



Schedule 26

In the past ten (10) years, has applicant, or any of its affiliates, intermediaries, subsidiaries or holding companies had a judgment, order, consent decree or consent order pertaining to any state or federal statute, regulation or code that resulted in a fine or penalty of \$50,000 or more entered against it?

If you answer yes to either question, you must complete Schedule 26 concerning antitrust, trade regulation & security judgments; statutory and regulatory violations.

As a gaming company licensed and operating in many jurisdictions, affiliates of Penn National are periodically subject to disciplinary action for regulatory violations. A summary of those violations are attached.

DISCIPLINARY ACTION SUMMARY

The only licensing restriction that had been placed upon the Company was the Company's agreement with the Illinois Gaming Board to sell the Empress Joliet property by mid-2008. However, at its public meeting of February 19, 2008, the Illinois Gaming Board removed the request that Penn National Gaming, Inc. divest of its interest in the property. The following is a summary of administrative actions that resulted in the imposition of fines against the Company or its subsidiaries:

Penn National Gaming, Inc.

The Company has not had a disciplinary action taken against it. However, on August 27, 2003, the Casino Gaming Division of the Louisiana State Police issued a Significant Action/Violation Report regarding the company's account wagering operations within Louisiana. The matter was concluded with the Division issuing a warning letter to the company.

Argosy Alton

In July of 2006, Argosy Alton paid a \$75,000 fine for its employees' failure to change out surveillance tapes on two occasions occurring in May and June of 2006.

In April 2007, Argosy Alton paid a \$50,000 fine for an incident wherein twelve bill validator boxes were taped shut rather than being locked.

In November 2008, the Coast Guard fined Argosy Alton \$500 for the discharge of diesel into a navigable water way on May 14, 2008.

Beulah Park

On May 11, 2011, the racetrack entered into an informal settlement agreement with the U.S. Department of Labor, Occupational Safety and Health Administration for the sum of \$2,000. This matter related to safety issues for track employees.

Hollywood Casino Joliet (formerly Argosy Empress)

In July of 2006, Empress Casino Joliet paid a \$150,000 fine for violation of its due diligence procedures in early 2005.

In May, 2011, the Illinois Gaming Board issued a disciplinary complaint against the property, its General Manager and Compliance Manager. A penalty of \$50,000 is sought against the property and three day suspensions with respect to the individuals. The

Updated 9/6/12

complaint alleges that the property altered its organizational structure without Board approval. On July 19, 2012, an Appellate Judge ruled in favor of the IGB regarding Disciplinary Complaint #DC-11-22. This matter was settled on August 24, 2012 for \$50,000.

On July 13, 2011, the Illinois Gaming Board issued a one-count complaint against Hollywood Casino Joliet for having revoked software in three slot machines. The matter was settled on July 19, 2011 for \$25,000.

Hollywood Casino Lawrenceburg

The property entered into a Settlement Agreement with the Indiana Gaming Commission whereby it paid \$65,000 for failing to properly instruct its executives regarding the disclosure of confidential information. This incident and the settlement thereof occurred prior to the Company's acquisition of Argosy.

The property entered into a Settlement Agreement in November, 2005, with the Indiana Gaming Commission regarding a self-excluded patron receiving five credit card advances during the two days preceding being identified by Cage personnel. The property paid a fine of \$20,000.

The property entered into a Settlement Agreement in March, 2006, with the Indiana Gaming Commission whereby it paid \$22,500 for allowing 15 employees to work at the facility with expired licenses.

The property paid \$20,000 to settle two incidents that occurred in April of 2006. The first incident occurred during the IGC's slot program audit wherein 10 revoked EPROMs were found inside slot machines on the casino floor. The second incident involved a direct mail piece being sent to a self-excluded person.

In September 2007, the property entered into a settlement agreement with the Indiana Gaming Commission whereby it paid \$7500 for permitting a patron to cash checks in excess of an approved check cashing limit.

In November 2007, the property entered into a Settlement Agreement with the Indiana Gaming Commission in the amount of \$12,500. There were two incidents that were the subject of the settlement. The first incident occurred on June 20, 2007 when a Gaming Agent observed a Dealer on a roulette table calling "no more bets" while his back was to the table and a patron made an illegal bet. The second incident occurred when the Director of Table Games Supervisor failed to inspect all six decks of cards on June 25, 2007 when opening the game and on July 6, 2007 when a Security Supervisor informed a Gaming Agent that a box of playing cards had not been completely destroyed.

In March 2008, the property entered into a settlement agreement with the Indiana Gaming Commission in the amount of \$5,000 for have a six of spades missing from a blackjack game.

Updated 9/6/12

In May, 2008, the Indiana Gaming Commission proposed a disciplinary complaint in the amount of \$44,500 for, among other things, permitting two minors to enter the gaming facility, the untimely submission of employee termination forms to the Gaming Commission, and deficient surveillance camera coverage. This matter was settled in May, 2008.

In August, 2008, the property paid the sum of \$33,500 to settle a complaint with the Indiana Gaming Commission for violating several regulatory provisions: indirectly permitting the presence of an underage person on a riverboat, only having one slot attendant present during a slot token drop, leaving a roulette wheel cover unsecured, leaving an unsecured door on an electronic gaming device, and failing to timely notify gaming agents of a terminated employee.

In November 2008, the property paid the sum of \$33,500 to settle a complaint with the Indiana Gaming Commission for violating several regulatory provisions; permitting two dealers to work with expired badges, untimely notice of employee termination to the regulators, the failure of a roulette dealer to waive off "no more bets", failure of security to seal off a drop area, failure of surveillance to observe table fill; and permitting a person under 21 to be on the riverboat.

In March 2009, the property settled a five count regulatory matter with the Indiana Gaming Commission for \$27,500. Three of the counts related to "sensitive keys", one count to solicitation of tips, and the final count to an employee working with an expired license.

In May 2009, the property received a three count regulatory complaint involving a minor on the boat, faulty tip boxes, and a failure to reconcile meters. The matter was settled for \$26,500 in June, 2009.

In September, 2009, the property settled a six count complaint with the Indiana Gaming Commission for \$57,500. The matter involved surveillance deficiencies, a faulty deck of cards, late filing of termination paperwork, failure of a person to wear a badge, a missing die, and an underage person on the riverboat.

In November, 2009, the property settled a five count complaint with the Indiana Gaming Commission for \$17,500. The matter related to an unsecured gaming table, late filing of paperwork with the regulators, a missing card, an underage person on the riverboat, and permitting a self-excluded person in the casino.

In March 2010, the Indiana Gaming Commission settled a seven count regulatory complaint against the property for \$36,500. The matter related to: late paperwork filing; underage person on casino floor; failure to secure sensitive keys; failure to secure non-value chips at Roulette table; slot machine door issue; and missing cards from Blackjack deck.

In June, 2010, the Indiana Gaming Commission settled a five count regulatory complaint against the property for \$70,000. The violations related to filing of late paperwork, presence of underage persons on the riverboat, missing cards, an unlocked poker storage room, and deficiencies in a promotional drawing.

In September, 2010, the Indiana Gaming Commission settled a seven count regulatory complaint against the property for \$31,500. The violations related to failure to coin test on a slot machine, late filing of paperwork, failure of certain employees to wear gaming badges, unattended decks of cards, failure to turn in lost chips, an internal control violation, and failure to timely verify certain variances.

In November, 2010, the Indiana Gaming Commission settled a nine count regulatory complaint against the property for \$115,500. The violations related to late filing of termination paperwork, employees working with expired badges, accepting a wager from a self-excluded person, acceptance of cash tips by a poker dealer, unattended poker cards, minor permitted on casino floor, delivery of dice without proper notification, insufficient staffing in surveillance room, and failure to reconcile cage variances.

In February, 2011, the Indiana Gaming Commission filed a three count regulatory complaint against the property for filing of late paperwork, permitting several employees to work with expired badges, and permitting an underage person in the casino. This matter was settled on March 17, 2011 for \$27,500.

In May, 2011, Hollywood Casino Lawrenceburg paid a \$500 fine to the Indiana Alcohol and Tobacco Commission relating to an incident which occurred on March 4, 2011, where a bartender served alcohol to a minor. The bartender was immediately terminated by Hollywood Casino Lawrenceburg.

On June 2, 2011, Hollywood settled a 3 count regulatory complaint (11-HW-03) with the Indiana Gaming Commission for \$18,500. The matter related to an underage gambler on the riverboat, a float lid left unsecured and incorrect calculation of number of patrons entering the riverboat through the turnstile.

On June 2, 2011, Hollywood Casino Lawrenceburg settled a 16 count regulatory complaint (11-HW-02) with the Indiana Gaming Commission for \$109,000. The matter related to: late filing of employee termination paperwork, failure to request approval to return a tournament over to regular gaming play, entry of a patron into the casino not through a turnstile, failure to regularly seek approval of tournament play, failure to properly open a roulette table, a poker table float lid was left unsecured, error in log relating to cancelled deck of cards, dealers walking through a drop area, failure to report a possible bet capping incident, failure to complete paperwork properly regarding credit issuance, failure to reconcile a cage variance, failure to record a \$10,000 transaction on the multiple transaction log, underage patron on casino floor, exceeding maximum patron capacity in a nightclub, failure of certain patrons to exit casino through turnstiles, and failure of certain employees to update personal information.

The Indiana Gaming Commission filed a complaint relating to several incidents that occurred in the 2nd and 3rd quarters of 2011 (11HW-04). The subjects of the complaint were: failing to properly verify a single table fill, late filing of termination paperwork for one employee, an improper chip exchange transaction, an underage person gaining access to the casino, one instance of failure to file a W-2G and one instance of failing to properly void a fill slip. The Commission is seeking a penalty of \$31,000. This matter is pending.

In November 2011, Hollywood Casino Lawrenceburg settled a seven count regulatory complaint (11HW-05) with the Indiana Gaming Commission for \$72,000. The matters related to: a single employee working without an occupational license, allowing patrons to walk through drop areas, holding a poker tournament that was not approved by the IGC, performing a single inaccurate table fill, leaving the door to the MIS server room open, a single instance an having unsecured table game chip tray lid, one incident of an underage patron on casino floor.

In February 2012, the property entered into a settlement agreement with the Indiana Gaming Commission in the amount of \$8,000 relating to the following disciplinary actions: Count I – on December 1, 2011, a Lead Slot Floorperson walked to the yellow barrier of the drop zone and proceeded to walk through the drop zone; a Count room Attendant asked to stop and exit the area; on December 8, 2011, a patron was in the drop area when the drop began and was not asked to leave. A security officer observed the patron and asked her to leave; Count II – on January 5, 2012, suspicious entries on the Keying Room Entry Log were discovered; errors range from incorrect times, licensees signing each other out of the Keying room, missing date entries and forgetting to sign in or out of the Keying room. The property agrees to pay the Commission \$5,000 for Count I and \$3,000 for Count II. This matter was settled for \$8,000 on April 2, 2012.

In February, March, and April, 2012, the property entered into a settlement agreement with the Indiana Gaming Commission for allowing a person less than the age of 21 to be present in the area of the Riverboat where gambling is being conducted. On February 5, 2012, a Gaming Agent observed a security officer having an issue over identification; the underage person admitted he was 20yrs old but had earlier entered the casino within a group of people and was not identified. On March 30, 2012, a Gaming Agent notified Security Dispatch that an underage person possibly entered the casino floor and was trying to regain entry; the surveillance video shows that the underage person's identification was presented, viewed, swiped, and handed back and the Security Officer allowed the underage person on to the casino floor. On April 4, 2012, a Gaming Agent was notified by Security Dispatch that a patron was attempting to use another person's driver's license to gain access to the casino. The patron was discovered to be underage and had been previously granted access to the casino floor; he did not resemble the identification that he borrowed from his friend. This matter was settled on August 21, 2012 for \$10,500.

Argosy Riverside

The property received a \$5,000 fine relating to the facility's failure to replace a revoked EPROM in one of the slot machines.

In September 2007, the Missouri Gaming Commission issued a preliminary order for Disciplinary action and sought a \$10,000 monetary penalty for permitting certain patrons to improperly access the casino gaming floor. This matter was settled for \$5,000 in February 2008.

The property had been issued a Preliminary Order for Disciplinary Action by the Missouri Gaming Commission and was seeking a \$5,000 penalty fee for not removing casino funds from eight electronic gaming devices that had been converted from coin operation to a ticket-in/ticket-out operation in March, 2007. The matter was settled for \$4500 with the Missouri Gaming Commission in January, 2008.

In March 2008, the property was issued a preliminary order for disciplinary action by the Missouri Gaming Commission and was seeking a \$5,000 penalty for failing to timely update its list of terminated employees. This matter was settled for the sum of \$4,500 in August, 2008.

In June, 2008, the property was issued a preliminary order for disciplinary action by the Missouri Gaming Commission. The Commission originally sought a \$10,000 civil penalty against the property for failing to remove revoked software from 43 electronic gaming devices. This matter was settled for the sum of \$9,000 in August, 2008.

In January, 2009, the property was issued a preliminary order for disciplinary action by the Missouri Gaming Commission. The Commission originally sought a penalty of \$20,000 for failing to control an intoxicated person. In June, 2009, the matter was settled for \$18,000.

In October, 2009, the property settled a regulatory complaint with the Missouri Gaming Commission for \$9,000 for permitting a jackpot to be paid to a self-excluded person.

In February, 2010, two regulatory complaints were settled with the Missouri Gaming Commission. One complaint related to failing to inspect poker cards. The second complaint related to two slot machines having revoked software in them. A penalty of \$9,000 for each complaint was imposed.

In March, 2010, the Missouri Gaming Commission settled a regulatory complaint with the property for serving alcohol beverages to an intoxicated patron. A penalty of \$18,000 was imposed.

In March, 2010, the Missouri Gaming Commission settled a regulatory complaint with the property for serving an intoxicated person. A penalty of \$45,000 was imposed.

In August, 2010, the Missouri Gaming Commission filed a complaint against the property for permitting two underage patrons to gamble on the riverboat. The matter was settled for \$20,000 on February 11, 2011.

In September, 2010, the Missouri Gaming Commission filed a complaint against the property for permitting a self-excluded person to be rated at a table game and who played poker and blackjack. This matter was settled for \$10,000 on February 11, 2011.

On May 25, 2011, Argosy settled a regulatory complaint with the Missouri Gaming Commission for \$10,000. The matter related to an underage person playing a table game in November, 2010.

In July, 2011, the Missouri Gaming Commission issued a one-count complaint against the property for allegedly improperly replacing progressive jackpot funds. A \$5,000 penalty is sought. This matter was settled for \$5,000 on August 2, 2011.

In January, 2012, the Missouri Gaming Commission issued a Preliminary Order for Disciplinary Action against the property for having software in a single slot machine that had been previously revoked by the Commission. A penalty of \$5,000 was sought. This matter was settled for \$5,000 on February 7, 2012.

In January, 2012, the Missouri Gaming Commission issued a Preliminary Order for Disciplinary Action against the property for a failing to return to the casino floor, within the required 30 days period, progressive jackpot funds that had been temporarily removed from the casino floor. A penalty of \$5,000 was sought. This matter was settled for \$5,000 on February 7, 2012.

In March, 2012, the Missouri Gaming Commission staff's informal Disciplinary Review Board recommended to the MGC that discipline be commenced against the property for failing to keep prior Player Reward Program rules on record for promotional activity for a minimum of 2 years. On January 2, 2012, the property initiated a new Player Rewards Program and cancelled the old one; on January 19, 2012, after receiving several customer complaints about cancellation of reward points, the MGC asked to see the old rules for the previous program and was told they were unable to be located. This matter was settled for \$7,500 on July 3, 2012.

In April, 2012, the Missouri Gaming Commission staff's informal Disciplinary Review Board recommended to the MGC that discipline be commenced against the property for two repeat audit findings. The findings were originally noted in Audit report 10-18; during a follow-up audit in August, 2011 Commission auditors noted that between the dates of March 1, 2011 and May 26, 2011, the key access of three of twenty-four separated employees was not disabled within 72 hours and that two employees with non-supervisory level positions were granted the ability to void point redemptions. A penalty of \$10,000 was proposed. This matter was settled for \$10,000 on May 1, 2012.

In June, 2012, the Missouri Gaming Commission staff's informal Disciplinary Review Board recommended to the MGC that discipline be commenced against the property for failing to notify the Commission's tax section of a discrepancy in the calculation of admission taxes on March 13, 2012. The licensee failed to conduct a manual count of passengers at the end of the gaming day and failure to keep accurate records resulted in adjusting the admission taxes to include surveillance counts due to the altered board and exit readings of the 4-5am session on March 13, 2012. A penalty of \$10,000 is proposed; matter is pending.

In August, 2012, the Missouri Gaming Commission staff's informal Disciplinary Review Board recommended to the MGC that discipline be commenced against the property in relation to a follow-up Audit that was performed originally on March 1-28, 2012, regarding employees granted unauthorized access to key rings containing sensitive keys and Count team members did not clear their hands when moving them to and from count tables on which loose currency was present. A penalty of \$10,000 is proposed; matter is pending.

In August, 2012, the Missouri Gaming Commission issued a Preliminary Order for Disciplinary Action against the property for failure to abide by the law, rules, and regulations governing the Casino's admission count and requirement to promptly report violations to the Commission. The licensee failed to notify the Commission's Tax Section of a discrepancy in the calculation of admission taxes; failure to conduct a manual count of passengers at the end of the gaming day and failure to keep accurate records resulted in adjusting admission taxes to include surveillance counts due to the altered board and exit readings of the 4:00 and 5:00 a.m. session. A penalty of \$10,000 is proposed; matter is pending.

Argosy Sioux City

The property paid a \$500 fine for the improper licensing of two employees. This incident and the settlement thereof occurred prior to the Company's acquisition of Argosy.

The property paid a \$1,000 fine for serving alcohol prior to 8:00 a.m. on two occasions in August and September of 2005 (total fine of \$2,000).

In August, 2006, the property paid a fine of \$10,000 for allowing a minor to access the casino.

On November 13, 2008, the Iowa Racing and Gaming Commission imposed a \$3,000 fine on the property for failing to timely update self exclusion data bases.

Boomtown Biloxi

Although the property has received Notices of Violations issued by the Mississippi Gaming Commission, it has not been the subject of a disciplinary action by the MGC.

Updated 9/6/12

Bullwhackers

A CoDOG audit revealed that the property had 14 games containing revoked software. The property paid a \$7,000 fine to resolve the matter in 2006.

In December 2007, the property received two written warnings from the Colorado Division of Gaming. No penalties were assessed. One was for permitting an employee to work under an expired license; the other involved one slot machine operating with revoked bill validator software.

Casino Rama

The property paid a fine of \$60,000 (Canadian) in August of 2001 for permitting a person under the age of 19 to gamble.

Hollywood Casino Baton Rouge (formerly Casino Rouge)

The property paid a \$20,000 fine in April 2002 for key control violations that occurred prior to Penn ownership of the property.

On two separate incidents in April and May of 2002, a minor gained access to the casino floor. The property paid a \$10,000 fine.

In June of 2002, the property paid a \$10,000 fine for permitting an employee to continue working while his license was expired.

The property paid a \$5,000 fine in October of 2002 for conducting business with an entity whose license application had been denied by the Division.

The property paid a \$50,000 fine for various violations relating to cage, land vault and credit procedures during the timeframe of May 2001 to December 2001.

The property was cited for paying a non-permitted vendor in excess of \$100,000 during the 2003 calendar year. The property paid a \$2,000 fine.

The property reached an agreement with the Louisiana Attorney General's Office and the Louisiana Division of Gaming regarding settlement of the Notice of Administrative Hearing alleging that the casino failed to properly post the gambling hotline number on its billboards. The property paid a fine of \$6,000.

The property was cited for paying five jackpots to a self-excluded patron in April of 2003. The property paid a fine of \$50,000 with an additional \$9,000 paid to a compulsive gambling fund.

The property received a *Notice of Violation* assessing a fine of \$608,500 relating to an employee slot scam that took place in 2003. This matter was settled in June 2007 for \$224,500.

Hollywood Casino at Charles Town Races (formerly Charles Town Races and Slots)

During 2003, Charles Town Races & Slots was fined by the liquor control agency on three occasions for serving underage patrons.

Hollywood Aurora

In September of 2002, the property paid a \$25,000 fine for failing to follow established procedures in issuing chips relative to a marker.

In July of 2006, the property paid a \$200,000 for violations of its self-exclusion procedures in late 2004 and early 2005.

On May 19, 2008, the Illinois Gaming Board voted to issue a disciplinary complaint against the property in the amount of \$800,000 and also sought individual license suspensions against two marketing individuals and the general manager of the property. The matter was settled in June, 2008. The property paid a civil penalty in the amount of \$800,000. Two marketing individuals received license suspensions of 14 days and 10 days, respectively. The general manager received a three day suspension. This matter involved mailing promotional materials to self-excluded persons.

In July, 2008, pursuant to a consent order with the Illinois Attorney General, the property paid a fine of \$5,000 for permitting a sealant spill into a local river while a parking deck was being cleaned.

On January 25, 2011, the Illinois Gaming Board issued a disciplinary complaint against the property for violation of an internal control and accounting procedure by two former employees of the property. The matter was settled for \$50,000 in February, 2011.

Hollywood Casino Bay St. Louis

In 2003, the property paid a \$10,000 fine for submitting an altered junketeer contract

Hollywood Slots Hotel and Raceway (Maine)

In March 2009, the property entered into a Consent Agreement with the State of Maine, Department of Environmental Protection and agreed to pay the sum of \$1500 to settle the matter. The matter arose from the fact that the property installed a diesel powered generator in May 2008 without an Air Emissions license.

Updated 9/6/12

Hollywood Tunica

Although the property has received Notices of Violations issued by the Mississippi Gaming Commission, it has not been the subject of a disciplinary action by the MGC.

Hollywood Casino at Penn National Race Course

The property received a *Citation and Notification of Penalty* from OSHA regarding an incident involving the death of an assistant starter. The property was cited for (1) not providing a place of employment free from recognized hazards by allowing employees to ride on the starting gate while it was moving and (2) not using safety signs where there was a need for general instructions and suggestions relating to the employees' safety. The total assessed fine was \$12,600 and was paid in 2005/2006.

The property paid a fine of \$50,000 for Pennsylvania political contributions made by outside directors after the July 2004 enactment of the gambling law. Outside Director, Harold Cramer, paid the sum of \$2,500 while outside Director, Robert Levy, paid the sum of \$3,306 to Pennsylvania. In May 2009, the Pennsylvania Supreme Court found the political contribution prohibition in Pennsylvania to be unconstitutional.

The Johnstown OTW received a Warning from the Pennsylvania Bureau of Liquor Control regarding noise emanating from the facility.

The Johnstown OTW received a Warning from the Pennsylvania Bureau of Liquor Control indicating that the facility violated regulations by hosting a Super Bowl event that was co-sponsored by a local radio station.

In September, 2008, the property entered into a Consent Agreement with the Pennsylvania Gaming Control Board and paid the sum of \$5,000 for permitting a person under the age of 21 to gamble at a slot machine.

In October, 2009, the property entered into a Consent Agreement with the Pennsylvania Gaming Control Board for permitting persons under the age of 21 to gamble at a slot machine. The Consent Agreement contemplates the payment of \$24,000. The Board approved the settlement in November, 2009.

In December, 2009, the Pennsylvania Liquor Control Board issued a citation against the licensee for permitting a 20 year old female to be served alcohol in October, 2009. This matter was settled in July, 2010 for the sum of \$1,250.

In August, 2010, the property entered into consent agreements with the Pennsylvania Gaming Control Board for permitting persons under the age of 21 to gamble at a slot

machine. The property has agreed to pay a penalty of \$65,000. The Board approved the consent agreements in October, 2010.

The property entered into a settlement agreement with the Pennsylvania Gaming Control Board for \$40,000 which was approved on July 20, 2011. The settlement related to an underage individual gambling in November, 2010. This settlement for \$40,000 was paid on July 29, 2011.

In June, 2012, the property entered into a Consent Agreement and Stipulation of Settlement with the PA Gaming Control Board for a self-exclusion violation. The PGCB is proposing a penalty of \$5,000. This settlement for \$5,000 was paid on July 11, 2012.

Raceway Park

In July, 2009, the property entered into two separate Settlement Agreements with the Ohio State Racing Commission. The settlement related to Mr. Bill McLaughlin and Mr. Anthony Clark; each received a penalty in the amount of \$1,000 for allowing the hiring of a "lasix vet" to act as the track veterinarian on June 6, 2009. This matter was settled on July 19, 2009.

Sanford Orlando Kennel Club

In December, 2008, two consent orders were entered by the State of Florida, Department of Business and Professional Regulation, Division of Pari-Mutuel Wagering against the property for failing to timely file a Uniform Annual Report. Each order imposed a fine of \$100.

In March, 2010, three consent orders were entered into between the racetrack and the Florida Division of Pari-Mutuel Wagering for certain late paperwork filings and failing to timely distribute charity proceeds. The aggregate amount of the fines was \$500.

In April, 2011, a consent agreement was entered into between the racetrack and the Florida Division of Pari-Mutuel for the late payment of daily license fees for two charity performances. A fine of \$200 was imposed and paid on April 26, 2011.

In November, 2011, a consent order was entered into between the racetrack and the Florida Division of Pari-Mutuel Wagering for failing to timely pay a daily license fee for charity performances held the week of October 10-16, 2011. The payment of the license fee was received nine business days late. A fine of \$300 was imposed and paid on November 28, 2011.

In June, 2012, a consent order was entered into between the racetrack and the Florida Division of Pari-Mutuel Wagering for failing to timely file the Charity Day Report for the

period ending December 31, 2010. The report was received one hundred thirty-three days late. A fine of \$250 was imposed and paid on July 14, 2012.

Zia Park – New Mexico

In September, 2011, Zia Park LLC, settled a 13 count regulatory complaint with the New Mexico Gaming Control Board for \$20,000 for regulatory violations occurring between October, 2009 and September, 2011. The matter related to an instance of unsecured keys, failure to timely notify regulator of a regulatory infraction, six instances of minors discovered on the casino floor, two instances of alcohol consumption on the casino floor, one instance of leaving the surveillance room unattended, installing unapproved software on the casino management system, operating a single slot machine that was not connected to the central monitoring system, and for an employee found not wearing their work permit. This matter was paid on October 13, 2011 in the amount of \$20,000.

In April, 2012, Zia Park entered into a Settlement Agreement with the New Mexico Gaming Control Board for various Citations and Cause Nos. that were issued between September, 2011 and November, 2011. These citations were acknowledged by the property and the property implemented a progressive employee disciplinary policy to improve employee compliance with Board rules and the property has made changes to its hiring practices to improve employee retention and compliance with Board rules. The following Cause Nos. were given a \$500 penalty fee each: 11-014-SA, 11-016-SA, 11-018-SA, 11-020-SA for a total payment of \$2,000. After payment is received Citation Nos 1987, 1989, and 1991 will be dismissed by the Board. This matter is pending until payment in the amount of \$2,000 is received.

Miscellaneous

A formal order was entered by the US Environmental Protection Agency (EPA) on June 8, 2011 pursuant to a consent agreement between Penn National Gaming, Inc. and a number of its subsidiaries that had disposed of gaming chips manufactured by Gaming Partners International that contained lead. A number of Penn National Gaming, Inc. subsidiaries paid a total penalty of \$5,404 for this self-reported matter.