UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

COMMISSIONERS: **Deborah Platt Majoras, Chairman**
Thomas B. Leary
Pamela Jones Harbour
Jon Leibowitz

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	)	
PENN NATIONAL GAMING, INC.,	)	**File No. 051 0029**
a corporation.	)	
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	)	

AGREEMENT CONTAINING CONSENT ORDERS

The Federal Trade Commission ("Commission") having initiated an investigation of the proposed acquisition by the Penn National Gaming ("PNG"),

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c.   all rights to seek judicial review or otherwise challenge or contest the validity of the Decision and Order and Order to Hold Separate and Maintain Assets entered pursuant to this Consent Agreement; and

d.   any claim under the Equal Access to Justice Act.

4.   Because there may be interim competitive harm, the Commission may issue its Complaint and an Order to Hold Separate and Maintain Assets in this m

following order to divest in disposition of the proceeding. When final, the Decision and Order and the Order to Hold Separate and Maintain Assets shall have the same force and effect and may be altered, modified or set aside in the same manner and within the same time provided by statute for other orders. The Decision and Order and Order to Hold Separate and Maintain Assets shall become final upon service. Delivery of the Complaint, the Decision and Order, and the Order to Hold Separate and Maintain Assets to Proposed Respondent's United States counsel by any means specified in Commission Rule 4.4(a), 16 C.F.R. § 4.4(a), shall constitute service. Proposed Respondent waives any right it may have to any other manner of service. Proposed Respondent also waives any right it may otherwise have to service of any exhibits, attachments, or appendices incorporated by reference in the Decision and Order, and agree that it is bound to comply with and will comply with the Decision and Order to the same extent as if it had been served with copies of the Appendices, where Proposed Respondent is already in possession of copies of such Appendices.

9. The Complaint may be used in construing the terms of the Decision and Order and Order to Hold Separate and Maintain Assets, and no agreement, understanding, representation, or interpretation not contained in the Decision and Order, Order to Hold Separate and Maintain Assets, or the Consent Agreement may be used to vary or contradict the terms of the Decision and Order or Order to Hold Separate and Maintain Assets.

10. By signing this Consent Agreement, Proposed Respondent represents and warrants that it can comply with the provisions of, and can accomplish the full relief contemplated by, the attached Decision and Order and the Order to Hold Separate and Maintain Assets, and that all parents, subsidiaries, affiliates, and successors necessary to effectuate the full relief contemplated by this Consent Agreement are parties to the Consent Agreement.

11. Proposed Respondent has read the proposed Complaint, Decision and Order, and Order to Hold Separate and Maintain Assets contemplated hereby. Proposed Respondent understands that once the Decision and Order and Order to Hold Separate and Maintain Assets have been issued, it will be required to file one or more compliance reports showing that it has fully complied with the Decision and Order and Order to Hold Separate and Maintain Assets. Proposed Respondent agrees to comply with the terms of the Decision and Order and the Order to Hold Separate and Maintain Assets, as applicable, from the date it signs this Consent Agreement. Proposed Respondent further understands that it may be liable for civil penalties in the amount provided by law for each violation of the Decision and Order and of the Order to Hold Separate and Maintain Assets, as applicable, after they become final.

PENN NATIONAL GAMING   **FEDERAL TRADE COMMISSION**

_____   _____
Peter Carlino,   Joseph Lipinsky
Chairman and Chief Executive Officer   Attorney
Penn National Gaming

Dated: July_____, 2005

                                                            APPROVED:

_____   _____
Janet L. McDavid   Jeffrey W. Brennan
Hogan & Hartson LLP   Associate Director
Counsel for Penn National Gaming   Bureau of Competition

Dated: July_____, 2005

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                                                            Susan A. Creighton
                                                            Director
                                                            Bureau of Competition