCHANGE** COMMISSION FORM 4 WASHINGTON, D.C. 20549 - -------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). - ------------------- 1. Name and Address of Reporting Person\* 2. Issuer Name and Ticker or Trading Symbol 6. Relationship of Reporting Person(s) to Issuer (Check all applicable) Penn National Gaming, Inc. X Director 10% Owner Levy Robert P. PENN ---- ---- - ---\_\_\_\_\_ ----------Officer (give Other (Last) (First) (Middle) 3. I.R.S. Identification 4. Statement for ---- title ---- (specify Number of Reporting Month/Day/Year below) below Person, if an entity Two Logan Square, Suite 2525 (voluntary) 08/31/2002 - --\_\_\_\_\_ ----------

```
(Street) 5. If
 Amendment, 7.
 Individual or
  Joint/Group
Filing Date of
Original (Check
  Applicable
     Line)
(Month/Day/Year)
 _X_Form filed
    by One
   Reporting
Person ___Form
 filed by More
   than One
Philadelphia PA
19103 Reporting
Person - -----
-----
-----
 ----- (City)
(State) (Zip)
TABLE I - NON-
  DERIVATIVE
  SECURITIES
   ACQUIRED,
DISPOSED OF, OR
 BENEFICIALLY
OWNED - -----
 ----- 1. Title
 of 2. Trans-
 2A. Deemed 3.
   Trans- 4.
  Securities
Acquired (A) 5.
 Amount of 6.
   Owner- 7.
Nature Security
    action
   Execution
   action or
Disposed of (D)
Securities ship
of In- (Instr. 3) Date Date,
Code (Instr. 3,
   4 and 5)
 Beneficially
Form: direct if
any (Instr. 8)
 Owned Follow-
 Direct Bene-
(Month/ (Month/
 ing Reported
 (D) or ficial
Day/ Day/ -----
-----
Transaction(s)
Indirect Owner-
Year) Year) (A)
 or (Instr. 3
(I) ship Code V
  Amount (D)
 Price and 4)
  (Instr. 4)
```

(Instr. 4)
Common Stock
08/14/02 M
1,872 A 3.32 D
Common Stock
08/14/02 M
8,128 A 3.32 D
Common Stock
Common Stock 08/23/02 S
Common Stock 08/23/02 S 5,000 D 16.85 D
Common Stock 08/23/02 S 5,000 D 16.85 D
Common Stock 08/23/02 S 5,000 D 16.85 D
Common Stock 08/23/02 S 5,000 D 16.85 D  Common Stock 08/23/02 S 5,000 D 17.02 0 D
Common Stock 08/23/02 S 5,000 D 16.85 D  Common Stock 08/23/02 S  Common Stock 08/23/02 S  5,000 D 17.02 0  D
Common Stock 08/23/02 S 5,000 D 16.85 D  Common Stock 08/23/02 S 5,000 D 17.02 0 D
Common Stock 08/23/02 S 5,000 D 16.85 D  Common Stock 08/23/02 S 5,000 D 17.02 0 D
Common Stock 08/23/02 S 5,000 D 16.85 D  Common Stock 08/23/02 S 5,000 D 17.02 0 D
Common Stock 08/23/02 S 5,000 D 16.85 D  Common Stock 08/23/02 S 5,000 D 17.02 0 D
Common Stock 08/23/02 S 5,000 D 16.85 D  Common Stock 08/23/02 S 5,000 D 17.02 0 D

FORM 4
(CONTINUED)
TABLE II DERIVATIVE
SECURITIES
ACQUIRED,
DISPOSED OF,
OR
BENEFICIALLY
OWNED (E.G.,
PUTS, CALLS,
WARRANTS,
OPTIONS,
CONVERTIBLE
SECURITIES) -

- 1. Title of Derivative Security 2. Conver- 3. Trans- 3A. Deemed 4. Transac- 5. Number of Deriv- 6. Date Exer-(Instr. 3) sion or action Execution tion Code ative Securities Ac- cisable and Ex-Exercise Date Date, (Instr. 8) quired (A) or Dispiration Date Price of (Month/if any posed of (D) (Month/Day/ Deriv- Day/ (Month/ (Instr. 3, 4, and 5) Year) ative Year) Day/ Security Year) --------------------Date Expira-Exer- tion Code V (A) (D) cisable Daté - --------------- Non-Qualified Stock Option (right to buy) 5.16 01/02/01 01/02/02 01/02/08 - --Non-Qualified Stock Option

buy 0: 0: 01/0	y) 1/0: 1/0: 1/0: 		4 
In	cen	tive	9
		Opti	
		t to	
bи	ıv)	3.2	2
08	/14.	/02	М
	8,1	28	
08		3/99	
08/0	6/0	5 -	
08/0			
Non-			
		Opti	
		t to	
		3.22	
08,		/08	М
	1,8		
		6/99 -	
	In / 1:1		
08/0			
	 	·	

Amount of Under- 8. Price 9. Number 10. Owner- 11. Nature lying Securities of of Derivship of In-(Instr. 3 and 4) Derivative Form direct ative Securi- of De- Bene-Secur- ties rivative ficial ity Bene- Secu-Own- (Instr. ficially rity: ership 5) Owned Direct (Instr. 4) -------Following (D) or Title Amount or Reported Indi- Number of Transaction(s) rect (I) Shares (Instr. 4) (Instr. 4) --------------- Common Stock 30,000 30,000 D - -------------- Common Stock 30,000 30,000 D - --------- Common Stock 8,128 0 D - ----Common Stock 1,872 0 D - -

Explanation of Responses: /s/ Robert P. Levy 08/10/02 -----\*\*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.